



December 19, 2017

Sherri A. Hood
Darlinda A. Doles
32171 County Road 29
Greeley, CO 80631

RE: Surface Use Letter Agreement
Township 6 North, Range 66 West, 6th P.M.
Section 20: Part of the East Half of the South East Quarter
Tax Parcel Number(s): 080520400045
Weld County, Colorado

Dear Sherri Hood and Darlinda Doles:

This letter agreement ("Letter Agreement") supplements that certain Surface Damage and Release Agreement ("SDRA") between Sherri A. Hood and Darlinda A. Doles ("Owner"), and Bayswater Exploration & Production, LLC ("Operator"), a Memorandum of which, dated June 19, 2015, is filed of record at Reception # 4156320 in the Weld County, Colorado records.

On September 25, 2017, PDC Energy, Inc. ("Company") entered into a Purchase and Sale Agreement (the "Bayswater PSA") to acquire certain assets from Bayswater Exploration & Production, LLC, including but not limited to the Ward 20-M Pad (the "Property"), which is subject to the SDRA. Following closing of the Bayswater PSA, Company will become a successor-in-interest to the SDRA. Owner and Company may be referred to hereinafter individually as a "Party", or collectively as the "Parties".

In consideration of the terms, conditions, and mutual covenants contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Owner agrees to allow commencement of construction operations on the Property by Company.
2. Owner agrees to allow Company to amend Operator's Oil and Gas Operations on the Property as depicted on attached Exhibit A as Oil and Gas Operations Area ("OGOA").
3. Owner hereby grants, demises and conveys to Company, and its designated agents, such use of the surface of the Property, such temporary ingress, egress and access to, over and across the Property and such temporary easements and rights-of-way on, over and across

the Property as may be necessary or convenient for Company's Completion Operations, including but not limited to: (i) install and operate Modular Large Volume Storage Tanks ("MLVTs") and temporary above ground waterlines ("Waterlines"), and any equipment and facilities associated therewith, including, but not limited to, fittings, tanks, portable pumps, anchors, electric lines, meters, sound walls, lighting, and gravel, (ii) use existing roads or construct temporary access roads on the Property, and (iii) repair, replace, remove and reclaim any of the foregoing, provided, however, that except as otherwise expressly provided herein, all of such use, ingress, egress, access, and temporary easements and rights-of-way shall be limited to that portion of the Property located within the Completions Operations Area depicted on Exhibit B ("COA").

5. Binding on Successors and Assigns. This Letter Agreement shall be binding upon the Parties and their respective successors and assigns and inure to their benefit.
6. Counterpart Execution. This Letter Agreement may be executed in counterparts, each of which shall be deemed an original, and all together of which shall constitute one and the same instrument.
7. Conflicts. If any provision(s) of this Letter Agreement is in conflict with any provision(s) of the SDRA, then the provision(s) of this Letter Agreement shall prevail.
8. Confidentiality. The Parties shall keep the existence of this Letter Agreement and its contents strictly confidential.

Very truly yours,

PDC Energy, Inc.

By: 

Name: Paul Whisenand, Director of Land

AGREED TO AND ACCEPTED this 20 day of December, 2018⁷

By: 

Name: Sherri A. Hood

By: 

Name: Darlinda A. Doles

EXHIBIT "A" Page 1 of 2

This Exhibit "A" is attached to and made a part of that certain Surface Use Letter Agreement by and between Hood, Sherri A. & Doles, Darlinda A. Owner, and PDC Energy, Inc., Company. Covering the following lands:

Township 6 North, Range 66 West, 6th P.M.
Section 20: E1/2SE1/4
Weld County, Colorado

Reviewed by Owner: Hood, Sherri A. & Doles, Darlinda A.

