

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is made and entered into by and between the City of Brighton, a Colorado home-rule city ("City") with an address of 500 S. 4th Ave., Brighton, CO 80601, and Great Western Operating Company, LLC ("Operator"), with an address of 1001 17th Street, Suite 2000, Denver, Colorado 80202. Operator and the City may be referred to individually as a "Party" or collectively as the "Parties."

BACKGROUND

- A. Operator is the owner or lessee of oil and gas leasehold and/or mineral interests within the City, and, as of the time of the execution of this MOU, has the right and intent to further develop its oil and gas leasehold and/or mineral interests within said portion of the City.
- B. The intent of this MOU is to provide the conditions under which Operator will develop and operate an oil and gas location known as the Prairie location, located in the SW/4SW/4 Section 20 T1S-R66W, Adams County, Colorado, which is within the City limits in order to foster the efficient and economic production of oil and gas resources, to protect human health, safety and welfare and to protect the environment and wildlife resources, while at the same time providing for a predictable and expeditious administrative process for obtaining City land use approvals and permits for oil and gas locations.
- C. The further intent of this MOU is to allow Operator an expedited procedure for obtaining City permits, without the need for any formal hearing on such permits, from the City for Operator's Prairie oil and gas location.

NOW, THEREFORE, the Parties agree as follows:

1. **Intent to Supplement COGCC Rules and Regulations, Not Replace.** The provisions of this MOU are intended to enhance and complement the rules and regulations of the Colorado Oil and Gas Conservation Commission ("COGCC") specific to the Prairie location and not to replace such rules and regulations. To the extent that any of the provisions of this MOU are in conflict with the Act or COGCC rules and regulations, the stricter standards shall govern.
2. **City Land Use Approvals.** Prior to the development or operation of the Prairie location in the City, Operator must obtain any required approval from the City pursuant to any validly adopted provisions in the City's Land Use and Development Code, Chapter 17 of the Brighton Municipal Code ("BMC") and specified in this MOU. This MOU is being signed prior to the City's approval of numerous plans required by this MOU and the BMC. If the requirements proposed by the City conflict with terms of this MOU, then the stricter terms shall control. The BMC specifically allows for expedited administrative approval of new oil and gas locations pursuant to an MOU, but does not waive any other provisions in the Code. (BMC Sections 17-64-310 to 17-64-420 as may be amended from time to time.) Operator and the City will use best efforts to obtain other required regulatory approvals necessary for the proposed operations on an expedited basis and before or contemporaneously with approval of this MOU, including but not limited to:

- a. Operator's use of City rights-of-way and culverts;

- b. Noise and visual mitigation requirements;
- c. Floodplain requirements;
- d. Water quality monitoring plan;
- e. Landscaping requirements;
- f. Responses to COGCC permit applications or other matters related to Operator's activities or proposed activities within the City; and
- g. Road Improvements and Maintenance Agreements.

3. Surface Owner Involvement. Operator shall provide City with summaries of all Surface Use Agreements and other contracts governing oil and gas operations on property proposed to be covered by this MOU, excluding confidential information.

4. Technically Feasible and Economically Practicable and other Definitions. Certain conditions of approval, as set forth in this MOU, may be excused if compliance with those conditions would not be "technically feasible or economically practicable." If Operator wishes to be excused from a condition within this MOU on the basis it is not technically feasible or economically practicable for the Prairie location, Operator shall note that request in its initial written application materials or in a separate written request submitted to the City Manager after the application has been approved. The non-exhaustive list of factors that the City Manager may use to determine if a MOU condition is not technically or economically practicable—includes the following:

- a. There is no technology commercially available at a reasonable cost to conduct the proposed oil and gas operations in compliance with the provision and waiver of the provision will not have a significant adverse effect on the public health, safety or welfare, or on the environment;
- b. An alternative approach not contemplated by the provision is demonstrated to provide a level of protection of the public health, safety and welfare and of the environment that would be at least equivalent to the applicable provision; or
- c. Application of the provision is impractical or would create an undue or unnecessary operational or economic hardship because of unique physical circumstances or conditions existing on or near the site of the oil and gas facility, which may include, without limitation, topographical conditions, shape or dimension of the operation site, or inadequate public infrastructure to the site.

