

AMENDED AND RESTATED SURFACE LEASE AGREEMENT

This Amended and Restated Surface Lease Agreement ("Lease") is entered into and made effective this October 24th, 2016 ("Effective Date") by and between 70 Ranch LLC, a Colorado limited liability company with an address of 8301 E. Prentice Ave., Suite 100, Greenwood Village, CO, 80111 ("70 Ranch") and Edge Energy, LLC, a Colorado limited liability company having an address of 621 17th Street, Suite 1401, Denver, CO 80293 ("Edge"). 70 Ranch and Edge may be referred to individually as a ("Party") and collectively as the ("Parties"). This Agreement amends and restates in its entirety that Surface Lease Agreement, dated as of June 1, 2016, by and between 70 Ranch and Edge.

Recitals

A. 70 Ranch owns portions of the surface estate of (i) that certain tract of land being a portion of Section 7, Township 4 North, Range 62 West, of the 6th P.M., County of Weld, State of Colorado (the "Section 7 Property") and (ii) that certain tract of land being a portion of Section 10, Township 4 North, Range 63 West, of the 6th P.M., County of Weld, State of Colorado (the "Section 10 Property"); and together with the Section 7 Properties, the ("Properties"); and

B. 70 Ranch owns portions of an existing access road beginning at the end of WCR 388 and traversing approximately 7.4 miles in a southeasterly direction to the Section 7 Property (the "Section 7 Access Road") and 70 Ranch has platted an access road on the Section 10 Property; and

C. Edge possesses certain rights to drill, produce, explore and develop the oil and gas estate under the Properties and lands near or adjacent to the Properties (the "Edge Interest"); and

C. Edge wishes to install, construct, maintain, operate, own, repair, replace and remove pipelines, valves, pumps, meters and other above-ground appurtenances (the "Pipelines") from the Properties to a third-party pipeline in an alignment to be determined by Edge and approved by 70 Ranch, subject to a mutually agreed upon and executed Grant of Pipeline Easement (the "Easement"); and

D. Edge wishes to construct, maintain, and operate wells, wellbores, meters, heater treaters, separators, tanks, flowlines, other oil and gas facilities and above-ground appurtenances, (the "Facilities") to be situated on each of the Properties in a defined area not to exceed 6.95 acres, more or less, for the Section 7 Property (the "Section 7 Wellsite") and 10 acres, more or less, for the Section 10 Property (the "Section 10 Wellsite"); and together with the Section 7 Wellsite, the ("Wellsites"), further depicted on Exhibit "A", attached hereto and made a part hereof, together with the Pipelines and Access Road, further depicted on Exhibit "B", attached hereto and made a part hereof; and

E. 70 Ranch and Edge have agreed upon the terms pursuant to which 70 Ranch will provide Edge access to the Properties, the Pipelines and Wellsites and pursuant to which operations to be conducted by Edge on the Properties are to be governed; and

F. Edge recognizes that its rights on the surface of the Properties are defined by this Lease and that certain Amended and Restated Surface Use Agreement executed contemporaneously by the Parties on October 24th, 2016, (the "Agreement"). Edge acknowledges that there are no implied easements or other implied rights giving it a greater right of access or use of the Properties other than the rights that are spelled out in this Lease, the Easement and the Agreement.

Agreement

For [REDACTED] payment of rent and royalties, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, 70 Ranch by this Lease does grant, lease, remit and remise the Properties to Edge, on the following terms:

1. Term and Termination

a. This Lease will remain in full force and effect for as long as Edge or its successors continues to produce hydrocarbon substances from the Wellsites. Edge may terminate the Lease any time during the Lease term if it has plugged and abandoned all wells and Edge has complied with the requirements pertaining to removal of equipment, reclamation, cleanup and all other applicable provisions of this Agreement and existing laws and regulations.

