

## SURFACE USE AGREEMENT

**THIS SURFACE USE AGREEMENT** (this "Agreement") is entered into this 12<sup>th</sup> day of June, 2018 ("Effective Date"), by and between **DEVCO INVESTORS, LLC**, a Colorado Limited Liability Company, with offices at 3030 S. College Ave., Suite 200, Fort Collins, CO 80525, and its affiliates, administrators, successors, and assigns (collectively, "OWNER"), and **EXTRACTION OIL & GAS, INC.**, a Delaware Corporation, with offices at 370 17th Street, Suite 5300, Denver, CO 80202, and its affiliates, administrators, successors, and assigns (collectively, "OPERATOR"). OWNER and OPERATOR may be referred to herein individually as a "Party," and collectively as the "Parties."

### RECITALS

- A. OWNER represents that it is the surface owner of a certain tract(s) of land described and depicted on Exhibit "A" attached hereto (the "Lands").
- B. OWNER's current use of the Lands is agricultural; however, OWNER intends to residentially develop the surface of the Lands in the future.
- C. OPERATOR desires to use a portion of the Lands to drill, complete and operate oil and gas wells.
- D. This Agreement sets forth the Parties' rights and obligations regarding the relationship between the development of the Lands by OWNER, and OPERATOR's surface operations on the Lands related to the operation and development of the oil and gas mineral leasehold estate(s) underlying lands in proximity thereto, such rights and obligations to be binding upon the Parties' successors and assigns.
- E. This Agreement hereby replaces and supersedes, in its entirety, that certain Surface Use Agreement between the Parties, dated May 12, 2017 and recorded at Reception No. 4302685 in the real property records of Weld County, Colorado.

### AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

- Surface Location** — OWNER hereby grants to OPERATOR a right-of-way and easement for an oil and gas operations area (the "OGO," consisting of the Permanent Oil and Gas Operations Area and the Interim Oil and Gas Operations Area) of approximately 11 acres, as shown on Exhibits "B-1" and "B-2," attached hereto, along with the right to drill nine (9) or more, upon mutual agreement between the Parties, oil and gas wells (the "Wells," whether one or more) thereupon. Such rights granted herein shall include the right to survey, construct, use, operate, maintain and repair a location for a well site, which may include all equipment necessary for constructing, drilling, completing, equipping, operating, repairing and plugging any such Wells. OPERATOR shall have the right to occupy so much of the OGO as reasonably necessary to accommodate the Wells and related oil and gas operations; however, all permanent production equipment, including Wells, must be located within the Permanent Oil and Gas Operations Area, as shown on Exhibit "B-2," attached hereto. The OGO may also be used to install or place any valves, tanks, MLVTs, pipelines, meters, separators, dehydrators, compressors, electrical lines, phone lines, wires, cables, meter houses, meter runs, and any and all other devices, equipment, and structures incident to, or necessary for, drilling, production, operation, plugging, injection, regulation, control, measurement, treatment, separation, processing, storing, transportation and distribution of oil, gas, petroleum products, and any other liquids, gases or substances which can be transported through pipelines. The storing of any of the foregoing within the OGO shall be exclusively for equipment and facilities that are used in connection with Wells drilled from the OGO. Once all drilling and completion operations associated with the Wells contemplated in this Agreement are completed, the Interim Oil and Gas Operations Area, as shown on Exhibits "B-1" and "B-2," attached hereto, shall be reduced to the Permanent Oil and Gas Operations Area, consisting of approximately 4.4 acres, as shown on Exhibit "B-2," attached hereto. This Agreement does not, in any way, limit the rights of OPERATOR to drill future additional wells with associated facilities within the Permanent Oil and Gas Operations Area; however, if OPERATOR decides to drill more than the nine (9) Wells provided for herein, then OPERATOR shall compensate OWNER at the rate set forth in the Letter Agreement (defined in Section 14, below).
- Subsurface** — OWNER hereby grants to OPERATOR a right-of-way and easement as to i) all depths below the surface of the Permanent Oil and Gas Operations Area and ii) all depths greater than fifty feet (50') below the surface of all lands located outside the Permanent Oil and Gas Operations Area, and the right to use the subsurface, for the purposes of drilling Wells for oil, gas and/or other substances under other lands (i.e. off-unit wells); for installing casing, tubing, and other equipment therein; for reworking, recompleting, repairing, side-tracking, plugging and abandoning such Wells; for gathering information, exploring for and producing oil, gas and/or other substances from other lands through such Wells; and for injecting substances into other lands through such Wells.
- Access** — OWNER hereby grants to OPERATOR a right-of-way and easement twenty feet (20') wide across that portion of the Lands labeled as the "Proposed Access Road" on Exhibits "B-1" and "B-2" (the "Access Road") to survey, construct, use, operate, maintain and repair said Access Road to allow OPERATOR access (ingress and egress) to the OGO as may be needed by, or necessary for, OPERATOR's operations within the OGO (the "Access Easement"). The Access Easement shall be expanded from time to time during any period(s) of rig mobilization/demobilization, construction, maintenance, or repair to a width of thirty feet (30') for so long as such use is reasonably necessary for the operations being conducted, and shall revert to the permanent width set forth above (20') upon completion thereof. The Access Road shall at all times be capable of providing OPERATOR's equipment