The City Manager shall meet with Operator to discuss and analyze such request within a maximum of fifteen (15) business days of Operator's submission of the request for an excusal from a COA under this MOU. Operator agrees that the City has the right to obtain an independent third-party expert's opinion as to technical feasibility and economic practicability, if necessary. If City determines an independent third-party expert opinion is necessary after meeting with Operator, City shall provide Operator with five (5) days' notice of such need and Operator shall reimburse the City any reasonable costs associated with such independent third party's opinion. The City shall consult with the Operator to ensure that the independent third-party expert has the required expertise to undertake the "technical feasibility and economic practicability" analysis. If the City Manager does not make determination within thirty (30) days of the Operator's request under this section, City shall

make best efforts to place such excusal on the next City Council agenda, for determination by City Council, so long as required notice is met.

All other terms used herein that are defined in the Brighton Municipal Code Section 17-64-30 or regulations promulgated by the COGCC and/or the Colorado Department of Public Health and Environment shall be defined as provided in the Act or in such regulations. All other words used herein shall be given their usual customary and accepted meaning and all words of a technical nature, or peculiar to the oil and gas industry, shall be given that meaning which is generally accepted in the oil and gas industry.

For the purposes of this MOU, "School" refers to both Public Schools and Private Schools as defined in Colorado Revised Statutes § 22-7-703(4) and § 22-30.5-103.6(6.5).

5. Setbacks and Schedule for New Wells. It is understood the setback proposed for the Prairie wellheads and associated facilities meets the expectations of the City and is consistent with COGCC Order 1-189 and COGCC Rule 604.

In addition, City and Operator agree that all wells subject to this MOU will be drilled within a seven (7) year period commencing on the effective date of the MOU and approval of both the COGCC Forms 2 and 2A and the City permit for Operator's development, and that no new homes will be constructed within a 1000-foot radius from any new surface facility during this same time period.

6. Pits and Waste Disposal.

- a. Operator shall use closed-loop or modified closed loop systems, as defined below, for drilling and completions; however, emergency, or freshwater pits may be allowed if approved by COGCC in accordance with COGCC rules and applicable order.
- b. Modified closed-loop systems include oil and gas wells where air or fresh water is used to drill through the surface casing interval, defined as fifty (50) feet below the depth of the deepest aquifer, and a closed loop system is used for the remainder of the drilling and/or completion or recompletion procedures.
- c. No Class II injection wells are to be located within the City.

7. Containment berms. Operator shall utilize steel-rim berms as secondary containment around tanks and separators at well sites with sufficient capacity to contain 1.5 times the volume of the largest tank enclosed by the berm plus sufficient freeboard to prevent overflow. All berms and containment devices shall be inspected by Operator at regular intervals and maintained in good condition. No potential ignition sources shall be installed inside the secondary containment area unless the containment area encloses a fired vessel. For purposes of this paragraph, "regular intervals" shall mean at least as frequently as every pumper/lease operator site visit unless remote sensing equipment is utilized.

Secondary containment for tanks shall be constructed with a synthetic or engineered liner that contains all primary containment vessels and is mechanically connected to the steel ring to

prevent leakage.

8. Meetings to Monitor and Discuss MOU Issues. The City and Operator agree to meet as necessary and reasonable, to monitor and discuss any pertinent issues associated with the Prairie location at the request of either Party.

9. Water Supply and Quality. Operator will use pipelines and irrigation ditches for transportation of fresh water for hydraulic fracturing to the Prairie location. The Operator or water supplier will acquire all of the necessary permitting, easements, etc. for this transportation. The transportation route and source will depend on which water supplier is chosen for the project; once confirmed, the Operator will provide the route and source to the City. Operator may utilize City Road Right-of-Way, and City drainage culverts for the laying and operation of temporary water lines on the surface or subsurface, upon prior notice to the City of such intended use. If necessary, Operator will bury temporary water lines at existing driveway and gravel road crossings, or utilize existing culverts, if available.

10. Damage to Transportation Infrastructure. Operator will be responsible for ongoing road repair and maintenance costs attributable to its operations. The City will conduct periodic impact assessments with the Operator to determine the extent of any damage accruing to the road caused by the Operator's activities. Operator may conduct baseline road condition assessments with a third-party contractor to define existing road conditions. Operator will pay the City for the cost of the actual repairs for the assessed damage or else arrange and pay the cost of such repairs itself with a contractor acceptable to the City. Nothing in this Agreement affects the City's ability to in the future impose a transportation impact fee on the Operator, to the extent that such fees are applicable to all commercial transportation originating or terminating in the City.

