

**GRAND
MESA**

OPERATING COMPANY

July 11, 2017

L. I. Fisher Family Limited Partnership
59061 County Highway 109
Genoa, Colorado 80818

RE: **Surface Use Agreement** to Construct Oil and Gas Locations
Yellowstone #1-2
Sequoia #1-36

Mrs. Fisher -

This letter serves to put into writing an agreement in which Grand Mesa Operating Company (GMOC) shall be allowed access to, around, and through the following property currently owned by you:

Township 8 South - Range 55 West (Lincoln County, CO)
Section 2: All (Yellowstone #1-2)

Township 7 South - Range 55 West (Lincoln County, CO)
Section 36: All (Sequoia #1-36)

GMOC agrees to the following:

- Any damages caused by GMOC in the drilling of the Yellowstone #1-2 well shall be paid by GMOC to the L. I. Fisher Family Limited Partnership (Fisher) upon completion of drilling and/or well completion operations.
- Pay Fisher [REDACTED] within 5 business days prior to commencement of drilling activity for the Sequoia #1-36 well. Any damages caused by GMOC in the drilling of the Sequoia #1-36 well shall be paid by GMOC to Fisher upon completion of drilling and/or well completion operations in addition to the [REDACTED] access fee.
- GMOC shall place temporary fencing around its drilling operations as conduct its operations as to not interfere with any grazing cattle located on the above described acreage.
- Lessee agrees to protect, defend, indemnify and hold harmless Fisher, and her respective agents, employees, tenants, successors and assigns from and against all liabilities, losses, expenses, claims, demands, and causes of action of every kind and character, whether for death or personal injury to persons (including agents and employees of Lessee and Lessee's subcontractors) for loss or damage to the acreage described above, in any way and at any time arising out of, incident to, or in connection with this letter agreement, operations conducted on the acreage described above, or breach of the terms hereof, regardless of whether any such liability, loss, expense, claim, demand or cause of action is based on the sole or concurrent negligence of any party indemnified hereunder. This obligation shall survive the termination of this letter agreement.

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If the above terms are agreeable to you, please indicate by signing this letter below and returning in the envelope provided.

Thank you,

GRAND MESA OPERATING COMPANY



Michael J. Reilly, President

L. I. Fisher Family Limited Partnership
L.I. Fisher Family Ltd Partnership by

Jessie J. Fisher
general partner