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#10689

FORM
3
Rev
04/18

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



RECEIVED
FOR COGCC USE ONLY
MAR 17 2020
COGCC
Surety Provider No:
#200116
OGCC Op No: #10689 FATS No: 2020-0058

PERFORMANCE BOND

BOND NO: B012668 This bond is a perpetual instrument which shall remain in force and effect until all obligations have been met and the bond is released by the Colorado Oil and Gas Conservation Commission.

KNOW ALL PERSONS BY THESE PRESENTS, That we, Incline Operating, LLC of the County of Dallas, in the State of Texas as principals, and U.S. Specialty Insurance Company, as surety, authorized to do business in the State of Colorado, are held hereby and firmly bound unto the State of Colorado, in the penal sum of (\$ 25,000.00), Twenty - Five Thousand and No/100 Dollars, lawful money of the United States, for the faithful payment of which we hereby bind ourselves, our heirs, executors, administrators, and assigns.

The Condition of this obligation is that whereas the above bounden principals propose the following oil and gas operation(s) on lands situated in the State of Colorado.

Type of Bond	Coverage	Information for Individual Bonds
<input checked="" type="checkbox"/> Surface - Rule 703	<input checked="" type="checkbox"/> Blanket	Well, Location, or Facility Name and Number:
<input type="checkbox"/> E&P Waste Facility - Rule 704	<input type="checkbox"/> Individual	API, Location ID, or Facility ID Number:
<input type="checkbox"/> Seismic- Rule 705	<input type="checkbox"/> Plugging 1 Well	Owner of lands where off-site land-treatment facility is located:
<input type="checkbox"/> Plugging - Rule 706	<input type="checkbox"/> Surface for 1 Well	QtrQtr, Sec, Twp, Rng, Meridian:
<input type="checkbox"/> Gas Facilities - Rule 711	<input type="checkbox"/> Irrigated	County:
<input type="checkbox"/> Produced Water Transfer System - Rule 711	<input type="checkbox"/> Non-irrigated	
<input type="checkbox"/> Commercial UIC Facility - Rule 712	<input type="checkbox"/> Excess Inactive Wells - Rule 707	

NOW, THEREFORE, If the above bounden principals shall comply with all of the provisions of the laws of the State of Colorado and the rules, regulations and requirements of the Oil and Gas Conservation Commission of the State of Colorado, with reference to properly plugging of said well or wells; with reference to land damages and the restoration of the land, as nearly as possible, to its condition at the beginning of the lease; with reference to seismic operations the proper surface restoration and plugging of any shot holes, then this obligation is void; otherwise, the same shall be and remain in full force and effect.

Principal: Incline Operating, LLC
Address: 5019 N. Central Expressway, Suite B
City: Dallas State: Texas Zip: 75205
Phone: (214) 274-3800 Fax: (214) 242-2255

Witness our hands, this 10 day of March, 2020.
Signed: [Signature]
Printed Name: Andrew Louis

Surety: U.S. Specialty Insurance Company
Address: 13403 Northwest Freeway
City: Houston State: Texas Zip: 77040
Phone: (713) 355-3100 Fax: (713) 355-3101

Witness our hands, this 4th day of March, 2020.
Signed: [Signature]
Printed Name: Stephen Michael Smith, Attorney-in-Fact

Approved: [Signature]
Director, Oil and Gas Conservation Commission
Dated: April 10, 2020

Bond Release Approved: _____
Director, Oil and Gas Conservation Commission
Release Date: _____



TOKIOMARINE
HCC

POWER OF ATTORNEY

**AMERICAN CONTRACTORS INDEMNITY COMPANY TEXAS BONDING COMPANY
UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY**

KNOW ALL MEN BY THESE PRESENTS: That American Contractors Indemnity Company, a California corporation, Texas Bonding Company, an assumed name of American Contractors Indemnity Company, United States Surety Company, a Maryland corporation and U.S. Specialty Insurance Company, a Texas corporation (collectively, the "Companies"), do by these presents make, constitute and appoint:

Edwin H. Frank, III, Michele K. Tyson, W. Russell Brown, Jr., Meredith K. Anderson,
Stephen Michael Smith or Timothy J. Briggs of Houston, Texas

its true and lawful Attorney(s)-in-fact, each in their separate capacity if more than one is named above, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver **any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed** *****Three Million***** Dollars (***3,000,000.00**). This Power of Attorney shall expire without further action on April 23rd, 2022. This Power of Attorney is granted under and by authority of the following resolutions adopted by the Boards of Directors of the Companies:

Be it Resolved, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and on behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings, including any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts, and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

Be it Resolved, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, The Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 1st day of June, 2018.