b. Notwithstanding the foregoing, the Lease over the Section 7 Wellsite (as identified in Exhibit A) and the ability to use the Access Road and pipeline routes (as identified in Exhibit B) will terminate on June 1, 2018 if Edge has not commenced actual drilling operations on the Section 7 Wellsite with equipment capable of drilling a well to its permitted depth by that date. The Lease over the Section 10 Wellsite (as further identified in Exhibit A) will terminate on the second anniversary of the Effective Date of this Agreement if Edge has not commenced actual drilling operations on the Section 10 Wellsite with equipment capable of drilling a well to its permitted depth by that date.

c. If Edge is denied necessary permits, the lack of which will prevent Edge from drilling and operating wells under this Lease and related Agreements, Edge may terminate the Lease and such Agreements. Notwithstanding the above, if Edge has disturbed the surface, it shall remediate such disturbance as required herein. No payments that have been paid shall be refunded.

2. This Lease is granted for the purpose of allowing Edge the right to apply for permits to drill oil and gas wells, to access, construct, operate, and maintain on the Properties an oil and gas

wellsite, a well or wells, together with wellbores, meters, heater treaters, separators, tanks, flowlines, facilities, flowlines, tanks, and other appurtenances as necessary, as permitted by the State of Colorado to produce, develop and explore for oil and gas in and to the Edge Interest or lands pooled therewith. Edge shall have the use of the surface of the Properties during the term of this Lease, together with the right of ingress and egress to and from the Properties and from, over, and across other lands owned by 70 Ranch on the Access Road as shown on Exhibit B, subject to the terms of that Amended and Restated Surface Use Agreement. The fees and royalties described in the Agreement are rental obligations of this Lease.

3. All wells, equipment, fixtures, and facilities placed on the Properties by Edge shall be and remain the property of Edge. Upon expiration of this Lease, Edge shall have a reasonable time, not to exceed ninety days, in which to remove all of Edge's equipment, fixtures, and facilities. Following the termination of this Lease, Edge shall reclaim the Properties, in conformity with the terms of the Surface Use Agreement.

4. Edge shall pay the ad valorem taxes on the Properties, together with all taxes or fees assessed or imposed against any structure, material, equipment, fixtures, and facilities placed on the Properties by Edge.

5. Edge shall fence and maintain the Wellsite on the Properties in accordance with the Surface Use Agreement. Any changes in roads or entrances to the Properties shall be pursuant to the Agreement and Exhibit "C", attached hereto and made a part hereof.

6. Rights granted unto Edge by this Lease shall include the right of passage through the subsurface pore space for and during the Term hereof, including a non-exclusive subsurface easement in, under and through the Properties for the sole purpose of drilling and operating a well or wells (using directional and/or horizontal drilling methods) from the surface of the Properties resulting in the wellbore(s) of any such well(s) to be drilled through the subsurface of the Properties at various depths through, under and in to other lands and the Edge Interest, provided such wells are drilled to objective formations under 70 ranch Lands or lands pooled therewith.


7. This Lease, and all of its terms and provisions shall run with the land and extend to and be binding on the heirs, devisees, executors, administrators, representatives, successors and assigns of 70 Ranch and Edge.

8. 70 Ranch may assign its rights and obligations under this Lease prior to closing, to CAW LLC, a Colorado limited liability company.

9. This Lease may be executed in any number of counterparts each of which shall be deemed an original instrument but all of which together shall constitute one and the same instrument.


This Lease is executed by 70 Ranch and Edge as of the date of acknowledgment of their signatures, but shall be effective as of the Effective Date stated above.

70 Ranch, LLC


Signed: 

Robert Lembke
Manager

APPROVED
as to
FORM


21 OCT 2016

Edge Energy LLC

Signed: 

Steve Enger
President

Acknowledgement Page Attached

ACKNOWLEDGEMENTS

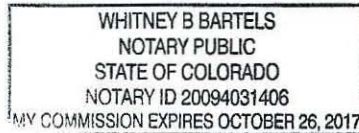
STATE OF COLORADO)

) ss

COUNTY OF ARAPAHOE)

On October 24 2016, before me, personally appeared Robert A. Lembke as Manager of 70 Ranch, LLC, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