and vehicles, including, but not limited to, oil and gas drilling, completion and workover rigs, full access to the OGOA. OPERATOR will maintain the Access Road in good repair and condition, and in accordance with Colorado Oil and Gas Conservation Commission ("COGCC") regulations, state laws, and other applicable regulatory or statutory frameworks. OPERATOR, its employees, agents, contractors, licensees and invitees shall have the full and free right and privilege to use said Access Road in any lawful manner, including the transportation of persons, material, supplies and commodities, in its oil and gas operations on the Lands. In the event OPERATOR is unable to gain access to the OGOA from the Access Road for any reason, OWNER agrees to provide OPERATOR with alternative access to the OGOA, and the rights described in this paragraph shall be applicable to the alternative access road(s). Any roads constructed or maintained under the terms hereof shall remain the sole and private property of OWNER, subject to the rights, privileges and benefits granted to OPERATOR herein, and such roads shall not be considered public roads.

4. **Flowlines, Gathering Lines and other Pipelines** — OWNER hereby grants OPERATOR and its affiliates the right to install, own, operate, maintain, repair and replace all flowlines, gathering lines and other pipelines that may be necessary or convenient to its operations within the Permanent Oil and Gas Operations Area. In the event additional pipeline easements or rights-of-way are requested by OPERATOR outside the Permanent Oil and Gas Operations Area, OWNER agrees to execute a recordable Pipeline Right-of-Way Grant with OPERATOR, its affiliates and/or third-party gatherers, for all pipelines constructed within the Lands. Location, terms and conditions of such easements or rights-of-way shall be negotiated on a case-by-case basis. Notwithstanding anything herein to the contrary, OWNER shall be compensated for each Pipeline Easement or Right-of-Way granted to OPERATOR, its affiliates and third-party gatherers. 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 or the installation of pipelines will be removed and disposed away from the Lands no later than thirty (30) days after the completion of the Wells. No such items will be burned or buried on the Lands. Within a reasonable time after the construction, installation and completion of any pipeline, OPERATOR shall provide OWNER and the municipal jurisdiction with a copy of an as-built surveyed plat depicting the actual location of said pipeline(s).

5. The OGOA and the Access Easement shall be collectively known as the "Easement Areas." The approximate locations of the Easement Areas are set out on the plats attached hereto as Exhibits "B-1" and "B-2." Grantee shall replace the preliminary plats attached hereto as Exhibits "B-1" and "B-2" with final, or as-built, surveyed plats depicting the actual boundaries of said Easement Areas, and provide Grantor with a copy of the new plats as soon as practicable thereafter. In the event that any local, state or federal governmental authority, including, but not limited to, the Town of Severance, Weld County or the COGCC, requests that any portion(s) of the Easement Areas be altered in order to obtain approval from any such governmental authority, OWNER agrees to provide OPERATOR with an alternative location for any such portion(s) requested to be moved; such alternative locations shall be capable of providing OPERATOR with adequate room to conduct the operations contemplated hereunder, meaning a surface area(s) similar to the current Easement Areas described herein. In such case, OWNER agrees to execute an amendment to this Agreement in recordable form indicating the location of the newly formed Easement Areas.

