

WATER DISPOSAL AGREEMENT

THIS AGREEMENT ("Agreement") is made this 7th day of November, 2014 by and between **Wade E. Castor** ("Lessor") whose address is 22791 Highway 39, Weldona, CO 80653, and **Deland Todd Castor** ("Lessor") whose address is 25450 County Road 10, Weldona, CO 80653 and **Whiting Oil and Gas Corporation** ("Whiting") whose address is 1700 Broadway, Suite 2300, Denver, CO 80290.

WHEREAS Lessor is the owner of the surface to the following described property ("Subject Property") located in Weld County, Colorado:

Township 9 North, Range 59 West, 6th P.M.
Section 16: NWSW

WHEREAS, Whiting desires to utilize the **Wildhorse 16-13L** well located on the Subject Property (the "Subject Well") for sub-surface disposal and injection of water and other residual hydrocarbons produced from the drilling or operation of oil and gas wells operated by Whiting;

WHEREAS, Whiting has applied for all requisite approvals from the Oil and Gas Conservation Commission of the State of Colorado for operation of the Subject Well as water disposal well;

NOW, THEREFORE, for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged and in consideration of the premises and the mutual covenants and agreements contained herein the parties agree as follows:

1. Lessor does hereby consent, grant and lease unto Whiting that portion of the Subject Property within the "Existing Fence" as depicted on Exhibit "A" attached hereto, including the right to use and control all geological structures below the surface of the Subject Property and including a rectangular tract located on the existing pad for a water disposal station as identified on Exhibit "A" ("Water Station Site"), together with the right of ingress and egress to and over the Subject Property to such site over the "Existing Road" depicted on Exhibit "A".
2. Lessor further grants and leases unto Whiting non-exclusive access on the existing road on the Subject Property, all as further shown on Exhibit "A", together with the right of ingress and egress to and over the Subject Property to the Subject Well.
3. Lessor further grants and conveys to Whiting an easement and right-of-way on the Subject Property for the purpose of construction, installation and maintenance of a new pipeline connecting to one or more existing pipelines granted by lessor by which Whiting will convey and transport water, whether produced from the Subject Property or other lands leased by Whiting, to the Subject Well from the water Station Site, which right-of-way shall be sixty feet (60') in width. The length and location of the right-of-way for pipelines shall be in accordance with Exhibit "B", which shows the location of existing pipeline. The new pipeline will parallel the existing pipeline, and Whiting shall pay a onetime fee of _____ for the easement to install pipelines to the subject well.
4. The method and manner of injection, the amount and quality of water injected in the Subject Well, as well as the source thereof, and the formation or other zone into which the water is to be injected shall be within Whiting's sole and absolute control and discretion; provided, however (1) Whiting agrees to limit liquids injected to produced water and associated residual hydrocarbons generated from the drilling or operation of oil or gas wells operated by Whiting; and (2) Whiting further agrees that the surface injection pressure as measured at the outlet of Whiting's compressors on the Water Station Site shall conform to the PSI criteria approved by the state and federal agencies.