Initial here: SH

Initial here: DD

12-20-17



LEGEND



OIL AND GAS OPERATIONS AREA ("OGOA") = 4.5 ACRES



APPROXIMATE ϕ PERMANENT ACCESS EASEMENT



APPROXIMATE ϕ FLOWLINE EASEMENT



APPROXIMATE ϕ TEMPORARY ACCESS EASEMENT



APPROXIMATE ϕ TEMPORARY WATER LINE EASEMENT



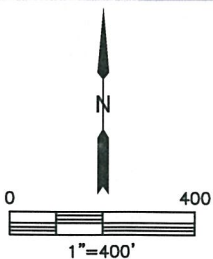
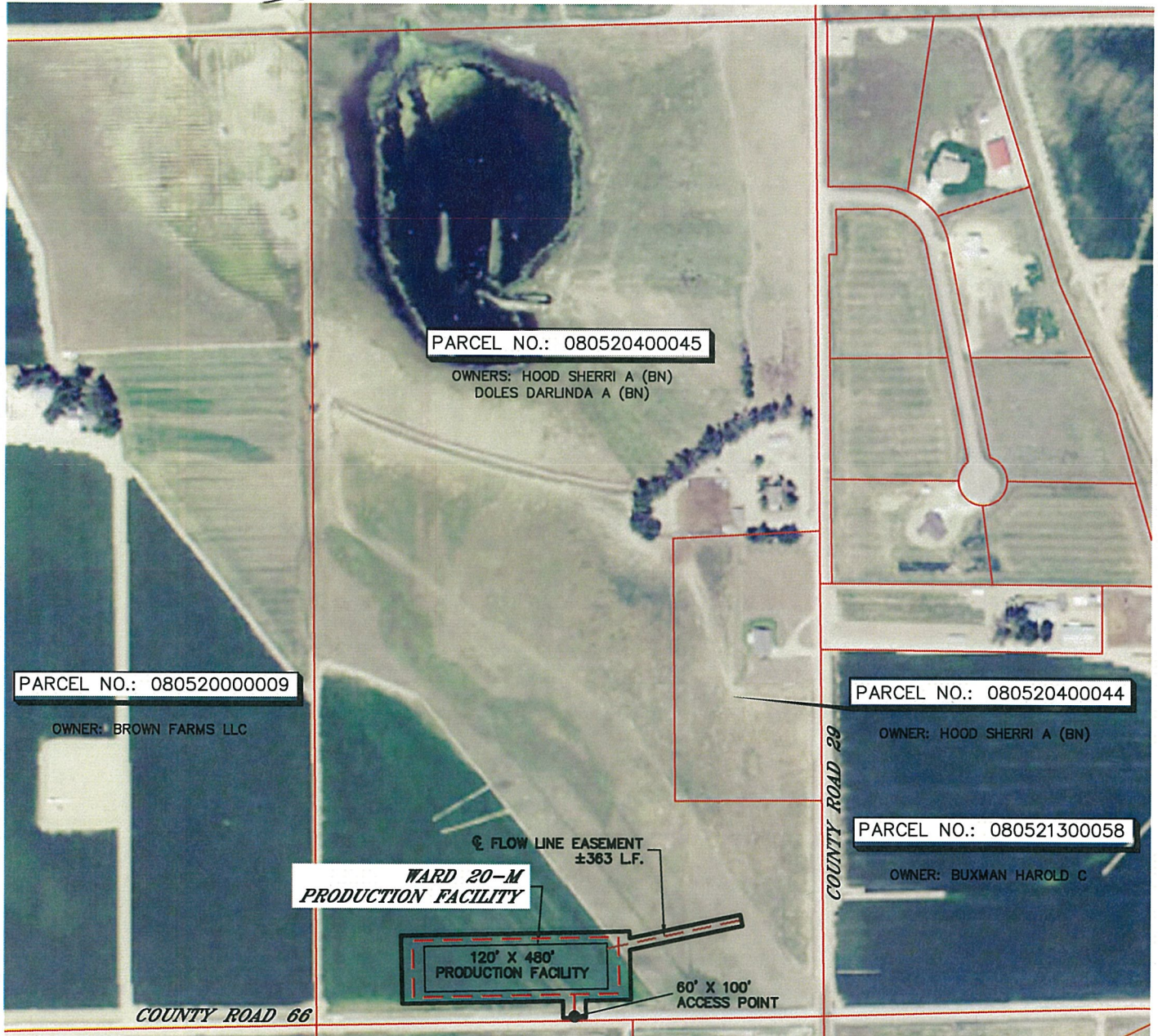
DATE: 12/15/2017
PROJECT#: 2017142

EXHIBIT "A" Page 2 of 2

This Exhibit "A" is attached to and made a part of that certain Surface Use Letter Agreement by and between Hood, Sherri A. & Doles, Darlinda A. Owner, and PDC Energy, Inc., Company. Covering the following lands:

Township 6 North, Range 66 West, 6th P.M.
Section 20: E1/2SE1/4
Weld County, Colorado

