

## FIRST ADDENDUM TO SURFACE DAMAGE AND RELEASE AGREEMENT

THIS FIRST ADDENDUM TO SURFACE DAMAGE AND RELEASE AGREEMENT ("First Addendum") is effective this 2<sup>nd</sup> day of October, 2019, by and between **Hungenberg UH Farms, LLLP** ("**Owner**"), whose address is 31466 County Rd 39 1/2, Greeley, CO 80631, the Owner of the surface estate described below (the "Property") and **Incline Energy, LLC** ("**Operator**"), whose address is 5011 N. Central Expressway, Dallas, TX 75205 (individually, a "Party"; together, the "Parties").

Legal Location:            Township 6 North, Range 65 West, 6th P.M.  
                                    Section 27: E/2SE/4  
                                    Weld County, Colorado

WHEREAS, the Parties entered into a Surface Damage and Release Agreement dated June 22, 2018 (the "Original Agreement") filed of record at Reception No. 4427118 in the Weld County, Colorado records;

WHEREAS, pursuant to the terms of the Original Agreement, Owner has granted to Operator the right to enter upon and use the surface and subsurface of the Property for the purpose of exploring, developing, producing, transporting and other operations for oil, gas and associated hydrocarbons from the Property and lands pooled therewith.

WHEREAS, Owner and Operator desire to amend the Original Agreement by adding this First Addendum to Surface Damage and Release Agreement;

NOW, THEREFORE in consideration of the mutual covenants contained in the Original Agreement and herein, the Parties agree as follows:

1. **Exhibit A.** The Parties hereby agree Exhibit A in the Original Agreement is hereby deleted in its entirety and replaced with the Amended Exhibit A, which is attached to this First Addendum and incorporated herein by reference, and all references in the Original Agreement to Exhibit A are hereby replaced with Amended Exhibit A.
2. **Compensation Amount.** Section 5 of the Original Agreement is hereby deleted and replaced with the following:

Operator shall pay Owner a one-time bonus of [REDACTED]  
within ten (10) business days from receipt of the fully executed First Addendum.


Operator shall pay Owner the sum of [REDACTED] for each Well (collectively, "**Consideration**") drilled from a surface location situated in the Operations Area, inclusive of all facilities associated with each such Well. The Consideration shall be deemed full and agreed consideration for all damages caused or created by reason of the ingress/egress to/from the Operations Area, and the Operations conducted upon the Lands provided such ingress/egress and Operations conducted are conducted in accordance with the terms set forth herein. Such damages shall include, without limitation, damage to growing crops and crop land;

the removal, transportation and care of any livestock; the re-seeding, construction and use of the Access Roads; and the preparation and use of the Operations Area. Major Operations conducted in accordance with the terms herein, drilling and completion of any Well (such as refracing, recompletion, deepening, and/or redrilling), except in case of emergency, shall require ten (10) days prior written notice to Owner.

3. **Ratification/Superseding Effect.** Except as specifically amended by this First Addendum and except to the extent necessary to conform to and incorporate the attached Amended Exhibit A herein, and the terms of this First Addendum, the terms and conditions included in the Original Agreement shall continue in full force and effect. In the event of a conflict between this First Addendum and the Original Agreement as to a matter covered herein, this First Addendum shall control.
4. **Binding Effect.** This First Addendum and the Original Agreement are binding upon the Parties and their successors and assigns and inure to their benefit. The First Addendum and the Original Agreement shall be covenants that run with the land.
5. **Counterparts.** This First Addendum may be executed by facsimile or electronic scan, in counterparts, each of which will be considered an original and enforceable against either Party.
6. **Governing Law and Venue.** This First Addendum shall be governed by, construed and enforced in accordance with the laws of Colorado. Venue shall be deemed to be exclusively in the state district court(s) of Weld County, Colorado.

