

Surface Use Agreement

This Surface Use Agreement ("Agreement") is made effective this 22nd day of February, 2017, by and between **Ronald Paul Ruppel and Amber R. Ruppel**, whose address is 15990 Penrith Road, Keenesburg, CO 80643, hereinafter jointly and severally referred to sometimes herein as "Owner"; and **Anschutz Exploration Corporation**, a Delaware corporation, with an address of 555 17th Street, Suite 2400, Denver, CO 80202, hereinafter sometimes referred to as "Operator"; each of the foregoing sometimes referred to individually as a "Party," or collectively as the "Parties."

For and in consideration of the covenants and agreements contained herein, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged by the Owner, the Parties agree as follows:

1. OWNERSHIP

Owner is the surface owner of certain lands, such lands and improvements thereon hereinafter sometimes referred to as the "Lands", located in Weld County, Colorado more specifically described as follows:

TOWNSHIP 1 NORTH, RANGE 64 WEST, 6TH P.M.

Section 19: NE4, E2NW4

Operator, or its affiliates, owns certain Oil and Gas Leases (the "Lease") covering the Lands described as follows:

TOWNSHIP 1 NORTH, RANGE 64 WEST, 6TH P.M.

Section 19: NE4, E2NW4

2. OPERATOR'S OIL AND GAS OPERATIONS ON THE LANDS

Operator intends to drill or cause to be drilled oil and/or gas well(s) on the Lands, as depicted on Exhibit "A" attached hereto. In order for Operator to drill, construct, complete, produce, maintain, and operate the well(s) and all facilities associated therewith, including, but not limited to, access roads, pipelines, flow lines, separators, tank batteries, electric lines to be used solely in Operator's operations and other facilities, or property necessary for Operator to conduct operations on the well(s) (each a "Facility," collectively, the "Facilities"), it is necessary that Operator enter and utilize a portion of the surface of the Lands.

The Parties enter into this Agreement to evidence their agreement regarding the payment of surface damages, entry, surface use, and any other matters relating to Operator's use of the Lands as depicted on Exhibit "A".

3. Location

The location of the well(s), well site and certain other facilities to be constructed on the Lands are depicted on Exhibit A, attached hereto and incorporated into this instrument by this reference. Any material changes to the locations of the well sites, access roads, and facilities may be made by Operator with the prior written consent of Owner, which consent can be withheld. Wells may be located outside of the GWA windows as defined in COGCC Rule 318A(a).

4. Conduct of Operations

Operator's operations on the Lands shall be conducted pursuant to the terms of the Lease, this Agreement, the rules and regulations of the Colorado Oil & Gas Conservation Commission ("COGCC"), and applicable Colorado statutes and case law.

