

SECOND AMENDMENT TO SURFACE USE AGREEMENT

This 2nd Amendment to the Surface Use Agreement ("Second Amendment") is effective as of April 26th, 2016, by and between John J. and Cynthia J. Fitzsimmons herein referred to as ("Owner"), whose address is P.O. Box 1412, Nederland, Colorado 80466 and Kerr-McGee Oil & Gas Onshore, LP ("Company") with offices at 1099 18th Street, Denver, Colorado 80202, herein after sometimes referred to singularly as "Party" or collectively the "Parties".

RECITALS

A. PDC Energy Inc. and Owner entered into that certain Surface Use Agreement ("SUA") dated January 8th, 2015, associated Memorandum of Surface Use Agreement ("Memorandum") dated January 8, 2015 recorded March 3, 2015 at Reception Number 4087204 in the records of the Clerk and Recorder of Weld County, Colorado and that certain Amendment to Surface Use Agreement ("Amendment") dated June 3, 2015.

B. As to the Existing SUA and certain oil and gas leasehold in the Property, Kerr-McGee Oil and Gas Onshore LP is successor in interest to PDC Energy, Inc. by Assignment, Conveyance, and Bill of Sale dated December 2, 2015 and recorded December 3, 2015 at Reception No. 4162630, and

C. Company and Owner desire to amend the Surface Use Agreement for the mutual benefit of both Parties.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt of which is hereby acknowledged, Company and Owner agree as followed:

A. The Legal Location described in the SUA, Memorandum, and Amendment is clarified to be the following and therefore anything inconsistent in the SUA, Memorandum and Amendment is hereby deleted:

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

Section 9: the Northwest Quarter, less and except those certain parcels as further described in that certain Warranty Deed dated January 9, 2007 recorded at Reception No. 3449195 in the records of the Clerk and Recorder's Office of Weld County, Colorado; also described as Weld County Tax Parcels #147109000054 and #147109000004 (the "Property").

B. The Parties hereby agree that existing Exhibit A (revised per the June 3, 2005 Amendment), is hereby deleted and replaced with Amended Exhibit A, attached to this Second Amendment and incorporated herein by reference. All references to Exhibit A in the SUA and Amendment are hereby deleted and replaced with, and hereafter refer to, Amended Exhibit A.

C. The Third Recital is amended to clarify that per well payments of \$25,000 will be as to the following wells. Additionally, the below well names are changed from those in the SUA, but such change is permitted as per Paragraph 18 of the SUA:

Fitzsimmons 34C-9HZ	Fitzsimmons 34N-9HZ
Fitzsimmons 13N-9HZ	Fitzsimmons 19N-9HZ
Fitzsimmons 35C-9HZ	Fitzsimmons 35N-9HZ
Fitzsimmons 14N-9HZ	Fitzsimmons 36C-9HZ
Fitzsimmons 36N-W9HZ	Fitzsimmons 36N-E9HZ

D. Nothing herein limits the Company to drilling additional wells in the future.

E. The first sentence of Paragraph 6 of the SUA is hereby amended as follows:

6. Company will notify Owner of commencement of the Operations with heavy equipment upon filing of its state permit for the corresponding wells.

F. Paragraph 19 of the SUA is hereby amended as follows:

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

Operator:	Kerr-McGee Oil and Gas Onshore LP
Person to Contact:	Wattenberg Surface Land
Address:	1099 18 th Street, Suite 1800
	Denver, CO 80202
	Phone Number: 720-929-6000

G. The SUA is hereby amended to add the following provisions:

1.A. Grant of Additional Rights

Company is hereby granted the right to locate on the Property, at specific locations (subject to regulatory approval including but not limited to COGCC Task Force Rules in the 100-Series and 302.c., 305A, 604.c.(4), 303.b.(3)K, 303.c, 305.d, 306.d(1) and 604.b.(1)) and as may be determined by Company now or in the future, and Company is granted an easement and right of way for above-ground utilities and/or subsurface utilities related to operations on the Property. Owner grants Company the easement and right-of-way in the form attached to this SUA and labeled Attachment 1.

