

MEMORANDUM OF SETTLEMENT AND RELEASE OF CLAIMS

This Memorandum is made and entered into effective April 15th, 2016, by and between Fidelity Exploration & Production Company ("Operator"), a Delaware corporation with offices at 1801 California Street, Suite 2500, Denver, Colorado 80202, and Ronald E. Mischke and Renetta M. Mischke, husband and wife, individually and as Trustees ("Owner"), whose address is 2656 Coffeen Avenue, Sheridan, Wyoming 82801. For good and valid consideration, passed both ways, the parties have reached an agreement regarding Operator's cesasation of production operations and reclamation work pursuant to that certain Surface and Damage Agreement dated October 26, 2000 ("SDA") covering lands located in Sheridan County, Wyoming to-wit ("Surface Lands"):

Township 58 South, Range 83 West, 6th P.M.
All of Owners lands in Sections 22, 23 & 24

Owner is satisfied with Operator's reclamation work done pursuant to the SDA on the Surface Lands and does hereby release, discharge and acquit Operator and Operator's parent and affiliates, and their predecessors, successors, assigns, and past, present or future servants, agents, employees, independent contractors, owners, partners, officers, directors, shareholders, insurers, licensees and invitees from any and all known or unknown, suspected or unsuspected claims, demands, causes of action in law, causes of action in equity, claims for damages or losses of any kind, or any other claims of whatever kind or nature arising in any way associated with Operator's development of coalbed natural gas and associated products on the Surface Lands.

The released claims include, but are not limited to, any and all claims for damages or other relief, legal or equitable, arising pursuant to any statute, regulation, or law or pursuant to any and all contracts, oil and gas leases, surface agreements or specific agreements to which Owner or its predecessors have entered with respect to the Surface Lands.

Operator, does hereby release, relinquish and surrender all of its right, title and interest in and to the SDA as of the Effective Date.

Operator and Owner, do hereby terminate the SDA as of the Effective Date.

OPERATOR:
FIDELITY EXPLORATION & PRODUCTION COMPANY

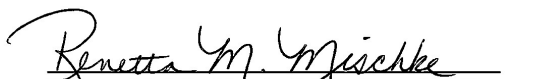

By: Darwin Subart, Chief Financial Officer JK

4/21/16
DATE

OWNER:


Ronald E. Mischke, individually and as Trustee

4-15-16
DATE

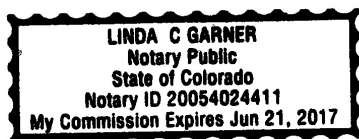

Renetta M. Mischke, individually and as Trustee

4-15-16
DATE

CORPORATE ACKNOWLEDGMENT

STATE OF COLORADO)
)ss
COUNTY OF DENVER)

This instrument was acknowledged before me this 21st day of April, 2016, by Darwin Subart, Chief Financial Officer of Fidelity Exploration & Production Company, a Delaware corporation, on behalf of said corporation.

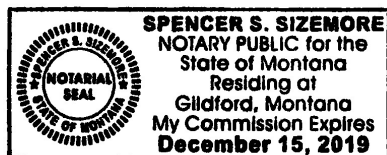


Linda C. Garner
Notary Public

ACKNOWLEDGMENT

STATE OF WYOMING)
) ss.
COUNTY OF SHERIDAN)

The foregoing instrument was acknowledged before me this 15th day of April, 2016, by Ronald E. Mischke and Renetta M. Mischke, husband and wife, individually and as Trustees.



Spencer S. Sizemore
Notary Public