

MEMORANDUM OF SURFACE USAGE AGREEMENT

CHEYENNE COUNTY, COLORADO

OPERATOR: McCoy Petroleum Corporation
9342 E. Central, Wichita, Kansas 67206
(316) 636-2737

**SURFACE
OWNER:** J. P. Jones Ltd., LLLP, a Colorado Limited Liability Limited Partnership
1441 Carino Place, Pagosa Springs, Colorado 81147
(970) 731-3232

**EFFECTIVE
DATE:** March 6, 2019

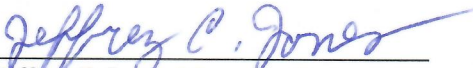
**LEASE
PREMISES:** Township 15 South, Range 45 West, 6th P.M.
Section 27: Southeast Quarter Southeast Quarter (SE/4SE/4)
Well Name(s) ALC 1545 #1-27

**WAIVERS,
EXCEPTIONS
AND STIPULATIONS:**

1. That in order for operator to enter, drill, test, complete and produce its proposed wells, it is necessary that OPERATOR cross and use certain property of OWNER, and the parties hereby agree as to the damages, entry and surface use therefore.
2. OWNER hereby gives, grants and conveys unto OPERATOR, its agents, employees, and assigns, the right to enter upon and use the above described property of OWNER for the purposes of drilling, testing, completing and producing the proposed wells, together with the right-of-way and easement across the above described lands to construct, maintain, And use (for each well) an access road, a well site, a storage tank, a pipeline and any other related facilities which are necessary to operate the subject well(s).
3. In the event of additional damages, including without limitation, damages to buildings, fences, gates, and livestock tanks, livestock and other extraordinary losses or damages caused by OPERATOR, its agents, employees, and consultants to OWNER'S property, or to the property of OWNER'S surface lessee, if any, OPERATOR agrees to compensate OWNER promptly for same on mutually agreeable terms.
4. OPERATOR will indemnify and hold OWNER harmless from all liability or claims of others, shall claims result from OPERATOR'S operations on the property of OWNER.
5. In consideration of the hereinabove referenced payments, OWNER hereby releases, acquits and discharges OPERATOR of and from any and all claims for reasonable detriment, injuries and damages, with the exception of damages to personal property of OWNER. It is understood that OWNER is not hereby waiving any rights, which may be based upon negligent operations by OPERATOR.
6. OWNER hereby releases and waives all right-of dower and/or homestead in the above-identified lands insofar as the same may affect the purpose for which this grant is made.
7. OWNER hereby agrees to provide any necessary compensation to a tenant farmer or contractual successor in interest, as to the consideration herein provided.

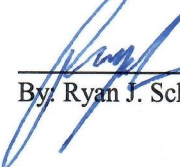
OWNER:

J. P. Jones Ltd., LLLP


By: Jeffrey C. Jones, Managing Partner

OPERATOR:

McCoy Petroleum Corporation


By: Ryan J. Schweizer, Vice President

THIS instrument is executed on the dates set forth in the acknowledgements below.

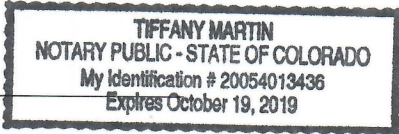
ACKNOWLEDGEMENTS

STATE OF Colorado § (INDIVIDUAL ACKNOWLEDGMENT)
COUNTY OF Archuleta §

BEFORE ME, the undersigned, personally appeared Jeffrey C. Jones, Managing Partner of J. P. Jones, Ltd, LLLP, a Colorado Limited Liability Limited Partnership, to me known to be the identical person described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal this 12th day of March, 2019.

My Commission Expires: 10/19/19



[Signature]
Notary Public

STATE OF KANSAS § (CORPORATE ACKNOWLEDGMENT)
COUNTY OF SENGWICK §

The foregoing instrument was acknowledged before me this 19th day of March, 2019, by Ryan J. Schweizer, Vice President of McCoy Petroleum Corporation, a Kansas Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires:



[Signature]
Notary Public

ATTACHMENTS:

SURFACE USAGE AGREEMENT

THIS AGREEMENT is made and entered into this 17th day of March, 2019, by and between J. P. Jones, Ltd., LLLP, a Colorado Limited Liability Limited Partnership with an address of 1441 Carino Place, Pagosa Springs, Colorado 81147, hereinafter referred to as "OWNER", and McCoy Petroleum Corporation, with an address of 9342 E. Central, Wichita, Kansas 67206, hereinafter collectively referred to as "OPERATOR".