5. Compensation

Operator agrees to pay Owner the sum of [REDACTED] per wellbore ("Wellbore Payment") prior to the commencement of drilling operations of each well with an upfront payment of [REDACTED] for the drilling of three wells regardless of how many are actually drilled and then going forward payments of [REDACTED] for each wellbore drilled on said property. The upfront payment shall be credited towards the first three wellbores drilled. The upfront payment of [REDACTED] shall be made prior to Operator constructing the wellpad or access road and is non-refundable. Operator shall pay Owner [REDACTED] annually for each well site and each of the Facilities ("Annual Rent") shown on Exhibit "A". The Annual Rent shall continue to be paid to Owner by Operator until all wells are plugged and abandoned and the surface of the Lands is reclaimed by Operator. The Wellbore Payment and Annual Rent shall be deemed full and agreed consideration for normal damages caused or created by the reasonable and customary ingress, egress, rights-of-way, drilling, completion, production and maintenance operations associated with the wells and facilities. The operations area shall be limited to an operations area of no more than ten surface acres during drilling and completion operations. Upon completion of all drilling and completion operations, Lessee shall restrict the production site to as small a dimension as reasonably practical for prudent operations, not to exceed four acres. The Wellbore Payment will not include damages to growing crops and crop land; the re-seeding, construction and use of access roads; and the preparation and use of the wellsite areas. Damages to crops shall be paid as set forth on Exhibit B attached hereto and incorporated herein by this reference. In order to protect Owner's livestock, the wellsite and all Facilities shall be adequately fenced by Operator at Operator's sole cost and expense to keep the livestock out of the area. Any subsequent major operations for said wells (refrac, deepening, re-drilling, etc.) except in case of emergency, shall require ten (10) days' prior notice to Owner. This Agreement does not relieve Operator from liability due to Operator's negligence or due to spills or discharges of any hydrocarbon or toxic substance or hazardous chemicals or wastes, or from leaks or breaks in Operator's pipelines. Damage to or loss of livestock shall be paid for by Operator at the higher of market value or replacement cost. Any pollution of the Lands or groundwater due to spills or leaks of hydrocarbons, chemicals, produced water, or other oilfield waste, shall be reclaimed to the pre-contamination condition of the Lands and/or groundwater. Other than the oil and gas operations area, Facilities, road, and flow line easements as set forth on the attached Exhibit A, the Lands shall not be disturbed by Operator except in the event of an emergency or for reasonable incidental and temporary activities. Operator shall be strictly and solely responsible for any damages that may occur as a result of such emergency or incidental and temporary activity. There shall be no disposal of oilfield waste on the Lands and there shall be no wells drilled thereon for injection of produced

water, flow back fluids, or other liquid waste. There shall be no underground gas storage or sequestration of any substances. There shall be no pits on the property.

6. Additional Surface Use Provisions:

With respect to its operations on the Lands, Operator shall comply with the following provisions in addition to the provisions contained in the Lease:

a. Surface Reclamation:

Upon permanent cessation of Operator's operations on the Lands, all areas thereof occupied, utilized, or disturbed by Operator shall be restored by Operator to their original contour and condition as nearly as is reasonably practicable. When the Lands are reclaimed, stockpiled top soil shall be laid and the Lands reseeded using the seed which will restore the Lands as near as possible to the condition it was in prior to commencement of Operator's operations. In the event there is no growth from the reseeded, Operator shall continue the process until healthy growth is re-established.

b. Access Roads/Facility

Owner hereby grants to Operator and its successors and assigns an easement and right-of-way for the purpose of constructing, using and maintaining an access road (not to exceed 20 feet in width), an operations area for facility equipment, flow lines, pipelines, and pipeline interconnections for each well drilled on the Lands for one year and for so long thereafter as oil or gas is produced or capable of being produced from any well(s) drilled on the Lands. The access road, operations area, flow lines, pipelines, and pipeline interconnections are depicted on Exhibit A attached hereto. The well site, access road, operations area, facilities area, and pipeline and flow line easements shall be maintained and kept free of noxious weeds, litter and debris by Operator. Access roads leading from County roads shall be gated and locked at all times except when Operator's employees are entering or leaving the Lands. Operator shall provide Owner with the key or combination to the locking mechanism. Access roads shall not be used by Operator to access other lands for oil and gas operations or for any other purpose. Operator shall, at its sole cost and expense, install culverts beneath the access roads at the locations requested by Owner in order to prevent the obstruction of the free flow of water from the irrigated fields west of the access road into the lands east of the access road. The dimensions of the culverts shall be large enough so that water may properly drain from said cultivated field into the lands east of the access road. Access roads are not for the exclusive use of Operator.

c. Pipeline and Flow Line Easements:

Pipeline easements shall be no greater than 50 feet in width during construction and 30 feet in width thereafter. This Agreement does not grant easements to third parties for pipelines, electric lines, or fiber optic lines. Third party gatherers or utilities must negotiate a mutually acceptable agreement with Owner. No compressors or above ground equipment which is appurtenant to the pipeline shall be located outside of the Facilities Area. Owner shall have the right to cross pipeline easements with roadways and other utilities; provided that, such crossing is made at an angle of not less than 60 degrees and not more than 90 degrees. Owner shall also have the right to install and maintain easements that are both adjacent to and/or within the pipeline easements for utility lines, including, but not limited to those for water, gas, sewer, electric, telephone, cable, television, and fiber optic and

