

SURFACE USE AGREEMENT

THIS SURFACE USE AGREEMENT (“Agreement”) is entered into by and between John J. Fitzsimmons and Cynthia J. Fitzsimmons (“Owner”), whose address is P.O. Box 1412 Nederland, Colorado 80466 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 1 North, Range 66 West, of the 6th P.M.
Section 9: North West 1/4
Tax Parcel Numbers 147109000054 and 147109000004
Weld County, Colorado

Well Names:

Fitzsimmons 9E-323
Fitzsimmons 9J-243
Fitzsimmons 9J-443
Fitzsimmons 9J-303
Fitzsimmons 9J-223
Fitzsimmons 9J-323
Fitzsimmons 9M-443
Fitzsimmons 9M-203
Fitzsimmons 9E-403
Fitzsimmons 9E-223

RECITALS

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, including the right to drill future wells in addition to any well enumerated herein;

NOW THEREFORE, in consideration of _____ in-hand, and other good and valuable consideration, including Company’s agreement to pay the additional sum of _____, _____ well, forty-five (45) days prior to the spudding of the wells listed above. Company shall have the option to drill up to ten (10) wells, as described above, and the drilling of each well shall be at the sole discretion of Company, as well as the mutual promises and covenants contained herein, the receipt and sufficiency of which is hereby acknowledged.

RELEASE & CONVEYANCE

Except as provided below in Additional Covenants 2, 3 and 7, Owner hereby releases and discharges Company, its agents, employees, contractors and licensees from and against any and all claims by Owner for damages, of whatsoever nature and character, including, but not limited to, diminution in value of the Property, arising from, incident to, or in connection with Company’s oil and gas operations (“the Operations”) on the Property, so long as such Operations are conducted in accordance with this Agreement.

AND,

Owner hereby grants, demises and conveys such easements and rights-of-way on and across the Property as may be convenient for the Operations. Company shall have the right to drill and operate wells ("Wells") and any associated access roads, production facilities, pipelines, and Modular Large Volume Storage Tanks ("MLVTs"), and to conduct its Operations anywhere within the Oil and Gas Operations Area ("OGOA") and easements shown on Exhibit A, attached hereto and incorporated herein, including directional and horizontal wells that produce from and drain lands other than the Property, provided such lands are validly pooled with all or any portion of the lands included in Company's oil and gas lease covering the Property.

ADDITIONAL COVENANTS

The Parties agree that the Recitals above are integral to this Agreement and as such are expressly incorporated in these Covenants by reference as if fully set forth herein.

1. Company may exercise its rights hereunder for all purposes convenient for Company to perform the Operations, including the right of unimpeded ingress and egress on the designated rights-of-way to access the OGOA, to install and operate production facilities and pipelines, and to install other associated equipment and facilities within the OGOA, including, but not limited to, MLVTs. Company may assign or delegate to a third party the right to install and operate pipelines in order to connect the Wells to a gas or liquids gathering system. Company may also assign or delegate to a third party the right to install and dismantle MLVTs. The access easements granted herein shall be non-exclusive and capable of use by Owner, so long as such use does not interfere with or impair the Operations, and with the permission of Company, which permission shall not be unreasonably withheld. The Parties further agree that if Owner's use of the access easements interferes or impairs the Operations, such interference shall be deemed immediate, real and irreparable harm and may require injunctive relief and the Parties further stipulate that money damages will not fully and adequately address the harm.

2. Company shall promptly repair, or compensate Owner for, damage to personal property or to improvements on the Property, such as damage to buildings, fences, gates, culverts and livestock, as well as any other such extraordinary losses or damages caused by Company. Any failure to reach mutual agreement with respect to such repair or compensation shall not, however, be deemed to constitute a breach or abrogation of this Agreement, nor to terminate or diminish the grants, conveyances, rights and obligations contained herein.

3. Company hereby agrees to release, discharge, indemnify and hold Owner harmless from and against any and all third party claims, losses, liability, damages, and causes of action for personal injury or property damage arising out of Company's Operations, unless, and to the extent that, Owner's negligence causes or contributes to such third party claims. This indemnification extends to any action by a government agency with jurisdiction over the Operations under an environmental law or regulation.

4. Owner has requested that all consultation be conducted directly with Owner. Accordingly, Owner shall have the responsibility of notifying any affected tenant, lessee or other party who may own or have an interest in any crops or surface improvements which could be affected by the Operations. Owner agrees that all damages claimed by a surface tenant, lessee or other such party resulting from the Operations shall be settled by Owner, and Owner hereby

agrees to release, discharge, indemnify and hold Company harmless from and against any such claims.