My commission expires:

10-26-17

Whitney Bartels
Notary Public

STATE OF COLORADO)

) ss

CITY and COUNTY OF DENVER)

On October 25 2016, before me personally appeared Steve Enger as President of Edge Energy LLC, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

My Commission Expires:

may 13, 2017

Lisa Albrecht
Notary Public

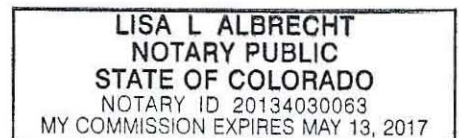


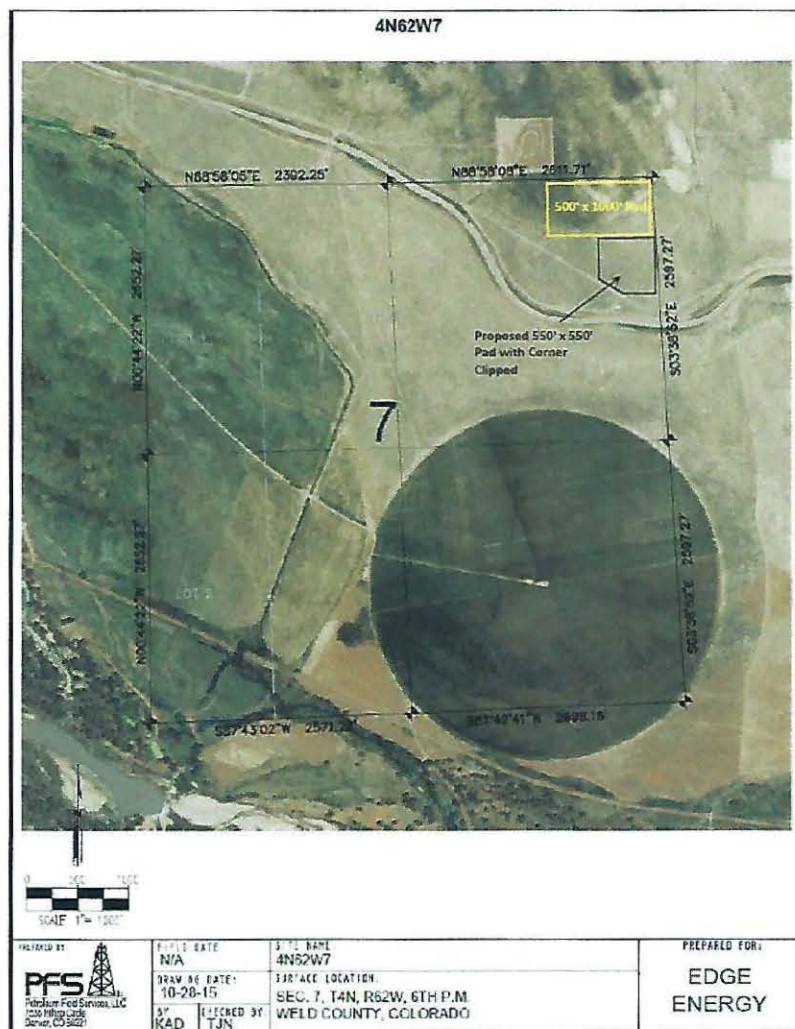
Exhibit A

To that certain Amended and Restated Surface Lease Agreement dated October 24th, 2016, by and between
Edge Energy LLC and 70 Ranch, LLC.

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“Section 7 Wellsite”

4N-62W-Section 7
Weld County, Colorado





"Section 10 Wellsite"

4N-63W-Section 10
Weld County, Colorado.

