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DAVID G STOLFA

Eureka County - NV

Mike Rebaleati - Recorder

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RECORDED AT THE REQUEST OF AND
WHEN RECORDED RETURN TO:
David G. Stolfa
3300 South Columbine Circle
Englewood, Colorado 80113

MORTGAGE, DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT,
FINANCING STATEMENT AND FIXTURE FILING
FROM RESOURCE LEGACY INVESTMENTS, LLC,
a/k/a RESOURCE LEGACY INVESTMENTS, L.L.C. TO
DARIA MAHONEY, AS TRUSTEE, AND
U.S. BANK NATIONAL ASSOCIATION, AS ADMINISTRATIVE AGENT

THIS INSTRUMENT CONTAINS AFTER-ACQUIRED PROPERTY PROVISIONS.
THIS INSTRUMENT SECURES PAYMENT OF FUTURE ADVANCES.
THIS INSTRUMENT COVERS AS-EXTRACTED COLLATERAL.

THIS INSTRUMENT IS TO BE FILED OR FILED FOR RECORD IN THE REAL
ESTATE RECORDS PURSUANT TO APPLICABLE LAW.

THOSE PORTIONS OF THE COLLATERAL WHICH ARE MINERALS OR OTHER
SUBSTANCES OF VALUE WHICH MAY BE EXTRACTED FROM THE EARTH
(INCLUDING, WITHOUT LIMITATION, OIL AND GAS), AND THE ACCOUNTS
RELATING THERETO, WILL BE FINANCED AT THE WELLHEADS OF THE WELLS
LOCATED ON THE PROPERTIES DESCRIBED IN, OR THE DESCRIPTION OF WHICH
IS INCORPORATED IN, EXHIBIT "A". MORTGAGOR HAS AN INTEREST IN SUCH
EXTRACTED MINERALS AND OTHER SUBSTANCES OF VALUE BEFORE EXTRACTION.

SOME OF THE PERSONAL PROPERTY CONSTITUTING A PORTION OF THE
COLLATERAL IS OR IS TO BE AFFIXED TO THE PROPERTIES DESCRIBED IN,
OR THE DESCRIPTION OF WHICH IS INCORPORATED IN, EXHIBIT "A".
MORTGAGOR HAS AN INTEREST OF RECORD IN THE REAL ESTATE CONCERNED,
WHICH IS DESCRIBED IN, OR THE DESCRIPTION OF WHICH IS INCORPORATED
IN, EXHIBIT "A".

A POWER OF SALE HAS BEEN GRANTED IN THIS MORTGAGE. A POWER OF SALE
MAY ALLOW THE MORTGAGEE OR TRUSTEE TO TAKE THE COLLATERAL AND SELL
IT WITHOUT GOING TO COURT IN A FORECLOSURE ACTION UPON DEFAULT BY
MORTGAGOR HEREUNDER.

MORTGAGOR HEREBY AUTHORIZES SECURED PARTY, FROM TIME TO TIME, TO
FILE ONE OR MORE FINANCING STATEMENTS, OR AMENDMENTS THERETO,
COVERING ALL PERSONAL PROPERTY OF MORTGAGOR.

**MORTGAGE, DEED OF TRUST, SECURITY AGREEMENT,
ASSIGNMENT, FINANCING STATEMENT AND FIXTURE FILING**

THIS MORTGAGE, DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT, FINANCING STATEMENT AND FIXTURE FILING (this "Instrument"), dated as of February 14, 2012, is from RESOURCE LEGACY INVESTMENTS, LLC, a Colorado limited liability company ("Mortgagor"), a/k/a RESOURCE LEGACY INVESTMENTS, L.L.C., with an address at 601 Corporate Circle, Golden, Colorado 80401, to DARIA MAHONEY, as trustee ("Trustee"), with an address at 950 Seventeenth Street, DN-CO-T8E, Denver, Colorado 80202, and to U.S. BANK NATIONAL ASSOCIATION, a national banking association ("USB"), in its capacity as administrative agent, for the benefit of the holders of the Secured Obligations (as defined below), with an address at 950 Seventeenth Street, DN-CO-T8E, Denver, Colorado 80202. USB, in the above-mentioned capacity as administrative agent, is herein called "Secured Party".

RECITALS

A. Pursuant to the terms of an Amended and Restated Credit Agreement dated as of February 14, 2012, among Mortgagor, Mountain Oil and Gas Company of Montana, and Resource Strategies L.L.C., as borrowers ("Borrowers"), USB, as administrative agent, and the lenders named therein, as lenders ("Lenders"), as the same may hereafter be amended, modified, extended or amended and restated from time to time (the "Credit Agreement"), at the request of Borrowers, Lenders have extended, and/or may hereafter extend, credit to Borrowers, or any of them, in the form of loans, the issuance of letters of credit and other credit extensions. All obligations of Borrowers, or any of them, under or in connection with the Credit Agreement are intended to be secured hereby.

