

July 17<sup>th</sup>, 2019

Sievers F&R LLC  
43605 County Road 92  
Briggsdale, CO 80611

**RE: LETTER AGREEMENT TO EASEMENT, RIGHT-OF-WAY, AND SURFACE DAMAGE AGREEMENT**

Township 8 North, Range 61 West of the 6<sup>th</sup> P.M.

Section 15: All

Weld County, Colorado (the "Lands")

Reference is made to Paragraph 6 of that certain Easement, Right-of-Way, and Surface Use Agreement (the "Agreement") dated July 17<sup>th</sup>, 2019 by and between Sievers F&R, LLC whose address is 43605 County Road 92, Briggsdale, CO 80611 ("**Owner**") and DPOC, LLC with offices at 1400 16<sup>th</sup> Street, Suite 300, Denver, CO 80202 ("**Operator**").

The "good and valuable" consideration referred to in Paragraph 6 of the Agreement is agreed by Owner and Operator as a payment of [REDACTED] for each well drilled on the Lands and lands pooled therewith, and [REDACTED] for each well drilled from the Lands that may produce and drain oil, natural gas, produced liquids and associated hydrocarbons from lands other than the Lands and lands pooled with the Lands, as defined in the Agreement, which payment is the consideration for the purposes provided for in Paragraph 6 of the Agreement. **Consideration for the first well shall be paid before ground is broken to construct the Oil & Gas Operations Area, as defined in the Agreement. Every subsequent well shall be paid on or before spud date, with spud date being the day that drilling on a new well begins.**

This letter agreement does not amend or modify the Agreement in any manner, but is entered into for the sole purpose of defining the certain good and valuable consideration referred to in Paragraph 6 of the Agreement.

The Parties agree that the payment amounts and any discussion in relation to consideration agreed to above will be kept confidential and is deemed Confidential Information. The Parties agree not to divulge the existence or content of any discussions to any person, other than such persons who have a need to be aware of such discussions. Such persons will be bound to this confidentiality provision. However, either Party may disclose this confidential information without prior written consent to the extent such information is requested or required to be disclosed under applicable law, regulation, governmental order, decree, or rule. The Disclosing Party shall only disclose that portion of the Confidential Information that, on the advice of the legal counsel, is required to be disclosed and shall use reasonable efforts to ensure further confidential treatment of the information so disclosed. Employees, agents, officers, partners, members and directors and affiliate companies; shall be directly responsible for the failure to comply with the terms of this Agreement. Disclosure of the Confidential Information will be deemed breach of this Agreement.

Operator:

DPOC, LLC

By: 

Name: Jamison McIlvain

Title: EVP of Business Development

Owner:

Sievers F&R LLC

By: 

Name: GARY J. SIEVERS

Title: Manager

## **EASEMENT, RIGHT-OF-WAY, AND SURFACE USE AGREEMENT**

This Easement, Right-of-Way and Surface Use Agreement ("**Agreement**") is entered into and effective **July 17<sup>th</sup>, 2019** by and between the **Sievers F&R LLC**, whose address is **43605 County Road 92, Briggsdale, CO 80611** ("**Owner**"), and **DPOC, LLC** ("**Operator**"), with offices at **1400 16<sup>th</sup> Street, Suite 300, Denver, CO 80202** sometimes referred to each as a "**Party**," or collectively as the "**Parties**."

WITNESSETH:

For and in consideration of the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **OWNERSHIP.** Owner is the surface owner of certain lands more particularly described as follows:

**Township 8 North, Range 61 West of the 6th P.M.**

Section 15: All

Weld County, Colorado (the "**Lands**")

Operator, or its affiliates, owns a working interest, leasehold interest, or other interest under certain oil and gas leases covering all or portions of the Lands, or lands pooled or included in a spacing unit therewith, or lands adjacent thereto (the "**Lease**," or "**Leases**").

