

**AGREEMENT FOR SETTLEMENT OF SURFACE DAMAGES
AND GRANT OF RIGHTS AND WAIVERS**

This Agreement for Settlement of Surface Damages and Grant of Rights and Waivers ("SDA") is entered into on March 14, 2018 by and between **Anthony Edward Arndt & Marya Frances Roland** ("Surface Owner"), whose address is 31386 County Road 51, Greeley, Colorado 80631 and **Kerr-McGee Oil & Gas Onshore LP** ("KMG"), with offices at 1099 18th Street, Suite 1800, Denver, Colorado 80202, covering certain lands (the "Lands") situated in Weld County, Colorado, described as follows:

Township 2 North, Range 65 West of the 6th P.M.
Section 30: NE/4

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. Compensation: Release of All Claims

KMG shall pay to Surface Owner the sum set forth in that certain Agreement Regarding Compensation between Surface Owner and KMG entered into contemporaneously with this SDA, as full consideration and final settlement and satisfaction for any and all detriment, depreciation, injury or damage of any nature to the Lands or growing crops thereon that may occur as a result of KMG's operations on the Lands, including, but not limited to, KMG's drilling and completion operations, its continuing activities for the production and transportation of oil, gas, other hydrocarbons, water or products associated with such operations and activities, use of the surface of the Lands, ingress, egress, access roads, mud and reserve pits, wellhead equipment, separators, tank batteries, pipelines, gathering lines, flowlines, pipeline interconnections, electrical lines and equipment, data transmission lines and equipment, and any and all other reasonable and customary uses of the Land related to all such operations or activities.

2. Acknowledgement of Rights and Easements of KMG

Surface Owner acknowledges and understands that KMG, as owner or lessee of the oil and gas estate in the Lands, owns an easement and right-of-way that burdens the Lands, and that KMG has a continuing right and entitlement to use the surface of the Lands for its operations, including, but not limited to, access, construction, operation, maintenance, repair and replacement of temporary above-ground water lines and completion fluid lines, subsurface flowlines, gathering lines and other pipelines, data transmission lines, electrical lines and related equipment (both subsurface and above-ground) that may be necessary or convenient to its operations on the Lands.

3. Grant of Additional Rights and Easements

Surface Owner grants to KMG the following:

(i) The right to drill on the Lands oil and gas wells that produce and drain oil, gas and hydrocarbons from lands other than the Lands and to locate, construct, use, and maintain surface equipment related to such wells on the Lands, including, but not limited to, wellheads, associated production equipment, flowlines, compressors and facilities related to transportation of oil and natural gas; and

(ii) The right to locate, construct, use and maintain on the Lands, at a location to be determined by KMG, production equipment, flowlines, compressors and facilities for oil, gas and hydrocarbon produced from lands other than the Lands; and

(iii) The right to locate on the Lands at locations to be determined by KMG 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; and

(iv) The right to locate on the Lands at locations to be determined by KMG an easement and right of way for above-ground and subsurface utilities for use related to operations on the Lands and other lands. Surface Owner agrees that the easement and right-of-way will be on the form attached to this SDA and labeled Attachment 1.

4. Subsurface Easement

Upon request of KMG or its successor and assigns, Surface Owner agrees to execute, acknowledge and deliver to KMG and its successor and assigns separate subsurface easement on the form attached to this SDA and labeled Attachment 2.

5. Pipeline Easement and Right-of-Way

Surface Owner agrees to negotiate in good faith with Kerr-McGee Gathering LLC, an affiliate of KMG, or another third party gatherer designated by KMG, the location of an easement and right-of-way on the Lands for the construction, use, maintenance, and replacement of pipelines for the transportation of hydrocarbons and water from the Lands and other lands, and associated electric power lines, data

transmission lines and equipment. Surface Owner agrees that the pipeline easement and right-of-way will be on the form attached to this SDA and labeled Attachment 3.

6. Waivers

Surface Owner, for itself and its successors and assigns, hereby waives the right to, and covenants not to, protest or object to the use of the surface of the Lands by KMG as provided in this SDA. Furthermore, Surface Owner and its successors and assigns will provide KMG and its successors and assigns with all written waivers and other evidence of support KMG may reasonably require to obtain permits from the Colorado Oil and Gas Conservation Commission ("COGCC") or any local jurisdiction.

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), Surface 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 fifty (50) feet from an existing well.

Surface Owner waives the reclamation timing requirement in COGCC Rule 1003.b. until KMG has completed all drilling and completion operations on the Lands.

Surface 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, Surface Owner hereby waives all setback, consultation and notification requirements in COGCC Rules 305, 306, 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 KMG to explore for and produce oil and gas from the Lands and to locate wells and production facilities anywhere on the Lands. Owner further agrees not to object to the location of wells and production facilities on the Lands on the basis of setback requirements in the noted COGCC rules and regulations and any state or local setback requirement.