For and in consideration of the covenants and agreements herein contained and other valuable considerations, the parties hereto agree:

1. That OPERATOR intends to drill oil and/or gas wells on the following described lands located in Cheyenne County, Colorado, to wit:

Township 15 South, Range 45 West, 6th P.M.

Section 27: Southeast Quarter Southeast Quarter (SE/4SE/4)

Well Name(s): ALC 1545 #1-27

2. That in order for OPERATOR to enter, drill, test complete and produce its proposed wells, it is necessary that OPERATOR cross and use certain property of OWNER, and the parties hereby agree as to the damages, entry and surface use therefore.
3. OWNER hereby gives, grants and conveys unto OPERATOR, its agents, employees, and assigns, the right to enter upon and use the above property of OWNER for the purpose of drilling, testing, completing and producing the proposed wells, together with the right-of-way and easement across the above lands to construct, maintain, and use (for each well) an access road, a well site, a storage tank, a pipeline and any other related facilities which are necessary to operate the subject well. As consideration for this grant and in full payment, settlement and satisfaction for all reasonable damages or detriments caused to OWNER'S property of whatsoever nature or character, growing out of, incident to or in connection with the hereinabove referenced wells, OPERATOR, shall pay unto OWNER a total of Four Thousand Five Hundred Dollars (\$4,500) for each well drilled by OPERATOR on OWNER'S property. It is further understood and agreed that the above payment shall allow the OPERATOR the use of not more than 3 acres for each well site located on the OWNER'S property. In the event OPERATOR'S use of OWNER'S property exceeds 3 acres, OPERATOR shall covenant to pay additional damages in a proportionate amount per acre impacted by OPERATOR'S operations. Any additional payment due hereunder shall be made within 30 days of completion of OPERATOR'S operations.
4. In the event of additional damages, including without limitation, damages to buildings, fences, gates, and livestock tanks, livestock, and other extraordinary losses or damages caused by OPERATOR, its agents, employees, and consultants to OWNER'S property, or to the property of OWNER'S surface lessee, if any, OPERATOR agrees to compensate OWNER promptly for same on mutually agreeable terms.
5. OPERATOR will indemnify and hold OWNER harmless from all liability or claims of others, shall claims result from OPERATORS operations on the property of OWNER.
6. In consideration of the hereinabove referenced payments, OWNER hereby releases, acquits and discharges OPERATOR of and from any and all claims for reasonable detriment, injuries and damages, with the exception of damages to personal property of OWNER. It is understood that OWNER is not hereby waiving any rights, which may be based upon negligent operations by OPERATOR.
7. OWNER hereby releases and waives all rights-of-dower and/or homestead in the above-identified lands insofar as the same may affect the purpose for which this grant is made.
8. OWNER hereby agrees to provide any necessary compensation to a tenant farmer or contractual successor in interest, as to the consideration herein provided.
9. OWNER acknowledges that it has been given notice by OPERATOR of its proposed Operations at least thirty (30) days prior to OPERATOR'S estimated commencement date or hereby waives such thirty (30) day, or fourteen (14) day, requirement. Provided herewith is a brochure from the Colorado Oil and Gas Conservation Commission, 1120 Lincoln Street, Suite 801, Denver, CO 80203, which describes the rights and responsibilities of OWNER as the surface owner.

The terms, conditions and provisions hereof shall extend to and be binding upon the heirs, executors, administrators, personal representatives, successors and assigns of the parties hereto.

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

Agreed to and accepted the day and year first above written.