B. In addition, in connection with any agreement providing for options, swaps, floors, caps, collars, forward sales or forward purchases involving interest rates, commodities or commodity prices, equities, currencies, bonds or indexes based on any of the foregoing, any option, futures or forward contract traded on an exchange, or any other derivative agreement or other similar agreement or arrangement (any and all of the foregoing being herein referred to as "Hedging Contracts"), Borrowers, or any of them, may heretofore have incurred, and may hereafter incur, obligations ("Hedging Obligations") to USB, BOKF, NA dba Bank of Oklahoma ("BOKF"), Wells Fargo Bank, N.A. ("WFB"), any affiliate of USB, BOKF or WFB or any other person (all of the foregoing being herein collectively referred to as "Hedging

Providers") under or in connection with said Hedging Contracts. "Secured Hedging Obligation" shall be deemed to refer to any Hedging Obligation that is now or hereafter owed to a Hedging Provider by Borrowers, or any of them, TO THE EXTENT, AND ONLY TO THE EXTENT, that:

1. Such Hedging Obligation has heretofore arisen, or hereafter arises, pursuant to a Hedging Contract that was entered into on or before the date of this Instrument, between Borrowers, or any of them, and USB, BOKF, WFB or any affiliate of USB, BOKF or WFB; or

2. Such Hedging Obligation hereafter arises pursuant to a Hedging Contract that is entered into on or after the date of this Instrument, between Borrowers, or any of them, and any person that, on the date on which such Hedging Contract is entered into, is a Lender or an affiliate of a Lender.

C. All of the property described under 1 through 8 below is herein collectively called the "Collateral":

1. The undivided interests set forth in Exhibit "A" attached hereto and made a part hereof and any and all other interests of Mortgagor, whether now owned or hereafter acquired by Mortgagor (all of the foregoing being herein collectively called the "Interests"), including without limitation entire or undivided interests in leasehold estates, royalty interests, overriding royalty interests and other interests sufficient to entitle Mortgagor to the working interests and net revenue interests set forth in Exhibit "A": (a) in and to all of the fee estates, mineral estates, leasehold estates, oil and gas leases, oil, gas and mineral leases, easements, rights-of-way, licenses, subleases and sublicenses described or referred to in Exhibit "A" attached hereto and made a part hereof or covering or relating to all or any part of the land described in Exhibit "A" or the description of which is incorporated in Exhibit "A", and (b) in and to any and all wells and units described in Exhibit "A" and any other interests covering or relating to all or any part of the following (the "Land"): any and all land either described in Exhibit "A" or the description of which is incorporated in Exhibit "A";

2. All of the oil, gas, casinghead gas, coalbed methane and other hydrocarbons, whether solid, liquid or gaseous, and all other associated or related substances ("Hydrocarbons") owned by Mortgagor, whether in, on or attributable to any of the Interests or otherwise, including without limitation all of the severed and extracted Hydrocarbons owned by Mortgagor and any and all "as-extracted collateral" (as defined in the applicable version of the Uniform Commercial Code);

3. All of the items incorporated as part of or attributed or affixed to any of the real property included in the Interests;

4. All wells, platforms, derricks, casing, tubing, tanks, tank batteries, separators, dehydrators, compressors, rods, pumps, flow lines, water lines, gas lines, machinery, pipelines, power lines and other goods and equipment, and all of the personal property and fixtures now or hereafter owned, leased or used by Mortgagor, whether attributable to or obtained or used in connection with any of the Interests or otherwise, including without limitation any and all such items that are used or purchased for the production, treatment, storage, transportation, manufacture or sale of Hydrocarbons and any and all such items described on Exhibit "A";

5. All of the inventory, accounts, contract rights, chattel paper, payment intangibles, promissory notes, supporting obligations and general intangibles of Mortgagor, whether heretofore or hereafter arising, whether in connection with the Interests or otherwise, including without limitation those arising under any contract or agreement relating to the exploration for Hydrocarbons, the operation of any property for the production of Hydrocarbons or the treatment, storage, transportation, gathering, handling, processing, manufacture, sale or marketing of Hydrocarbons, including without limitation any of the foregoing described on Exhibit "A" and any and all operating, pooling, commodity hedge, swap, exchange, forward, futures, floor, collar or cap agreements entered into by or on behalf of Mortgagor or to which Mortgagor is a party or has rights;

6. All logs, maps, geologic data, seismic data, gravitational data, magnetic data, other geophysical data, geochemical data, engineering data, formation tests, core samples, drilling reports, division orders, transfer orders, title opinions, reserve reports, lease files, well files and other information, data and records, whether in paper, electronic or any other form, and related computer hardware and software;

7. All of the rights, privileges, benefits, hereditaments and appurtenances in any way belonging, incidental or appertaining to any of the property described under the above Paragraphs 1 through 6 of this Recital C; and

8. All of the proceeds and products of the property described under the above Paragraphs 1 through 7 of this Recital C, including without limitation condemnation awards and the proceeds of any and all title insurance policies and other insurance policies covering all or any part of said property and, to the extent they may constitute proceeds, instruments, accounts, chattel paper, payment intangibles, promissory notes,

supporting obligations, securities, general intangibles and contract rights.