6. OPERATOR has the express right, privilege and authority to construct, install, operate, maintain, repair, replace, add to and remove electric, communication and/or control lines either above or below the Permanent Oil and Gas Operations Area (shown on Exhibit "B-2") as may be reasonable or necessary to carry out OPERATOR's operations contemplated hereunder; provided, however, that any location of electric, communication and/or control lines contemplated outside the Permanent Oil and Gas Operations Area shall be subject to the additional easement provisions in Section 4, above. OPERATOR may not remove existing electric, communication, control lines or other utilities that service other users of such utilities without the consent of the parties that would be affected by any such removal. Any such activity performed by OPERATOR under this Section 6 shall be done at OPERATOR's sole cost and expense. Upon permanent cessation of operations on the Lands, OPERATOR shall remove any utilities installed for operations and restore the Lands as near as practicable to their original condition.

7. Without prior, written consent of OPERATOR, OWNER shall not construct or permit construction within the boundaries of the Easement Areas, and OPERATOR shall have the right to prevent the construction within the boundaries of the Easement Areas and the right to remove therefrom, any and all types and sizes of houses, barns, buildings, structures, permanent impoundments of water, and natural or man-made obstructions, including, but not limited to, trees, brush, roots and other growth. OWNER shall not, nor permit third parties to, change the grade of the land or remove the cover over pipelines, or excavate within fifty feet (50') of the Easement Areas without prior, written consent of OPERATOR, which consent shall not be unreasonably withheld, provided same does not present an operational or safety issue for OPERATOR. OWNER shall allow Operator continuous use and access to the Easement Areas at all times. OWNER and OPERATOR shall coordinate to reduce both the impact to OPERATOR's operations from OWNER's development of the Lands, and the impact to OWNER's surface development of the Lands from OPERATOR's operations within the Easement Areas.

8. Except as otherwise set forth herein, or in the Letter Agreement (defined in Section 14, below), the consideration paid hereunder constitutes full, complete and final consideration for settlement and complete satisfaction for any and all detriment, depreciation, injury, or damage of any nature to the Lands or crops growing thereon that may occur as a result of OPERATOR's operations conducted pursuant to this Agreement. However, OPERATOR shall repair or compensate OWNER for damage to personal property or to improvements on the Lands, such as damage to fences, gates, culverts, ditches, irrigation system components and/or other such losses or physical damages caused by OPERATOR, its employees, agents, contractors, licensees and invitees. Furthermore, if any existing irrigation systems or facilities need to be modified to avoid negatively impacting OPERATOR's operations or OWNER's farming operations, OPERATOR agrees to pay all expenses associated therewith.

9. Except with respect to the Permanent Oil and Gas Operations Area, and subject to Section 7 above, the rights-of-way and easements granted by this conveyance are non-exclusive and temporary, and OWNER reserves and retains the right to convey similar rights and easements to such other persons as OWNER may deem proper; provided, however, that all such conveyances shall be subject to OPERATOR's rights, and OPERATOR shall not be unreasonably disturbed in the use and enjoyment of the rights granted under this Agreement.

10. **Right to Cure.** As of the Effective Date, there are no defaults with respect to any assessment(s), deed(s) of trust, mortgage(s), services, taxes, utilities or other interests related to the Lands. OWNER shall pay as and when due all amounts OWNER (or any person acting on behalf of, by, or through OWNER) owes for or in connection with any: assessments, taxes or governmental charges of any kind that may at any time be lawfully assessed or levied against the Lands; encumbrances; leases; mortgages; deeds of trust; other security interests; services; utilities; or other interests related to the Lands and/or that may create an interest in the Lands. OWNER shall satisfy all non-monetary obligations of OWNER associated with such matters, failing which OPERATOR may (but shall have no obligation to) pay such amounts and/or perform such obligations. In order to enable any such potential payment or performance by OPERATOR, OWNER agrees to give OPERATOR notice of any OWNER default in connection with the payment or performance of OWNER's obligations pursuant to this Section 10.

11. OPERATOR agrees to perform all reclamation in accordance with this Agreement, the rules and regulations of the COGCC, and all other applicable laws, rules and regulations. OPERATOR shall endeavor to keep the Easement Areas free of weeds and debris and to control erosion.