OWNER: J. P. Jones, Ltd., LLLP

OPERATOR: McCoy Petroleum Corporation

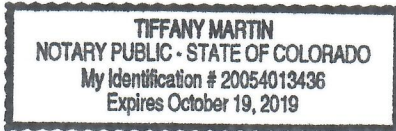
Signed: Jeffrey C. Jones
Jeffrey C. Jones, Managing Partner

Signed: Ryan J. Schweizer
Ryan J. Schweizer, Vice President

ACKNOWLEDGEMENT

STATE OF COLORADO

COUNTY OF Archuleta



BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 12th day of March, 2019, personally appeared Jeffrey C. Jones, Managing Partner of J. P. Jones, Ltd., LLLP, a Colorado Limited Liability Limited Partnership, to me known to be identical person(s) described in, and who executed the within and foregoing instrument of writing and acknowledged to me that he has executed the same as his free and voluntary act and deed for the used and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

NOTARY PUBLIC:

Tiffany Martin

ACKNOWLEDGEMENT

STATE OF KANSAS

COUNTY OF SEDGWICK

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 19th day of March, 2019, personally appeared Ryan J. Schweizer, Vice President of McCoy Petroleum Corporation, to me known to be identical person(s) described in, and who executed the within and foregoing instrument of writing and acknowledged to me that he has executed the same as his free and voluntary act and deed for the used and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

NOTARY PUBLIC:



John Charles Neuschafer

EXHIBIT "A"

Attached to and made a part of that certain Surface Use Agreement dated _____, 2019, by and between J. P. Jones, Ltd., LLLP, a Colorado Limited Liability Limited Partnership "OWNER", and McCoy Petroleum Corporation, as "OPERATOR"

1. All drilling site pits shall be filled within 90 to 120 days after completion of any well drilled on the described lands; subject to pits drying properly.
2. OPERATOR agrees to remove the top soil from all pits and keep surface from the subsoil and be backfill such pits accordingly, to return as much of the top soil to the surface as is nearly practicably possible.
3. On all locations drilled on crop growing lands, OPERATOR agrees to restore the surface as nearly practicably possible to the condition which existed prior to commencement of drilling operations.
4. On all locations drilled on grass or pasture lands, location sites shall be reclaimed and reseeded as to ~~SCS~~ ^{FSA} specifications, and fenced until a reasonable vegetation cover of grass is established, or reimburse owner with the costs attributed to replanting at OPERATOR'S option.
5. If lands are enrolled in the Conservation Reserve Program (CRP), OWNER will be compensated or reimbursed for acreage taken out of the CRP classification due to Lessee's location sites, related equipment and roads. Upon abandonment of any location sites, including roadways and easements thereto, OPERATOR shall level the location and roadway and reseed the same to grass as to ~~SCS~~ ^{FSA} specifications, ~~or reimburse owner with the costs attributed to replanting at OPERATOR'S option.~~ ^{FF}
6. Access roads shall be reasonably maintained and only one access road per well shall be used. OPERATOR agrees to consult with OWNER as to routes of ingress and egress for any wells drilled on the above described lands, in an attempt to minimize damages to the above described lands. OWNER agrees not to unnecessarily withhold his consent as to routes of ingress and egress.

Signed for identification:

J. P. Jones, Ltd., LLLP

Signed: Jeffrey C. Jones

Jeffrey C. Jones, Managing Partner

Access Road Map



FRANE SURVEYING INC.

Physical Address: 34834 Annie Cir.
Mail to: Box 2372, Elizabeth, CO 80107
Ph. 303-243-0037
www.franesurveying.com

Job # 19-025-ALC-1545 #1-27

Frane Surveying, in accordance with a request from **McCoy Petroleum Corporation** has determined the location of **ALC 1545 #1-27** to be **660 Feet FSL**, and **660 Feet FEL**, (90° off Section lines) of Section **27**, Township **15s**, Range **45w** of the 6th Principal Meridian, **Cheyenne County, Colorado**.

Date: Staked on 02/20/19 drawn on 02/25/19.

Re: Staked by Elijah Frane
Drawn: Drawn by Elijah Frane

ACCESS ROAD MAP



27

McCoy Petroleum Corp.
ALC 1545 #1-27
SE 1/4 Sec. 27-15S-45W
Cheyenne, CO, Colorado

PROPOSED
ROUTE

C.R. H

C.R. 40

4380

Location Drawing



FRANE SURVEYING INC.