other pipelines; provided, however: i) any new underground facilities that travel along a pipeline easement shall be located a distance horizontally of at least ten (10) feet from parallel existing pipelines; ii) any new underground facilities shall have at least twenty-four (24) inches of vertical clearance between such new facility and a pipeline; and iii) any overhead power lines constructed by Owner shall be at least twenty (20) feet above the ground. Owner agrees that it will notify each utility company that, except in cases of emergency, Operator must be contacted at least ten (10) business days prior to commencement of any trenching or digging activities within ten (10) feet of their easement areas. Owner may plant shallow root vegetation in the right-of-way and may maintain irrigation systems thereon. Owner may also build and maintain unpaved trails along the pipeline easements. Operator shall not be liable for damage to the vegetation, irrigation system, or trails as a result of maintenance operations in the pipeline easement.

d. Irrigation lines:

Operator shall pay all costs associated with the relocation of Owner's water irrigation lines as a result of Operator's operations located on the Lands.

e. Activities on the Lands:

None of Operator's employees, agents, or contractors, or any other person under the direction or control of Operator shall be permitted to carry firearms or any other weapon on the Lands and such persons shall not hunt, fish, or engage in recreational activities on the Lands. No dogs will be permitted on the Lands at any time. Operator shall notify all of its contractors, agents, and employees that no dogs, firearms, weapons, hunting, fishing, or recreational activities will be allowed on the Lands. None of Operator's employees, agents, or contractors, or any other persons under the direction or control of Operator, shall possess or be under the influence of alcohol, marijuana, or illegal drugs while on the Lands. Further, Operator and its employees, agents, or contractors, or any other person under the direction or control of Operator shall not cut or transport firewood or remove artifacts and other non oil and gas materials from the Lands. Operator's employees shall not park on the Lands outside of the well site or Facilities area and are permitted to park in the well site or Facilities area only while conducting operations on behalf of the Operator. No living quarters shall be constructed upon the Lands, except that drilling crews and geologists or service personnel may use temporary trailers during drilling, completion, or reworking activities.

f. Grading Operations:

For any grading operations, top soil shall be stripped and stockpiled, and replaced at the conclusion of operations in each location.

g. Power Lines:

Operator's power lines shall be installed below ground.

h. Noise, Dust, and Lighting:

Operator shall institute all noise mitigation measures as required by the Colorado Oil and Gas Conservation Commission and local regulations as they exist from time to time. Operator shall be

responsible for instituting procedures during grading or other operations to mitigate to the greatest extent possible dust escaping the road, well site, pipeline easements, and Facilities area. Lighting utilized by Operator shall be limited to that reasonably necessary to illuminate areas for ongoing night-time operations, safety and security. In the event homes are illuminated by Operator's lights, Operator shall immediately remedy the issue.

i. Water Quality and Quantity:

Baseline water quality and quantity tests shall be conducted and paid for by Operator on all water wells on the Lands prior to drilling and such wells shall be tested on a yearly basis thereafter. Testing parameters will be those customarily used and those required by regulation and shall include tests for turbidity. Test results will be provided to Owner. Owner shall be entitled to conduct its own tests at its cost. Test results will be provided to Operator. In the event Owner's water wells are damaged or water quality or quantity is diminished as a result of Operator's operations on the Lands, Operator, at its sole cost and expense, shall restore the damaged water wells to the condition they were in prior to Operator's operations on the Lands. In the event the water wells cannot be restored to the condition they were in prior to Operator's operations on the Lands, Operator shall, at its sole cost and expense, drill replacement water wells which produce the same quality and quantity of water, as close as reasonably practicable, to the irreparable water wells.

j. Other:

- i. If by reason of the activities of the Operator, including, but not limited to, drilling, completing, equipping, and operating of the well(s), there is damage to personal property of the Owner, including, irrigation wells, fences, culverts, bridges, pipelines, ditches, or irrigation systems, and upon Owner's notification to Operator, Operator shall repair or replace such items after consultation with and to the reasonable satisfaction of the Owner, which repair or replacement shall be accomplished by Operator within thirty (30) days after final consultation with Owner.
- ii. Operator agrees that all trash, refuse pipe, equipment, liquids, chemicals, or other materials brought on the Lands that are not necessary for continued operations of the Wells shall be removed and disposed away from the Lands by Operator no later than 30 days after the completion of the wells. No such items shall be burned or buried on the Lands by Operator.
- iii. Operator shall keep the well pad free and clear of noxious weeds and trash.
- iv. Operator agrees to fence off the perimeter of the well sites. Operator will install cattle guards where necessary and shall be responsible for restoring Owner's existing fence to its original condition at any location disturbed by Operator.

7. Default and Right to Cure

In the event of alleged default by Operator in the payment of any of the sums hereinabove provided to be made, in obligations to be performed, or any other terms, conditions or covenants of this Agreement, Owner shall notify Operator of such alleged default in full and complete detail, in a writing delivered to Operator by

certified mail, return receipt requested. Operator shall have thirty (30) days from its actual receipt of the written notification in which to pay, in the event of alleged non-payment, or to commence and diligently pursue a cure of any other alleged default, and upon such lapse of time, should such alleged default still remain in effect, then Owner shall have the right and option to declare a default under this Agreement.

8. Waivers

Except as otherwise agreed in a subsequent writing subscribed to by both parties, no waiver by Owner of any breach by the Operator of any of its obligations, agreements, or covenants hereunder shall be deemed to be a waiver of any subsequent or continuing breach of the same, nor shall any forbearance by Owner to seek a remedy for any particular alleged or actionable breach by the Operator be deemed to be a waiver by Owner of its rights or remedies with respect to any other alleged or actionable breach; however in no event shall Operator be liable for consequential damages.

9. Indemnity/Release

Operator agrees to indemnify and hold Owner harmless from any and all claims, damages and causes of action arising out of or caused by Operator's operations on the Lands that may be asserted by any of Operator's agents, employees, subcontractors, contractors or persons entering upon the premises at the request of Operator. Owner hereby releases and agrees to hold harmless Operator from any and all liability and further payment, other than what has been provided herein, for damages on the Lands which arise from, out of or in connection with the Operator's normal operations on the Lands, but only as to those operations which are described in and permitted by this Agreement, and for those operations which the Amount has been paid and received by Owner pursuant to this Agreement.

10. Notices

Notice by either Party shall be timely given in writing, and orally if possible (with the exception of notices described in this Agreement requiring written notice), with additional and immediate subsequent written confirmation sent by United States mail, postage prepaid and addressed to either Party at the address set forth in the introductory paragraph of this Agreement; or to such other place as either Party may from time to time designate by written notice delivered in the way described in this paragraph to the other.

11. Binding Effect

The covenants and conditions herein contained and all of the provisions of this Agreement shall inure to the benefit of and be binding upon the Parties hereto, and their respective heirs, representatives, successors and assigns. Owner agrees to notify any and all tenants of Lands and any other third parties utilizing the surface of the Lands who may be affected by Operator's activities on the Lands. It shall be Owner's sole responsibility to advise such third parties of the existence of this Agreement and Operator's right to utilize the surface of the Lands pursuant to this Agreement; and payment of consideration, if any, which may be due any such third party from Owner as a result of Operator's actions on the Lands under this Agreement shall be the sole obligation of Owner.

17. Authority of Signatories

The signatories below declare, warrant and represent that they have the authority to enter into this Agreement on behalf of their respective principals, if any.

18. Binding Effect

This Agreement constitutes a covenant running with the Lands and shall be binding upon and inure to the benefit of, and be enforceable by, the Parties and their respective successors, affiliates, administrators, trustees, authorized representatives, executors and assigns.

Agreed to and made effective the date first written above, by the parties.