GRANT

IN CONSIDERATION of the sum of ten dollars (\$10.00) in hand paid to Mortgagor and of the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor hereby:

A. Grants, bargains, sells, assigns, transfers, pledges, mortgages, conveys and warrants the Collateral to Trustee, WITH POWER OF SALE pursuant to this Instrument and applicable law, for the benefit of Secured Party, but subject to the rights of Secured Party under the assignment made in paragraph C below; TO HAVE AND TO HOLD the Collateral to Trustee and her successors and assigns forever, IN TRUST, subject to all of the terms, conditions, covenants and agreements herein set forth, for the security and benefit of Secured Party;

B. Grants, bargains, sells, assigns, transfers, pledges, mortgages and conveys, and grants a security interest in, the Collateral to Secured Party, WITH POWER OF SALE pursuant to this Instrument and applicable law; TO HAVE AND TO HOLD the Collateral to Secured Party and its successors and assigns forever, subject to all of the terms, conditions, covenants and agreements herein set forth, for the security and benefit of Secured Party; and

C. Assigns to Secured Party all of the severed and extracted Hydrocarbons produced from or attributed to any of the Collateral, together with all amounts that become payable to Mortgagor with respect to any of the Collateral, whether now owned or hereafter acquired, and all of the proceeds thereof.

AGREEMENT

AND in furtherance thereof Mortgagor and Secured Party hereby agree as follows:

ARTICLE I

Secured Obligations

Section 1.1 This Instrument is executed, acknowledged and delivered by Mortgagor to secure and enforce the following obligations (herein called the "Secured Obligations"), all of which Mortgagor hereby covenants and agrees to pay and perform in accordance with the terms of this Instrument and of any other documents evidencing such Secured Obligations and all of which are intended to be secured on a pari passu basis:



A. Payment of and performance of all obligations of Borrowers, or any of them, under or in connection with the following (the "Notes"):

(1) Promissory Note dated February 14, 2012, as the same may hereafter be amended, modified, extended or replaced, made by Borrowers, in the face amount of \$31,200,000, payable to the order of USB, due and payable on or before February 14, 2017 (or such earlier date as may be specified in the Credit Agreement), with interest at the rates specified in the Credit Agreement;

(2) Promissory Note dated February 14, 2012, as the same may hereafter be amended, modified, extended or replaced, made by Borrowers, in the face amount of \$20,800,000, payable to the order of BOKF, due and payable on or before February 14, 2017 (or such earlier date as may be specified in the Credit Agreement), with interest at the rates specified in the Credit Agreement;

(3) Promissory Note dated February 14, 2012, as the same may hereafter be amended, modified, extended or replaced, made by Borrowers, in the face amount of \$10,000,000, payable to the order of WFB, due and payable on or before February 14, 2017 (or such earlier date as may be specified in the Credit Agreement), with interest at the rates specified in the Credit Agreement;

(4) Any and all other Promissory Notes hereafter executed by Borrowers to any other Lender or Lenders pursuant to the terms of the Credit Agreement, as the same may subsequently be amended, modified, extended or replaced;

B. All indebtedness, liabilities and obligations of Borrowers, or any of them, to Lenders, of every kind and character, whether now existing or hereafter arising, pursuant to or in connection with the Credit Agreement, including without limitation any and all obligations of Borrowers to Lenders for fees and reasonable out-of-pocket costs and expenses pursuant to or in connection with the Credit Agreement;

C. All Secured Hedging Obligations of Borrowers, or any of them, whether now existing or hereafter arising;

D. Payment of all sums advanced and reasonable out-of-pocket costs and expenses incurred by Secured Party, Trustee, any Lender or any holder of Secured Hedging Obligations in connection with the obligations described in this Section 1.1 or any part thereof, any renewal, extension or change of or substitution for the obligations described in this Section 1.1 or any part thereof, or the acquisition or perfection of the security therefor, whether such advances, costs and expenses were made or

incurred at the request of Borrowers, or any of them, Secured Party, Trustee, any Lender or any holder of Secured Hedging Obligations;

E. Payment of all other indebtedness and liabilities and performance of all other obligations of Borrowers, or any of them, to Secured Party arising pursuant to this Instrument or in connection with this Instrument; and

F. All renewals, extensions, amendments and changes of, or substitutions or replacements for, all or any part of the items described under A through E above; provided that such renewals, extensions, amendments, changes of, or substitutions or replacements for, all or any part of the foregoing:

(1) shall not exceed \$200,000,000 in aggregate outstanding principal amount at any time; provided that, if such maximum amount is exceeded, this Instrument shall continue to secure the obligations described in this Section 1.1 on a ratable basis up to such maximum amount;

(2) shall have been made on or before December 31, 2019; and

(3) shall completely mature on or before December 31, 2021.

Section 1.2 This Instrument shall be governed by the provisions of Sections 106.300 through 106.400 of the Nevada Revised Statutes, as amended from time to time. The maximum principal amount of the Secured Obligations outstanding at any time or from time to time that is intended to be secured by this Instrument, including as a mortgage or as a pledge or assignment of Hydrocarbons, shall be \$200,000,000.

ARTICLE II

Warranties, Representations and Covenants

Section 2.1 Mortgagor warrants, represents and covenants to and with Secured Party that: (a) Mortgagor has the right to receive at all times the "Net Revenue Interest" and the "Overriding Royalty Interest," if any, specified in Exhibit "A" of all Hydrocarbons produced from the wells located on the Collateral; (b) Mortgagor's share of development and operating costs with respect to any of the wells or properties included in the Collateral is no greater than the "Working Interest," if any, specified in Exhibit "A" for that well or property (unless Mortgagor's right to receive production proceeds from such well or property has been increased by a proportionate amount over the applicable "Net Revenue Interest" specified for such well or

property in Exhibit "A"); (c) Mortgagor is the lawful owner of good and defensible title to the Collateral, free and clear of all liens, security interests, encumbrances and burdens, except liens, security interests and other matters permitted by the terms of the Credit Agreement; (d) each loan, the payment of which constitutes an Secured Obligation hereunder, is or shall be for a business or commercial purpose; and (e) Mortgagor will forever defend the title to the Collateral against the claims of all persons whomsoever claiming or to claim the same or any part thereof.