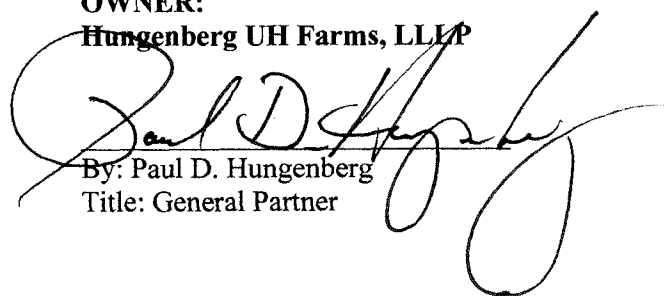
IN WITNESS WHEREOF, the undersigned Parties have caused this First Addendum to be executed by duly authorized representatives on the dates set forth in the acknowledgments, to be effective on the date first above written.

**OPERATOR:**  
**Incline Energy, LLC**



By: William Francis  
Title: Manager

**OWNER:**  
**Hungenberg UH Farms, LLP**



By: Paul D. Hungenberg  
Title: General Partner

*[Acknowledgement pages follow]*

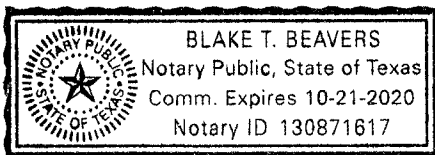
## ACKNOWLEDGMENT

STATE OF TexasCOUNTY OF Dallas

BEFORE ME, this 3<sup>rd</sup> day of October, 2019, the undersigned, a Notary Public, in and for said County and State, personally appeared **William Francis, as Manager of Incline Energy, LLC** to me known to be the identical person(s), described and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires



[Signature]  
Notary Public

(Print Name) Blake Beavers

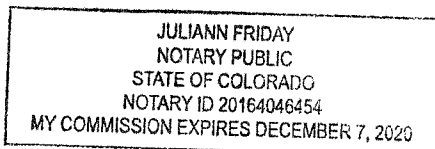
## ACKNOWLEDGMENT

STATE OF ColoradoCOUNTY OF Weld

BEFORE ME, this 2<sup>nd</sup> day of October, 2019, the undersigned, a Notary Public, in and for said County and State, personally appeared **Paul D. Hungenberg, as General Partner of Hungenberg UH Farms, LLLP** to me known to be the identical person(s), described and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have set my hand and affixed my notarial seal the day and year last above written.