Owner further grants and conveys to Company and its successors and assigns, non-exclusive, perpetual subsurface easements through the Property for the placement of wellbores for the purpose of drilling, operating and producing oil and gas wells that produce and drain hydrocarbons from other lands. Upon request of Company or its successor and assigns, Owner agrees to execute, acknowledge and deliver to Company and its successor and assigns separate subsurface easements reflecting the foregoing grant on the form attached to this SUA and labeled Attachment 2.

In addition, Owner grants to Company the right to locate on the Property a temporary Completions Operations Area to be used to complete oil

and gas wells on other lands and the right to locate on the Property temporary above-ground water lines, temporary above-ground completion fluid lines, completions equipment, and any additional equipment related to the completion of wells on other lands at the location generally depicted on Amended Exhibit A. Company reserves the right to relocate the temporary above-ground water lines and fluid lines to accommodate Company's development needs at the written consent of Owner, which consent may not be unreasonably withheld. Company's continuous use of the Completions Operations Area is not to exceed twenty-four (24) months from the commencement of completions operations.

1.B. Waivers

As provided in COGCC Rule 318A or any successor rule or amendment adopted by the COGCC, or in any rule or ordinance of a local jurisdiction, relating to the location of wells within the Greater Wattenberg Area (GWA), Owner hereby consents to, and waives its right to protest or object to surface well locations that are outside of designated GWA windows and surface well locations that are more than 50 feet from an existing well.

Owner further understands and acknowledges that COGCC rules and regulations govern the distance between a wellhead and public roads, production facilities, buildings, building units and surface property lines, among other things. To the fullest extent possible, Owner hereby waives all setback requirements in COGCC Rules 603 and 604 and any successor rules or amendments, including Exception Zone setbacks and any other state or local setback requirements or other laws, requirements or regulations that would prohibit or interfere with the rights of Company and its successors and assigns to explore for and produce oil and gas from the Property or other lands, particularly in the manner as provided in this SUA or any amendments thereto.

Owner acknowledges that Company and its successors and assigns may cite the waivers in this SUA in order to obtain exceptions and variances from the COGCC or from any other state or local body having jurisdiction over oil and gas operations. Owner agrees that this SUA satisfies any requirement for a consent to an exception or variance signed by the surface owner, Building Unit Owner (as that term is defined in the COGCC Rules and any successor rules or amendments), homeowner or the like and agrees that Company and its successors and assigns may provide a copy of this SUA to the COGCC or to any other state or local body in satisfaction of such requirement. In addition, Owner agrees to execute and deliver to Company and its successor and assigns all consents and waivers requested, including waivers required from Building Unit Owners, homeowners and other parties.

Owner hereby understands and specifically waives the required notifications, meeting opportunities, and mitigation measure pursuant to the COGCC Rules 305.a. and 305.c., 306.e., 604.c.(2) and the Movie-In, Rig-Up

("MIRU") and consent to the well locations as generally depicted on Amended Exhibit A.

Except as expressly amended and modified in this Second Amendment, all of the terms, capitalized terms, and provisions of the SUA and Amendment shall remain the same, and the validity of the SUA and Amendment are hereby ratified by Company and Owner.

The Second Amendment shall be a covenant running with the Property identified in the SUA.


Company and the Owner acknowledge that this Second Amendment shall be not recorded. The Parties agree to execute a Memorandum of Agreement contemporaneously with this Second Amendment.



This Second Amendment may be executed in counterparts, each of which shall be deemed an original and which together shall constitute one and the same instrument

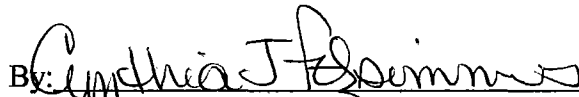
IN WITNESS THEREOF, Company and Owner have caused this Second Amendment to be executed by duly authorized representatives on the dates set forth in the acknowledgments, to be effective on the date first written above.

