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Recording requested By
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Eureka County - NV

Mike Rebaleati - Recorder

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Book- 567 Page- 0054



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FIRST AMENDMENT TO
DEED OF TRUST, MORTGAGE, SECURITY AGREEMENT,
ASSIGNMENT OF PRODUCTION AND PROCEEDS,
FINANCING STATEMENT AND FIXTURE FILING

This First Amendment to Deed of Trust, Mortgage, Security Agreement, Assignment of Production and Proceeds, Financing Statement and Fixture Filing (this "**Amendment**"), dated as of May 30, 2014, is between GRANT CANYON OIL & GAS, LLC, a Colorado limited liability company ("**Debtor**"), with an address of 717 Seventeenth Street, Suite 1400 Denver, Colorado 80202, and BANK OF THE WEST, a California chartered bank ("**Secured Party**"), with an address of 633 Seventeenth Street, Suite 2000 Denver, Colorado 80202.

Recitals

A By Deed of Trust, Mortgage, Security Agreement, Assignment of Production and Proceeds, Financing Statement and Fixture Filing dated as of January 14, 2010, and recorded, among other places, in the real property records of Eureka County, Nevada, on January 25, 2010 at Document # 0214523 Book 497, Page 0163 (the "**Deed of Trust**") Debtor granted to the trustee named therein ("**Trustee**") and Secured Party, for the benefit of Secured Party, liens on and security interests in certain property, interests and rights as more specifically described therein.

B Debtor is acquiring additional interests (the "**Additional Interests**") in one of the properties covered by the Deed of Trust, the Blackburn Unit, located in Eureka County, Nevada.

C This Amendment is executed to amend and supplement the Deed of Trust to include the Additional Interests in the Collateral covered by the Deed of Trust. Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Deed of Trust.

Amendment

In consideration of the mutual promises contained herein, the benefits to be derived by each party hereunder and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1 **Amendment** The Deed of Trust is hereby amended as follows:



Exhibit A attached to the Deed of Trust is hereby amended and supplemented by substituting page A-2 attached hereto for page A-2 originally attached to the Deed of Trust, and all references to the "Collateral," the "Lands," the "leases" and the "wells" in the Deed of Trust are amended accordingly

2 Incorporation and References This Amendment shall be considered as an amendment to the Deed of Trust. References in the Deed of Trust to 'this Instrument' shall be deemed to be references to the Deed of Trust as amended by this Amendment. When used in this Amendment or in the Deed of Trust, each reference to a term used in the Deed of Trust which is amended by this Amendment, including, without limitation, any reference to the "Collateral," the "Lands," the "leases" or the "wells," shall be deemed to be the term as amended and supplemented herein.

3 Confirmation Debtor hereby adopts, ratifies, approves and confirms in every respect the Deed of Trust as amended by this Amendment, and hereby specifically reaffirms its obligations under the warranties, representations, covenants, agreements and indemnities and other provisions contained in the Deed of Trust as amended by this Amendment. To the extent necessary to confirm such amendments, Debtor hereby irrevocably

(A) Real Property Grants, bargains, sells, assigns, transfers and conveys to Trustee, with POWER OF SALE, for the benefit of Secured Party, that part of the Collateral that is real property (including any fixtures that are real property under applicable state law), subject to the assignment made under paragraph C below, TO HAVE AND TO HOLD all of the Collateral that is real property (including any fixtures that are real property under applicable state law), together with all of the rights, privileges, benefits, hereditaments and appurtenances in any way belonging, incidental or pertaining thereto, to Trustee and its successors and assigns, forever, IN TRUST, NEVERTHELESS, for the security and benefit of Secured Party and its successors and assigns, subject to all of the terms, conditions, covenants, agreements and trusts herein set forth,

(B) Personal Property Grants to Secured Party a security interest in that part of the Collateral that is personal property (including any fixtures that are personal property under applicable state law), and

(C) Assignment of Production Absolutely assigns to Secured Party all of the severed and extracted Hydrocarbons produced from or allocated or attributed to any of the Collateral or any other interest of Debtor (whether now owned or hereafter acquired by operation of law or otherwise) in, to and under or that covers, affects or otherwise relates to the Land or to any of the estates, property rights or other interests described or referred to above, together with all of the proceeds thereof.

4 Miscellaneous This Amendment shall bind Debtor and inure to the benefit of Secured Party and their respective successors and assignees. Except as specifically provided for in this Amendment (a) the Deed of Trust and the liens and security interests created thereby shall remain in full force and effect, (b) this Amendment does not modify or affect the terms, conditions or provisions of the Deed of Trust, (c) nothing contained in this Amendment shall be



deemed to be, or construed as, a waiver of any such terms, conditions or provisions, or as a waiver of any other term, condition or provision, and (d) this Amendment is a "Loan Document" as defined in the Credit Agreement, and is incorporated by reference in and made a part of the Credit Agreement, as provided therein

5 Execution in Counterparts This Amendment may be executed in one or more original 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.