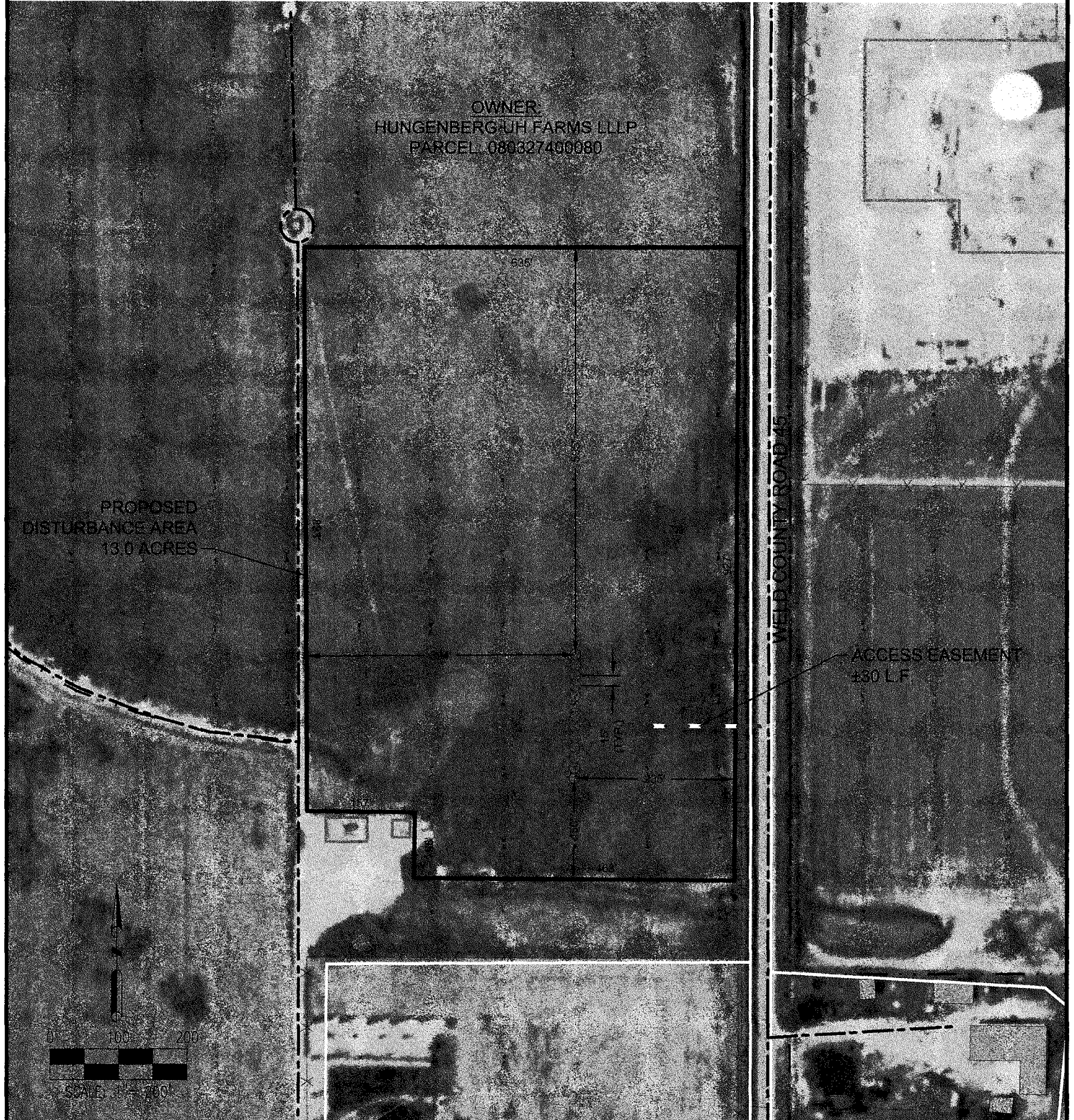
My Commission Expires



[Signature]  
Notary Public

(Print Name) Juliann Friday

# HUNGENBERG PAD AMENDED EXHIBIT A



## LEGEND:

- \* = PIVOT
- [Solid Black] = BUILDING UNIT
- [Hatched] = BUILDING

- [Thick Solid Line] = DISTURBANCE AREA
- [Dashed Line] = DITCH
- [Thin Solid Line] = EXISTING ROAD
- [X-X] = FENCE
- [OHU] = OVERHEAD UTILITY

- [Dot] = PROPOSED WELL
- [Circle with Dot] = PLUGGED & ABANDONED WELL
- [Dashed Line] = PROPOSED ACCESS ROAD
- [Thin Solid Line] = EXISTING FACILITY BERM
- [Thin Solid Line] = PARCEL LINE

DISCLAIMER:  
THIS PLOT DOES NOT REPRESENT A  
MONUMENTED LAND SURVEY AND SHOULD  
NOT BE RELIED UPON TO DETERMINE  
BOUNDARY LINES, PROPERTY OWNERSHIP  
OR OTHER PROPERTY INTERESTS. PARCEL  
LINES, IF DEPICTED HAVE NOT BEEN FIELD  
VERIFIED AND MAY BE BASED UPON  
PUBLICLY AVAILABLE DATA THAT ALSO HAS  
NOT BEEN INDEPENDENTLY VERIFIED.

DATA SOURCE:  
TOPO MAP: USGS  
NHD: USGS

PUBLICLY AVAILABLE DATA  
SOURCES HAVE NOT BEEN  
INDEPENDENTLY VERIFIED BY  
ASCENT.



8620 Wolff Court  
Westminster, CO 80031  
(303) 928-7128  
www.ascentgeomatics.com

FIELD DATE:  
N/A  
DRAWING DATE:  
09-26-19  
BY:  
IJM

CHECKED:  
JAG

SITE NAME:  
HUNGENBERG PAD  
SURFACE LOCATION:  
E 1/2 SE 1/4 SEC. 27, T6N, R65W, 6TH P.M.  
WELD COUNTY, COLORADO

PREPARED FOR:

**INP**  
INCLINE NIORRARA  
PARTNERS