2. **OIL AND GAS OPERATIONS ON THE LANDS.**

Operator desires to drill, complete, operate, produce and maintain oil or gas wells (the "**Wells**") on the Lands or the Leases, the subsurface locations of which may be under lands other than the Lands. The actual development area, including access road(s) to and from, that will be utilized for all drilling, completions, and interim development work, and will also be the location of all production facilities, shall be collectively known as the "**Oil and Gas Operations Area**" or "**OGOA**" henceforth. In order for Operator, its agents, consultants, successors or assigns to explore, permit, survey, obtain consents and waivers, develop, drill, construct, complete, recomple, produce, maintain, rework, equip, deepen, stimulate, re-stimulate, assess, evaluate, inspect, test, update, upgrade, operate, secure, and transport production from the Wells and all facilities associated therewith including, but not limited to, access roads (including existing roads on the Lands) ("**Access Roads**"), pipelines, infrastructure, equipment, surface appurtenances and production facilities including but not limited to emission control devices, vapor recovery towers, vapor recovery units, flowlines, gathering lines, transmission lines, temporary above ground water lines, temporary above ground completion fluid pipelines, gas lift lines, meters and housing, separators, tank batteries, MLVTs, LACT units, electrical lines, utility lines and any other facilities or property necessary for Operator to conduct operations on the Wells (each a "**Facility**," collectively, the "**Facilities**"), Owner recognizes it is necessary that Operator, its agents, consultants, successors or assigns enter and utilize a portion of the OGOA in order to operate and maintain the Wells and Facilities throughout the life of production. Owner and Operator desire to mitigate any surface damage to the Lands and therefore agree that all operations of every kind shall be conducted within the OGOA, to accommodate operations and development of the surface, and to provide for cooperation between the Parties and the mutual enjoyment of the Parties' respective rights in and to the Lands. This Agreement sets forth the Parties' rights and obligations regarding the development and use of the Lands by operations conducted by Operator.

3. **SURFACE EASEMENT AND RIGHT-OF-WAY; SUBSURFACE EASEMENT.**

A. In those circumstances where the Operator owns, or is lessee of, the minerals underlying the Lands, Owner acknowledges and understands that Operator holds a perpetual, exclusive easement and right-of-way burdening the Lands with all the rights and privileges granted under this Agreement, the Lease, or lease associated with the Lands which as agreed hereby will be situated on an OGOA together with Access Roads set forth.

B. Owner hereby grants, assigns, and conveys to Operator, its successors and assigns and each of their agents, employees, contractors and subcontractors, a perpetual, exclusive easement and right-of-way on, over, across, and through the OGOAs for the purpose of drilling, completing, operating, securing, producing, evaluating, deepening, reworking, equipping, maintaining, plugging and abandoning of Wells, together with constructing, using and maintaining Access Roads and locating, constructing, entrenching, operating, maintaining, repairing, altering, replacing and removing the Facilities and all necessary appurtenant facilities, for the purposes specified in this Agreement including ingress and egress from the OGOAs across the Access Roads on the Lands.

C. Owner grants Operator the right to drill, complete, operate and maintain Wells on the Lands that produce oil, natural gas, produced liquids, and associated hydrocarbons from lands other than the Lands and lands pooled with the Lands.

D. Owner further grants Operator a subsurface easement through the Lands for the purpose of drilling, completing, operating, re-stimulating, reworking and maintaining oil and gas wells that may produce and drain oil, natural gas, produced liquids and associated hydrocarbons from lands other than the Lands and lands pooled with the Lands.

E. Owner further grants Operator the right to gather to the Lands and transport from the Lands oil, natural gas, produced liquids and associated hydrocarbons produced from the Lands and lands other than the Lands and lands pooled with the Lands, and to transfer/assign such right to a third party gatherer.