11. Water Quality Monitoring Plan. In all areas of the City, Operator shall comply with COGCC Rules 609 for the Prairie location. In summary, this requires pre- and post-drilling testing. The rules require oil and gas operators to sample all "Available Water Sources" (if owner has given consent for sampling and testing and has consented to having the sample data obtained made available to the public), with a cap of four (4) water sources, within one-half (1/2) mile radius of the Prairie location. Operator may rely on previously obtained water sampling analytical results in lieu of obtaining and testing a new water sample if the previous water sample was obtained within 18 months of the spudding of a proposed well or multi-well site. If multiple wells were spud on a multi-well site, then the initial spud date shall be the date that the last well was spud. "Water Sources" includes registered water wells, permitted or adjudicated springs, and certain monitoring wells. Monitoring, sampling, and testing of well water required herein shall be at the sole expense of the operator.

- a. Where multiple defined aquifers are present, the sampling locations should attempt to sample from the alluvial aquifer when possible.
- b. As requested by Tri-County Health, Operator agrees to sample all available water wells within ½ mile of the location. The cost to meet this obligation will be shared by Petroshare who is drilling on its Brighton Lakes location immediately to the east of the Prairie location.

- c. Copies of all water test results shall be provided to the City and landowner within thirty (30) days of collecting the samples, or as soon as water test results are received by Operator, if not received within thirty (30) days of collecting the samples.
- d. If the methane concentration increases by more than 5.0 mg/l between sampling periods, or increases to greater than 10 mg/l, the operator shall notify the City immediately.
- e. At least one water well has been identified within a ½ mile radius for baseline water testing for the Prairie location.

12. Comprehensive Planning. Within 90 days of the City signing of this MOU, Operator shall provide the following confidential information, with a copy to the City and Local Government Designee (“LGD”). The City shall keep such discussions confidential if requested to do so in writing:

- a. Based on Operator’s current business plan, a good faith estimate of the number of wells (not including non-operated wells) that Operator intends to drill in the next five (5) years within the City limits.
- b. Discussions of locations within one-mile of the City limits will be discussed with City once Operator confirms required communication with the adjoining jurisdiction has occurred.
- c. A map showing the location of Operator’s existing Well Sites and related production facilities in the City; and Well Sites for which Operator has approved or pending Form 2 or Form 2A COGCC permits in the City.
- d. Discussion of sites identified for development on the Operator’s current drilling schedule or projected five (5) years in the future in the City, for which it has not yet made application for COGCC permits.
- e. The plan provided to the LGD is acknowledged to be subject to change at Operator’s sole discretion at any time, and shall be updated by Operator if materially altered or at least once every year.

If COGCC enacts a new rule covering comprehensive planning, then the City and Operator shall negotiate in good faith to amend this paragraph 12 so that its terms are consistent with COGCC rules.

13. Noise Mitigation Measures. Operator shall prepare and implement a noise mitigation plan for the Prairie location. The noise mitigation plan shall detail the reasonably practicable efforts to be used to reduce db(A) scale noise level for operations subject to the noise standards under COGCC Regulations 802.b and 604.c.(2)(A). Based upon preparation of a noise mitigation plan and proposed mitigation specific to this site, and the demonstrated ability of numerous other Operators to reduce noise to less than sixty-five (65) db(A), Operator shall use its best efforts to meet sixty five (65) db(A) as the maximum sound level during drilling and completion operations at the site.

As set forth in COGCC Regulation 802.b, the noise levels shall be subject to increase for a period not to exceed fifteen (15) minutes in any one (1) hour period and reduction for periodic, impulsive or shrill noises. If a noise complaint is filed through the appropriate COGCC Complaint Process, then Operator shall notify the City and shall review such complaint and shall take mitigation action accordingly in compliance with COGCC regulations, if necessary.

For db(C) scale noise, Operator shall comply with the requirements of COGCC Regulation 802 as amended from time to time.