Section 2.2 Mortgagor covenants that, so long as any part of the Secured Obligations remains unpaid or unsatisfied, unless Secured Party shall have otherwise consented in writing:

A. Mortgagor shall promptly and, insofar as not contrary to applicable law, at Mortgagor's own expense, file and refile in such offices, at such times and as often as may be necessary, this Instrument and every other instrument in addition or supplemental hereto, including applicable financing statements, as may be necessary to create, perfect, maintain and preserve the lien, encumbrance and security interest intended to be created hereby and the rights and remedies of Secured Party hereunder;

B. Mortgagor shall execute, acknowledge and deliver to Secured Party such other and further instruments and do such other acts as in the reasonable opinion of Secured Party may be necessary or desirable to more fully identify and subject to the lien, encumbrance and security interest and assignment created hereby any property intended by the terms hereof to be covered hereby, to assure the first priority thereof, and otherwise to effect the intent of this Instrument, promptly upon request of Secured Party and at Mortgagor's expense; and

C. If the title, interest, lien or encumbrance, as the case may be, of Mortgagor, Trustee or Secured Party to the Collateral or any part thereof, or the security of this Instrument, or the rights or powers of Trustee or Secured Party hereunder, shall be attacked, either directly or indirectly, or if any legal proceedings are commenced involving Mortgagor or the Collateral, Mortgagor shall promptly give written notice thereof to Secured Party and at Mortgagor's own expense shall take all reasonable steps diligently to defend against any such attack or proceedings; and Trustee and Secured Party may take such independent action in connection therewith as she or it may in her or its discretion deem advisable, and all costs and expenses, including, without limitation, reasonable attorneys' fees and legal expenses, incurred by Trustee or Secured Party in connection therewith shall be a demand obligation owing by Mortgagor to Secured Party, shall bear interest at the default rate provided in the Credit Agreement, and shall be a part of the Secured Obligations.

ARTICLE III

Collection of Proceeds of Production

Section 3.1 Pursuant to the assignment made by Mortgagor in paragraph C of the granting clause of this Instrument, Secured Party is entitled to receive all of the severed and extracted Hydrocarbons produced from or attributed to all of the Interests, together with all of the proceeds thereof. Mortgagor acknowledges and agrees that said assignment is intended to be an absolute and unconditional assignment and not merely a pledge of or creation of a security interest therein or assignment as additional security. Mortgagor hereby authorizes and directs all parties producing, purchasing, receiving or having in their possession any such Hydrocarbons or proceeds to treat and regard Secured Party as the party entitled, in Mortgagor's place and stead, to receive such Hydrocarbons and proceeds; and said parties shall be fully protected in so treating and regarding Secured Party and shall be under no obligation to see to the application by Secured Party of any such proceeds received by it.

Section 3.2 All of the proceeds received by Secured Party pursuant to Section 3.1 may be applied by Secured Party in such manner as may be consistent with the terms of this Instrument, the Credit Agreement, any or all instruments evidencing the Secured Hedging Obligations or any other applicable instruments.

Section 3.3 Upon any sale of any of the Collateral by or for the benefit of Secured Party pursuant to Article V, the Hydrocarbons thereafter produced from or attributed to the part of the Collateral so sold, and the proceeds thereof, shall be included in such sale and shall pass to the purchaser free and clear of the provisions of this Article.

Section 3.4 Secured Party is hereby absolved from all liability for failure to enforce collection of any such Hydrocarbons or proceeds and from all other responsibility in connection therewith, except the responsibility to account to Mortgagor for proceeds actually received.

Section 3.5 Mortgagor shall indemnify Secured Party against all claims, actions, liabilities, judgments, costs, attorneys' fees and other charges of whatsoever kind or nature (herein called "Claims") made against or incurred by Secured Party as a consequence of the assertion, either before or after the payment in full of the Secured Obligations, that Secured Party received Hydrocarbons or proceeds pursuant to this Article which were claimed by or due to third persons. Secured Party shall have the right to employ attorneys and to defend against any Claims, and unless furnished with reasonable indemnity,



Secured Party shall have the right, upon at least five days' prior notice to Mortgagor, to pay or compromise and adjust all Claims. Mortgagor shall indemnify and pay to Secured Party all such amounts as may be paid in respect thereof or as may be successfully adjudicated against Secured Party. The liabilities of Mortgagor as set forth in this Section shall survive the termination of this Instrument.

Section 3.6 Nothing in this Instrument shall be deemed or construed to create a delegation to or assumption by Secured Party of the duties and obligations of Mortgagor under any agreement or contract relating to the Collateral or any portion thereof, and all of the parties to any such contract shall continue to look to Mortgagor for performance of all covenants and other obligations and the satisfaction of all representations and warranties of Mortgagor thereunder, notwithstanding the assignment of production and proceeds herein made or the exercise by Secured Party, prior to foreclosure, of any of its rights hereunder or under applicable law.

