

## SURFACE DAMAGE AGREEMENT

THIS AGREEMENT is entered into between Mid-Con Energy Operating, LLC., 2431 E. 61<sup>st</sup> Street, Suite 850, Tulsa, Oklahoma 74136 (hereinafter "Mid-Con"), and

Name: Harker Family Registered LLLP Phone: 785-687-4391 / 785-687-8101

Address: 3437 County Road U  
Rexford, KS 67753

(hereinafter "Owner"). Mid-Con and Owner may hereinafter be referred to individually as "Party" or collectively as "Parties".

WHEREAS, Mid-Con intends to drill an oil & gas well (HRMU #14-1) requiring the use of 1.5-2 acres of surface land, on land located approximately 469 feet from the South line and 1320 feet from the West line of the SW/4 of Section 1, Twn 13S, Rge 43W, Cheyenne County, Colorado (the "Property");

WHEREAS, Owner owns interest in the surface and surface rights in and to the Property;

WHEREAS, Owner represents to Mid-Con that Owner is in possession of the Property, and that Owner has the right and authority to receive compensation for any and all damages and to release Mid-Con from liability with respect to the Property.

WHEREAS the Parties desire to settle surface damages relating to Owner's interest in the Property which may result from or arise out of the described operations.

NOW THEREFORE, in consideration of \$           in hand paid, the receipt and sufficiency of which is hereby acknowledged, Owner and Mid-Con agree as follows:

1. Owner hereby releases, discharges and holds harmless Mid-Con and its co-venturers from the loss of use, crop damage, or damage to growing grass that may be caused by, result from or arise out of Mid-Con's use of the Property and road route to drill and potentially complete an oil and gas well.
2. Mid-Con shall be subject to all applicable laws, rules and regulations relating to the conduct of its oil and gas operations on the Property, including those relating to the use of the surface.
3. This Agreement supersedes and prevails over all prior oral discussions, negotiations or agreements.
4. This Agreement may be amended only by a written contract signed by both Parties hereto and shall be binding on Mid-Con and Owner and their respective heirs, successors and assigns.
5. This Agreement on surface damages includes the laying of initial flow lines, electrical lines and lease roads at an additional \$           if Mid-Con uses road route on attached Exhibit "A"
6. This Agreement on surface damages includes the laying of initial flow lines, electrical lines and lease roads at an additional \$           if Mid-Con uses road route on attached Exhibit "B"
7. Mid-Con shall try if at all possible to bury any new electric lines. If this is not possible Mid-Con shall pay Owner \$           per electric pole.
8. Any and all additional flow lines after initial well hookup will be paid at \$           per foot.
9. Mid-Con agrees to place temporary fence around to the reserve pit to keep livestock out
10. Should the HRMU #14-1 become a producer, Mid-Con agrees to place steel panels around the well head to keep livestock out
11. Mid-Con agrees to contact Owner at least 2 weeks before the starting operations.
12. Mid-Con agrees to install a cattle guard at the entrance of any new gate or ROW opening created as a result of the drilling of the HRMU #14-1

IN WITNESS WHEREOF, the Parties have executed this Agreement on the dates set forth below.

Mid-Con Energy Operating, LLC.

By: Andrew R. Smith

Date: 6/23/14

OWNER

By: Harbor Family RLLP

Date: 6-24-14

By: Joan G. Ladd

Date: 6-24-14

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