Physical Address: 34834 Annie Cir.
Mail to: Box 2372, Elizabeth, CO 80107
Ph. 303-243-0037
www.franesurveying.com

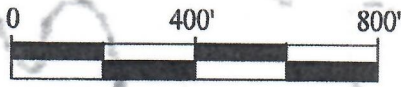
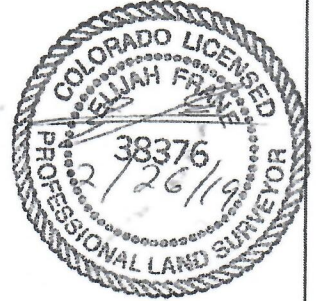
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Drawn: Drawn by Elijah Frane

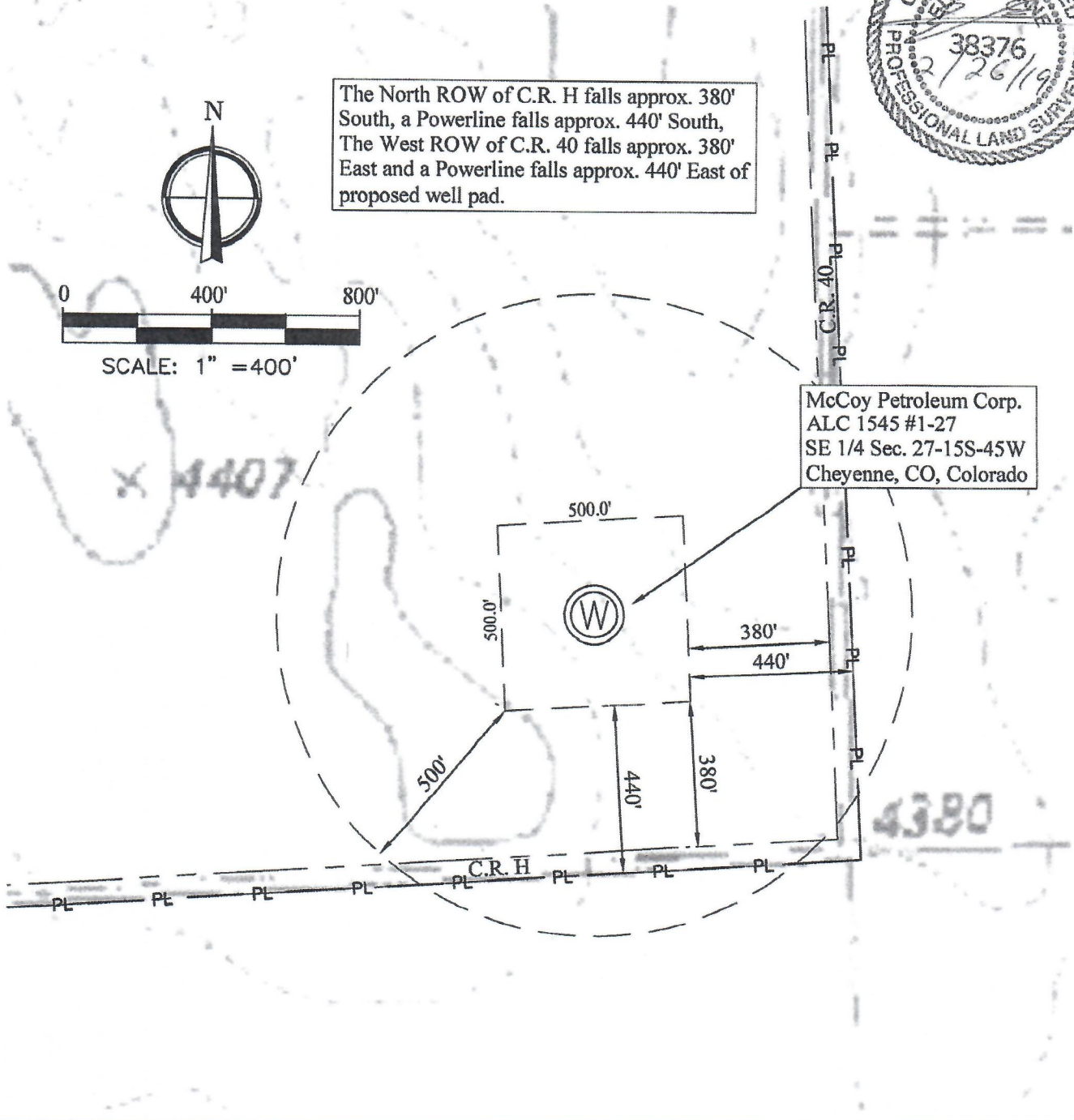
LOCATION DRAWING



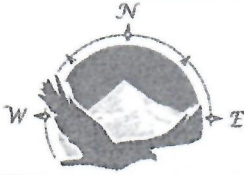
SCALE: 1" = 400'

The North ROW of C.R. H falls approx. 380' South, a Powerline falls approx. 440' South, The West ROW of C.R. 40 falls approx. 380' East and a Powerline falls approx. 440' East of proposed well pad.