**4. LOCATION/OIL AND GAS OPERATIONS AREA.**

The OGOA shall be discussed between Owner and Operator. Material changes to the OGOA may be made by Operator with the mutual written agreement of Owner, provided that such changes will not unduly interfere with Owner's existing use of the Lands. It is also understood and agreed that additional Access Roads and Facilities located outside of the OGOA may be necessary for Operator's activities and in these circumstances Owner and Operator agree to discuss and mutually approve any additional location for said Access Roads and Facilities. Operator agrees not to use any more of the surface of the Lands than is reasonably necessary to conduct its operations. This Agreement does not in any way limit the rights of Operator to drill future additional Wells with associated Facilities on the OGOA and utilize Access Roads and thereon to exercise all rights consistent with its mineral ownership or lease rights.

**5. CONDUCT OF OPERATIONS.**

Operator's operations on the Lands will be conducted pursuant to the terms of the Leases, this Agreement, the rules and regulations of the Colorado Oil & Gas Conservation Commission ("COGCC"), applicable Colorado statutes and case law, and any applicable federal statutes and case law. This Agreement does not create a private right for Owner to enforce the rules and regulations of the COGCC.

**6. COMPENSATION AMOUNT.**

The Parties acknowledge that Operator will provide Owner with certain good and valuable consideration, as described in that confidential Letter Agreement of even date herewith, prior to the commencement of drilling operations for each Well drilled which except as otherwise provided herein, such consideration is agreed to be and constitutes full, complete and final consideration for settlement and complete satisfaction for any and all detriment, depreciation, injury, or damage of any nature to the Lands or crops growing thereon that may occur as a result from Operator's development operations pursuant to this Agreement or the Leases. Subsequent operations related to the Wells including but not limited to refracs, recompletions, deepening, or redrilling, except in case of emergency, shall require prior notice to Owner. Operator shall pay Owner actual damages caused by said subsequent operations.

**7. ADDITIONAL SURFACE USE PROVISIONS, ACCESS ROADS, AND FACILITIES.**

With respect to its operations on the Lands, Operator and Owner will comply with the following provisions:

**A. Access Roads:**

- (i) Owner shall not interfere with continuous access of Operator along Access Roads or within the, OGOA or any area subsequently added thereto by written mutual agreement signed by both parties.
- (ii) Operator will maintain all Access Roads in good repair and condition, and in accordance with COGCC regulations, state laws, and other applicable regulatory or statutory frameworks.

**B. Surface Restoration:**

Upon a) completion of a well or wells and regarding the immediate area surrounding the same, and b) upon permanent cessation of Operator's development operations on the Lands, all areas thereof occupied or utilized by Operator will be restored by Operator to the condition they were in immediately prior to operations, as nearly as is reasonably practicable, and according to COGCC regulation.

**C. Other:**

- (i) Operator will install culverts on the Lands that may be necessary to maintain drainage and irrigation in a manner equivalent to conditions upon the Lands immediately prior to operations, as nearly as is reasonably practicable.
- (ii) If by reason of Operator negligence in the conduct of development operations pursuant to this Agreement or the Leases, there is damage to personal property of the Owner, including, but not limited to, irrigation wells, fences, culverts, bridges, pipelines, ditches, or irrigation systems, and for which Owner has not been previously compensated under this Agreement, Operator will repair or replace such items after consultation with, and to the reasonable satisfaction of the Owner. Owner will notify Operator of any items damaged after the Wells have been drilled and completed and Operator will repair or replace such items within 30 days of notice, unless otherwise agreed to by the Owner and Operator.
- (iii) Operator agrees that all trash, refuse pipe, equipment, liquids, chemicals, or other materials brought on the Lands that are not necessary for continued operations of the Wells will be removed and disposed away from the Lands no later than 30 days after the completion of the Wells. No such items will be burned or buried on the Lands.
- (iv) During drilling operations the well sites and any pits shall be fenced if requested by Owner. Additionally, the well sites shall be kept free and clear of all noxious weeds, unsightly growth and trash, during all phases of development.
- (v) Operator agrees to fence off the perimeter of the well sites with temporary fencing if reasonably requested by Owner. Operator will also install cattle guards or gates where reasonably necessary.