**12. Interest in Real Property.**

(a) The Parties intend that this Agreement creates, and this Agreement does create, a valid, present interest in the Lands in favor of OPERATOR. The covenants and rights contained in and granted by this Agreement are made for the direct benefit of the Lands and shall run with and against the Lands and inure to the benefit of and bind OWNER and OPERATOR and their respective agents, assigns, employees, heirs, lessees, mortgagees, permittees, successors and transferees, and all entities or persons claiming an interest by, through or under them, from the Effective Date, and for so long thereafter as some, or all, of the same shall be used for the purposes which are herein granted.

(b) Nothing in this Agreement shall be deemed to limit either Party's right to convey, sell, or otherwise transfer all or any part of the Lands or Easement Areas; provided that any such transfer shall be subject to the terms and conditions of this Agreement.

(c) OWNER and/or a party acquiring some, or all, of the Lands from OWNER shall, within thirty (30) days after a conveyance, sale or other transfer of some or all of the Lands, provide OPERATOR a copy of the recorded vesting document related to the transfer, delivered in accordance with the notice provisions in Section 16 of this Agreement.

13. OPERATOR SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS OWNER AGAINST ANY CLAIMS, DAMAGES, DEMANDS, LIABILITIES AND COSTS (INCLUDING REASONABLE ATTORNEYS' FEES) TO THE EXTENT ARISING FROM OR RELATED TO THE OPERATIONS OF OPERATOR OR ITS EMPLOYEES, AGENTS, CONTRACTORS OR INVITEES IN THE COURSE OF THEIR EXERCISE OF RIGHTS GRANTED BY THIS AGREEMENT, BUT NOT TO THE EXTENT CAUSED BY OWNER, OR ITS EMPLOYEES, AGENTS, CONTRACTORS, OR INVITEES WITH THE EXCEPTION OF ANY CLAIMS, DAMAGES, DEMANDS, LIABILITIES, COSTS (INCLUDING REASONABLE ATTORNEYS' FEES), AND CAUSES OF ACTION THAT ARISE FROM OWNER'S GROSS NEGLIGENCE OR WILLFUL AND WANTON MISCONDUCT.

OWNER AGREES TO INDEMNIFY AND HOLD OPERATOR, ITS AGENTS, SUCCESSORS AND ASSIGNS HARMLESS FROM ANY AND ALL CLAIMS, DAMAGES AND CAUSES OF ACTION ARISING OUT OF AND CAUSED BY OWNER'S OPERATIONS ON THE LANDS THAT MAY BE ASSERTED BY ANY OF OWNER'S AGENTS, EMPLOYEES, SUBCONTRACTORS, CONTRACTORS OR PERSONS ENTERING UPON THE LANDS AT THE REQUEST OF OWNER; WITH THE EXCEPTION OF ANY CLAIMS, DAMAGES, AND CAUSES OF ACTION THAT ARISE FROM OPERATOR'S GROSS NEGLIGENCE OR WILLFUL AND WANTON MISCONDUCT.

14. This Agreement is subject to that certain Letter Agreement to Surface Use Agreement of even date herewith, by and between DEVCO INVESTORS, LLC, as OWNER, and EXTRACTION OIL & GAS, INC., as OPERATOR (the "Letter Agreement").

15. Notwithstanding any of the other provisions herein as to termination, this Agreement may be terminated by OPERATOR at any time by giving ninety (90) days' notice, in writing, to OWNER of such termination. In the event OWNER believes that OPERATOR is in alleged default or breach of any material term of this Agreement, OWNER shall give written notice to OPERATOR of such alleged material default or breach and provide a written explanation detailing OWNER's belief. OPERATOR shall then have thirty (30) business days within which to remedy, or commence to remedy if remedy cannot be made within 30 business days, any alleged material default or breach, or to assert a good-faith dispute as to the alleged material default or breach. No waiver by either Party or any breach of any of the covenants or conditions of this Agreement shall be construed as a waiver of any succeeding breach of the same or any other covenant or condition.

16. Any notice provided or permitted to be given in this Agreement must be in writing and may be given by depositing the notice in the United States mail, postage prepaid, certified with return receipt requested, and addressed to the Party to be notified. Notice deposited in the mail in the foregoing manner shall be deemed received five (5) days after it is so deposited, excluding Saturdays, Sundays and postal holidays. Notice given in any other manner shall be effective only if and when actually received by the Party to be notified. For purposes of notice, the addresses of the Parties shall be as follows until changed as herein provided:

OWNER:

DEVCO INVESTORS, LLC

OPERATOR:

EXTRACTION OIL & GAS, INC.

