



March 1, 2012

Bureau of Land Management
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201-2019

New Mexico Commissioner of Public Lands
New Mexico State Land Office
310 Old Santa Fe Trail
P.O. Box 1148
Santa Fe, New Mexico 87504-1148

New Mexico Oil Conservation Division
Energy and Mineral Department
Division Director
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Sirs:

RE: Unit Agreement for the Development and Operation of the Cottonwood Canyon Carbon Dioxide Gas Unit Area, Catron County, New Mexico (NMNM117641X) effective February 1, 2009 – ("Cottonwood Canyon Agreement")

Pursuant to that certain Purchase and Sale Agreement dated November 16, 2011 between Ridgeway Arizona Oil Corp. ("Ridgeway") and Kinder Morgan CO₂ Company, L.P., a Texas limited partnership ("Kinder Morgan"), Kinder Morgan has acquired Ridgeway's interest in the Cottonwood Canyon Agreement effective January 31, 2012.

Pursuant to Section 6 of the Cottonwood Canyon Unit Agreement, Kinder Morgan hereby (1) accepts the duties and responsibilities of the Unit Operator, and (2) requests your consent to be appointed as the Unit Operator.

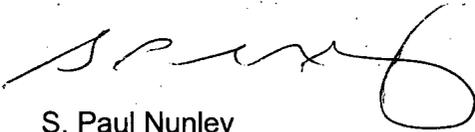
By countersigning this letter, you hereby consent to Kinder Morgan's appointment as Unit Operator under the Cottonwood Canyon Unit Agreement and hereby release Ridgeway from its duties and obligations as Unit Operator under the Cottonwood Canyon Unit Agreement effective as of the date written above.

The necessary bonding information is enclosed with this mailing for your records.

Please contact the undersigned at 713.369.9109 if additional information is required.

Very truly yours,

Kinder Morgan CO₂ Company, L.P.



S. Paul Nunley
Marketing / Land Director

ACCEPTED AND AGREED EFFECTIVE AS OF THE DATE FIRST WRITTEN ABOVE:

BUREAU OF LAND MANAGEMENT – STATE OF NEW MEXICO

BY: _____

NAME: _____

TITLE: _____

NEW MEXICO COMMISSIONER OF PUBLIC LANDS

BY: _____

NAME: _____

TITLE: _____

NEW MEXICO OIL CONSERVATION DIVISION
ENERGY AND MINERAL DEPARTMENT

BY: Ed Martin

NAME: ED MARTIN

TITLE: DISTRICT IV SUP.