Surface Owner acknowledges that KMG and its successors and assigns may cite the waivers in this SDA 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. Surface Owner agrees that this SDA 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 KMG and its successors and assigns may provide a copy of this SDA to the COGCC or to any other state or local body in satisfaction of such requirement.

Surface Owner agrees to execute and deliver to KMG and its successor and assigns all consents and waivers requested, including waivers required from Building Unit Owners, homeowners and the like.

7. Notice to Future Owners

Surface Owner shall provide notice to all buyers and assignees of an interest in the Lands (or any portion thereof), including all builders, property owners, property owners' associations, and special districts, (each, a "*Future Owner*") of the existence of this SDA, the grants and waivers contained herein and the fact that Surface Owner has agreed to the amount of compensation for surface damages, for the grant of additional rights and easements and for the agreements and waivers in this SDA. In addition, Surface Owner will notify Future Owners that, as successors in interest to Surface Owner, Future Owners will assume the obligations undertaken by Surface Owner pursuant to this SDA, including the obligation to execute and deliver waivers to KMG and its successors and assigns and to provide notice to subsequent Future Owners. It is expressly understood and agreed by Surface Owner and KMG that the waivers, notice requirements and the obligations assumed by Future Owners as set forth in this SDA are, and shall be construed to be, covenants that run with the Land. As a condition to any sale or assignment of the Lands (or any portion thereof) by Surface Owner and its successors and assigns, Surface Owner and its successors and assigns will require that the buyer or assignee agree to provide to KMG and its successors and assigns all waivers required in the preceding section of this SDA.

8. Limitation of Liability, Release and Indemnity

a. Notwithstanding anything to the contrary in this SDA, except in connection with any losses incurred by third parties for which indemnification is sought under the terms of this SDA, no Party or any of its affiliates shall be entitled to consequential, special, indirect, punitive or exemplary damages, or damages for loss of profits or loss of business opportunities, in connection with this SDA, and, except as otherwise provided in this sentence, each Party, for itself and on behalf of its affiliates, officers, directors, employees, agents and successors and assigns hereby expressly waives any right to consequential, special, indirect, punitive or exemplary damages in connection with this SDA.

b. Except as to claims arising from pollution or environmental damage (which claims are governed by Section 9) or from breach of other provisions of this SDA (which claims shall be governed by the terms of this SDA), each Party shall be and remain responsible for its own liability for all losses, claims, damages, demands, suits, causes of action, fines, penalties, expenses and liabilities, including, without limitation, attorneys' fees and other costs associated therewith (all of the aforesaid herein referred to collectively as "*Claims*"), to the extent caused by such Party's operations on the Lands, no matter when

asserted. Each Party shall release, defend and indemnify the other Party, its affiliates, officers, directors, employees, agents, successors and assigns, against all such Claims. This provision does not, and shall not be construed to, create any rights in persons or entities not a party to this SDA (except as provided in the preceding sentence), nor does it create any separate rights in the Parties to this SDA, other than the right to be indemnified for Claims as provided herein.

c. Upon the assignment or conveyance of a Party's entire interest in the Lands, the Party shall be released from its indemnification obligations pursuant to this SDA for all activities or occurrences after such assignment or conveyance.

9. Environmental Indemnities

The provisions of Section 8, except for Section 8a, shall not apply to any environmental matters, which shall be governed exclusively by the following, subject to the limitations of Section 8a:

a. "*Environmental Claims*" means all Claims asserted by governmental bodies or other third parties for pollution or environmental damage of any kind, arising from operations on or ownership of the Lands or ownership of the oil and gas leasehold interests, and all cleanup and remediation costs, fines and penalties associated therewith, including but not limited to, any Claims arising from Environmental Laws or relating to asbestos or to naturally occurring radioactive material. Environmental Claims do not include the costs of any remediation undertaken voluntarily by a Party, unless such remediation is performed under the imminent threat of a Claim by a governmental body or other third party.

b. "*Environmental Laws*" means any laws, regulations, rules, ordinances, or order of any governmental authority, which relate to or otherwise impose liability, obligation, or standards with respect to pollution or the protection of the environment, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. § 9601 et seq.), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §§ 6901 et seq.), the Clean Water Act (33 U.S.C. §§ 466 et seq.), the Safe Drinking Water Act (14 U.S.C. §§ 1401-1450), the Hazardous Material Transportation Act (49 U.S.C. §§ 1801 et seq.) and the Clean Air Act and the Toxic Substances Control Act (15 U.S.C. §§ 2601-2629).

c. KMG agrees to indemnify, defend and save Surface Owner harmless from and against all liability (including reasonable attorney's fees) for Environmental Claims relating to the Lands to the extent caused by the negligent act or negligent omission of KMG or its employees or agents or contractors in the conduct of oil and gas operations on the Lands.

d. Surface Owner and its successors and assigns agrees to indemnify, defend and save KMG harmless from and against all liability (including reasonable attorney's fees) for Environmental Claims relating to the Lands to the extent caused by the negligent act or negligent omission of Surface Owner or its employees or agents or contractors with respect to their activities on the Lands.