McCoy Petroleum Corp.
ALC 1545 #1-27
SE 1/4 Sec. 27-15S-45W
Cheyenne, CO, Colorado



Well Location Plat



FRANE SURVEYING INC.

Physical Address: 34834 Annie Cir.
 Mail to: Box 2372, Elizabeth, CO 80107
 Ph. 303-243-0037
 www.franesurveying.com
 Job # 19-025-ALC-1545 #1-27

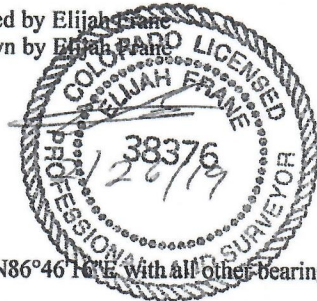
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Drawn: Drawn by Elijah Frane

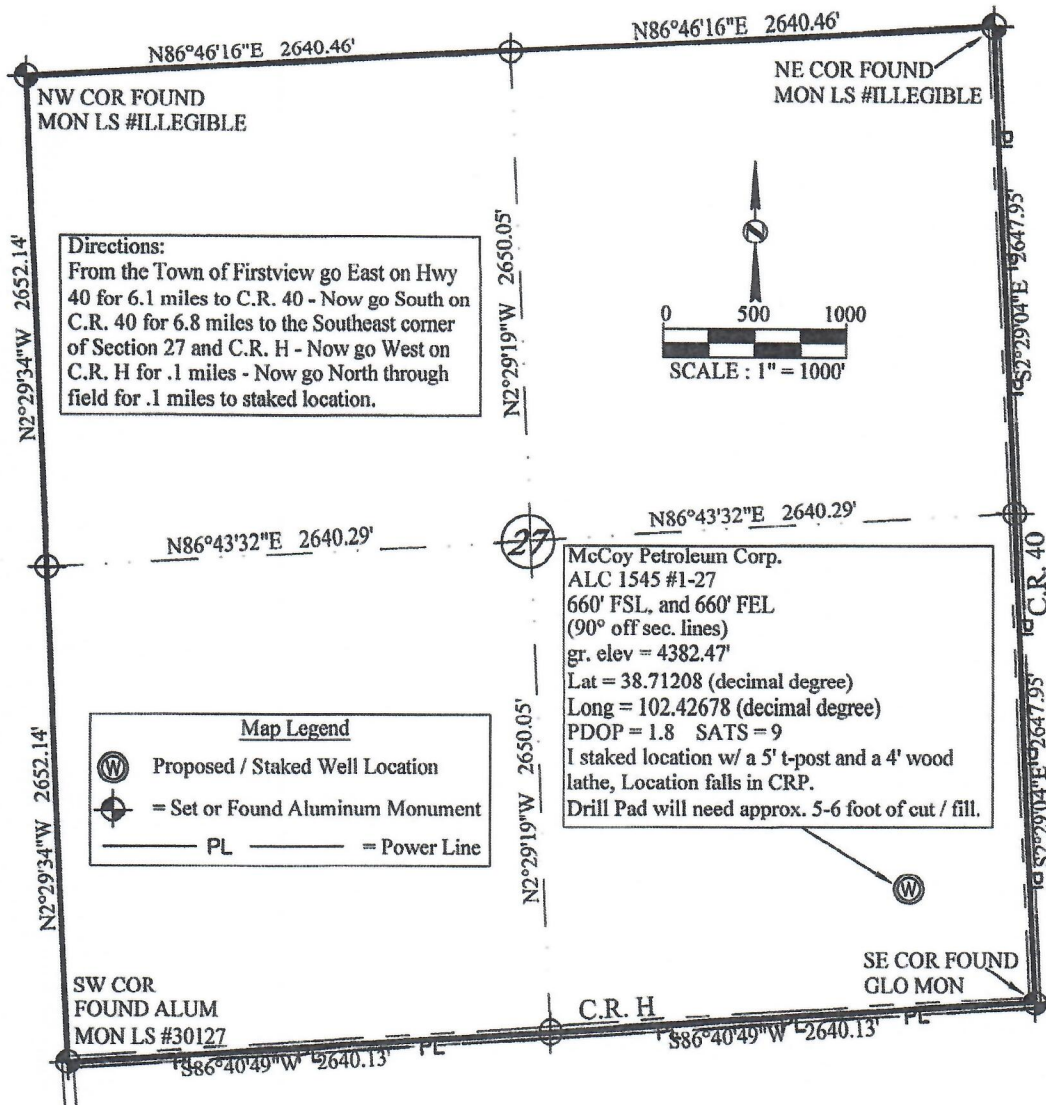
Basis of Elevation Spot: Processed OPUS Solution