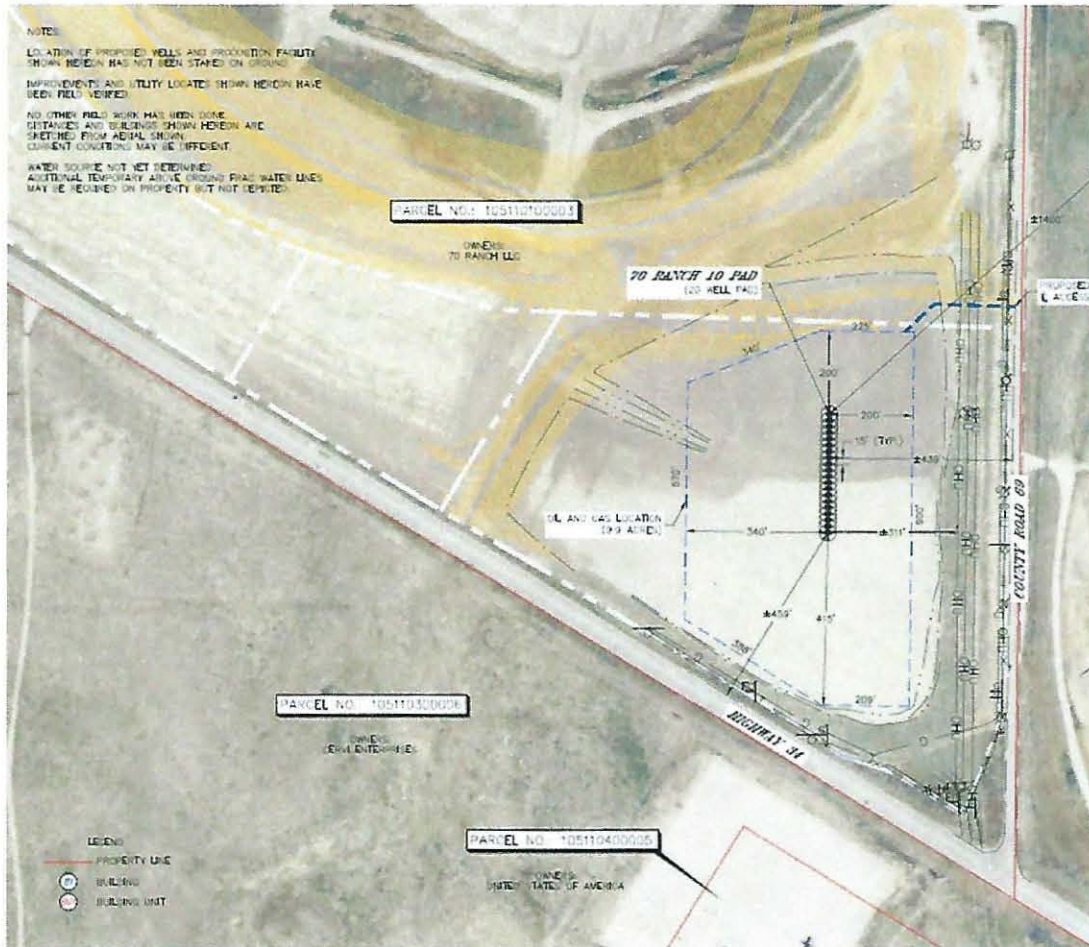
