



**BAYSWATER**  
EXPLORATION & PRODUCTION, LLC

February 27, 2017

Mr. Jacob W. Hirsch III  
11283 CR 78  
Eaton, CO 80615-8412

**Re: Surface Damage & Release Agreement**  
**Township 7 North, Range 66 West, 6<sup>th</sup> P.M.**  
**Section 28: SW/4**  
**Weld County, Colorado**

Dear Jake,

Pursuant to our telephone conversation of this date and in consideration for the payment of One Thousand Dollars (\$1,000.00) in hand paid, this letter will confirm the agreement of Jacob W. Hirsch III ("Hirsch") to grant Bayswater Exploration & Production, LLC, its agents, employees and contractors, and their agents and employees ("Bayswater") the right to enter upon the surface of the Hirsch lands located in the SW/4 of Section 28, Township 7 North, Range 66 West, for the purpose of locating and re-plugging and abandoning the Severin & Co. No. 1 well, API No. 05-123-10461. This agreement shall commence immediately and terminate at such time as Bayswater ceases to conduct said plugging and abandonment operations on the Severin & Co. No. 1 well and removes all equipment pertinent thereto.

Bayswater agrees that if the subject plugging and abandonment operations have commenced prior to April 1, 2017 then they will be completed prior to that date, or to pay Hirsch additional damages of \$100/day for every day beyond that date, until such operations cease and all equipment pertinent thereto is removed. If the subject plugging and abandonment operations have not commenced by April 1, 2017, then Bayswater will delay such operations until after the 2017 crops have been harvested from such property, and no per day damages shall be due.

Please indicate your approval of this agreement by signing in the space provided below and returning one fully executed copy in the postage paid envelope provided.

Sincerely,

BAYSWATER EXPLORATION & PRODUCTION, LLC

Mark E. Brown  
Operations Manager

AGREED TO AND ACCEPTED THIS \_\_\_\_\_ DAY OF FEBRUARY, 2017

BY:   
Jacob W. Hirsch III