10. Exclusion from Indemnities

The indemnities of the Parties in this SDA shall not cover or include any amounts which the indemnified Party is actually reimbursed by any third party. The indemnities in this SDA shall not relieve either Party from any obligations to third parties.

11. Notice of Claim for Indemnification

If a Claim is asserted against a Party for which the other Party would be liable under the provisions of Sections 8 or 9, it is a condition precedent to the indemnifying Party's obligations hereunder that the indemnified Party give the indemnifying Party written notice of such Claim setting forth all particulars of the Claim, as known by the indemnified Party, including a copy of the Claim (if it is a written Claim). The indemnified Party shall make a good faith effort to notify the indemnifying Party within five days of receipt of a Claim and shall effect such notice in all events within such time as will allow the indemnifying Party to defend against such Claim.

12. Assignment

KMG may assign this SDA in whole or in part.

13. Binding Agreement

The terms of this SDA shall constitute covenants running with the land and shall be binding upon the heirs, executors, administrators, successors, and assigns of the parties hereto.

14. Counterpart and E-mail Signatures

This Agreement may be executed in one or more counterparts, each of which shall be deemed as originals, but all of which, taken together shall constitute one and the same instrument. Facsimile and scanned e-mail PDF signatures of executed counterparts shall be sufficient and shall be binding upon the Parties hereto. Facsimile and scanned e-mail PDF signatures shall be subsequently confirmed with the originals.

15. Authority to Execute

Surface Owner represents and warrants that he/she/they have the authority to execute this SDA in the capacity stated below.

16. Severability

If a court of competent jurisdiction determines that any clause or provision of this SDA is void, illegal, unenforceable or unconscionable under any present or future law (or interpretation thereof), the remainder of this SDA shall remain in full force and effect, and the clauses or provisions that are determined to be void, illegal, unenforceable, or unconscionable shall be deemed severed from this SDA as if this SDA had been executed with the invalid provisions eliminated; provided, however, that notwithstanding the foregoing, if the removal of such provisions destroys the legitimate purposes of this SDA, then this SDA shall no longer be of any force or effect. The Parties shall negotiate in good faith for any required modifications to this SDA required as a result of this provision. In the event that any part of this SDA would otherwise be unenforceable or in conflict with applicable laws due to the term or period for which such part is in effect, the term or period for which such part of this SDA shall be in effect shall be limited to the longest period allowable which does not cause such part to be unenforceable or in conflict with applicable laws.

17. Recording

KMG may record this SDA or a Memorandum of this SDA with the Clerk and Recorder of the County in which the Property is located.

The undersigned have executed this SDA on the date first above written.

Surface Owner

Kerr-McGee Oil & Gas Onshore LP

By: [Signature]
Name: Anthony Edward Arndt
Title: Surface Owner

By: [Signature]
Name: Lindsay N. Jaffee
Title: Agent & Attorney-In-Fact

MNB
LMB

By: [Signature]
Name: Marya Frances Roland
Title: Surface Owner

ACKNOWLEDGEMENTS

STATE OF CALIFORNIA)
)
COUNTY OF Contra Costa)

On the 14th of March, 2018, before me, Gabriel James Timmis, a Notary Public, personally appeared Anthony Edward Arndt, who proved to me on the basis of satisfactory evidence 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.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS MY HAND AND OFFICIAL SEAL.

[Signature]
Notary Public

My commission expires NOV, 23, 2021



STATE OF NORTH CAROLINA)
COUNTY OF Buncombe)ss
)

The foregoing instrument was acknowledged before me this 31 day of May, 2018,
by Marya Frances Roland.

Witness my hand and official seal.

Tracey Edwards Brown
Notary Public

My commission expires May 5, 2020



STATE OF COLORADO)
CITY AND COUNTY OF DENVER)ss
)

This instrument was acknowledged before me this 14 day of March, 2018, by Lindsay N. Jaffee, as
Agent & Attorney-In-Fact for Kerr-McGee Oil & Gas Onshore LP, on behalf of said limited partnership.

Witness my hand and official seal.

Rhonda Sutton
Notary Public

My commission expires May 4, 2020

RHONDA SUTTON
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20124028159
COMMISSION EXPIRES MAY 4, 2020