The following noise mitigation will be implemented in the noise mitigation plan:

- a. Noise management plan identifying estimated schedule of maximum noise emissions, type, frequency, and level of noise to be emitted, and proposed mitigation measures;
- b. Acoustically insulated housing or cover enclosing the motor or engine as appropriate;
- c. Use of electric-powered permanent engines for motors, compressors, and drilling and production equipment and for pumping systems in order to mitigate noise if technically feasible and economically practicable. If electricity from the grid is not available, Operator shall use natural gas to power pumps and motors, if technically feasible and economically practicable; and
- d. VRU compressors will be installed with sound walls to buffer noise.

If COGCC enacts a new rule covering noise mitigation measures, then the City and Operator shall negotiate in good faith to amend this section so that its terms are consistent with COGCC rules.

14. Oil Pipelines. The Operator commits to tie into the oil pipeline which is located just west of the Prairie location to reduce oil field traffic and limit the use of tanks during the production phase of the oil and gas development on the Prairie Pad. In the event that the Discovery Pipeline is temporarily out of service or otherwise unavailable for any reason, Great Western is permitted to store produced oil on the Prairie location. Under these circumstances Great Western may truck oil from the site for a short period of time. If it is estimated that the pipeline downtime will be less than seven (7) calendar days, Great Western will provide City with a written notice which includes an estimate of the number of trucks, length of time trucking will occur, and the truck route that will be required for transporting the produced oil prior to trucking operations beginning. If it is estimated that pipeline downtime will go beyond seven (7) calendar days, Great Western will provide the City with a written notice which includes an estimate of the number of trucks, length of time trucking will occur, and the truck route that will be required for transporting the produced oil. Operator will use best efforts to find a suitable replacement to continue utilizing a pipeline for oil transport as soon as practicable.

15. Artificial Lift. No conventional pumpjacks will be used. Alternative artificial lift systems are to be as low profile as practicable.

16. Floodplain. Any oil and gas location within a 100-year floodplain will be allowed only if Operator has complied with all the City's legally adopted floodplain and engineering regulations. Pits, except for emergency pits, will not be allowed in 100-year floodplain, as defined in the City's Stormwater Management Manual. A "100-year floodplain" shall be, for purposes of this Section, a "Special Flood Hazard Area" as identified and mapped by the Federal Emergency Management Agency's National Flood Insurance Program.

17. Discharge Valves. The Prairie oil and gas location proposed by Operator is not located in an Urban Mitigation Area or a Useable Open Space. Open-ended discharge valves on all storage tanks, pipelines and other containers shall be secured where the operation site is unattended or is accessible to the general public. Open-ended discharge valves shall be placed within the interior of the tank secondary containment. As used in this paragraph, the term "secured" means locked or otherwise secure the site such that the public cannot operate the valve.

18. Burning. No open burning, other than flaring of natural gas, shall occur on the site of any oil and gas operation. Open flaring of natural gas shall be limited to well completion/flowback activities or as required in an emergency, pipeline pressure adjustment or upset condition subject to the regulations of the COGCC. Notice, including any COGCC approvals, will be provided to the City.

19. Chemical Storage. Operator shall remove hydraulic fracturing chemicals and flowback from hydraulic fracturing, from the Prairie location within 30 days of completion of fracturing operations, except that hydraulic fracturing chemicals and flowback from hydraulic fracturing on this multi-well pad may remain on location or at proximate location as allowed by COGCC so long as drilling operations are ongoing location or if written approval is granted by the City.

20. Visual Impacts and Aesthetics. The location of wellhead and production facilities has been selected for the Prairie location to minimize any visual impacts to surrounding residents. In addition, Operator's visual mitigation plan is contained in Sections 3.2 and 3.5 of the Development Application and also includes applicable COGCC rules. Operator will include the terms of Sections 3.2 and 3.5 of the Development Application as conditions for COGCC permits. Operator shall comply with applicable provisions of its visual mitigation plan. To the maximum extent technically feasible and economically practicable, Operator shall comply with the following aesthetic provisions:

- a. Operator shall use fencing and the existing berm to mitigate visual impacts subject to preferences of the surface owner.
- b. Structures shall be of minimal size to satisfy present and future functional and safety requirements;
- c. Align access roads to follow existing grades and minimize cuts and fills.
- d. Landscaping Plan shall be coordinated with the surface owner and staged to accommodate surface development. If Operator staggers well completion (i.e., completes a lesser number of wells initially with plans to complete the remaining wells at a future date), then the interim restoration plan shall be implemented within

90 days of completion of the initial set of wells. The initial phase will utilize natural topography and fencing surrounding the location, as well any pre-existing trees. Initial landscaping will be installed within six (6) months of finishing initial drilling and completion operations on the Prairie location. The second phase of the landscaping will begin after all wells are drilled or before residential development or the property occurs within 1,000 feet of the location, whichever occurs first. At that time Operator will fence and landscape the location to fit the design of the subdivision and the requirements set forth by the City of Brighton and the preferences of the surface owner.