5. If Whiting determines that the Well is suitable for use as a water disposal well and elects to use the Well for such use, or upon Whiting receiving final approval of its Application before the Oil and Gas Conservation Commission, whichever is the later (hereafter referred to as the "Commencement Date"). Whiting shall pay Lessor _____ as full payment for all surface damages, including construction of the Water Station Site, installation of all pipelines to be installed by Whiting to the Subject Well, and for the continued and future use of the surface of the Subject Property for operation of the Subject Well as a water disposal site, which payment shall be made commencing no later than sixty (60) days following initial disposal of water in the Subject Well (initial payment date). On or before each anniversary of the initial payment, Whiting shall pay Lessor _____, (referred to hereinafter as the "Annual Rental") for its continued use of the well pad as a water disposal site. Such Annual Rent shall increase on each fifth (5th) anniversary of the Commencement Date in proportion to one hundred percent (100%) of the increase in the Consumer Price Index for Denver, Colorado for all items as published by the Bureau of Labor Statistics of the United States Department of Labor (the AIndex@) for the month ending on the last day of the month prior to such anniversary compared to the Index for the same date five (5) years earlier.
6. This Agreement and the rights and obligations hereunder shall be effective as of the Commencement Date, and shall continue in force for a term of **ten (10) years**, hereinafter referred to as the "Initial Term". On or before the expiration of the Initial Term, Whiting has the option, but not the obligation, to extend the terms of this agreement for an additional **ten (10) years** (referred to hereinafter as the "Extended Term") by giving written notice to Lessor not less than ninety (90) days prior to the expiration of the Initial Term. During the Extended Term, on or before each anniversary of the initial payment, Whiting shall pay Lessor an amount equal to the Extended Annual Rental for its continued use of the wellpad as a water disposal site. At such time as Whiting desires to abandon the Subject Well(s), it shall plug and abandon the well(s) in accordance with governmental requirements and reclaim the surface of the Subject Property as required by law.
7. Whiting agrees to meter all water injected into the Well, and to pay Lessor as an Injection Fee the sum of _____ per barrel for each barrel of metered water disposed of into the Well. Such payment is to be made by the 25th day of each month following the month the water was injected into the Well.
8. Whiting shall have the right, up to 180 days following termination of this Agreement, to enter upon the Subject Property to remove any and all equipment or personal property of Whiting attendant to the Subject Well, or used or obtained in connection therewith.
9. Whiting agrees to indemnify and hold Lessor harmless from any and all claims of whatever sort or nature pertaining to its operation of the Subject Well as a drilling water disposal well including, but not limited to, claims of environmental damage due to surface spillage or the underground excursion of contaminated fluids.
10. This Agreement shall be binding upon and shall inure to the benefit of the respective parties, their respective heirs, personal representatives, successors and assigns; provided, however, Whiting shall have the right to assign this Agreement in whole or in part, only on obtaining the prior written consent of Lessor.
11. Whiting will provide Lessor and Lessor's surface tenants with at least fifteen days' advance notice of Whiting's entry upon the Subject Property for purposes other than normal water hauling, equipment replacement or maintenance, or monitoring or inspection activities.

12. Whiting agrees to use the Property in a careful, safe, and proper manner in full compliance with all Rules and Orders of the Colorado Oil and Gas Conservation Commission and only for the disposal and injection of water and other residual hydrocarbons produced from the drilling or operation of oil and gas wells operated by Whiting as described herein, and only at the locations designated on Exhibit A. Whiting will pay on demand any damages to the tenant's Property or Lessor's property caused by its misuse, unless damages are repaired to Lessor's satisfaction, within ten (10) days from notice by Lessor.
13. Whiting shall affect a minimum of vegetative or soil disturbance, consistent with practical operations, and shall be responsible for segregating the topsoil, backfilling, repacking, reseeding and recontouring the surface of any disturbed areas, and shall reclaim such areas to be returned to pre-existing conditions as best as possible. Any surface disturbed by Whiting's activities shall be reseeded with native grasses and all noxious weeds eliminated. Reseeding shall continue until vegetation is established in a healthy growth condition. Whiting shall provide Lessor with a map or as-built drawing showing the surface location of all flow lines, transmission lines, and power lines after their installation. All flow lines located by Whiting on the Subject Lands shall be buried to a depth of at least four (4) feet below the surface. Whiting shall install metal locator strips above all non-metal lines installed.
14. Whiting shall keep the Subject Property, road, and other areas used by Whiting safe and in good order, including without limitation control of noxious weeds, litter and debris. Whiting shall conduct periodic trash pickup as deemed necessary. Whiting shall comply with state and federal laws, rules and regulations governing the presence of any petroleum products, toxic or hazardous chemicals or wastes on the Subject Lands.
15. Whiting shall give Lessor prompt notice of any of the following occurrences arising with regard to the Property or Whiting's activities thereon:
 - a. Any spill, release, or other occurrence that constitutes a violation of the provisions of any applicable laws, rules or regulations or this Agreement; and
 - b. Any notices, claims or allegations of environmental violations or contamination received from any federal, state or local governmental agency or authority or the filing or commencement of any judicial or administrative proceeding by any such agency.
16. In the event that the Lessor or Whiting shall fail to comply with any of their duties or obligations hereunder, the other party shall so notify the defaulting party in writing by certified mail, and if said default is not corrected within thirty (30) days after receipt of said notice or activity is not initiated to cure such default in those instances where said default could not be cured within said thirty (30) day period, the non-defaulting party shall have the right to terminate this agreement, to enforce the provisions of this agreement in law or in equity and/or have such other rights and remedies as may be provided to it under the laws of the State of Colorado. The defaulting party agrees that it shall be responsible for all costs and expenses, including reasonable attorney's fees, incurred by the non-defaulting party as a result of said default as may be determined by a court of law or equity.
17. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Colorado (without regard to its choice of law principles).