5. Company agrees to perform all reclamation in accordance with the rules and regulations of the Colorado Oil and Gas Conservation Commission (“COGCC”), unless a variance is granted by the COGCC upon the request of Owner. Company shall endeavor to keep the OGOA and the pipeline and access easements free of weeds and debris and to control erosion.

6. Commencement of the Operations with heavy equipment is estimated to begin during the first quarter of 2016. Owner acknowledges that this notice complies with, or hereby waives, all COGCC requirements that it be given advance notice by Company of the proposed Operations. Owner acknowledges receiving from Company a brochure prepared by the COGCC which describes the rights and responsibilities of Owner as a surface owner.

7. Company shall construct its roads and pipelines within the access easements shown on Exhibit A, and otherwise confine its Operations to the OGOA, except in the event of an emergency, or for reasonable incidental and temporary activities, and Company shall be responsible for any physical damage to the Property that may be caused by such emergency or temporary activities. Any depiction of the Operations shown on Exhibit A are for illustrative purposes only and shall not bind Company with respect to the location or scope of its Operations within the OGOA.

8. Company shall construct fencing around the ten (10) well heads and production facility to comply with the town of Fort Lupton’s specifications and guidelines.

9. Company upon Owners request, shall install steel pipe gates or cattle guards at all the Company’s access points entering the property.

10. Company agrees to notify the Fulton Ditch Company and the town of Fort Lupton thirty (30) days prior to the start of construction of any access roads or pad sites.

11. Owner acknowledges and agrees that Company has consulted in good faith with Owner as to its proposed Operations, in accordance with COGCC requirements, or hereby waives such requirements. Owner expressly waives the application of any COGCC setbacks inconsistent with this Agreement.

(a) Company will provide Owner with the COGCC Form 2A (“Oil and Gas Location Assessment”) for the OGOA when submitted to the COGCC, and Company undertakes to ensure that said Form 2A accurately reflects the provisions of this Agreement.

(b) Owner agrees not to object to the Form 2A, so long as it is consistent with this Agreement, 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”).

(c) Owner shall not oppose Company in any COGCC or other governmental proceedings related to Company’s Operations, including, but not limited to, permitting, formation of drilling units, well spacing, pooling, drilling, completion, stimulation, re-

stimulation, workovers, deepening and recompleting, provided that Company's position in such proceedings is consistent with this Agreement.

12. Owner expressly acknowledges and agrees that this Agreement shall be deemed to be specifically applicable to, and to fully satisfy, the obligation of Company to reasonably accommodate Owner's use of the surface of the Property, existing or future, and waives any statutory or common law claim to the contrary.

13. Owner agrees to include a note on any annexation, subdivision plat, planned unit development or other land use designation for which Owner may apply to put successors or assigns on notice that the Property is subject to this Agreement. Owner agrees that Company may also record this Agreement or Memorandum of this Agreement, redacted as to any compensation amount. In all other respects, however, the Parties shall hold the provisions of the Agreement in confidence.

14. This Agreement shall permit the installation, operation and dismantling of MLVTs within the OGOA. Such installation, operation and dismantling shall comply with any applicable requirements as set forth by the COGCC. It is hereby agreed to and understood by the Parties that Company's utilization of MLVTs within the OGOA shall be at the discretion of Company. If Company desires to utilize the MLVTs following completion operations of said Wells described in this Agreement, the parties agree to enter into a separate mutually agreeable surface agreement for such expanded use, which agreement shall not be unreasonably withheld.

15. In construing this Agreement, no consideration shall be given to the fact or presumption that one Party has had a greater or lesser hand in drafting this Agreement than the other Party.

16. This Agreement shall be subject to, and construed under, the laws of the State of Colorado, and the County of Weld, without regard to its conflict of law provisions, and jurisdiction and venue shall be solely in the courts of the State of Colorado, subject to the right of either Party to remove a matter to federal court.

17. Each of the undersigned principals of the Parties represents and warrants that such person has the requisite corporate or legal authority to bind the respective Parties to this Agreement.

18. Company may, at its discretion, change the well name of any well drilled upon the Property in accordance with the rules and regulations of the COGCC. Company may provide Owner with a Sundry Notice regarding any well name change. Once Owner is provided with a Sundry Notice, the well name provision contained herein shall be considered amended in accordance with the revised well name. Any final determination of well names may be found at the records of the COGCC.