ARTICLE IV

Termination

If all of the Secured Obligations shall be paid and performed in full pursuant to the terms and conditions of this Instrument and the instruments evidencing the Secured Obligations and if no Lender has any further obligation to make advances to Borrowers, or any of them, and if all Hedging Contracts and other documents evidencing the Secured Hedging Obligations have been terminated, then Secured Party shall, promptly after the request of Mortgagor, execute, acknowledge and deliver to Mortgagor proper instruments evidencing the termination of this Instrument. Borrowers shall pay all reasonable legal fees and other reasonable expenses incurred by Secured Party in preparing and reviewing such instruments of termination and for the filing and recordation thereof, and Secured Party may require payment of the same prior to delivery of such instruments. Otherwise, this Instrument shall remain and continue in full force and effect.

ARTICLE V

Default

Section 5.1 The occurrence of any default under the Credit Agreement or under any Hedging Contract or other document evidencing any Secured Hedging Obligation, including without limitation the expiration of any applicable grace period (an "Event of Default"), shall, automatically or at the option of Secured Party, as applicable, make all amounts then remaining unpaid on the Secured Obligations immediately due and payable, and the liens, encumbrances and security interests evidenced or



created hereby shall be subject to foreclosure in any manner provided for herein or provided for by law.

Section 5.2 Upon the occurrence and during the continuance of any Event of Default, Secured Party may elect to treat the fixtures included in the Collateral either as real property or as personal property (or as both, if so permitted by applicable law) and proceed to exercise such rights as apply to the type of property selected.

Section 5.3 Upon the occurrence and during the continuance of any Event of Default, in addition to all other rights and remedies herein conferred, Secured Party and Trustee shall have all of the rights and remedies of a mortgagee under a mortgage and a trustee under a deed of trust with respect to all of the Collateral. This Instrument shall be effective as a mortgage as well as a deed of trust, and, upon the occurrence of an Event of Default, may be foreclosed as to any of the Collateral in any manner permitted by applicable law, and any foreclosure suit may be brought by Trustee or Secured Party. The provisions set forth in this Section 5.3 shall not in any way limit any other provision of this Instrument. Secured Party and Trustee shall, to the extent permitted by applicable law, have the right and power, but not the obligation, to enter upon and take immediate possession of the real property included in the Collateral or any part thereof, to exclude Mortgagor therefrom, to hold, use, operate, manage and control such real property, to make all such repairs, replacements, alterations, additions and improvements to the same as Secured Party may deem proper, to sell all of the severed and extracted Hydrocarbons included in the same subject to the provisions of Article III, to demand, collect and retain all other earnings, proceeds and other sums due or to become due with respect to such real property, accounting for and applying to the payment of the Secured Obligations only the net earnings arising therefrom after charging against the receipts therefrom all costs, expenses, charges, damages and losses incurred by reason thereof plus interest thereon at annual rate which equals the default rate specified in the Credit Agreement, as fully and effectually as if Secured Party or Trustee were the absolute owner of such real property and without any liability to Mortgagor in connection therewith.

Section 5.4 Upon the occurrence and during the continuance of any Event of Default, Secured Party or Trustee, in lieu of or in addition to exercising any other power, right or remedy herein granted or by law or equity conferred, may proceed by an action or actions in equity or at law for the seizure and sale of the real property included in the Collateral or any part thereof, for the specific performance of any covenant or agreement herein contained or in aid of the execution of any power, right or remedy herein granted or by law or equity

conferred, for the foreclosure or sale of such real property or any part thereof under the judgment or decree of any court of competent jurisdiction, for the appointment of a receiver pending any foreclosure hereunder or the sale of such real property or any part thereof or for the enforcement of any other appropriate equitable or legal remedy.

Section 5.5 Upon the occurrence and during the continuance of any Event of Default, in addition to all other powers, rights and remedies herein granted or by law or equity conferred, Secured Party shall have all of the rights and remedies of an assignee and secured party granted by applicable law, including the Uniform Commercial Code, and shall, to the extent permitted by applicable law, have the right and power, but not the obligation, to take possession of the personal property included in the Collateral, and for that purpose Secured Party may enter upon any premises on which any or all of such personal property is located and take possession of and operate such personal property or remove the same therefrom. Secured Party may require Mortgagor to assemble such personal property and make it available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties. The following presumptions shall exist and shall be deemed conclusive with regard to the exercise by Secured Party of any of its remedies with respect to personal property:

(a) If notice is required by applicable law, ten days' prior written notice of the time and place of any public sale or of the time after which any private sale or any other intended disposition thereof is to be made shall be reasonable notice to Mortgagor. No such notice is necessary if such property is perishable, threatens to decline speedily in value or is of a type customarily sold on a recognized market.

(b) Without in any way limiting the right and authority of Secured Party to sell or otherwise dispose of Collateral in a commercially reasonable manner, the following, or any of them, shall be considered commercially reasonable:

(1) Secured Party may hold a public sale of the Collateral in Denver, Colorado, or Houston, Texas, after having provided Mortgagor with ten days' notice of such sale and after having published notice of such sale by an advertisement in such publication as may be permitted or required under applicable state law, as Secured Party determines to be appropriate (which advertisement may be placed in the "classified" section), for a period of not less than five consecutive issues commencing not more than ten days prior to the sale; (2) the Collateral may be sold for cash; and (3) Secured Party or any other person owning, directly or indirectly, any interest in any of the Secured Obligations may be a purchaser at such sale.