ATTN: Stan Everitt  
Email: stan@everittcompanies.com  
3030 S. College Ave.  
Suite 200  
Fort Collins, CO 80525

ATTN: Sean Casper  
Email: landdepartment@extractionog.com  
370 17<sup>th</sup> Street  
Suite 5300  
Denver, CO 80202

Either Party may designate a different address for receipt of subsequent notices by notifying the other as provided in this paragraph.

17. Any controversy or claim arising out of, or relating to, this Agreement, or the breach thereof, shall be resolved by arbitration conducted in Denver, Colorado, and shall be administered by the American Arbitration Association under its commercial rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

18. If any clause or provision of this Agreement is invalid or unenforceable at any time under the current laws, the remainder of this Agreement shall not be affected thereby, and this Agreement shall be modified so that in place of each such clause or provision of this Agreement there will be added, as a part of this Agreement, a legal, valid and enforceable clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible.

19. This Agreement may be executed as one document, or in several partially executed counterparts, and the original and counterparts shall be construed together and shall constitute one instrument. The failure of one or more parties to execute this Agreement, or a counterpart hereof, shall not, in any manner, affect the validity and binding effect of the same as to the parties who execute said instrument.

20. 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.

21. All exhibits attached hereto are incorporated herein by reference. This Agreement, together with the Letter Agreement and any other documents that may be incorporated by reference herein, contains the entire agreement between the Parties with respect to its subject matter and supersedes all prior agreements and understandings, both written and oral, between the Parties with respect to the subject matter contained herein.

22. **Waiver of COGCC Notices and Other Regulatory Matters.** OWNER acknowledges and agrees that OPERATOR has consulted in good faith with OWNER as to its proposed operations in accordance with COGCC requirements. OWNER expressly waives the application of any COGCC setbacks inconsistent with this Agreement.

(a) OWNER agrees not to object to the Form 2A (Oil and Gas Location Assessment) and hereby waives any right granted by COGCC rule to comment on the Form 2A, to request an extension of the comment period, to request an onsite inspection pursuant to COGCC policy, or to appeal the approval and issuance of the Form 2A and any related Form 2 (Application for Permit to Drill), so long as the Form 2A and any related Form 2 are consistent with this Agreement.

(b) OWNER shall not oppose OPERATOR in any COGCC or other governmental proceeding related to OPERATOR's operations, including, but not limited to, permitting, formation of drilling units, well spacing, well density, pooling, drilling, completion, stimulation, re-stimulation, workovers, deepening and recompleting, provided that OPERATOR's position and contemplated undertakings in such proceedings are consistent with this Agreement.

(c) OWNER hereby waives its right to, and covenants that OPERATOR shall not protest or object to, any such exception location or application for the same by OPERATOR, provided that such exception location is otherwise consistent with this Agreement. The bottom-hole locations for each of the future wells will be determined by OPERATOR in its ordinary course of economic, engineering and geologic evaluations of potential oil and gas well drill sites.

(d) OWNER understands and acknowledges that the COGCC has rules and regulations that apply to the distance between a wellhead and public roads, production facilities, building units, occupied buildings and surface property lines, among other things. OWNER hereby waives its right to object to the location of any of OPERATOR's facilities and Access Roads on the basis of setback requirements in the rules and regulations of the COGCC, as they may be amended from time to time, including, but not limited to, the 150 foot setback from surface property lines and other requirements of Rules 603.a.(2) and 604.a, except that the Parties intend to rely upon one or more exceptions of Rule 604.b relating to property lines and urban mitigation areas or designated outside activity areas. For the operations contemplated by this Agreement, OWNER hereby waives the Exception Zone, Buffer Zone, Urban Mitigation Area and High Occupancy Building setback distances, as required by COGCC rules and regulations.

(e) OWNER grants consent to locate Wells outside of the GWA windows as defined in COGCC Rule 318A.a. OWNER further grants consent to locate the Wells greater than fifty feet (50') from an existing well pursuant to COGCC Rule 318A.c.

