

ADDITIONAL CONDITIONS TO PRODUCTION OF BOGEL FLATS #8 WELL

ORYX ENERGY COMPANY WAS GIVEN PERMISSION TO PRODUCE THE BOGEL FLATS #8 WELL UNDER THE FOLLOWING CONDITIONS. NUMEROUS CONVERSATIONS WE CARRIED ON BETWEEN MR. MARK PEAVY OF ORYX ENERGY COMPANY AND MR. SHANNON SHAW OF THE BLM DURING THE WORKOVER OF THE ABOVE STATED WELL. THE CONDITIONS WERE AS FOLLOWS:

1. ORYX ENERGY HAS 6 MONTHS TO SUBMIT AND RETAIN APPROVAL FROM THE BLM FOR THE BOGEL FLATS # 10 WELL.
2. AT THE END OF THE SIX MONTH PERIOD, BOGEL FLATS #8 SHALL BE REPAIRED, P&A, OR THE APD FOR #10 APPROVED BY THE BLM.
3. UPON APPROVAL OF THE #10 WELL APD, ORYX HAS AN ADDITIONAL 6 MONTHS TO DRILL AND COMPLETE THE #10 WELL. AT THE END OF THIS SECOND 6 MONTHS OR UPON COMPLETION OF THE #10 WELL, ORYX IS ALLOWED A 60 DAY PERIOD TO ASSESS THE WELL POTENTIAL OF THE BOGEL FLATS #10. ORYX SHALL SUBMIT PLANS REGARDING THE REPAIR OF P&A OF THE #8 WELL BY THE END OF THE 60 DAY PERIOD.