Section 5.6 Upon the occurrence and during the continuance of any Event of Default, Secured Party or Trustee may, with respect to all or any portion of the Collateral, subject to any mandatory requirements of applicable law (the power of sale permitted and provided by Wyoming law being hereby specifically granted by Mortgagor to Secured Party), sell or have sold the real property or interests therein included in the Collateral or any part thereof at one or more sales, as an entirety or in parcels, at such place or places and otherwise in such manner and upon such notice as may be required by law or by this Instrument, or, in the absence of any such requirement, as Secured Party or Trustee may deem appropriate. Secured Party or Trustee may postpone the sale of such real property or interests therein or any part thereof by public announcement at the time and place of such sale, and from time to time thereafter may further postpone such sale by public announcement made at the time of sale fixed by the preceding postponement. Sale of a part of such real property or interests therein or any defective or irregular sale hereunder will not exhaust the power of sale, and sales may be made from time to time until all such property is sold without defect or irregularity or the Secured Obligations are paid in full. Secured Party or Trustee shall have the right to appoint one or more attorneys-in-fact to act in conducting the foreclosure sale and executing a deed to the purchaser. It shall not be necessary for any of the Collateral at any such sale to be physically present or constructively in the possession of Secured Party or Trustee.

Section 5.7 Secured Party, on behalf of all persons owning any interest in any of the Secured Obligations shall have the right to become the purchaser at any sale made pursuant to the provisions of this Article V. Secured Party, acting in such capacity, shall have the right to credit upon the amount of the bid made therefor the amount payable to all such persons under or in connection with the Secured Obligations. Recitals contained in any conveyance to any purchaser at any sale made hereunder will conclusively establish the truth and accuracy of the matters therein stated, including without limitation nonpayment of the Secured Obligations and advertisement and conduct of such sale in the manner provided herein or provided by law. Mortgagor hereby ratifies and confirms all legal acts that Secured Party or Trustee may do in carrying out the provisions of this Instrument.

Section 5.8 Mortgagor hereby waives and relinquishes, to the maximum extent permitted by law, and subject to any mandatory requirements of applicable law, Mortgagor hereby agrees that Mortgagor shall not at any time hereafter have or assert, any right under any law pertaining to: marshalling, whether of assets or liens, the sale of property in the inverse order of alienation, the exemption of homesteads, the administration of estates of decedents, appraisement, valuation, stay, extension, redemption, subrogation, or abatement, suspension, deferment,



diminution or reduction of any of the Secured Obligations (including, without limitation, setoff), now or hereafter in force. Mortgagor expressly agrees that Secured Party or Trustee may offer the Collateral as a whole or in such parcels or lots as Secured Party or Trustee, in her or its sole discretion elects, regardless of the manner in which the Collateral may be described.

Section 5.9 All reasonable costs and reasonable expenses (including reasonable attorneys' fees, legal expenses, filing fees, and mortgage, transfer, stamp and other excise taxes) incurred by Secured Party or Trustee in perfecting, protecting and enforcing its rights hereunder, whether or not an Event of Default shall have occurred, shall be a demand obligation of Mortgagor to Secured Party and shall bear interest at the default rate provided in the Credit Agreement, all of which shall be part of the Secured Obligations.

Section 5.10 The proceeds of any sale of the Collateral or any part thereof made pursuant to this Article V shall be applied as follows:

A. First, to the payment of all costs and expenses incident to the enforcement of this Instrument, including, without limitation, a reasonable compensation to the agents, attorneys and counsel of Secured Party or Trustee;

B. Second, to the payment or prepayment of the Secured Obligations on a pari passu basis; and

C. Third, the remainder, if any, shall be paid to Mortgagor or such other person or persons as may be entitled thereto by law.

Section 5.11 Upon any sale made under the powers of sale herein granted and conferred, the receipt of Secured Party or Trustee will be sufficient discharge to the purchaser or purchasers at any sale for the purchase money, and such purchaser or purchasers and the heirs, devisees, personal representatives, successors and assigns thereof will not, after paying such purchase money and receiving such receipt of Secured Party or Trustee, be obligated to see to the application thereof or be in any way answerable for any loss, misapplication or non-application thereof.

ARTICLE VI

Miscellaneous Provisions

Section 6.1 Each and every right, power and remedy hereby granted to Secured Party or Trustee shall be cumulative



and not exclusive, and each and every right, power and remedy whether specifically hereby granted or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by Secured Party or Trustee, and the exercise of any such right, power or remedy will not be deemed a waiver of the right to exercise, at the same time or thereafter, any other right, power or remedy. All changes to and modifications of this Instrument must be in writing and signed by Mortgagor and Secured Party.

Section 6.2 If any provision hereof or of any of the other documents constituting, evidencing or creating all or any part of the Secured Obligations is invalid or unenforceable in any jurisdiction, the other provisions hereof or of said documents shall remain in full force and effect in such jurisdiction and the remaining provisions hereof will be liberally construed in favor of Secured Party and Trustee in order to carry out the provisions hereof and of such other documents. The invalidity of any provision of this Instrument in any jurisdiction will not affect the validity or enforceability of any such provision in any other jurisdiction.