OWNER:

KERR-McGEE OIL & GAS ONSHORE LP

By: 
John J. Fitzsimmons
Surface Owner

By:  
Ronald H. Olsen
Agent, & Attorney-in-Fact

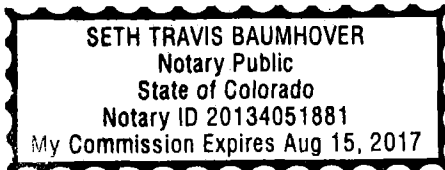
By: 
Cynthia J. Fitzsimmons
Surface Owner

ACKNOWLEDGMENTS

STATE OF COLORADO)
) ss.
 COUNTY OF Boulder)

The foregoing instrument was acknowledged before me this 26th day of April, 2016, by John J Fitzsimmons, as Surface Owner.

Witness my hand and official seal.



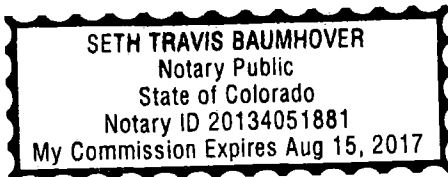
[Signature]
 Notary Public

My Commission Expires: 08/15/17

STATE OF COLORADO)
) ss.
 COUNTY OF Boulder)

The foregoing instrument was acknowledged before me this 26th day of April, 2016, by Cynthia J Fitzsimmons, as Surface Owner.

Witness my hand and official seal.



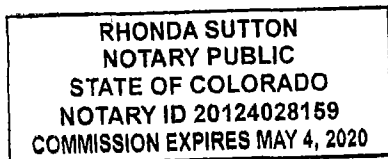
[Signature]
 Notary Public

My Commission Expires: 08/15/17

STATE OF COLORADO)
) ss.
 COUNTY OF Denver)

The foregoing instrument was acknowledged before me this 3 day of May, 2016, by Ronald H. Olsen, as Agent & Attorney-in-Fact for Kerr-McGee Oil & Gas Onshore LP.

Witness my hand and official seal.



[Signature]
 Notary Public

My Commission Expires: 5/4/2020

Attachment 1

 RECORDING INFORMATION ABOVE

GRANT OF EASEMENT

GRANTOR NAME ("Grantor"), whose address is **GRANTOR ADDRESS**, in consideration of Ten Dollars (\$10.00) and other valuable consideration, receipt of which is hereby acknowledged, grants and conveys unto **UNITED POWER, INC.**, ("GRANTEE"), whose address is 500 Cooperative Way, Brighton, Colorado 80603, its successors and assigns, subject to all pre-existing permitted uses, a perpetual easement and the right to construct, operate, maintain, replace, enlarge, reconstruct, improve, inspect, repair and remove electrical and communication facilities for the purpose of transmission or distribution of electricity and appurtenances thereto, as may from time to time be useful to, or required by Grantee, on, over, under, and across the following described property in the County of Weld, State of Colorado to-wit:

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

Section 9: the Northwest Quarter, less and except those certain parcels as further described in that certain Warranty Deed dated January 9, 2007 recorded at Reception No. 3449195 in the records of the Clerk and Recorder's Office of Weld County, Colorado; also described as Weld County Tax Parcels #147109000054 and #147109000004 (the "Property").

Those facilities will be overhead, underground and / or at grade and may include, but not be limited to, poles, cables, conduits, wire, conductors, transformers, manholes and supports of whatever materials, including braces, guides, and other fixtures or devices used or useful in connection therewith.

Grantee shall have the right of ingress and egress over and across the lands of the Grantor to and from the above described property, and the right to clear and keep cleared all trees and obstructions as may be necessary.

The right and authority of Grantee hereunder may be exercised by its successors, assigns, licensees, contractors and permittees.

Grantor reserves the right to occupy, use, and landscape said easement for all purposes not inconsistent with the rights granted to Grantee so long as said use does not damage or interfere with the Grantee's facilities or the maintenance, repair and replacement thereof. After the date of this Grant of Easement, Grantor shall not install permanent structures or facilities of any kind on, over, under, or across said easement without the written approval of Grantee.