**AMERICAN CONTRACTORS INDEMNITY COMPANY TEXAS BONDING COMPANY
UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY**

State of California
County of Los Angeles



By: [Signature]
Daniel P. Aguilar, Vice President

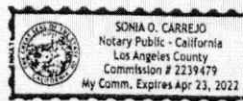
A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document

On this 1st day of June, 2018, before me, Sonia O. Carrejo, a notary public, personally appeared Daniel P. Aguilar, Vice President of American Contractors Indemnity Company, Texas Bonding Company, United States Surety Company and U.S. Specialty Insurance Company who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature] (seal)



I, Kio Lo, Assistant Secretary of American Contractors Indemnity Company, Texas Bonding Company, United States Surety Company and U.S. Specialty Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Companies, which is still in full force and effect; furthermore, the resolutions of the Boards of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seals of said Companies at Los Angeles, California this 4th day of March, 2020.

Corporate Seals
Bond No. B012668
Agency No. 8353



[Signature]
Kio Lo, Assistant Secretary

TEXAS COMPLAINT NOTICE

IMPORTANT NOTICE

- 1 To obtain information or make a complaint:
- 2 You may contact your agent.
- 3 You may call the company's toll free telephone number for information or to make a complaint at:

1-800-486-6695

- 4 You may also write to the company:

601 S. Figueroa St., Suite 1600
Los Angeles, CA 90017

- 5 You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

(800) 252-3439

- 6 You may write the Texas Department of Insurance:
P.O. Box 149091
Austin, TX 78714-9091
Fax No.: (512) 490-1007
Web: <http://www.tdi.texas.gov>
E-mail: ConsumerProtection@tdi.texas.gov

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PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should contact the agent or the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:

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This notice is for information only and does not become part or condition of the attached document.

AVISO IMPORTANTE

Para obtener informacion o para someter una queja:
Puede comunicarse con su agente.

Usted puede llamar de numerero de telefono gratis de la compania para informacion o para someter una queja al:

1-800-486-6695

Usted tambien puede escribir a la compa nia:

601 S. Figueroa St., Suite 1600
Los Angeles, CA 90017

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

(800) 252-3439

Puede escribir al Departamento de Seguros de Texas:

P.O. Box 149091
Austin, TX 78714-9091
Fax No.: (512) 490-1007
Web: <http://www.tdi.texas.gov>

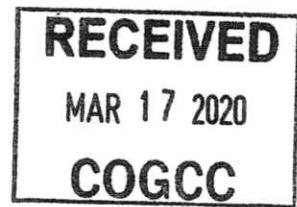
E-mail: ConsumerProtection@tdi.texas.gov

DISPUTAS SOBRE PRIMAS O RECLAMOS:

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el agente o la companie primero. Si no se resuelve la disputa, prede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA:

Esta aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.



#10689

March 16th, 2020

Colorado Oil and Gas Conservation Commission
Attn: Deborah Lutz, Financial Assurance
1120 Lincoln St., #801
Denver, CO 80203

Release / Replace

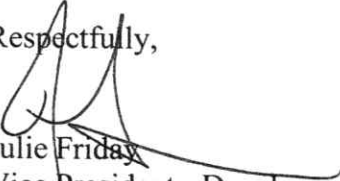
Re: Incline Operating, LLC Bond Replacement

Dear Ms. Lutz,

Incline Operating, LLC ("Incline", operator # 10689) requests the COGCC to please release and relinquish Incline's existing performance cash bonds (plugging bond and surface bond) and replace them with the two performance surety bonds enclosed herewith (plugging bond and surface bond).

If you have any questions, please contact me at (720) 534-0834 or julie@inclinelp.com.

Respectfully,


Julie Friday
Vice President - Development
Incline Energy Partners, LP
julie@inclinelp.com
o: (720) 534-0834
m: (432) 528-4702