21. Site Security. Operator will provide a Site Security plan for the location. The plan will be updated every ten years or more frequently if so required by City of Brighton at its sole discretion.

- a. If requested by the surface owner, or practicable for site security, the fence shall contain a gate and the gate shall remain closed and locked when the well pad and associated facilities are not in use.
- b. The local fire district shall have access to ALL gate key(s)/combination(s) at all times for use in case of emergency.
- c. In the event the City hires a trained inspector, the City's oil and gas inspector shall have access to ALL gate key(s)/combination(s) at all times for use in case of emergency. In cases of a non-emergency, the City inspector shall provide notice to Operator prior to accessing the location .

22. Electric Equipment. Operator shall review the feasibility to utilize electric-powered engines for motors, compressors, and drilling and production equipment and for pumping systems in order to mitigate noise and to reduce emissions. Once electric power becomes available within 2,500 feet of the location, Operator will commit to utilizing grid power for permanent production facilities.

23. Air Quality Mitigations.

- a. In addition to the requirements under Colorado Air Quality Control Program, Title 25, Section 7, C.R.S., oil and gas production locations shall be:
 - i. Subjected to an instrument-based leak detection and repair (LDAR) inspection at least once a year unless the well is shut in or otherwise not in production;
 - ii. VOCs destruction or control technologies with at least 95% efficiency must be employed on all tanks capable of emitting over 2 tons of VOCs annually;
 - iii. If a gas leak or release occurs beyond the scope of normal operations and meets the criteria of a Grade I Leak as defined by COGCC as a gas leak that represents an existing or probable hazard to persons or property and requires immediate repair or continuous action until the conditions are no longer hazardous. The Operator will respond as soon as possible to isolate the equipment needing repair or shut-in the well if repairs cannot be made within 24 hours of first discovery. The cause and corrective action shall be reported to the city LGD and will be reportable pursuant to the requirements of the COGCC.
 - iv. Operator commits to using Automatic Custody Transfer (LACT) meters to limit emissions during tank unloading.
 - v. Operator commits to use instrument air, rather than natural gas, to power all

pneumatics.

- vi. Operator commits to not using any glycol dehydrators or desiccant gas processing dehydrators on the Prairie location so long as alternatives are technologically feasible and economically practicable.
- b. To the extent technologically feasible and economically practicable, exhaust from all engines, motors, coolers, and other mechanized equipment shall be vented in a direction away from occupied buildings.
- c. Operator must maintain the following records on file for inspection by the City: (a) certification of compliance with these City and state air quality requirements and documenting any periods of non-compliance, including the date and duration of each deviation and a compliance plan and schedule to achieve compliance; and (b) that the equipment at the well site continues to operate within its design parameters, and if not, what steps will be taken to modify the equipment to enable the equipment to operate within its design parameters. Operator may satisfy this obligation in whole or in part by making its AQCC Regulation No. 7 semi-annual reports and annual self-inspection reports available to the City for the prior calendar year.

24. Fugitive Dust Suppression. Silica dust must be contained to the maximum extent technologically feasible and economically practicable during the hydraulic fracturing process. Dust associated with on-site activities and traffic on access roads shall be minimized throughout construction, drilling and operational activities such that there are no visible dust emissions from access roads or the site to the extent technically feasible and economically practicable. No untreated or unrecycled produced water or other process fluids shall be used for dust suppression. Operator will avoid dust suppression activities within three hundred (300) feet of the high water mark of any waterbody as defined in Section 17-12-20. Definitions, BMC, as the same may be amended from time to time, unless the dust suppressant is water. Safety Data Sheets (MSDS) for any chemical based dust suppressant shall be submitted to the City Manager for approval prior to use.