(f) OWNER agrees not to object to OPERATOR's location of facilities or use of the surface within the Easement Areas, so long as such locations and use are consistent with this Agreement. OWNER will provide OPERATOR, or its successors and assigns, with whatever written support they may reasonably require to obtain permits from the COGCC, or any other state or local jurisdiction, provided that any such permits are consistent with this Agreement.

(g) OWNER hereby waives the following notices and consultations:

(i) Rule 305.a.: Notice of Intent to Conduct Oil and Gas Operations;

- (ii) Rule 305.c.(1): Oil and Gas Location Assessment Notice;
- (iii) Rule 305.c.(2): Buffer Zone Notice;
- (iv) Rule 305.f.: Statutory Notice to Surface Owners;
- (v) Rule 305.h.: Move-In, Rig-Up Notice;
- (vi) Rule 306.a.: Surface Owner Consultation and Meeting Procedures;
- (vii) Rule 305.f.(4): Notice of Subsequent Operations; and
- (viii) Any other notice or consultation requirements of the COGCC.

OWNER understands that OPERATOR may provide a copy of this Agreement to the COGCC in order to obtain a waiver, exception location or variance from the COGCC rules or from a local jurisdiction.

(h) OPERATOR hereby waives its right to object to OWNER'S planning or platting of lots, streets, utilities, buildings or other improvements based on setback requirements or land uses outside of the Permanent Operations Area, provided that said improvements do not unreasonably interfere with OPERATOR's operations. No development or construction of improvements shall be installed until OPERATOR has drilled and completed all Wells contemplated hereunder, and that portion of the Oil and Gas Operations Area lying outside the boundaries of the Permanent Operations Area has been vacated, except underground utilities may be installed, provided they do not unreasonably interfere with the operations of OPERATOR.

### 23. Additional Provisions.

(a) Provided that OWNER provides all necessary easements pursuant to Section 4 of this Agreement, OPERATOR shall endeavor to reduce its footprint on the Lands by piping out as much produced liquids as economically and technically feasible, as determined by OPERATOR in its ordinary course of economic and engineering evaluations.

(b) OPERATOR shall use industry best management practices for sight, sound and air quality mitigation, including, but not limited to, electric motors for noise reduction.

(c) OPERATOR shall install and maintain, at its sole cost and expense, all gates and locks necessary for the security of any wells or facilities located within the OGOA.

(d) OPERATOR shall use industry standard low-profile production tanks. In addition, OPERATOR shall paint all tanks and production equipment with environmentally matching paint.

(e) OPERATOR shall cooperate with OWNER to develop a Reclamation and Landscape Plan around the perimeter of the Permanent Oil and Gas Operations Area (the "Landscape Plan"). Such Landscape Plan shall include, upon the Parties' agreement, berms, fencing, landscaping, trees, shrubs, irrigation systems and turf, along with access roads, gates, screening elements or other features reasonably necessary to minimize the visual impacts of permanent production equipment located within the Permanent Oil and Gas Operations Area. The Landscape Plan shall also address the management and maintenance of the areas identified on the Landscape Plan, which shall relieve the OPERATOR from maintenance obligations following a one (1) year warranty period. The cost of the Landscape Plan and the installation of the items shown on the Landscape Plan shall be paid by OPERATOR. The Landscape Plan shall be completed and delivered to OWNER within sixty (60) days of the execution of this Agreement, or prior to any construction activity on or within the OGOA, whichever occurs first. Review and approval by Owner of the Landscape Plan, which shall not unreasonably be withheld, shall be provided to Operator, in writing, within fourteen (14) days of Owner's receipt of the Landscape Plan, subject to any deficiencies or modifications required. Failure by Owner to approve, in writing, of the proposed Landscape Plan within the timeframe indicated above will be deemed an approval of said Landscape Plan.

(f) OPERATOR agrees to commence operations within eighteen (18) months of the Effective Date of this Agreement, and drill and complete all wells contemplated hereunder within four (4) years from the Effective Date of this Agreement. If OPERATOR fails to commence operations within eighteen (18) months or requires additional time to drill and complete wells beyond said 4-year term, then the Parties agree to renegotiate the following terms of this Agreement: 1) the time to commence or complete such operations, and 2) a reasonable payment for said timeline changes.