SD 12-20-17



LEGEND

	PERMANENT DISTURBANCE = 2.8 ACRES
	APPROXIMATE ϕ PERMANENT ACCESS EASEMENT
	APPROXIMATE ϕ FLOWLINE EASEMENT



DATE: 12/15/2017
PROJECT#: 2017142

EXHIBIT "B" Page 1 of 1

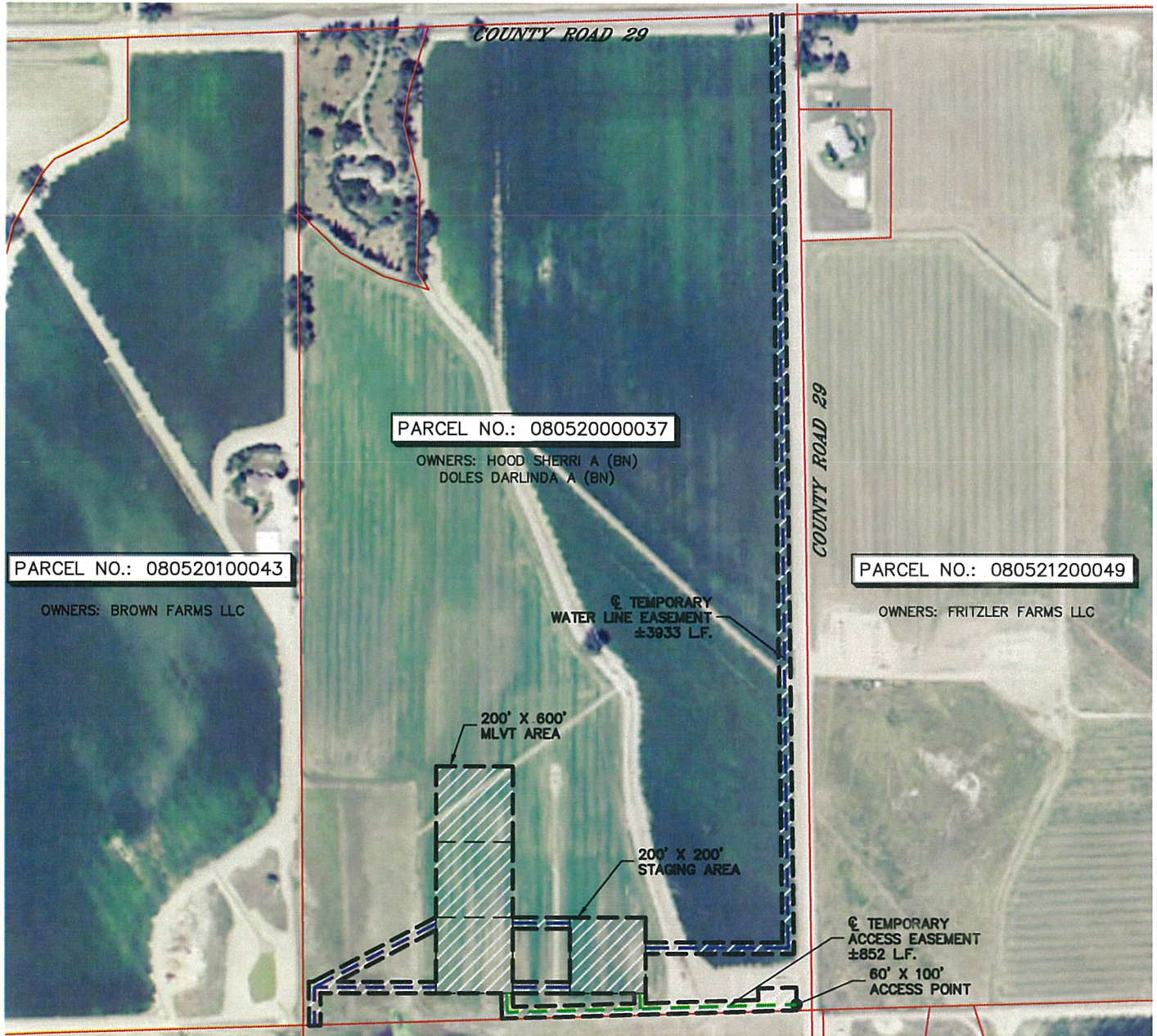
This Exhibit "B" is attached to and made a part of that certain Surface Use Letter Agreement by and between Hood, Sherri A. & Doles, Darlinda A. Owner, and PDC Energy, Inc., Company. Covering the following lands:

Township 6 North, Range 66 West, 6th P.M.
Section 20: E1/2NE1/4
Weld County, Colorado

Reviewed by Owner: Hood, Sherri A. & Doles, Darlinda A.

Initial here: SA.

Initial here: DD 12-20-17



LEGEND

- COMPLETIONS OPERATIONS AREA ("COA") = 7.0 ACRES
- APPROXIMATE TEMPORARY ACCESS EASEMENT
- APPROXIMATE TEMPORARY WATER LINE EASEMENT



DATE: 12/15/2017
PROJECT#: 2017142