25. Flammable Material. All ground within twenty five (25) feet of any tank, or other structure containing flammable or combustible materials shall be kept free of dry weeds, grass or rubbish, and shall conform to COGCC 600 Series Safety Regulations and the applicable Fire Code.

26. Flow Lines. Any newly constructed or substantially modified flow lines on site shall be constructed and operated under the provisions of the COGCC 1100 Series Flowline Regulations effective May 1, 2018 and any applicable surface use agreements with the surface owners. To the maximum extent technically feasible and economically practicable, any newly constructed or substantially modified flow lines on site shall meet the following requirements:

- a. All flow lines, shall be sited a minimum of fifty (50) feet away from existing general residential, commercial, and industrial buildings, as well as the high-water mark of any surface water body. This distance shall be measured from the nearest edge of the pipeline.
- b. Operator will provide a schematic diagram of complete flowline corridor for all flowlines on pad. No flowlines will be constructed off the pad site.

- c. All of Operator's flowlines will be removed when all wells on this site are permanently plugged and abandoned.

27. Removal of Debris and Excess Materials and Equipment. When the Prairie location is completed, all construction-related waste debris related to that operation shall be removed from the site for proper disposal. The site shall be maintained free of debris at all times during operation. Materials and/or waste shall not be buried or burned on-site.

All excess equipment and materials used for drilling, completion, or re-completion and maintenance of the facility shall be removed from the site within thirty (30) days of completion of those activities, weather conditions permitting, unless otherwise agreed to by the City and surface owner. Excess equipment and materials include, but are not limited to casing pipe, sand (proppant), water containers, and unused tanks. Permanent storage of excess equipment and materials on Well Pad sites shall not be allowed. It is understood that drilling and completion equipment and materials necessary for multi-well pads may remain on location, so long as drilling or completion operations are ongoing on the Prairie location or at proximate locations as allowed by COGCC or if written approval is granted by the City and the surface owner.

28. State Oil and Gas Permit Approvals.

Operator agrees to include the contents of this MOU in all Forms 2 and 2A that it submits to the COGCC and consents to the inclusion of the contents of this MOU as conditions of the issuance of any permit or other form of approval by the COGCC with regard to the location, development or operation of an oil and gas facility located on the lands described in this MOU, unless, and to the extent, waived or modified in writing by the City Manager, or waived or modified on the record at a public hearing before the City Council. In the event the Form 2s and 2A have already been submitted, Operator agrees to request the provisions in this MOU be added by Sundry Notice (COGCC Form 4). The provisions of this MOU shall remain conditions of permit or other form of approval regardless of the subsequent sale or other transfer of any such oil and gas facilities or interest in such lands by Operator. If new facts or changed conditions occur on Forms 2 and 2A that render it necessary, the City shall utilize the LGD process described in the COGCC's Rules and may request that the COGCC impose site specific conditions as part of the state permit process that are in addition to Operator's practices or procedures agreed upon herein and Operator may respond to the same as set forth in the COGCC's Rules. If the state permit has already been approved and the City and Operator are in agreement as to any subsequent, additional conditions to be placed on the state permit, Operator agrees to sundry the COGCC permit to allow such subsequent, additional conditions to be placed on the state permit by the state as appropriate. In the event a COGCC permit is extended, Operator shall notify LGD to allow for LGD to comment on extension of permit.

29. Inspection Fees. Operator agrees to reimburse the City for all inspection costs reasonably incurred to inspect the Well Sites to determine compliance with this Agreement. Such fees, as agreed upon in this section, shall include actual costs incurred by the City including employee time, employee supervision, necessary equipment rental, and overhead. The Parties agree that this amount shall be \$500 per well annual fee. This amount will be adjusted each year by the increase or decrease in the Consumer Price Index issued by the United States Bureau of Labor Statistics for the Denver metropolitan area. The payments will be reduced after ten years to \$250 per well annual fee. Where a well is plugged and abandoned, no fees will be imposed thereafter.

30. Amendment. This MOU may be amended by mutual consent of the City and Operator. The City Manager has the discretion to refer any proposed amendments the City Council for its consideration and decision. Additional oil and gas locations may be exempted from some or all of the terms of this MOU, but only if approved in writing by the City Manager, or approved on the record at a public hearing before the City Council. If there is a new development in state law, rules or judicial decisions that substantially affect any provision of this MOU, the Parties agree to negotiate in an attempt to update this MOU in light of same by a written amendment executed by both Parties. No amendment to this MOU shall be effective unless in writing and signed by the Parties.