## **8. DEFAULT AND RIGHT TO CURE.**

In the event of alleged default by Operator in the payment of any Compensation Amount, in obligations to be performed, or any other terms, conditions or covenants of this Agreement, Owner will notify Operator, by certified mail, return receipt requested, or by overnight delivery such as currently provided by Federal Express and/or UPS, of the alleged default. Operator will have 60 days from receipt of the written notification in which to dispute or otherwise respond to the notification before Owner may pursue other remedies of the alleged default. If Operator cures the alleged default within 60 days of Owner's notice, or if the alleged default is of a nature that cannot be cured within 60 days, then if Operator commences curing the alleged default within that 60 day period and diligently pursues such cure, then no default shall be deemed to have occurred.

Except as otherwise agreed in writing, no waiver by Owner of any breach by the Operator of any of its obligations, agreements, or covenants hereunder will be deemed to be a waiver of any subsequent or continuing breach of the same, nor will any forbearance by Owner to seek a remedy for any breach by the Operator be deemed to be a waiver by Owner of its rights or remedies with respect to such breach.

Any damages awarded to either party under this Agreement shall be limited to only the actual damages incurred by such party, and neither party shall be liable for consequential, incidental, punitive, exemplary or indirect damages in tort or in contract, or under any legal theory, and all such damages are hereby excluded and waived by the Parties and the exercise of the rights of any party hereunder.

## **9. INDEMNITY/RELEASE.**

Owner hereby releases and agrees to hold harmless Operator, its agents, successors and assigns from any and all liability and further payment, other than what has been provided in this Agreement, for damages on the Lands which arise from, out of or in connection with the Operator's development operations on the Lands, but only as to those operations described in and permitted by this Agreement, and for those operations which the Compensation Amount has been paid and received by Owner pursuant to this Agreement.

Operator hereby releases and agrees to hold harmless Owner from any and all liability arising from Owner's non-negligent operations on the Lands.

Operator agrees to indemnify and hold Owner harmless from any and all claims, damages and causes of action arising out of and caused by Operator's development operations on the Lands that may be asserted by any of Operator's agents, employees, subcontractors, contractors or persons entering upon the Lands at the request of Operator; with the exception of any claims, damages, and causes of action that arise from Owner's gross negligence or willful and wanton misconduct.

Owner agrees to indemnify and hold Operator, its agents, successors and assigns harmless from any and all claims, damages and causes of action arising out of and caused by Owner's operations on the Lands that may be asserted by any of Owner's agents, employees, subcontractors, contractors or persons entering upon the Lands at the request of Owner; with the exception of any claims, damages, and causes of action that arise from Operator's development operations.

## **10. WAIVER OF COGCC NOTICES AND OTHER REGULATORY MATTERS.**

[The following waivers are limited to operations within the OGOA]

A. Owner hereby waives the following notices and consultations:

- (i) Rule 305.a.: Notice of Intent to Conduct Oil and Gas Operations;
- (ii) Rule 305.c.(1): Oil and Gas Location Assessment Notice;
- (iii) Rule 305.c.(2): Buffer Zone Notice;
- (iv) Rule 305.f.: Statutory Notice to Surface Owners;
- (v) Rule 305.h.: Move-In, Rig-Up Notice;
- (vi) Rule 306.a.: Surface Owner Consultation and Meeting Procedures;
- (vii) Rule 305.f.(4): Notice of Subsequent Operations; and
- (viii) Any other notice or consultation requirements of the COGCC.

B. Owner shall not object or protest any Application for Permit to Drill (Form 2) and Oil and Gas Location Assessment (Form 2A) filed by Operator with the COGCC. Subject to this Agreement, Owner agrees to allow Operator to locate the Wells and Facilities anywhere on the Lands.

C. Owner hereby waives any right granted by COGCC rule to comment on the Form 2A, to request an extension of the comment period, and to appeal the approval and issuance of the Form 2A, and any related Form 2.