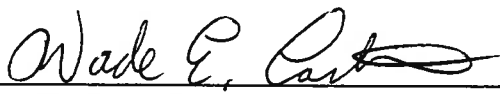
18. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same.


WHEREFORE, this Agreement has been entered into as of the day and date first above written.

WHITING OIL AND GAS CORPORATION

By: 
David M. Seery, Vice President - Land

LESSOR:

By: 
Wade E. Castor

By: 
Deland Todd Castor

STATE OF COLORADO)
) ss:
COUNTY OF DENVER)

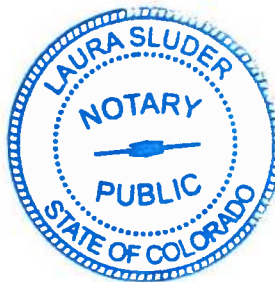
SUBSCRIBED AND SWORN to before me by **David M Seery, Vice President - Land** for **Whiting Petroleum Corporation**, on this 31st day of October 2014.

WITNESS my hand and official seal.


Notary Public

My commission expires: 3/10/15.

[SEAL]



STATE OF Colorado)
) ss:
COUNTY OF WELD)

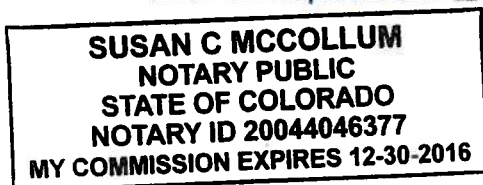
SUBSCRIBED AND SWORN to before me by **Wade E. Castor** on this 7th day of November 2014.

WITNESS my hand and official seal.


Notary Public

My commission expires: 12/30/2016.

[SEAL]



STATE OF Colorado)
) ss:
COUNTY OF WELD)

SUBSCRIBED AND SWORN to before me by **Deland Todd Castor** on this 7th day of November 2014.

WITNESS my hand and official seal.


Notary Public

My commission expires: 12/13/2016.

[SEAL]

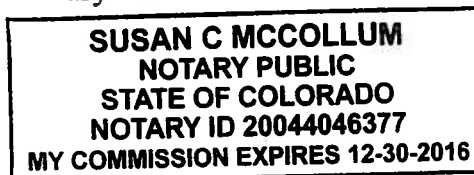


EXHIBIT "A"

