

WATER DISPOSAL WELL EASEMENT AND AGREEMENT

This Water Disposal Well Easement and Agreement (the "Agreement") is dated as of this 24th day of November, 2014 ("Effective Date") between NGL Water Solutions DJ, LLC, a Colorado limited liability company (the "Grantee"), with an address at 3773 Cherry Creek Drive North, Suite 1000, Denver, Colorado 80209 and Lyle B. Smialek and Lynda A. Smialek, with real property located in Section 29, Township 2N, Range 64W, and a physical address of owners of the real property Lyle Byron Smialek and Lynda A. Smialek 25931 CR 16, Keenesburg, Colorado 80643 ("Grantor").

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby grants and conveys to Grantee a dedicated subsurface easement ("Easement") for the purposes of disposing of wastewater and locating, constructing, operating, maintaining, replacing, reclaiming, removing and abandoning an underground wellbore and bottom hole for wastewater disposal well(s) under the real property (as depicted in Exhibit A) located in WELD COUNTY, COLORADO, further described within Exhibit A attached hereto.

Grantor and Grantee agree as follows:

1. **Easement.** The Easement is limited to a single directional well intended for the purpose of saltwater disposal, currently designated as the C-5A injection well. The surface hole location for the well will reside on property owned by NGL Water Solutions DJ, LLC. The well bore will pass under and end under SE/4 Sec 29-T2N-R64W (as depicted in Exhibit A). From the surface hole location for the C5A, the wellbore will be vertical to 1,100 feet and then kick off at an angle traveling under the southeast section of Section 29 and be at vertical again at the bottom hole at 8,000 feet to a total depth of approximately 10,650 feet.

As technically feasible, the Easement is limited to Parcel #130529400004 within Sec 29-T2N-R64W (as depicted in Exhibit B). The well bore will pass under and end under Parcel #130529400004, and not encroach upon Parcel #130529400001, 130529400002, 130529400003.

The Term of the Easement is for as long as Grantee is using said Easement for the purpose set forth herein. The Easement granted hereby shall run with the land and be perpetual, subject to the immediately preceding sentence.

2. **Indemnity.** Grantee agrees to indemnify and hold harmless Grantor and its successors and assigns against any and all liability, loss, damages, claims, demand actions, causes of actions, including court costs and attorney's fees which may result from property damage, including violations of applicable environmental laws, or personal injury to, or death to persons whomsoever, to the extent such arises from Grantee's occupancy of the Easement or Grantee's operations on the Easement, except to the extent that such liability, loss, damage, claims, demand actions, causes of action, including court costs and attorney's fees, arise out of any act or omission of Grantor or its successors or assigns.

3. **Miscellaneous.** This Agreement shall be binding on and inure to the benefit of the parties and their respective successors and assigns, subject to existing Henrylyn Irrigation District rights and other Right of Way easements. The rights, but not the duties, of the parties may be assigned in whole or in part. This Agreement represents the final agreement between the parties with respect to the subject matter thereof and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. Neither party shall be liable to the other for special, consequential, incidental, punitive or exemplary damages.

4. **Reimbursement Agreement.** Grantee and Grantor agree to reimbursement terms stated herein. No reimbursement is implied other than that contained in this Agreement nor shall anything be promised

or delivered beyond that stated in this Agreement; provided, however, that Grantee shall ensure that the surface of Grantor's property is maintained in its current state during the drilling of the disposal well.

This Agreement and the payment of the Consideration shall not become effective until all applicable permits to drill the disposal well have been obtained. Once the permits are obtained, Grantee shall have 365 days within which to commence drilling of the disposal well or this Agreement, at Grantor's option, shall terminate. If Grantor chooses to terminate the Agreement, no Consideration shall be paid.

5. **Consideration.** As one-time payment/consideration for the granting of the Easement, Grantee agrees to provide Grantor \$\$\$ (the "Consideration") through either a direct disbursement or in-kind payment. In-kind payment shall be directed to the construction of a structure intended for the use as a hay barn on Grantor's property, of which Grantor shall agree to the design, location and timeline of construction. If paid in-kind, payment shall be made directly from Grantee to Contractor; any difference between Consideration and total construction cost shall be paid by Grantor. If paid by direct disbursement, payment shall be made directly from Grantee to Grantor. Consideration shall be paid in accordance with Section 4.

6. **Addresses and Notices.** Either Party may give notices to the other Party by first class mail postage prepaid or by overnight delivery service at the following addresses or other addresses furnished by a Party by written notice. Unless Grantee otherwise notifies Grantor, Grantor may also use Grantee's below address for payments. Any telephone numbers or email addresses below are solely for information and are not for Agreement notices. The Parties opt out of electronic delivery of notices and amendments under this Agreement.

If to Grantee: NGL Water Solutions DJ, LLC
3773 Cherry Creek N. Drive
Suite 1000
Denver, CO 80209
Attn: Senior Vice President

If to Grantor: Lyle B. Smialek
41994 County Road 4
Roggen, CO 80652

The parties hereto have executed this Agreement to be effective as of the Effective Date.