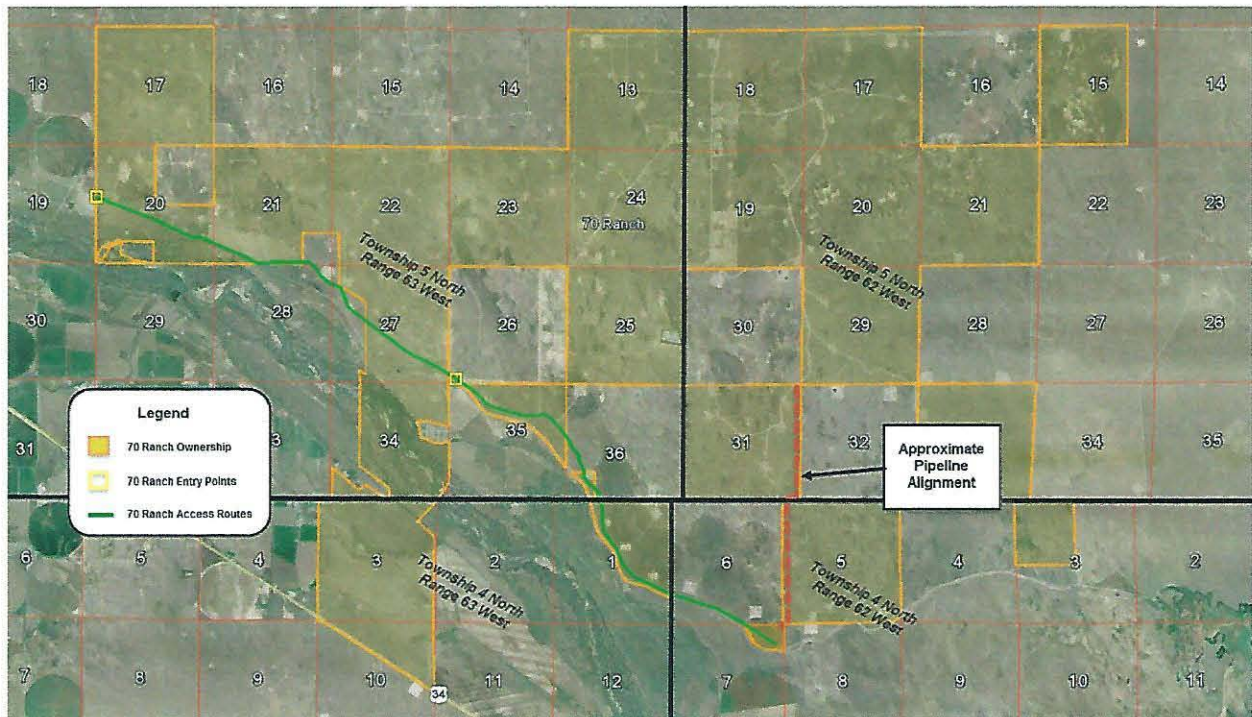