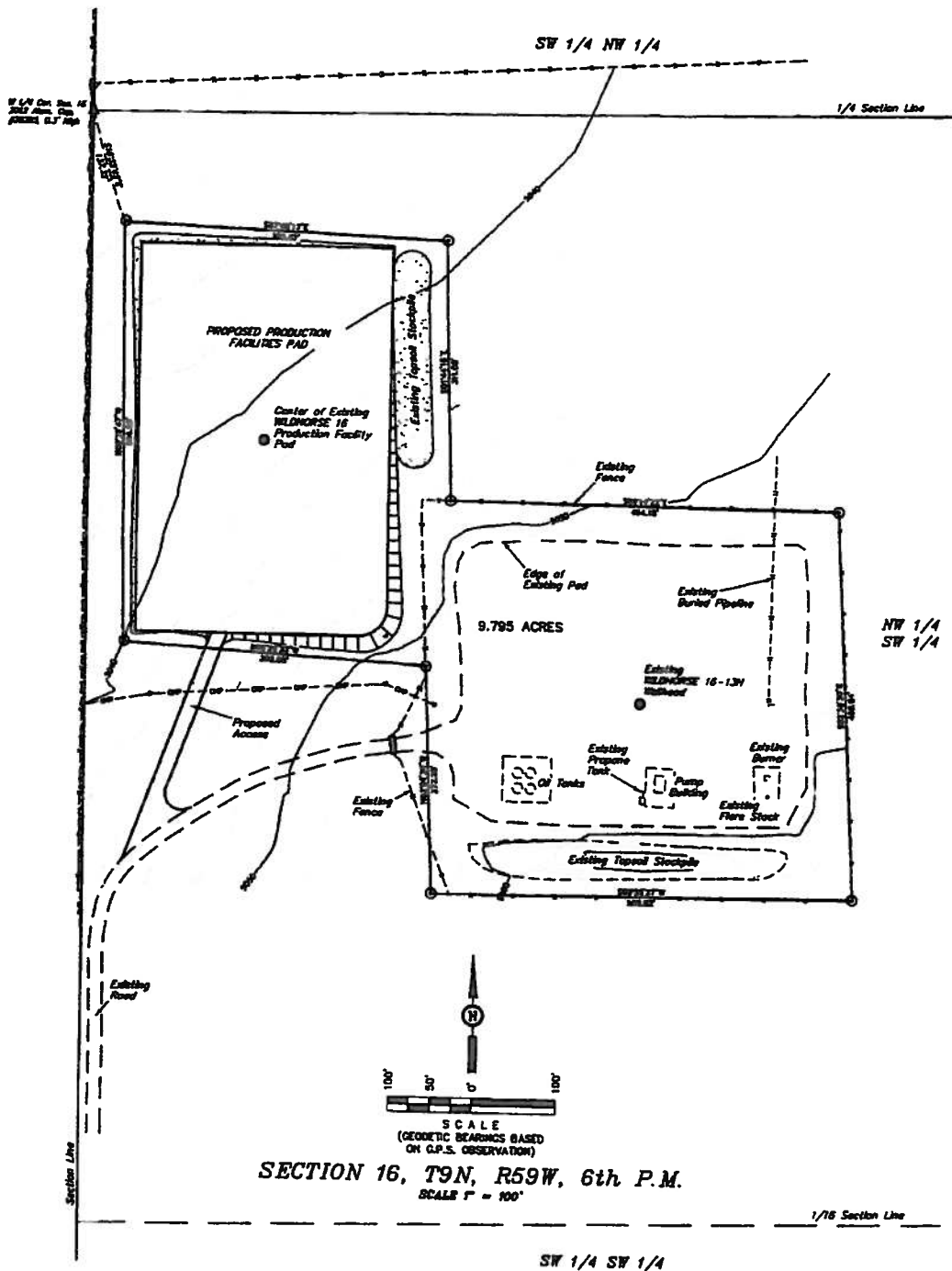
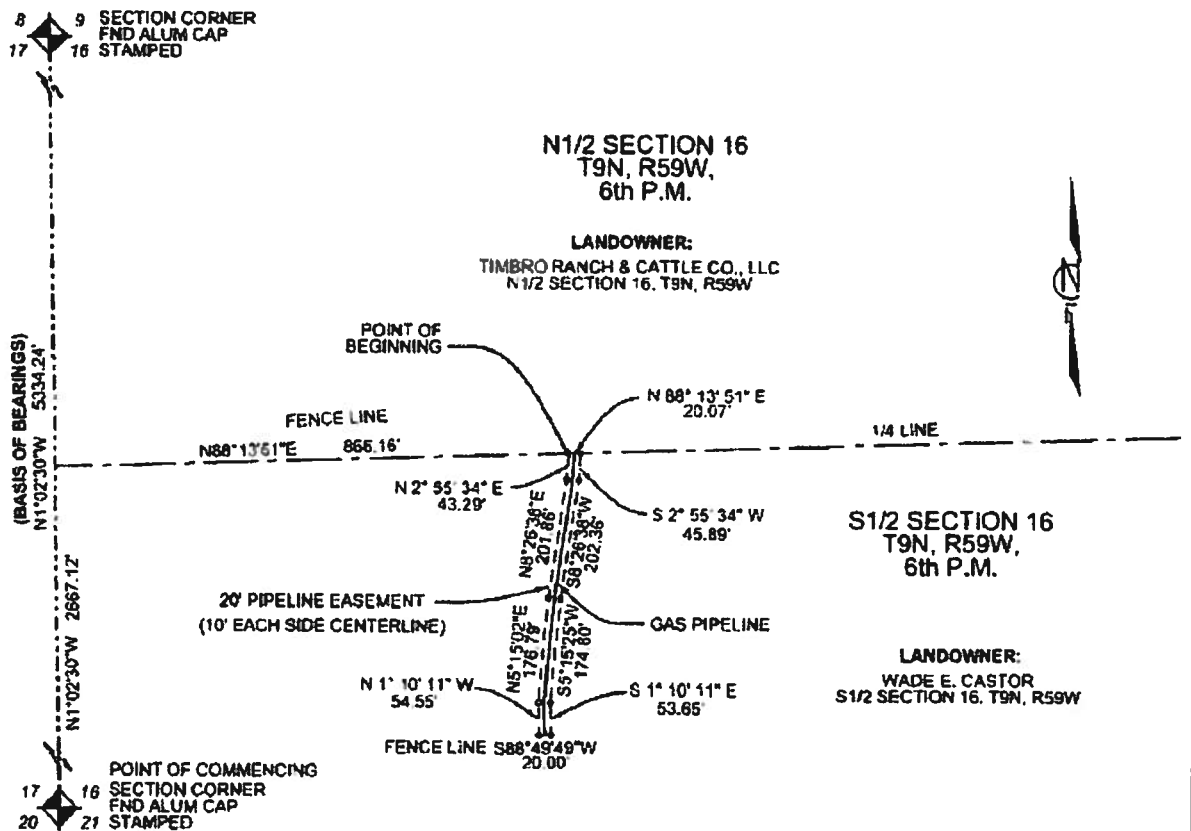


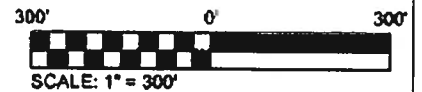
EXHIBIT "B"

**S1/2 SECTION 16, T9N, R59W, OF THE 6TH P.M.,
 COUNTY OF WELD, STATE OF COLORADO**



LEGEND:

- FOUND MONUMENT AS NOTED
- EASEMENT ANGLE POINT (NO MONUMENT)



PROJECT: WILD HORSE 16-13H	 10333 E. DRY CREEK RD Suite 240 Englewood, CO 80112 Tel: (720) 482-9526 Fax: (720) 482-9546 SURVEY • MAPPING • GIS	S1/2 SECTION 16, T9N, R59W, OF THE 6TH P.M., COUNTY OF WELD, STATE OF COLORADO	SHEET NUMBER:
PIPE: 6" POLY GAS PIPELINE			1
OWNER: WADE E. CASTOR			SHEET 1 OF 1