

MEMORANDUM OF WATER APPLICATION AGREEMENT

State: Wyoming
County: Sheridan
Owner: Clayton Hamilton and Caroline Hamilton
7 Grouse Lane
Sheridan, WY 82801
Operator: J. M. Huber Corporation
1050 17th Street, Suite 700
Denver, CO 80265

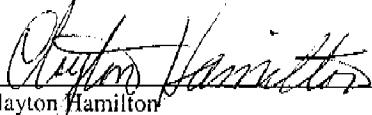
Effective Date: November 18, 2002

On the Effective Date, stated above, the named Owner and Operator entered into a Water Application Agreement (WAA) covering certain lands owned by Owner in which Operator owns interests in Oil and Gas Leases (Lands). The Lands are described on Exhibit "A" attached hereto and made a part hereof.

This Memorandum is executed by Owner and Operator and recorded in the records of the County where the Lands are located with it's sole purpose to serve as notice of the existence of the WAA, and the Lands it covers. Owner and Operator each acknowledge they are bound by all of the terms and conditions of the WAA.

A complete copy of the WAA is maintained in the offices of Operator, at the address above, and any person or persons desiring information regarding the Lands may contact the Operator to obtain information as to the terms of the WAA.

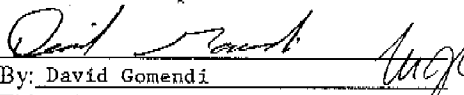
OWNER:


Clayton Hamilton


Caroline Hamilton

OPERATOR:

J. M. Huber Corporation


By: David Gomendi
Title: Operations Manager

State of Wyoming)
)
County of Sheridan)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 18th day of November, 2002, personally appeared Clayton Hamilton and Caroline Hamilton known to me to be the identical person(s) who subscribed their name to the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my official seal the day and year last above written.

[Signature]
Notary Public

My commission expires: 10-18-05



State of COLORADO)
)
County of DENVER)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 18th day of November, 2002, personally appeared David Gomendi known to me to be the identical person(s) who subscribed the name of the maker thereof to the within and foregoing instrument as its Operations Manager, and acknowledged to me that he executed the same as his free and voluntary act and deed, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my official seal the day and year last above written.

[Signature]
Notary Public

My commission expires: 12-18-05

EXHIBIT "A"

Township 57 North, Range 83 West, 6th P. M., Sheridan County, Wyoming
Section 1: Lot 4, SW/4 NW/4 & that part of the NW/4 SW/4 lying North of the
County Road