Grantee shall pay Grantor for any damages to fences, crops, landscaping and personal property caused by the construction and maintenance of Grantee's facilities. Upon completion of construction, Grantee shall restore the surface of Grantor's property as nearly as practicable to the same condition that existed prior to construction.

SIGNED AND SEALED BY GRANTOR this ____ day of _____, 20__.

Surface Owner

 BY:

ACKNOWLEDGEMENTS

STATE OF _____)
)ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by
_____, as Surface Owner.

Witness my hand and official seal.

Notary Public

My commission expires _____

STATE OF _____)
)ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by
_____, as Surface Owner.

Witness my hand and official seal.

Notary Public

My commission expires _____

EXHIBIT "A"

This Exhibit "A" attached to and made part of that certain Grant of Easement dated the __ day of _____, 20____ by and between **GRANTOR NAME**, whose address is GRANTOR ADDRESS, as "Grantor", **United Power, INC.**, as "Grantee", in and for the new pipeline described below.

INTENTIONALLY LEFT BLANK

An as-built survey will be completed by a professional land surveyor and placed in this space prior to the document being recorded with the County Clerk.

Attachment 2

SUBSURFACE EASEMENT AGREEMENT

This SUBSURFACE EASEMENT AGREEMENT (this "*Agreement*") dated and effective _____, 2016 (the "*Effective Date*") is from GRANTOR NAME ("*Surface Owner*"), having an address of GRANTOR ADDRESS, to Kerr-McGee Oil and Gas Onshore LP ("KMG"), having an address of 1099 18th Street, Denver, CO 80202, and its successors and assigns.

RECITALS

A. Surface Owner owns all of the right, title and interest in and to the surface estate described as follows:

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

Section 9: the Northwest Quarter, less and except those certain parcels as further described in that certain Warranty Deed dated January 9, 2007 recorded at Reception No. 3449195 in the records of the Clerk and Recorder's Office of Weld County, Colorado; also described as Weld County Tax Parcels #147109000054 and #147109000004 (the "Property").

B. KMG intends to drill a number of horizontal oil and gas wells (the "*Wells*") from surface locations on the Property, using directional drilling technology and locating associated facilities and lines on the Property; the Wells do not include the Property as part of the drilling and spacing units.

C. Surface Owner intends by this Agreement to grant KMG a perpetual subsurface easement to drill oil and gas wells through the Property as provided herein.

NOW THEREFORE, in consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Grant of Subsurface Easement

Surface Owner hereby grants and conveys to KMG, its successors and assigns, a perpetual subsurface easement under and through the Property for the placement of wellbores through the Property for the purposes of drilling, completing and producing the wells.

2. Assignment

The rights granted herein may be assigned in whole or in part, and the terms, conditions, and provisions of this Grant are a covenant running with the land and shall extend to and be binding upon the successors and assigns of Surface Owner and KMG.

3. Memorandum

KMG or its successors and assigns may, but shall not be required to, record a memorandum showing the location of the subsurface easement under and through the Property.

4. Counterparts

This Agreement may be executed in counterparts each of which shall be considered one and the same agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day first written above.

Surface Owner

Kerr-McGee Oil and Gas Onshore LP

By: _____
Name: _____

By: _____
Name: _____
Title: _____

STATE OF _____)
) ss.
COUNTY OF _____)

Witness my hand and official seal.