Owner:

Ronald Paul Ruppel

Ronald Paul Ruppel

Amber R. Ruppel

Amber R. Ruppel

Operator:

ANSHUTZ EXPLORATION CORPORATION

By: _____

Name: _____

Title: _____

STATE OF COLORADO)

COUNTY OF Weld)



The foregoing instrument was acknowledged before me this 10th day of March, 2017, by Ronald Paul Ruppel.

Witness my hand and official seal.

Diana L. Epple
Notary Public

My commission expires: 10-11-19

STATE OF COLORADO)

COUNTY OF Weld)



The foregoing instrument was acknowledged before me this 10th day of March, 2017, by Amber R. Ruppel.

Witness my hand and official seal.

Diana L. Epple
Notary Public

My commission expires: 10-11-19

17. Authority of Signatories

The signatories below declare, warrant and represent that they have the authority to enter into this Agreement on behalf of their respective principals, if any.

18. Binding Effect

This Agreement constitutes a covenant running with the Lands and shall be binding upon and inure to the benefit of, and be enforceable by, the Parties and their respective successors, affiliates, administrators, trustees, authorized representatives, executors and assigns.

Agreed to and made effective the date first written above, by the parties.

Owner:

Ronald Paul Ruppel

Amber R. Ruppel

Operator:

ANSCHUTZ EXPLORATION CORPORATION

By: David K. Davenport Sr.
Name: David K. Davenport
Title: Sr. Land Manager

STATE OF COLORADO)
)ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by Ronald Paul Ruppel.

Witness my hand and official seal.

Notary Public

My commission expires: _____

STATE OF COLORADO)
)ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by Amber R. Ruppel.

Witness my hand and official seal.

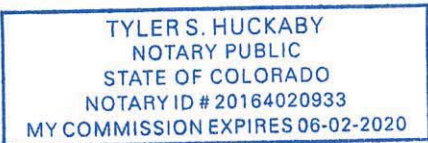
Notary Public

My commission expires: _____

STATE OF COLORADO)
)ss
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 14th day of MARCH, 2017, by DAVID K. DAVENPORT as SR. LAND MANAGER of Anschutz Exploration Corporation, a Delaware corporation.

Witness my hand and official seal.