D. Owner shall not oppose Operator, its agents, consultants, attorneys, successors and assigns in any COGCC or other administrative or governmental proceedings related to Operator's operations, including but not limited to permitting, formation of drilling units, well spacing, well density, pooling, drilling, completion, stimulation, re-stimulation, workovers, deepening and recompleting, provided that Operator's position and contemplated undertakings in such proceedings are consistent with this Agreement. Owner will provide Operator, its agents, consultants, attorneys, successors and assigns with any and all written support they may reasonably require to obtain permits from the COGCC or other applicable governmental body.

E. Owner understands and acknowledges that the COGCC has rules and regulations that apply to the distance between a wellhead and public roads, production facilities, building units, occupied buildings, and surface property lines, among other things. Owner hereby waives its right to object to the location of any Well, Access Roads and Facilities within the OGOA on the basis of setback requirements in the rules and regulations of the COGCC, including, but not limited to, the 150 foot setback from surface property lines and other requirements of rules 603.a.(2), and 604.a, except that the Parties intend to rely upon one or more exceptions of rule 604.b of the rules and regulations of the COGCC relating to property lines and urban mitigation areas or designated outside activity areas, as those terms may change or be defined and amended from time to time.

F. Owner grants consent to locate the Wells greater than 50 feet from an existing well pursuant to COGCC Rule 318A.c within the OGOA. Owner grants consent to locate Wells outside of the GWA windows as defined in COGCC Rule 318A.a. to the extent they are within the OGOA.

G. Owner understands that Operator may provide a copy of this Agreement to the COGCC in order to obtain a waiver, exception location, or variance from the COGCC rules or from a local jurisdiction.

#### **11. NOTICES.**

Subject to the terms, conditions, and covenants of this Agreement written Notice by either Party will be promptly served to the other Party by United States mail, postage prepaid and addressed to either Party, or to such other place as either Party may from time to time designate by notice to the other, at the following addresses:

Operator  
DPOC, LLC  
1400 16<sup>th</sup> Street, Suite 300  
Denver, CO 80202

Owner  
Sievers F&R  
43605 County Road 92  
Briggsdale, CO 80611

Owner agrees to notify any surface tenant or other third party that may be affected by Operator's development operations on the Lands and Owner may allocate part, or all, of the payments made hereunder with such surface tenant as mutually agreed between Owner and tenant(s). Neither this Agreement nor any operations arising hereunder shall create any rights, obligations or liability between Operator and such third parties.

#### **12. ADVICE TO TENANTS.**

Owner agrees to contact any and all tenants of the Lands or any other third parties utilizing the surface of the Lands that may be affected by Operator's activities on the OGOA. It will be Owner's sole responsibility to advise such third parties of the existence of this Agreement.

#### **13. BINDING EFFECT.**

The terms, conditions, covenants, and provisions of this Agreement will inure to the benefit of and will be binding upon the Parties hereto, their respective heirs, agents, representatives, successors or assigns.

#### **14. RECORDING.**

The Parties agree that either party may record this Agreement, or a Memorandum of it, in the real estate records of the County in which the Lands are located.

#### **15. ENTIRE AGREEMENT.**

Except for that certain Letter Agreement of even date herewith between Owner and Operator, this Agreement contains the entire agreement between the Parties and may not be modified orally or in any other manner other than by written agreement signed by all Parties or their successors or assigns.

#### **16. LETTER AGREEMENT.**

The Owners and Operator shall execute a confidential Letter Agreement, dated of even date herewith, containing the terms and conditions of the Compensation Amount arising under this Agreement.

#### **17. REASONABLE ACCOMMODATION.**

Owner acknowledges uses and operations upon the Lands by Operator under this Agreement are in full satisfaction of the requirement that Operator conduct its oil and gas operations in a manner that accommodates Owner. Owner further acknowledges Operator's uses and operations upon the Lands as provided herein constitute "Reasonable Accommodation" by Operator, its agents, consultants, successors and assigns as provided for under Colorado Revised Statute 34-60-127.