STATE OF _____)
) ss.
COUNTY OF _____)

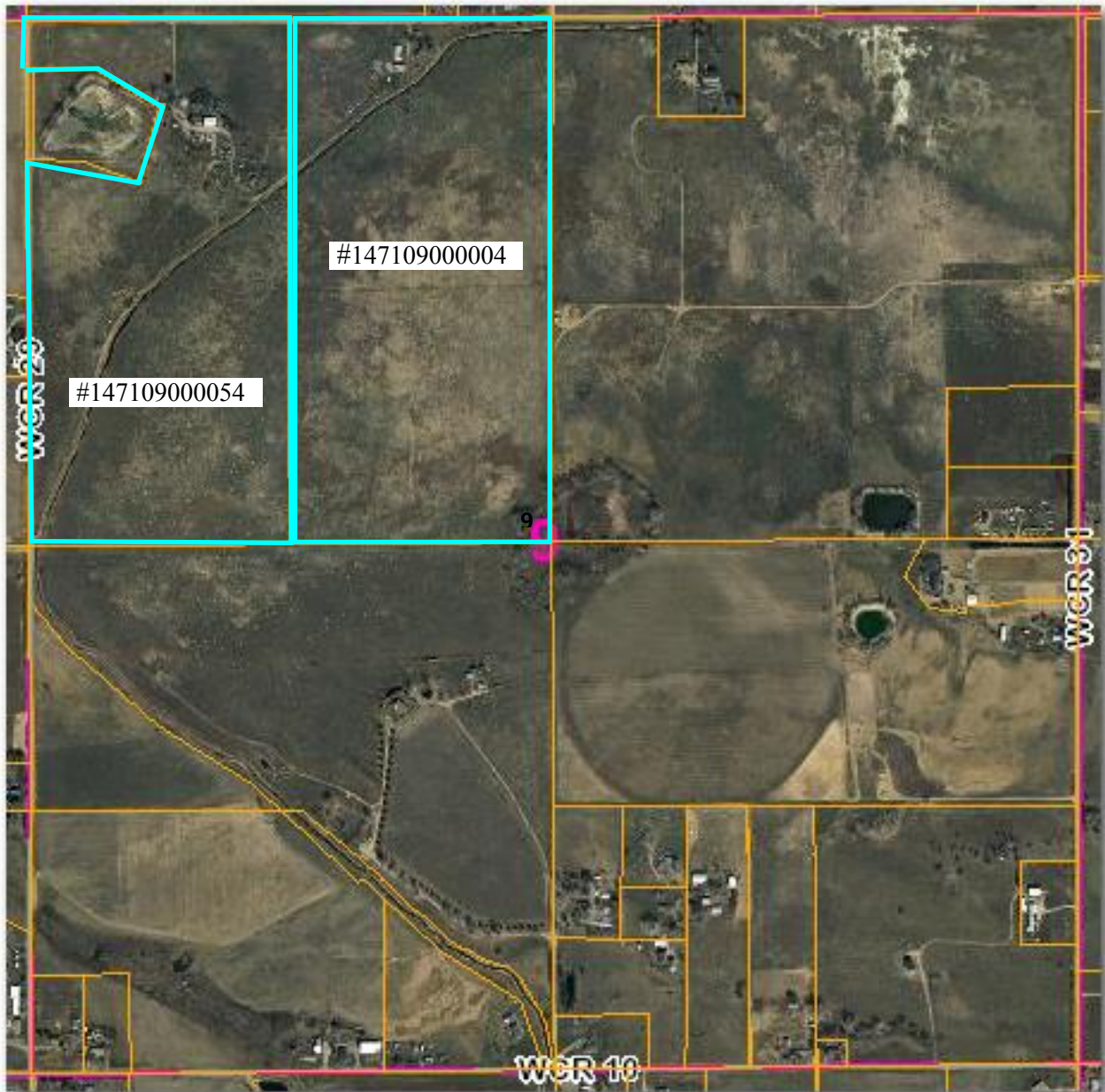
Witness my hand and official seal.

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SUA MAP FOR FITZSIMMONS 19N-9HZ PAD:

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

Section 9: The Northwest Quarter, less and except those certain parcels as further described in that certain Warranty Deed dated January 9, 2007 recorded at Reception No. 3449195 in the records of the Clerk and Recorder's Office of Weld County, Colorado; also described as Weld County Tax Parcels #147109000054 and #147109000004 (the "Property").



Property lines outlined in blue