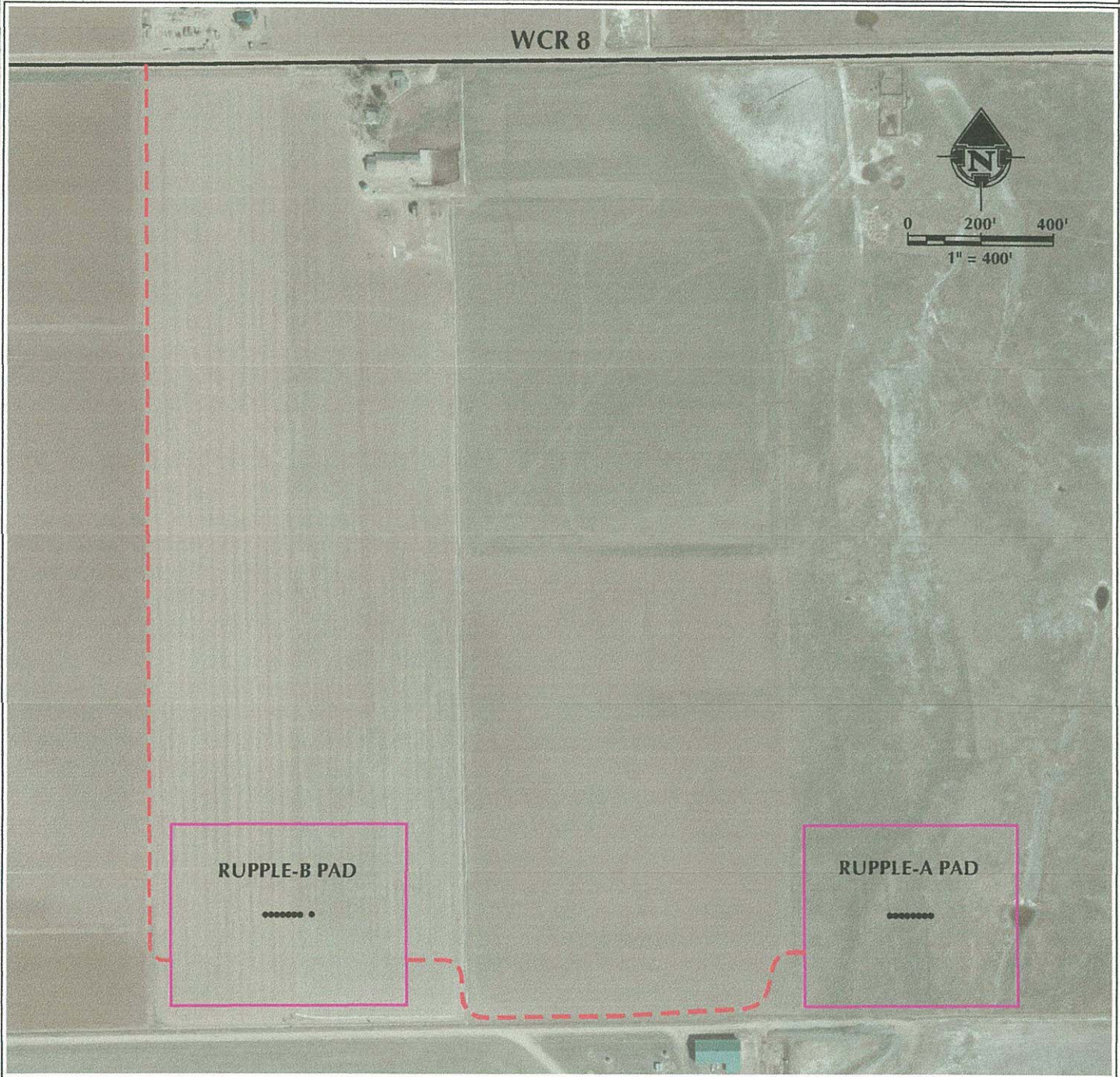


Tyler S. Huckaby
Notary Public

My commission expires: JUNE 2, 2020

EXHIBIT A

NE1/4 & E1/2 NW1/4 SECTION 19, TOWNSHIP 1 NORTH, RANGE 64 WEST, 6TH P.M.



LEGEND

- PROPOSED WELL
- - - PROPOSED ACCESS ROAD
- PROPOSED PAD
- EXISTING COUNTY ROAD



CONSULTING, LLC

LOVELAND OFFICE
1615 Foxtrail Drive, Suite 204
Loveland, Colorado 80538
Phone 970-776-4111

SHERIDAN OFFICE
1095 Saharion Avenue
Sheridan, Wyoming 82801
Phone 307-674-0609

DATE SURVEYED: 2/25/17
DATE: 3/7/17
DRAFTER: SRS
REVISED: 3/8/17

DATA SOURCES:
- AERIAL COURTESY OF ESRI, INC.

PREPARED FOR:
Anschutz Oil Company

EXHIBIT B
TO SURFACE USE AGREEMENT DATED
FEBRUARY 22, 2017, AMONG RONALD PAUL RUPPLE AND AMBER R. RUPPLE
AND ANSCHUTZ EXPLORATION CORPORATION

Damages to growing crops shall be paid at the rate of [REDACTED] per acre for the year in which the growing crops are damaged. In addition to the payment for damages to growing crops, additional damages shall be paid for diminished crop loss for two additional years in the amount of [REDACTED] per acre per year.

In the event Owner has not planted crops and is prevented from planting crops due to Operator's operations on the Lands, damages shall be paid at the rate of [REDACTED] per acre for the year in which Owner cannot plant crops. In addition to the payment for Owners inability to plant crops due to Operator's operations on the Lands, additional damages shall be paid for diminished crop loss for two additional years in the amount of [REDACTED] per acre per year.

In the event Operator's operations on the Lands are conducted subsequent to Owner's crop harvest and Operator's operations are completed prior to when Owner plants his crops, Operator shall pay Owner [REDACTED] per acre per year for two years as compensation for diminished crop.