**18. TERMINATION.**

This Agreement will terminate concurrently with the Leases as they relate to Operator's or its affiliates' rights to explore, drill, and produce oil, natural gas, and associated hydrocarbons from the Lands or lands pooled or unitized therewith or as otherwise provided herein. No act or failure to act on the part of the Operator shall be deemed to constitute an abandonment or surrender of this Agreement or of any part of it, except upon recordation by Operator of an instrument specifically terminating this Agreement. To the extent a moratorium or a restrictive governmental law, rule or regulation prevents a Party from performing the operations herein described, this Agreement shall be extended for such period of time that the moratorium or restrictive governmental law or regulation is in place. Notwithstanding the termination of this Agreement, Operator may access the OGOAs to plug and abandon the Wells and to reclaim the Lands as provided in this Agreement and the Leases and for such other purposes as necessary to comply with any law, rule, or regulation governing Operator's operations.

**19. COUNTERPARTS.**

This Agreement may be executed by facsimile or electronic mail, in counterparts, each of which will be considered an original and enforceable against either Party.

**20. GOVERNING LAW AND VENUE.**

This Agreement will be governed by, construed and enforced in accordance with the laws of Colorado. Venue shall be deemed to be in the county where the Lands are located.

**21. AUTHORITY OF SIGNATORIES.**

The signatories below declare, warrant and represent that they have the authority to enter into this Agreement on behalf of their respective principals, if any.

**22. SUCCESSORS.**

This Agreement constitutes an easement, right-of-way, and covenant running with the Lands and will be binding upon and inure to the benefit of, and be enforceable by, the Parties and their respective agents, consultants, affiliates, administrators, trustees, heirs, executors, successors or assigns.

**23. ATTORNEYS' FEES.**

If any action or proceeding is instituted by either party for enforcement or interpretation of any term or provision of this Agreement, the prevailing party pursuant to a final judgment of a court of competent jurisdiction shall recover from the other party, and the other party shall pay, the prevailing party's reasonable attorneys' fees and costs as determined by the court.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement effective as of the day and year first written above.

*(The remainder of this page is intentionally left blank).*

Owner:

Sievers F&R LLC

By: Gary J. Sievers

Name: Gary J. Sievers

Title: Managing Member

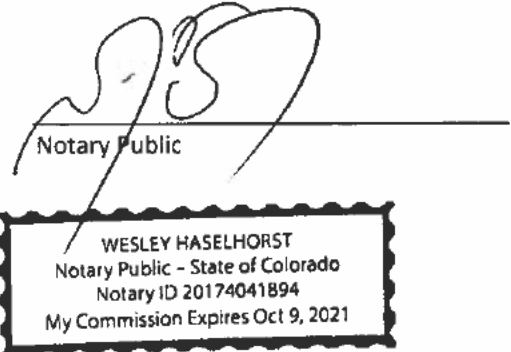
**ACKNOWLEDGMENT**

STATE OF Colorado )  
COUNTY OF Weld ) ss.

Before me, the undersigned, a Notary Public in and for said County and State on this 18<sup>th</sup> day of July, 2019, personally appeared Gary James Sievers as Manager for Sievers F&R LLC, to me known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Witness my hand and official seal.

My commission expires: Oct 9, 2021



Operator:

DPOC, LLC

By: Jamison McIlvain

Name: Jamison McIlvain

Title: EVP of Business Development

**ACKNOWLEDGMENT**

STATE OF COLORADO )  
COUNTY OF DENVER ) ss.

Before me, the undersigned, a Notary Public in and for said County and State on this 19<sup>TH</sup> day of JULY, 2019, personally appeared Jamison McIlvain, acting as EVP of Business Development on behalf of DPOC, LLC, a Delaware limited liability company, to me known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Witness my hand and official seal.

My commission expires: 2/13/22

Cristina Carrasco  
Notary Public

