

ENVIRONMENTAL TESTING AGREEMENT

David H. Arrington Oil and Gas, Inc. (hereafter the "Operator"), agrees, at Operator's sole cost and expense, to undertake environmental testing at the well site which may include the use of infrared FLIR cameras to detect VOC omissions if requested by the City of Euless (hereafter the "City").

Additionally, in the event of an involuntary spill or release of solids, liquids or gasses requiring reporting to a state or federal agency, Operator shall call 911 and the Deputy Fire Chief of the City and report the incident and thereafter report the following to the Deputy Fire Chief of the City as same becomes available:

- (a) The incident and the potential for product traveling off site and the magnitude of the incident,
- (b) Any area evacuated and the location of any assembly area, and the sources of any ignition and releases and whether same have been isolated,
- (c) Product containment techniques such as dikes, diversion or catchment basins that have or are being implemented,
- (d) Accomplishment of regulatory reporting,
- (e) Establishment of an Accident/Investigation Team to investigate the incident,
- (f) Provide information developed through the above investigation and follow-up action taken by Operator,
- (g) An assessment of potential environmental impact and identification and implementation of necessary corrective actions taken.

Following such involuntary spill and during its remediation the City, after notice to the Operator, may require the Operator to temporarily terminate operations at the well-site.

Further, upon demand of the City, Operator shall, within thirty (30) days of demand, reimburse City for any and all expenses incurred by City for the costs of any tests, inspections or other expenses related to the determination of any hazardous conditions at the well site and/or their remediation.

Further, if the Euless City Council determines, following a public hearing, that an environmental condition exists at the well site such as to create an endangerment to the health, safety and welfare of the citizens of the City, all activity including without limitation thereto, the drilling and operations at the well site shall immediately cease and terminate and Operator shall immediately take action to remediate the cause of such endangerment to the health, safety and welfare of the residents of the City and shall not renew such operations at the well site until further authorized by the City Council.

DAVID H. ARRINGTON OIL & GAS, INC.

By: *Monty W. Kastner*
Monty W. Kastner as Attorney-In-Fact

STATE OF TEXAS §

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COUNTY OF MIDLAND §

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Monty W. Kastner, as Attorney-In-Fact on behalf of David H. Arrington Oil & Gas, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of David H. Arrington Oil & Gas, Inc., and that he executed the same as the act of such Operator for the purposes and consideration therein expressed and in the capacity therein stated.

Given under my hand and seal of office this the 24th day of *May*, 2010.

T. Farris
Notary Public in and for the State of Texas