Section 6.3 This Instrument will be deemed to be and may be enforced from time to time as an assignment, contract, financing statement, deed of trust, real estate mortgage, or security agreement, and from time to time as any one or more thereof, as is appropriate under applicable state law.

Section 6.4 Notwithstanding anything to the contrary contained herein, no rate of interest required hereunder or under the Secured Obligations shall exceed the maximum legal rate under applicable law, and, in the event any such rate is found to exceed such maximum legal rate, Mortgagor shall be required to pay only such maximum legal rate.

Section 6.5 Insofar as permitted by otherwise applicable law, this Instrument and the Secured Obligations shall be construed under and governed by the laws (excluding the choice-of-law rules) of the State of Colorado; provided, however, that, with respect to any portion of the Collateral located outside of the State of Colorado, the laws (excluding the choice-of-law rules) of the jurisdiction in which such property is located shall apply to the extent necessary to permit Secured Party or Trustee to enforce or realize upon its or her rights and remedies hereunder with respect to such property, and any such enforcement or realization proceedings shall be conducted in compliance with the applicable laws of the state where the Collateral is located.

Section 6.6 This instrument may be executed in any number of counterparts, each of which will for all purposes be deemed to be an original, and all of which are identical except



that: (a) to facilitate recordation, in particular counterparts hereof, portions of Exhibit "A" hereto which describe properties situated in counties or parishes other than the county or parish in which the counterpart is to be recorded have been omitted, and (b) to accommodate different execution formalities for different states in which the Collateral is located, the signature blocks and title pages in counterparts to be filed in certain states may contain captions, witnesses, acceptances and other formalities not included in other counterparts. Each counterpart shall be deemed to be an original for all purposes, and all counterparts shall together constitute but one and the same instrument.

Section 6.7 Unless otherwise specified in Exhibit "A" hereto, all recording references in Exhibit "A" hereto are to the official real property records of the county in which the affected land is located. The references in Exhibit "A" hereto to liens, encumbrances and other burdens shall not be deemed to recognize or create any rights in third parties.

Section 6.8 All deliveries and notices hereunder shall be deemed to have been duly made or given if made or given in conformity with the provisions of the Credit Agreement.

Section 6.9 This Instrument shall bind and inure to the benefit of the respective successors and assigns of Mortgagor, Trustee and Secured Party, including, without limitation, any and all other banks, lending institutions and parties which may participate in the indebtedness evidenced by the Secured Obligations or any of them. Notwithstanding any other provision contained herein, if any property interest granted by this Instrument does not vest on the execution and delivery of this Instrument, it shall vest, if at all, no later than 20 years after the execution and delivery of this Instrument. As used herein, the term "person" shall mean individual, corporation, limited liability company, partnership, joint venture, agency or other form of entity or association.

Section 6.10 Some of the above goods are or are to become fixtures on the Land. The above described minerals or other substances of value which may be extracted from the earth (including without limitation oil and gas), and the accounts relating thereto will be financed at the wellhead of the well or wells located on the Land. This Instrument is to be filed for record in, among other places, the real estate records of each county in which the affected real estate is located; to wit, all of those listed in Exhibit "A." Mortgagor is the owner of a record interest in the real estate concerned. The mailing address of Mortgagor and the address of Secured Party from which information concerning the security interest may be obtained are as set forth above.



Section 6.11 Secured Party and Trustee shall be entitled to enforce payment of any indebtedness and performance of any other of the Secured Obligations secured hereby and to exercise all rights and powers under this Instrument or under any other instrument or other agreement or any laws now or hereafter in force, notwithstanding the fact that some or all of said indebtedness and other Secured Obligations secured hereby may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise. Neither the acceptance of this Instrument nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein contained shall prejudice or in any manner affect Secured Party's right to realize upon or enforce any other security now or hereafter held by Secured Party, it being agreed that Secured Party shall be entitled to enforce this Instrument and any other security now or hereafter held by Secured Party in such order and manner as it may in its absolute discretion determine.

Section 6.12 Notwithstanding any provision in this Instrument to the contrary, in no event is any "Building" (as defined in the applicable Flood Insurance Regulation) or any "Manufactured (Mobile) Home" (as defined in the applicable Flood Insurance Regulation) included in the definition of the Collateral, and no such Building or Manufactured (Mobile) Home is hereby encumbered by this Instrument. As used herein "Flood Insurance Regulations" shall mean: (a) the National Flood Insurance Act of 1968, as now or hereafter in effect, or any successor statute thereto, (b) the Flood Disaster Protection Act of 1973, as now or hereafter in effect, or any successor statute thereto, (c) the National Flood Insurance Reform Act of 1994 (amending 42 USC 4001, et seq.), as the same may be amended or recodified from time to time, and (d) the Flood Insurance Act of 2004 and any regulations promulgated thereunder.