19. Concerning any matter relating to the Operations, Owner may contact:

Operator: PDC Energy, Inc.
Person to Contact: Elizabeth Bachman
Address: 1775 Sherman Street, Suite 3000
Denver, CO 80203
Phone Number: 303-860-5800
Fax: 303-860-5838

Email Address: elizabeth.bachman@pdce.com

Toll Free 24-Hour Emergency Phone Number: 1-877-350-0169

20. 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.

21. 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 8 day of January, 2015.

OWNER:


By: John J. Fitzsimmons

OWNER:


By: Cynthia J. Fitzsimmons

COMPANY:
PDC Energy, Inc.


By: O.F. Baldwin II
Vice President Land

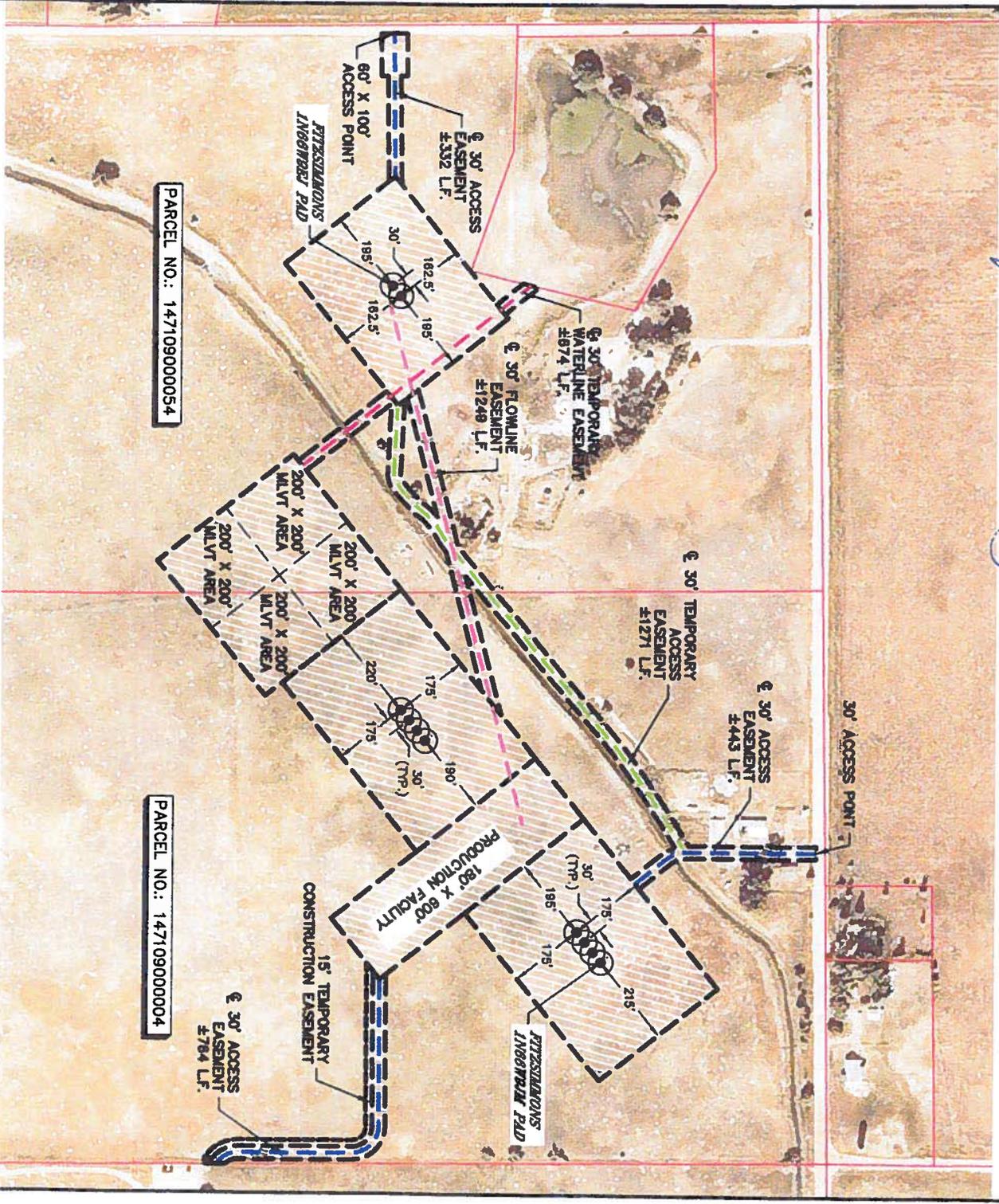
EXHIBIT "A" Page 1 of 2

This Exhibit "A" is attached to and made a part of that certain Surface Use Agreement by and between John J. Fitzsimmons & Cynthia J. Fitzsimmons, Owners, and PDC Energy, Inc., Company. Covering the following lands:

Township 1 North, Range 66 West, 6th P.M.
 Section 9: NW1/4
 Weld County, Colorado

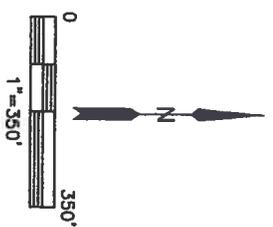
John J. Fitzsimmons & Cynthia J. Fitzsimmons

BY: *John J. Fitzsimmons* DATE: 1/8/15



LEGEND

- OIL AND GAS OPERATIONS AREA ("OGOA") = 20.3 ACRES
- APPROXIMATE 30' TEMPORARY WATERLINE EASEMENT
- APPROXIMATE 30' FLOWLINE EASEMENT
- APPROXIMATE 30' ACCESS EASEMENT
- APPROXIMATE 30' TEMPORARY ACCESS EASEMENT



DATE: 12/23/2014
 PROJECT#: 2014179

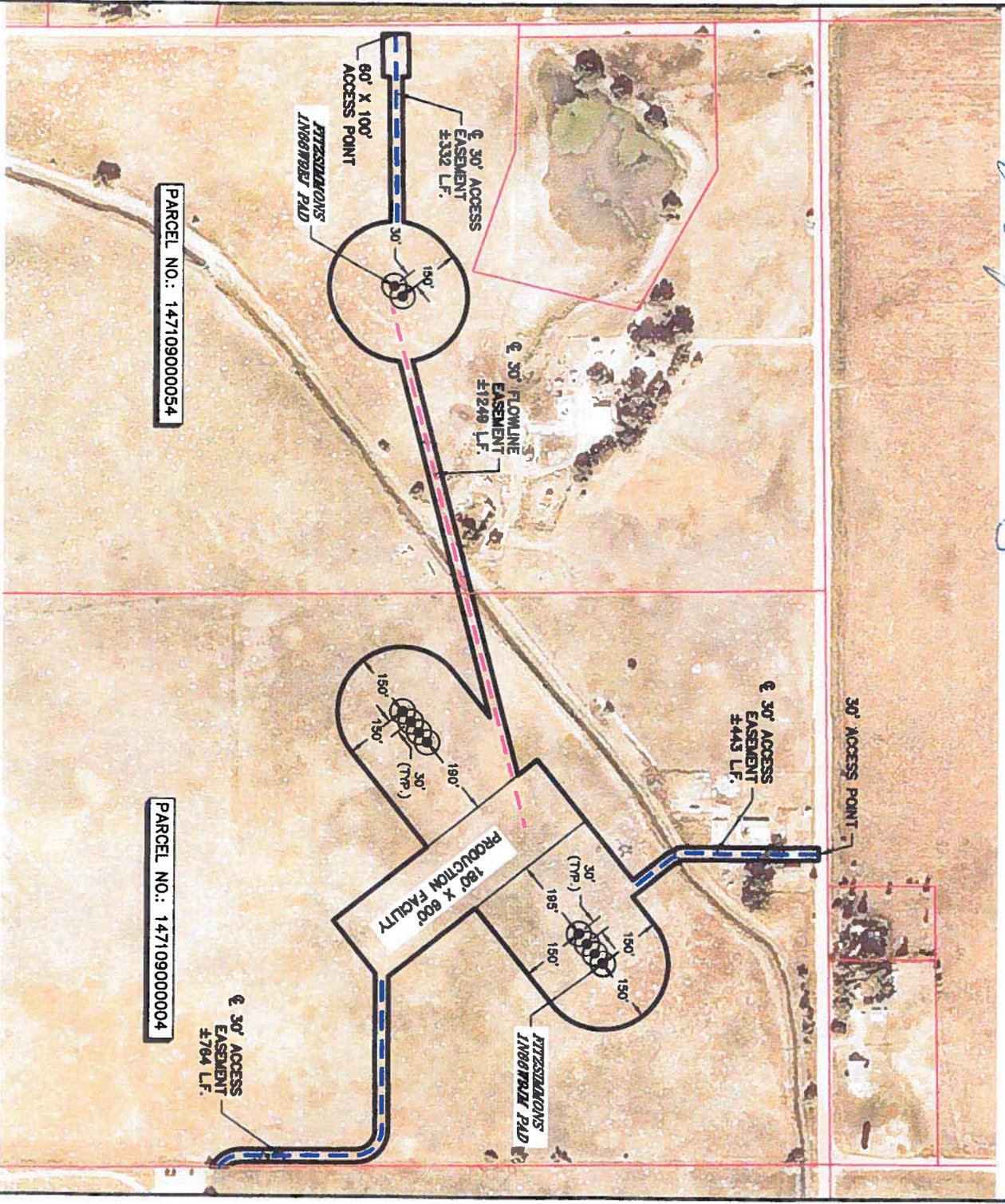
EXHIBIT "A" Page 2 of 2

This Exhibit "A" is attached to and made a part of that certain Surface Use Agreement by and between John J. Fitzsimmons & Cynthia J. Fitzsimmons, Owners, and PDC Energy, Inc., Company. Covering the following lands:

Township 1 North, Range 66 West, 6th P.M.
 Section 9: NW1/4
 Weld County, Colorado

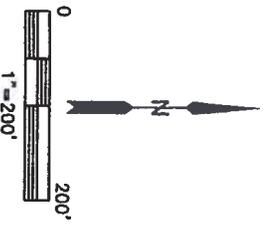
John J. Fitzsimmons & Cynthia J. Fitzsimmons

BY: John J. Fitzsimmons DATE: 11/8/15



LEGEND

- PERMANENT DISTURBANCE = 11.7 ACRES
- APPROXIMATE @ FLOWLINE EASEMENT
- APPROXIMATE @ ACCESS EASEMENT



DATE: 12/23/2014
 PROJECT#: 2014179

****ACKNOWLEDGEMENT OF PAYMENT****

Payment is hereby acknowledged by the undersigned parties as consideration for Surface Use Agreement Signing Consideration dated January 8, 2015, covering the following lands:

Well Names: Fitzsimmons 9E-323, Fitzsimmons 9J-243, Fitzsimmons 9J-443, Fitzsimmons 9J-303, Fitzsimmons 9J-223, Fitzsimmons 9J-323, Fitzsimmons 9M-443, Fitzsimmons 9M-203, Fitzsimmons 9E-403, Fitzsimmons 9E-223

Township 1 North, Range 66 West, 6th P.M.

Section 9: North West 1/4

Tax Parcel Numbers 147109000054 and 147109000004

Weld County, CO

, received this 8th day of January, 2015.

By:



John J. Fitzsimmons

MEMORANDUM OF
SURFACE USE AGREEMENT