31. Term. This MOU is effective upon the execution by both Parties and shall remain in effect so long as Operator, its successors or assigns, are engaged in developing and/or producing oil and gas from the Prairie Pad; provided, however, this MOU may be terminated by either Party with thirty (30) days prior written notice to the other Party. In the event this MOU expires or is otherwise terminated, the substantive requirements stated in this MOU shall survive and remain enforceable against the City or Operator or Operator's successors and assigns with respect to the Prairie location that were permitted or otherwise approved under the provisions of this MOU, except to the extent waived or modified pursuant to the provisions of this MOU. Additionally, in the event this MOU expires or is otherwise terminated, no re-permitting of the wells shall be required solely as a result of the termination of this MOU.

32. Force Majeure. If either Party is rendered unable, wholly or in part, by force majeure to carry out its obligations under this MOU, that Party shall give the other Party prompt written notice of the force majeure with reasonably full particulars concerning it; thereupon, the obligations of the Party giving the notice, so far as they are affected by the force majeure, shall be suspended during, but no longer than, the continuance of the force majeure. Both Parties shall use all reasonable diligence to remove the force majeure situation as quickly as practicable. "Force majeure" shall mean causes or conditions beyond a Party's reasonable control, including, without limitation, war, civil commotion, act of God, unavailability of equipment or materials, lack of access, strike or other stoppage (whether partial or total) of labor, or any law, decree, regulation or order of any government or governmental body (including any court or tribunal).

33. Authority to Execute MOU. Each Party represents that it has the full right and authority to enter into this MOU.

34. Governing Law/Venue. This MOU shall be governed and construed in accordance with the laws of the State of Colorado without reference to its conflict of law provisions. For any matter requiring judicial resolution, the Parties agree to the exclusive jurisdiction of the State District Court of the County of Adams, Colorado.

35. Entire Agreement. Except as expressly set forth herein, this MOU embodies the complete agreement between the Parties hereto with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements, or representations by or between the Parties, written or oral, which may have related to the subject matter hereof.

36. Third Party Beneficiaries. Except as specifically stated herein, this MOU is not intended

to, and does not, create any right, benefit, responsibility or obligation that may be enforced by any non-party.

37. Notices. All notices and other correspondence related to this MOU shall be in writing and shall be delivered by: (i) certified mail with return receipt, (ii) hand delivery with signature or delivery receipt provided by a third party courier service (such as FedEx, UPS, etc.), (iii) fax transmission if verification of receipt is obtained, or (iv) email with return receipt, to the designated representative of the Party as indicated below. A Party may change its designated representative for notice purposes at any time by written notice to the other Party. The initial representatives of the Parties are as follows:

City: City Manager's Office
500 S. 4th Avenue
Brighton, CO 80601
mfalconburg@brightonco.gov
Office: (303) 655-2021

City Attorney's Office
Jack D Bajorek, City Attorney
500 S. 4th Avenue
Brighton, CO 80601
jbajorek@brightonco.gov
Office: 303-655-2262

Operator: Jeremy Conger, Senior Vice President of Operations
Great Western Operating Company, LLC
1001 17th Street, Suite 2000,
Denver, Colorado 80202
jconger@gwogco.com
Office: 303-398-0302

38. Subsidiaries/Successors. The provisions of this MOU shall apply to all successors and assigns of Operator with respect to the Prairie approved under the terms of this MOU. Operator shall require any successor and assign, by written agreement, to adhere to all terms and conditions of this MOU, and to expressly assume the defense and indemnity obligations to the City as set forth herein in a document acceptable in form to the City. Such assignment shall not relieve the assignor of any obligations that accrue during the period of operation of the assignor or otherwise arising out of the actions or inactions of the assignor during its period of operation.