ARTICLE VII

Trustee

Section 7.1 Trustee may resign in writing addressed to Secured Party or be removed at any time with or without cause by an instrument in writing duly executed by Secured Party. In case of the death, resignation or removal of Trustee, a successor Trustee may be appointed by Secured Party without other formality than an appointment and designation in writing unless otherwise required by applicable law. Such appointment and designation will be full evidence of the right and authority to make the same and of all facts therein recited, and upon the making of any such appointment and designation, this Instrument will vest in the named successor trustee all the right, title and interest of Trustee in all of the Collateral, and said successor will thereupon succeed to all the rights, powers, privileges, immunities and duties hereby conferred upon Trustee. All



references herein to Trustee will be deemed to refer to the trustee from time to time acting hereunder.

Section 7.2 Secured Party shall indemnify Trustee against all claims, actions, liabilities, judgments, costs, attorneys' fees or other charges of whatsoever kind or nature made against or incurred by Trustee, and arising out of the performance by Trustee of the duties of Trustee hereunder.

EXECUTED as of the date first above written.

RESOURCE LEGACY INVESTMENTS, LLC, a/k/a
RESOURCE LEGACY INVESTMENTS, L.L.C.

By: Resource Strategies L.L.C., Manager
By: The Erie County Investment
Co., Manager

By: *Robert T. Williams, Jr.*
Robert T. Williams, Jr.,
Chief Financial Officer

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

(Nevada)

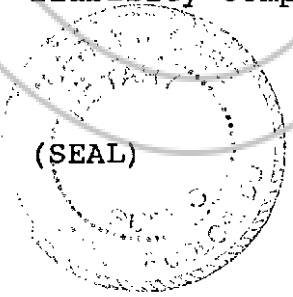
This instrument was acknowledged before me on February 14, 2012, by Robert T. Williams, Jr., as Chief Financial Officer of The Erie County Investment Co., an Ohio corporation, as the Manager of Resource Strategies L.L.C., a Utah limited liability company, as the Manager of RESOURCE LEGACY INVESTMENTS, LLC, a Colorado limited liability company, a/k/a RESOURCE LEGACY INVESTMENTS, L.L.C., on behalf of said limited liability company. Given under my hand and official seal.

(Colorado)

The foregoing instrument was acknowledged before me on this 14th day of February, 2012, by Robert T. Williams, Jr., as Chief Financial Officer of The Erie County Investment Co., an Ohio corporation, as the Manager of Resource Strategies L.L.C., a Utah limited liability company, as the Manager of RESOURCE LEGACY INVESTMENTS, LLC, a Colorado limited liability company, a/k/a RESOURCE LEGACY INVESTMENTS, L.L.C., on behalf of said limited liability company. Witness my hand and official seal.

Kimberly J. Case
Kimberly J. Case, Notary Public

My commission expires: April 18, 2014



PREAMBLE TO

EXHIBIT "A"

1. Well names, depth limitations, unit designations, unit tract descriptions and descriptions of undivided leasehold interests, Net Revenue Interests and Working Interests contained in this Exhibit "A" shall not be deemed to limit the interests covered hereby for the properties listed in this Exhibit "A". Net Revenue Interests listed in this Exhibit "A" shall be deemed to refer to the proportionate share of total production to which Mortgagor warrants that it has rights, whether derived from working interests, overriding royalty interests, royalty interests, mineral interests or otherwise.
2. Reference is made to the land descriptions contained in the documents of title recorded as described in this Exhibit "A". To the extent that any of the land descriptions in this Exhibit "A" are incorrect or not legally sufficient, the land descriptions contained in the leases recorded as described in this Exhibit "A" are incorporated herein by this reference.
3. Unless provided otherwise, all recording references in this Exhibit "A" are to the official real property records of the county or counties in which the Interests are located and in which records such documents are or in the past have been customarily recorded, whether Deed Records, Oil and Gas Records, Oil and Gas Lease Records or other records.
4. "WI" refers to "Working Interest"; "NRI" refers to "Net Revenue Interest"; "BPO" refers to "Before Payout"; and "APO" refers to "After Payout".

EXHIBIT "A"

EUREKA COUNTY, NEVADA

Blackburn Unit.

An undivided 40.000% interest in and to the leasehold estate created by the following:

Lessor: United States of America NVN-52055 (segregated from USA N-10613)
Lessee: Merle C. Chambers
Date: November 1, 1974
Description: T27N-R52E, MDM
Section 7: SE/4;
Section 9: N/2 NW/4, SE/4 NW/4, W/2 SW/4;
Section 22: W/2 SW/4.
WI = 40.000%; NRI = 32.600%

An undivided 33.333% interest in and to the leasehold estate created by the following:

Lessor: United States of America NVN-11348
Lessee: Suzanne D. Bucy
Date: May 1, 1975
Recorded: Book 57, Page 256, Records of Eureka County, Nevada
Description: T27N-R52E, MDM
Section 7: NE/4;
Section 8: W/2, SE/4, S/2NE/4.
WI = 33.333%; NRI = 26.166%

Devonian Formation Production: Blackburn #3, #10, #12, #14, #16, #18, #19, #21:
Unit WI = 35.000; Unit NRI = 27.650%

Chainman and Indian Wells Formation Production:

Blackburn #3: WI = 50.000% BPO/39.500% APO; NRI = 39.500% BPO/27.204% APO
Blackburn #14: WI = 33.333% BPO/34.444% APO; NRI = 26.333% BPO/27.204% APO
Blackburn #10: WI = 34.444%; NRI = 27.204%

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