

**MEMORANDUM OF
SURFACE USE AGREEMENT**

This Memorandum of Surface Use Agreement ("Memorandum") is made and executed as of the 5th day of June, 2019 to evidence that:

The Surface Use Agreement ("Agreement") dated the 5th day of June, 2019 was entered into by and between **CLOUGH SHEEP COMPANY, LLC** whose address is PO Box 686, Rifle, Colorado 81650 ("Surface Owner"), and **TEP ROCKY MOUNTAIN LLC** whose address is 1058 County Road 215, Parachute, Colorado 81635 ("Operator"), with Surface Owner and Operator collectively known as the "Parties," which, among other provisions, provides as follows:

- 1) Surface Owner agrees that Operator and its employees, contractors, subcontractors, agents, and business invitees may access, construct, and use one (1) Oil and Gas Operations Area located on the Lands as depicted on the attached Exhibit "A", for operations in connection with the drilling, completion, and production of oil and gas wells;
- 2) Surface Owner waives all notification requirements in COGCC Rule 305 and meeting requirements in COGCC Rule 306, or any successor policies, rules or amendments regarding Surface Owner or Building Unit Owner notifications and/or meetings. Surface Owner also waives all setback requirements in COGCC Rules 603 and 604, or any successor rule or amendment to the COGCC setback rules, and to any other State or Local setback requirements or other requirements or regulations that are or become inconsistent with this Agreement or that would prohibit or interfere with the rights of Operator or its successors and assigns, to explore for and produce the oil and gas in accordance with this Agreement;
- 3) Operator is authorized to represent Surface Owner in the submittal and processing of any required Garfield County permits on the Lands, including, but not limited to, Small Temporary Employee Housing and Onsite Wastewater Treatment Systems permits; and,
- 4) This Memorandum shall be construed as a covenant running with the Lands and shall be binding on any and all personal representatives, successors, and assigns of the Parties.

This Memorandum is being executed by the Parties for the primary purpose of recording and thus advising all interested parties of the existence and validity of such Agreement, the exact terms and conditions of which are more fully stated in the unrecorded instrument on file with the respective Parties. This Memorandum shall constitute notice to all parties of the existence of this Agreement as though it was described in total detail herein.

IN WITNESS WHEREOF, the Parties have executed this Memorandum as of the date first above written.

Surface Owner:

CLOUGH SHEEP COMPANY, LLC

By: 

Name: Dan Snyder


Title: Manager

Operator:

TEP ROCKY MOUNTAIN, LLC

By: 

Name: Tiffany C. Pollock

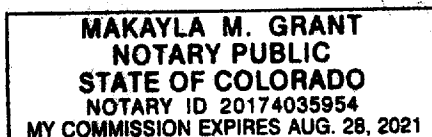
Title: Vice President of Land 

ACKNOWLEDGMENTS

STATE OF COLORADO)
)
COUNTY OF GARFIELD)

On this 1st day of June, 2019, before me, the undersigned, a Notary Public in and for said County and State, personally appeared **Dan Snyder** known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed same in the capacity of **Manager** of **CLOUGH SHEEP COMPANY, LLC**.

My Commission Expires: 08/28/2021



Makayla M. Grant
Notary Public

STATE OF TEXAS)
)
COUNTY OF HARRIS)

On this 5th day of June, 2019, before me, the undersigned, a Notary Public in and for said County and State, personally appeared **Tiffany C. Pollock** known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed same in the capacity of **Vice President of Land** of **TEP ROCKY MOUNTAIN LLC**.

My Commission Expires: 7/11/2022

Mark Stoltz
Notary Public

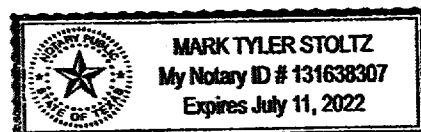


Exhibit "A"

Attached to and made a part hereof that certain Memorandum of Surface Use Agreement dated this 6th day of June, 2019, by and between **CLOUGH SHEEP COMPANY, LLC**, Surface Owner, and **TEP ROCKY MOUNTAIN LLC**, Operator

Township 6 South, Range 94 West, 6th P.M.
Section 12: SE¼SW¼, SW¼SE¼
Garfield County, Colorado
Also known as "Lands"

