

**Denmore, LLC  
1942 Broadway, Ste. 314-C  
Boulder, CO 80302**

February 7, 2020

Aiden Durham  
Mathis Oil and Gas, LLC  
6300 E. Hampden Avenue, #C-311  
Denver, CO 80222

**Re: Waiver of certain COGCC surface owner notification and consultation requirements  
Planned Mathis 6HZ Pad  
SE¼ NE¼ of Section 6, Township 2 North, Range 67 West, 6<sup>th</sup> P.M.  
Weld County, Colorado**

Dear Ms. Durham:

The purpose of this letter is to inform you of my written waiver of certain notification and consultation requirements related to surface owners under Colorado Oil & Gas Conservation Commission (“COGCC”) Rules.

Foremost, I am owner of the surface estate whereupon Mathis Oil and Gas, Inc. (“Mathis”), has planned oil and gas facilities for its current project (for purposes of this letter the project area is referred to as “Mathis 6HZ Pad”, located on lands in and around the SE¼ NE¼ of Section 6, Township 2 North, Range 67 West, 6th P.M.) Mathis and I recently entered into a surface use agreement (“SUA”) which contemplates use of my surface estate for certain activities necessary to conduct oil and gas operations on said surface (said SUA attached to this letter for reference). Further, as surface owner it is my understanding that the operator may be required to provide certain notifications and undertake consultations to comply with COGCC Rules.

COGCC Rule 305.a. requires an operator to provide a “Notice of Intent to Conduct Oil and Gas Operations” to certain parties, including surface owner(s) and building unit owners within the Exception Zone of Buffer Zone Setback.

Rule 305.c. requires an operator to provide Oil and Gas Location Assessment Notice, with the opportunity to consult, to surface owner(s) and building unit owners within the Exception Zone Setback, said Notice to include certain specified information.

Rule 305.f. provides that an operator shall provide notice at least 30 days in advance of commencement of operations with heavy equipment for the drilling of a well to surface owner(s).

Rule 305.h. provides that an operator shall provide Move-In, Rig-Up (“MIRU”) Notice to all building unit owners within the Buffer Zone at least 30 days, but no more than 90 days, before the MIRU of a drilling rig.

Further, with respect to notices given under Rule 305., I understand my obligation to provide notice of the proposed operation to any tenant owing an interest in any crops of surface improvements which may be affected by the proposed oil and gas operation and activity.

Rule 306.a. requires the operator to consult in good faith with the surface owner (of his agent) in locating roads, production facilities, and well sites, or other oil and gas operations, and in preparation for reclamation and abandonment. Surface owner hereby expressly waives his right to Rule 306.a. consultation with the operator as set forth in the SUA.

In addition, Rule 306.e. requires the operator to be available for a meeting with Building Unit owners who received an OGLA, Form 2A, or Buffer Zone Notice and request a meeting regarding the proposed oil and gas location where certain information is to be provided by the operator pursuant to Rule 306.e.(2). Consistent with Rule 306.a., surface owner expressly waives his right to Rule 306.e. informational meeting with the operator.

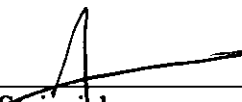
Additionally, Rule 603.a.(2) requires well(s) to be located not less than 150 feet from a surface property line. The purpose of this rule is to protect adjacent surface owner's lands from unnecessary intrusion in cases of emergency. In this case, as the surface owner owns both parcels (with one parcel being used to locate well(s) and the other parcel less than 150 feet from a drilling well), the rule is not strictly applicable, however, should this not be apparent, the surface owner expressly waives the 150 foot safety setback for drilling operations as it is understood the drilling operations may occur within 150 feet of the parcel line where both properties are owned by the surface owner.

Further, Rule 604.(2) provides that no well or production facilities shall be located 1,000 feet or less from a building unit until the operator certifies it has complied with Rules 305.a., 305.c., and 306.e. and the OGLA, Form 2A, or Application for Permit-to-Drill (APD), Form 2, contains conditions of approval related to site specific mitigation measures necessary to eliminate, minimize or mitigate potential adverse impacts to public health, safety and welfare including the environment and wildlife resources.

In addition, Rule 605.a.(2) requires tanks to be located at least two diameters or 350 feet, whichever is smaller, from the boundary of the property on which it is built. Similar to Rule 603.a.(2), the purpose of this rule is to protect adjacent surface owner's lands from unnecessary intrusion in cases of emergency, and similarly the surface owner owns both parcels (with one parcel being used to locate certain production equipment and the other parcel being less than 150 feet from this equipment. The surface owner expressly waives the requirement that tanks are to be located at least two diameters or 350 feet, whichever is smaller, from the boundary of the property on which it is built.

As surface owner, I hereby waive any notification or consultation requirement found within the COGCC Rules and Regulations as it relates to the Mathis 6HZ Pad, including the specific rules cited above. As specifically discussed within the SUA, this waiver may be rescinded by the surface owner, or any successor-in-interest to the surface estate, if such rescission is in accordance with applicable law and with the specific obligations and terms within the SUA.

Sincerely,



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Joshua Steinsiek  
Denmore, LLC

Attachment: SUA