Exhibit B

*To that certain Amended and Restated Surface Lease Agreement dated October 24th, 2016, by and between
Edge Energy LLC and 70 Ranch, LLC.*

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The “Access Road” and “Pipelines”



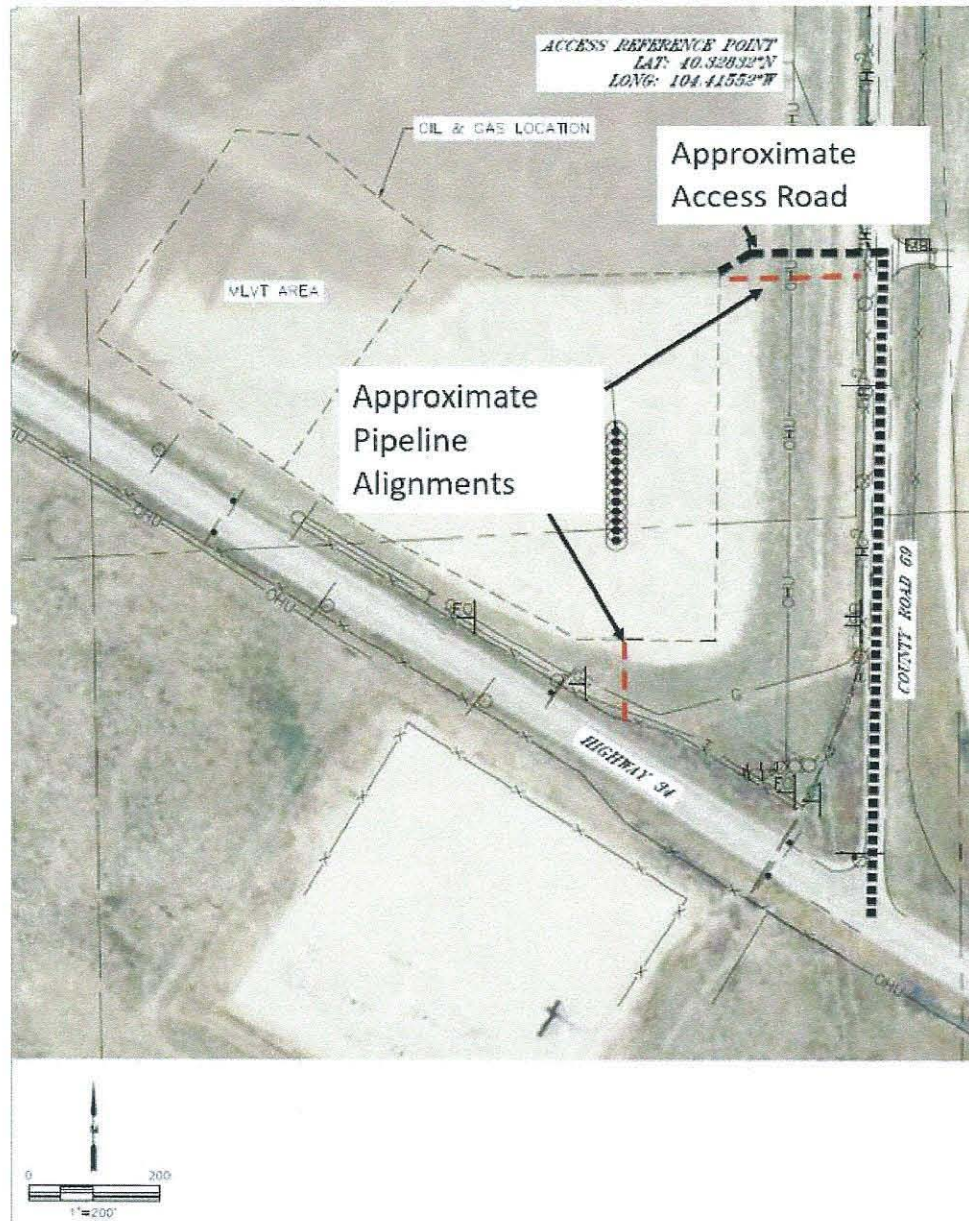


Exhibit C

*That certain Amended and Restated Surface Lease Agreement dated October 24th, 2016, by
and between
Edge Energy LLC and 70 Ranch, LLC.*

The “Road Construction Standards”

Edge shall construct and maintain roads used exclusively by Edge for its operations in accordance with the following guidelines:

1. Pre-Construction Access Road Layout: Edge will locate and design access roads from the Access Road to the Properties as necessary, in coordination with 70 Ranch based upon the existing topography and will seek to minimize the surface impact. The Parties will attempt to locate roads in higher areas on lands, and away from areas used as infiltration basins.
2. Facility/Well Access Roads. An access road constructed off the Access Road to the Properties will be one lane (estimated to be 12 feet) in width and construction shall, at a minimum, include disking the access road to level the vegetation, application of water for stability and packing, plating with 6-10 inches of clay followed by 3-5 inches of 1.5” road base to create a pad that will accommodate the heavy nature of drilling and completion tools. Edge and 70 Ranch may agree to substitute crushed concrete in place of the 1.5” road base as the top plating material. If an access road is greater than ½ mile in length, Edge and 70 Ranch may elect to place turn-outs along the road to prevent traffic from meeting and turning out into the grassland. Access roads will be flat-bladed to the topography and culverts will be placed by Edge as needed to maintain current drainage. Access roads will be maintained by Edge and shall be kept reasonably free of ruts and potholes by routine maintenance operations. Edge will consult with 70 Ranch on all roads which are constructed to access the Wellsite and Easement.
3. Abandonment. After completions of plugging and abandonment operations and after Edge’s Facilities and equipment have been removed by Edge, all roads will be returned to their relative slope, contour and vegetation as set forth in the COGCC Rules including revegetation to the standards described in Exhibit D of the Surface Use Agreement. Upon 70 Ranch’s election to retain an access road, 70 Ranch shall take sole responsibility for the maintenance and reclamation of the access road and shall provide evidence of such intent to retain an access road to the COGCC as requested by Edge.