Grantor: Lyle B. Smialek

By: 

Printed Name: Lyle B. Smialek

Date: 11-24-2014

Grantee: NGL Water Solutions DJ, LLC

By: 

Printed Name: Doug White

Title: Sr. Vice President

Date: 11/24/14

Grantor: Lynda A. Smialek

By: 

Printed Name: Lynda A. Smialek

Date: 11-24-14

NGL Energy Partners, LP guarantees the obligations of its subsidiary, NGL Water Solutions DJ, LLC as provided herein.

NGL Energy Partners, LP

By: NGL Energy Holdings, LLC

its General Partners

By: 

Printed Name: Doug White

Title: Sr. Vice President

Exhibit A

Attached to and made part of Water Disposal Well Easement and Agreement

Dated 11/24, 2014

C-5A Water Disposal Well Bottom-Hole Location

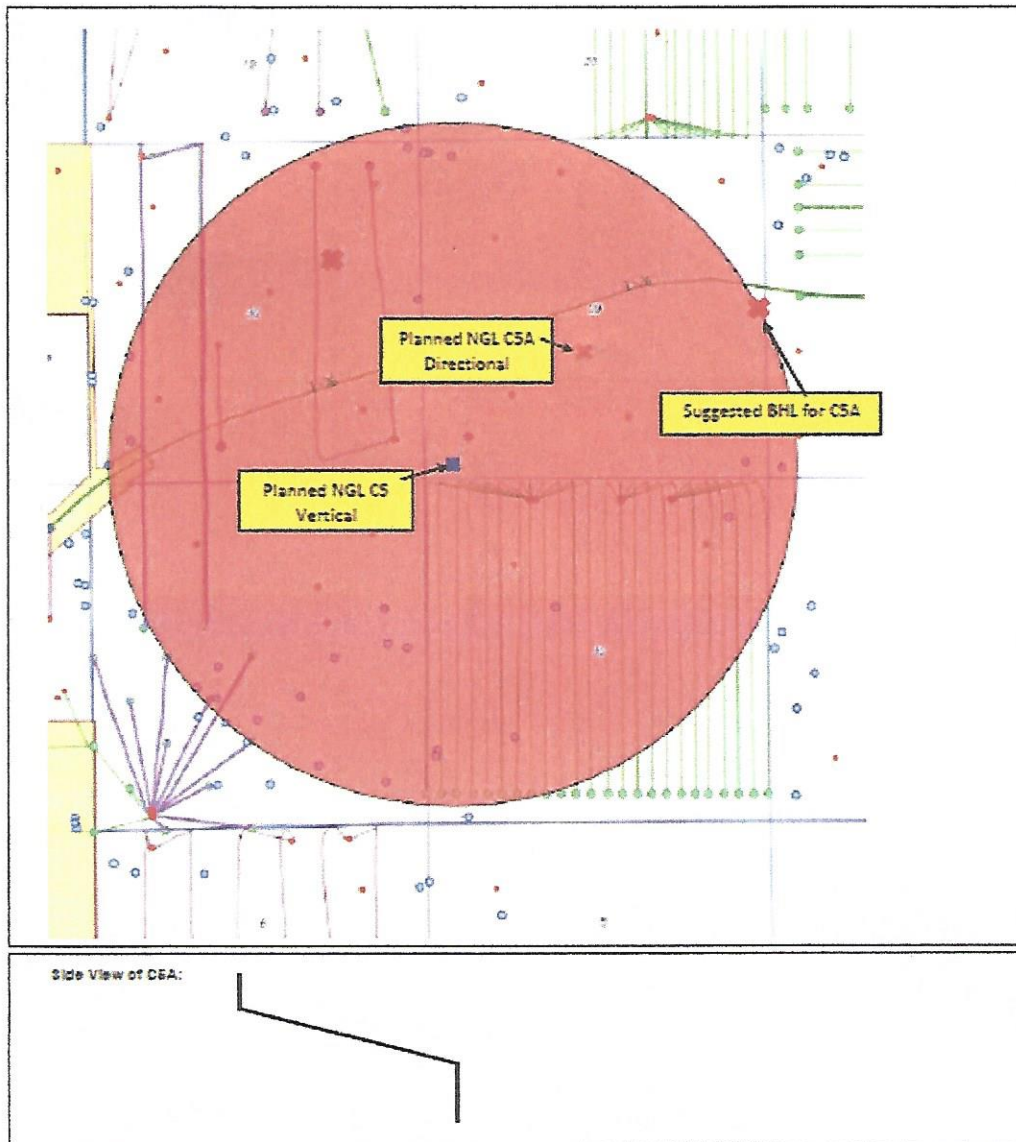


Exhibit B

Attached to and made part of Water Disposal Well Easement and Agreement

Dated 11/24, 2014

Included and Exempted Parcels within Sec 29-T2N-R64W

