

SURFACE USE AGREEMENT

THIS SURFACE USE AGREEMENT (“Agreement”) is entered into by and between Josephine M. Klein Family Trust & Louis L. Klein Irrevocable Trust (collectively, “Owner”), whose address is c/o Terry Klein, 122 Pahiatua Aokautere Rd, RD1, Palmerston North, New Zealand, the owner of the surface estate described below (the “Property”), and PDC Energy, Inc. (“Company”), whose address is 1775 Sherman Street, Suite 3000, Denver, CO 80203 (individually a “Party,” together “the Parties”) with respect to the following described lands and well(s):

Legal Location: Township 5 North, Range 64 West, 6th P.M.
Section 19: NE/4,
Except Lot A of Recorded Exemption No. 0963-19-1 RE-4436, according to plat recorded August 28, 2006, at Reception No. 3414980, Weld County, Colorado (“Property”)

Well name: **Klein 19N-202, Klein 19N-432, Klein 19O-312
Klein 19O-412, Klein 19O-232, Klein 19O-432
Klein 19P-312, Klein 19P-402, Klein 19M-202
Klein 19M-432, Klein 19N-312, Klein 19N-412**

(each, a “Well” and, collectively, the “Wells”)

RECITALS

WHEREAS, Company is party with the Josephine M. Klein Family Trust and others to that certain Oil and Gas Lease dated September 30, 1981, recorded at Reception No. 1871371 covering the Property (the “Lease”); and

WHEREAS, Owner is the owner of the surface estate of the Property, and

WHEREAS, Company owns the leasehold right to access the Property and use so much of the surface as is reasonably necessary to explore for and produce oil and gas from the leased premises; and,

WHEREAS, Company and Owner desire to enter into this Agreement as a supplement to, but not in derogation of, Company’s leasehold rights; and,

WHEREAS, the Lease has certain obligations relating to drilling operations and surface damages; and

WHEREAS, the parties enter into this Agreement to further and more fully define their rights, obligations and measure of damages in connection with use of the surface of the Property in connection with the Lease and otherwise in connection with the above-referenced wells;

15. This Agreement shall extend to, bind and inure to the benefit of, Owner and Company, and their respective heirs, personal representatives, successors and assigns. The rights and obligations contained herein shall constitute covenants running with the Property.

16. This Agreement shall become effective upon execution, which may be by counterparts, each of which shall constitute one and the same document, and shall remain in full force and effect until Company's leasehold estate expires or is terminated, and Company has plugged and abandoned the Wells and conducted reclamation in accordance with applicable COGCC rules and regulations, except that any release, discharge or indemnity from and against liability contained herein shall survive the expiration of this Agreement. An electronic copy of a Party's original signature shall be considered valid, binding and enforceable.

IN WITNESS WHEREOF, the Parties have executed this Agreement this 14th day of July, 2014.

OWNER:

Josephine M. Klein Family Trust

By: 
Louis L. Klein, Trustee

Louis L. Klein Irrevocable Trust

By: 
Dennis D. Klein, Trustee

Terence L. Klein, Trustee

COMPANY:

PDC ENERGY, INC.

 gm
By: **Edward R. Koeniger III**
Title: **Land Manager - Western U.S.**

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WHEREAS, Company and Owner desire to enter into this Agreement as a supplement to, but not in derogation of, Company's leasehold rights; and,

WHEREAS, the Lease has certain obligations relating to drilling operations and surface damages; and

WHEREAS, the parties enter into this Agreement to further and more fully define their rights, obligations and measure of damages in connection with use of the surface of the Property in connection with the Lease and otherwise in connection with the above-referenced wells;

SURFACE DAMAGES & CONVEYANCE

NOW THEREFORE, in consideration for the Surface Damage payments set forth below and the mutual promises and covenants contained herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

603315674.7

 

Party's original signature shall be considered valid, binding and enforceable.

IN WITNESS WHEREOF, the Parties have executed this Agreement this 16th day of July, 2014.

OWNER:

Josephine M. Klein Family Trust

By: _____
Louis L. Klein, Trustee

Louis L. Klein Irrevocable Trust

By: _____
Dennis D. Klein, Trustee
Terence L. Klein
Terence L. Klein, Trustee

COMPANY:

PDC ENERGY, INC.

Edward R. Koeniger, III
By: **Edward R. Koeniger, III**
Title: **Land Manager - Western U.S.**

*Witness to the signature of
Terence L. Klein on
16 July 2014.*



MAURICE BATHURST ROWE
NOTARY PUBLIC
65 RANGITIKEI STREET
PALMERSTON NORTH
NEW ZEALAND