(g) OPERATOR shall record this Agreement (redacted as to any compensation amount) or a memorandum thereof, setting forth the identity of the Parties, the Effective Date and the Lands (specifically, the Permanent Oil and Gas Operations Area) covered by this Agreement, for the purpose of notice to third parties. OPERATOR shall provide OWNER with a recorded copy within thirty (30) days of such filing. In all other respects, however, the Parties shall hold the provisions of this Agreement in confidence.

(h) This Agreement hereby replaces and supersedes, in its entirety, that certain Surface Use Agreement between the Parties, dated May 12, 2017 and recorded at Reception No. 4302685 in the real property records of Weld County, Colorado.

(i) **Inclusion in Special Districts** — Operator acknowledges the Lands are presently included in the Tailholt Metropolitan Districts and subject to its Service Plan; however, unless Owner obtains the prior written consent

of Operator, which consent Operator may withhold, condition, or delay in Operator's sole and absolute discretion, Owner shall not, shall not consent to, and shall use best efforts to oppose all attempts to: (a) Notwithstanding the Tailholt Metropolitan Districts, include the Property, Operator's leasehold or mineral interests, and all rights and interests arising pursuant to this Agreement within the boundaries or jurisdiction of any existing District of which it is not currently a part; (b) other than what is allowed under the Service Plan governing the Tailholt Metropolitan Districts, impose or increase any other mill levy or other tax, fee, or other charge of any other District upon the Property, Operator's leasehold or mineral interests, and all rights and interests arising pursuant to this Agreement; or (c) other than what is currently allowed under the existing Service Plan and existing Declaration of Covenants, Conditions, and Easements for Tailholt Subdivision and Tailholt Metropolitan District Nos. 1-3 (recorded at Reception No. 4308463 with the Weld County Clerk and Recorder) impose any covenants, conditions, rules, regulations, review or approval processes, design or architectural standards, zoning, overlays, entitlements, matters of record, master plans, comprehensive plans, or other restrictions on Operator's leasehold or mineral rights, and all rights and interests arising pursuant to this Agreement, whether imposed by a District or other body, entity, or person.

For the purposes of this Paragraph, "District" means any special district formed pursuant to Article 1 of Title 32 of the Colorado Revised Statutes; any urban renewal authority, downtown development authority, business improvement district, special improvement district, or other body or entity formed pursuant to Article 25 of Title 31 of the Colorado Revised Statutes; any common interest community, condominium community, cooperative, or planned community formed pursuant to Article 33.3 of Title 38 of the Colorado Revised Statutes, commonly referred to as the Colorado Common Interest Ownership Act; or any other body or entity with the power to impose taxes, assessment, charges, or fees upon the Property.

*(Remainder of page intentionally left blank. Signatures and acknowledgements to follow.)*

EXECUTED as of the date of the Parties' respective acknowledgements below, but effective for all purposes as of the date first written above.

OWNER:

DEVCO INVESTORS, LLC

By: [Signature]  
Stanley K. Everitt, Manager

OPERATOR:

EXTRACTION OIL & GAS, INC.

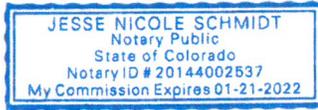
By: [Signature]  
Matthew R. Owens, President

ACKNOWLEDGEMENTS

STATE OF COLORADO )  
                                  ) ss.  
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 12<sup>th</sup> day of June, 2018, by Matthew R. Owens, President, for EXTRACTION OIL & GAS, INC.

[SEAL]

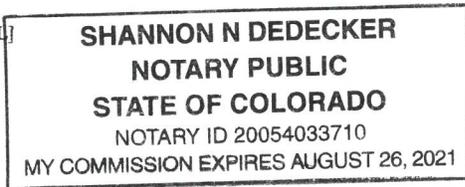


[Signature]  
Notary Public

STATE OF COLORADO )  
                                  ) ss.  
COUNTY OF Larimer

The foregoing instrument was acknowledged before me this 14<sup>th</sup> day of June, 2018, by Stanley K. Everitt, Manager, for DEVCO INVESTORS, LLC.

[SEAL]



[Signature]  
Notary Public



Exhibit "B-1"

INTERIM OIL AND GAS OPERATIONS AREA and ACCESS ROAD

Attached to and made a part of that certain Surface Use Agreement dated the \_\_\_\_ day of \_\_\_\_\_, 2018, between DEVCO INVESTORS, LLC, as OWNER, and EXTRACTION OIL & GAS, INC., as OPERATOR.