Notes: See location drawing for improvements within 500' of proposed well pad / head.
 The ground elevation at staked location = 4382.47' gr.
 This drawing does not represent a monumented survey or Land Survey Plat.



Basis of Bearing: Bearings were determined based on the North line of Section 27 to bear N86°46'16"E, with all other bearings contained herein relative thereto.

WELL LOCATION MAP



Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

▶ Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type. See Specific Instructions on page 3.	<p>1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. <u>J.P. JONES LTD, LLLP JEFFERY C. JONES, GEN. PTR.</u></p> <p>2 Business name/disregarded entity name, if different from above</p>
	<p>3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.</p> <p> <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input checked="" type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner. <input type="checkbox"/> Other (see instructions) ▶ _____ </p>
	<p>4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):</p> <p>Exempt payee code (if any) _____</p> <p>Exemption from FATCA reporting code (if any) _____</p> <p style="text-align: right;"><small>(Applies to accounts maintained outside the U.S.)</small></p>
	<p>5 Address (number, street, and apt. or suite no.) See instructions. <u>1441 CARINO PL.</u></p> <p>6 City, state, and ZIP code <u>PAGOSA SPRINGS, CO. 81147</u></p> <p>7 List account number(s) here (optional)</p>
	Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number									
or									
Employer identification number									
8	4	-	1	3	5	6	4	5	1

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ▶ <u>Jeffrey C. Jones</u>	Date ▶ <u>3-12-19</u>
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

Owner Response Letter
(Consultation Requirement)

Notice of Operations:

ALC 1545 #1-27
Township 15S, Range 45W
Section: 27: Southeast Quarter Southeast Quarter (SE/4SE/4)
Cheyenne County, Colorado

In accordance with Rules 305 and 306, the surface owner may waive the 30-day notice requirement, as well as request a consultation meeting with representatives of McCoy Petroleum Corporation and may designate a representative to attend this consultation meeting.

The undersigned Surface Owner(s) and/or Surface Tenant agree:

I (we) waive consultation.

I (we) request a consultation meeting with representatives of McCoy Petroleum Corporation about the drilling of the well.

I (we) have consulted with:

Gary L. Timmer, Representative of McCoy Petroleum Corporation in person about the drilling of the above described well.

Signed and agreed to on this 12th day of March, 2019

J. P. Jones, Ltd., LLLP, a Colorado Limited Liability Limited Partnership

By: _____

Jeffrey C. Jones
Jeffrey C. Jones, Managing Partner

Phone: 970-731-3232