39. Default. If a Party defaults in the performance of an obligation under this MOU, the defaulting Party shall have ten (10) days to cure the default after receipt of written notice of such default from the non-defaulting Party, provided the defaulting Party shall be entitled to a longer cure period if the default cannot reasonably be cured within ten (10) days and the defaulting Party commences the cure within such ten (10) day period and diligently pursues its completion; however, in the event that the default involves an issue that could have an immediate impact on public health, safety or welfare, or cause damage to property of another, the defaulting party shall immediately begin action to cure the default. Each alleged default shall be treated separately under this paragraph and notice of an alleged default shall not affect the processing of permit applications while the notice is being evaluated, contested or corrected. In the event of a default, the Parties shall be entitled to seek specific performance as well as any other available remedies. The remedy of specific performance, however, shall not be available if specific performance is not technically feasible or economically practicable and would not produce results significantly better than achievable under other available remedies. If the MOU is the subject of litigation, the Party who substantially prevails


shall be entitled to recovery of its attorney fees and costs.

40. Jurisdiction: Waiver of Rights. The parties acknowledge, understand and agree that this MOU shall not be used as evidence that either party has waived any rights to assert its claims concerning the validity or extent of the City's land use jurisdiction. Nothing in this MOU shall be construed as an admission regarding the existence of proper jurisdictional authority or waiver by either party of any legal right or obligation, nor shall anything be construed as a bar to either party to seek any available legal remedy available to it. Operator agrees that it will not exert jurisdictional or preemption arguments with respect to the specific performance obligation contained in this MOU, however, Operator shall not be prohibited from referencing and/or utilizing Colorado case law, statutes or regulations that relate to the COGCC's authority over oil and gas operations.

41. Defense and Indemnity. Operator agrees to defend and indemnify the City, its employees, officers, boards, agents and councilmembers (collectively "City Entities") from and against all claims and liability against the City Entities resulting from any action or inaction of Operator, its agents, subcontractors, representatives, or any other person for whom Operator is responsible at or in connection with the Prairie location, including but not limited to claims for bodily injury, death, property or other damage, remediation or other costs, or claims under any local, state or federal law. As used in this paragraph, the term "claim" means a claim filed in any judicial forum, any administrative proceeding and any administrative order. Operator shall investigate, handle, respond to, satisfy the claim and bear all other costs and expenses related thereto, including court costs and attorneys' fees. This defense and indemnity does not apply to a claim or liability to the extent it arises from the negligence or willful misconduct of the City Entities. The obligations of this paragraph shall survive for so long as Operator has an oil and gas location in the City.

42. Recording. This MOU may be recorded with the Clerk and Recorder of the County of Adams and the County of Weld.

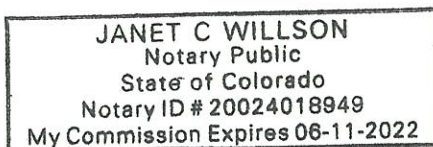
IN WITNESS WHEREOF, the Parties have caused this MOU to be executed by a duly authorized representative on the dates indicated below.

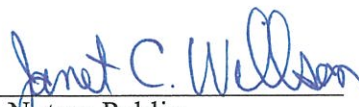
By:  Jeremy Conger, SVP of operations.
STATE OF Colorado)
) ss
COUNTY OF Denver)

The foregoing instrument was acknowledged before me this 13th day of August, 2019, by Jeremy Conger, Senior Vice President of Operations for Great Western Operating Company, LLC.

My commission expires: 6/11/2022


Witness my hand and official seal.

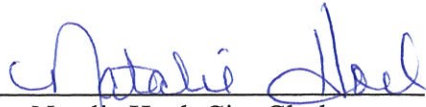



Notary Public

City of Brighton

ATTEST:

By: 
Marv Falconburg, Acting City Manager

By: 
Natalie Hoel, City Clerk

County of Adams)
) ss.
State of Colorado)

The foregoing instrument was acknowledged before me this 14th day of August, 2019,
by the Acting City Manager of the City of Brighton.

My commission expires: October 6, 2020

Witness my hand and official seal.


Notary Public

Erin Renee Kelm
Notary Public
State of Colorado
Notary ID 20164038337
My Commission Expires October 6, 2020

The foregoing instrument was acknowledged before me this 14th day of August, 2019, by
Natalie Hoel, City Clerk.

My commission expires: October 6, 2020

Witness my hand and official seal.


Notary Public

Erin Renee Kelm
Notary Public
State of Colorado
Notary ID 20164038337
My Commission Expires October 6, 2020