

**SURFACE OWNER'S RELEASE AND SETTLEMENT OF SURFACE DAMAGES**

State: Colorado  
County: Cheyenne

Surface Owner(s): Betty Hoffman  
42206 Highway 4  
Cheyenne Wells, CO 80810-9516

Operator: Pronghorn Operating LLC  
8400 East Prentice Ave, Suite 1000  
Greenwood Village, CO 80111

For adequate consideration, Betty Hoffman, as Surface Owner, releases and discharges, in full, Pronghorn Operating LLC, as Operator, its officers, agents, contractors, subcontractors, employees, successors and assigns from all claims, demands or causes of action caused by or arising from the usual and customary damages associated with the drilling, completion, reworking and production operations related to well(s) including the access road to the location(s), and laying of gas or oil gathering lines, water flow lines, and electrical lines on the following lands:

**Township 15 South, Range 44 West, 6<sup>th</sup> P.M.**  
**Section 6: N/2, SE/4**

This consideration shall amount to [REDACTED] Such compensation shall be paid prior to construction of the wellsite.

Operator shall notify Surface Owner(s) by mail, electronic mail, telephone, or fax prior to commencing operations. Surface Owner(s) does hereby waive the need of a 30 Day Notice Letter, and will not require an on-site audit by the Colorado Division of Wildlife or the Colorado Department of Health and Human Safety.

The consideration paid by the Operator to the Surface Owner(s) in the amount set forth are accepted in full and final settlement and discharge of the usual and customary surface damages related to the drilling, completion, reworking and operations of the subject well(s), including access road and the installation and maintenance of gathering, water and electrical lines.

Except to compensate Surface Owner(s) for damages to growing crops and the use of the above described wellsite/road damages, none of the foregoing provisions of this document shall act to waive, modify or amend any applicable law, rule, regulation or order of any Federal, state or local governmental authority.

Dated this 29<sup>th</sup> day of August, 2013.

Surface Owner(s):

Betty Hoffman  
Betty Hoffman

Operator:

Jacob M. Flora 8/28/13  
Jacob M. Flora, Partner  
Pronghorn Operating LLC