WHEREAS on the 8 day of January, 2015, John J. Fitzsimmons and Cynthia J. Fitzsimmons whose address is P.O. Box 1412 Nederland, Colorado 80466 hereinafter referred to as "Owner" entered into a Surface Use Agreement (hereinafter the "Agreement") with PDC Energy, Inc., whose address is 1775 Sherman Street, Suite 3000, Denver, Colorado 80203, hereinafter referred to as "Operator," covering and affecting property with the legal description identified as the following ("Property"):

Township 1 North, Range 66 West, of the 6th P.M.
Section 9: North West 1/4
Tax Parcel Numbers 147109000054 and 147109000004
Weld County, Colorado

WHEREAS said Agreement provides for, among other things, the right to enter upon and use the Owner's Property for the purpose of erecting and maintaining well site locations and to perform other services as Operator and other functions described in the Agreement, and it also sets forth payment of specific amounts to cover damages resulting thereto. The Agreement, with all of its terms, conditions, covenants and other provisions, is referred to and incorporated into this Memorandum for all purposes.

NOW THEREFORE this Memorandum is placed of record for the purpose of giving notice of the Surface Use Agreement. Any person having the lawful right or legitimate interest therein may examine a copy of the Surface Use Agreement in PDC Energy, Inc.'s office during normal business hours.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 8 day of January, 2015.

Owner:
John J. Fitzsimmons and Cynthia J. Fitzsimmons

Name: [Signature]
John J. Fitzsimmons

Name: [Signature]
Cynthia J. Fitzsimmons

Operator:
PDC Energy, Inc.

[Signature]
D.F. Baldwin II
Vice President Land

STATE OF COLORADO)
) ss
COUNTY OF WELD)

This instrument was acknowledged before me this 8th day of January, 2015, by John J. Fitzsimmons and Cynthia J. Fitzsimmons

WITNESS MY HAND AND OFFICIAL SEAL.



Notary Public [Signature]
Barney L. Hammond

My commission expires: 7/8/2015
STATE OF COLORADO)
) ss
CITY AND COUNTY OF DENVER)