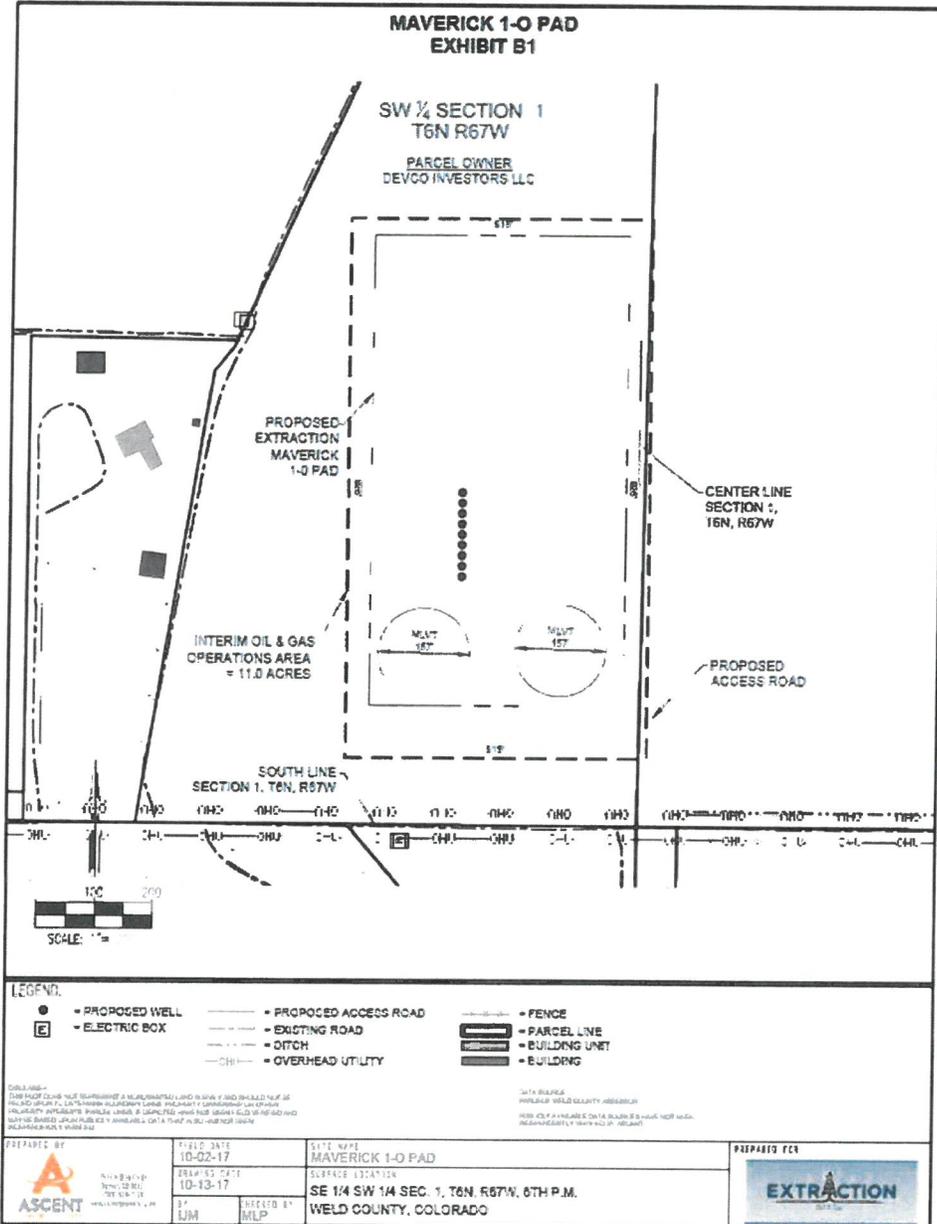


Exhibit "B-2"

INTERIM OIL AND GAS OPERATIONS AREA, PERMANENT OIL AND GAS OPERATIONS AREA and ACCESS ROAD

Attached to and made a part of that certain Surface Use Agreement dated the \_\_\_\_ day of \_\_\_\_\_, 2018, between DEVCO INVESTORS, LLC, as OWNER, and EXTRACTION OIL & GAS, INC., as OPERATOR.