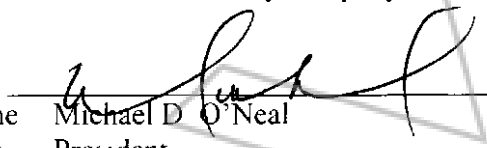
[Signature Page Follows]



Executed as of the date first above written

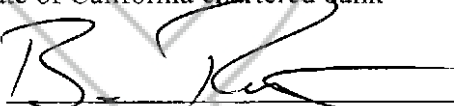
DEBTOR:

GRANT CANYON OIL & GAS, LLC
a Colorado limited liability company

By 
Name Michael D. O'Neal
Title President
Organizational ID No 20051360507

SECURED PARTY:

BANK OF THE WEST
a State of California chartered bank

By 
Name Philip Garlinghouse Brian Rathke BGR
Title Senior Vice President

[SIGNATURE PAGE TO FIRST AMENDMENT TO DEED OF TRUST MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF PRODUCTION AND PROCEEDS, FINANCING STATEMENT AND FIXTURE FILING]



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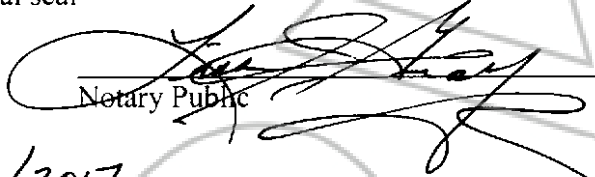
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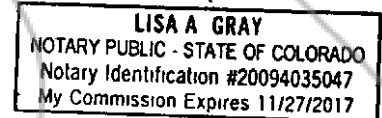
ACKNOWLEDGMENT CERTIFICATE

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

This instrument was acknowledged before me on May 30, 2014, by Michael D O'Neal, as President of GRANT CANYON OIL & GAS, LLC, a Colorado limited liability company Witness my hand and official seal

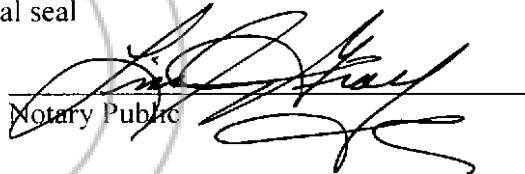

Notary Public

My commission expires 11/27/2017
(NOTARIAL SEAL)



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

This instrument was acknowledged before me on May 30, 2014, by ~~Philip Garlinghouse~~ ^{Brian Rathke} as Senior Vice President of BANK OF THE WEST, a State of California chartered bank Witness my hand and official seal


Notary Public

My commission expires 11/27/17
(NOTARIAL SEAL)



[ACKNOWLEDGMENT PAGE TO FIRST AMENDMENT TO DEED OF TRUST MORTGAGE SECURITY AGREEMENT ASSIGNMENT OF PRODUCTION AND PROCEEDS FINANCING STATEMENT AND FIXTURE FILING]

EXHIBIT "A" (CONTINUED)

THE LAND; WELL NAMES; WORKING INTERESTS AND NET REVENUE INTERESTS; LEASE SCHEDULE; CONTRACTS AND AGREEMENTS

2. Blackburn Unit, Eureka County, Nevada.

Lessor United States of America NVN-52055 (segregated from USA NVN-10613)
 Lessee Merle C Chambers
 Date November 1, 1974
 Description T27N-R52E, MDM
 Section 7 E/2SE/4
 WI = 60 000%, NRI = 49 885%

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 E/2NE/4,
 Section 8 W/2
 WI = 66 667%, NRI = 53 984%

Wells & Interests**

Well (Blackburn #)	Pre-Eland Agreement		Post-Eland Agreement	
	Unit WI	Unit NRI	*Unit WI	*Unit NRI
(Devonian Formation)				
#10, #16, #18, #19	65 555%	53 336%	65 000%	52 835%
#21	55 073% BPO	43 507% BPO	65 000%	52 835%
	65 555% APO	53 336% APO		
#14	65 555%	53 336%	65 000%	52 835%
#3	50 000% BPO	39 500% BPO	65 000%	52 835%
	65 555% APO	53 336% APO		
#12 SWD	50 000%		50 000%	
(Chainman & Indian Wells Formations)				
#3-CH	50 000% BPO	39 500% BPO	50 000% BPO	39 500% BPO
	65 555% APO	53 336% APO	65 555% APO	53 336% APO
#14-CH	65 555%	53 336%	65 555%	53 336%
#10-CH & IW	65 555%	53 336%	65 555%	53 336%

* After giving effect to the Unit Development Agreement dated as of November 1, 2007 between Eland Energy, Inc and Blackburn Oil & Gas, LLC

** The interests covered hereby do not include an overriding royalty interest in an amount not in excess of 0.0147%, claimed by C A Watts Energy Investments, Ltd

