



**COLORADO**  
Oil & Gas Conservation  
Commission  
Department of Natural Resources

1120 Lincoln St., STE 801  
Denver, CO 80203



#10689

May 21, 2020

Attn: William Francis  
Incline Operating LLC  
5011 N Central Expressway  
Dallas, TX 75205

RE: Incline Operating LLC – Operator #10689  
RELEASE: Surety ID #2018-0027 Cash Blanket Surface for \$25,000.00  
Surety ID #2018-0028 Cash Blanket Plugging for \$60,000.00

REPLACEMENT: Incline Operating LLC – Operator #10689  
US Specialty Insurance Company  
Blanket Surface Bond #B012668 for \$25,000.00  
Blanket Plugging Bond #B012669 for \$60,000.00

Ladies and Gentlemen:

The Colorado Oil and Gas Conservation Commission hereby release the referenced Surety ID #2018-0027 Cash Blanket Surface for \$25,000.00 and Surety ID #2018-0028 Cash Blanket Plugging for \$60,000.00 of all liability effective May 21, 2020

All oil and gas operations are now covered by the US Specialty Insurance Company Blanket Surface Bond #B012668 for \$25,000.00 and Blanket Plugging Bond #B012669 for \$60,000.00.

This financial assurance is a perpetual instrument which shall remain in force and effect until all obligations have been met, and the financial assurance is released by the Colorado Oil and Gas Conservation Commission.

Enclosed you will find State Warranty Check #8002709352 for \$25,000 plus interest earned and the State Warranty Check #8002709353 for \$60,000 plus interest earned. If you should have any questions, please contact Deborah Lutz at 303-894-2100 ext. 5185.



7019 1640 0001 5376 0628

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Certified Mail Fee

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- Return Receipt (hardcopy)
- Return Receipt (electronic)
- Certified Mail Restricted
- Adult Signature
- Adult Signature Restricted

Postage

\$

Tax

Attn: William Francis  
Incline Operating LLC  
5011 N Central Expressway  
Dallas, TX 75205

Postmark  
Here

#10689

Street

City

City, State

Incline Operating LLC  
May 21, 2020  
Page 2

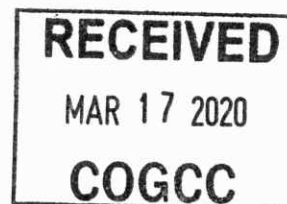
Sincerely,



Jeff Robbins,  
Director

XC: Operator File

Enclosure: State Warranty Check #8002709352 and State Warranty Check #8002709353



#10689

March 16<sup>th</sup>, 2020

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

*Release / Replace*

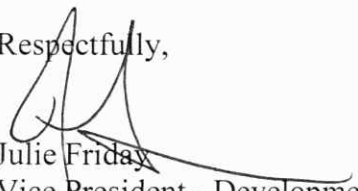
**Re: Incline Operating, LLC Bond Replacement**

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](mailto:julie@inclinelp.com).

Respectfully,

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







02153735

FORM 3 Rev 6/99

# State of Colorado Oil and Gas Conservation Commission



FOR OGCC USE ONLY

**RECEIVED**

MAR 22 2018

**COGCC**

Surety Provider No: #10689

OGCC Oper. No: 10689      FATS No: 2018-0027

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

## PERFORMANCE BOND

SCANNED

**BOND NO:** \_\_\_\_\_ **CASH** \_\_\_\_\_ . 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 \_\_\_\_\_ 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 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	Location
<input type="checkbox"/> Plugging <input checked="" type="checkbox"/> Surface <input type="checkbox"/> Seismic <input type="checkbox"/> E&P Waste Facility <input type="checkbox"/> Downstream Gas Facilities	<input checked="" type="checkbox"/> Blanket <input type="checkbox"/> Individual <input type="checkbox"/> Plugging 1 well <input type="checkbox"/> Surface for 1 well <input type="checkbox"/> Irrigated <input type="checkbox"/> Non-irrigated <input type="checkbox"/> Excess Inactive Wells	<p>Complete for Individual Bonds</p> <p>Well Name and Number: _____</p> <p>Owner of lands where off-site land-treatment facility is located: _____</p> <p>QtrQtr, Sec, Twp, Rng, Meridian: _____</p> <p>County: _____</p>

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.

Witness our hands, this 19th day of March, 2018.

Principal: Incline Operating, LLC  
 Address: 5019 N. Central Expressway, Suite B  
 City: Dallas State: TX Zip: 80631  
 Phone: (214) 274-3800 Fax: (214) 242-2255

Signed: [Signature]  
Name Printed: William Francis

Witness our hands, this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Surety: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
 Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Signed: \_\_\_\_\_  
Name Printed: \_\_\_\_\_

Approved: [Signature]  
Director, Oil and Gas Conservation Commission

Bond Release Approved: [Signature]  
Director, Oil and Gas Conservation Commission

Dated: 3/22/2018

Release Date: May 21, 2020

Cashier's Check - Copy

LEGACY TEXAS

PO BOX 869105, PLANO, TX 75086-9105

Fats 2018-0027  
OP# 10689

CHECK NUMBER  
2934259

DATE

AMOUNT

U81SHJACKS 3-21-18

\$\*\*\*\*\*25,000.00

PAY TO THE ORDER OF:

COLORADO OIL & GAS CONSERVATION COMMISSION

Purchaser: WILLIAM FRANCIS

Notice To Customer  
A Declaration of Lost Instrument will be required after a 90 day waiting period before the check will be replaced in the event it is lost or stolen.

**NON NEGOTIABLE**

A Declaration of Lost Instrument will be required after a 90 day waiting period before the check will be replaced in the event it is lost or stolen.

★ LEGACY TEXAS.

Cashier's Check

DATE

CHECK NUMBER

3-21-18

2934259

U81SHJACKS

\$\*\*\*\*\*25,000.00

PAY Twenty five thousand & 00/100 dollars \*\*\*\*\*

Purchaser Customer's Name WILLIAM FRANCIS

TO THE  
ORDER  
OF:

COLORADO OIL & GAS CONSERVATION COMMISSION

*Redonna Higgins*

*Kewm Jlay*

⑈ 2934259 ⑈

State of Colorado Oil and Gas Conservation Commission

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



RECEIVED FOR OGCC USE ONLY MAR 22 2018 COGCC

PERFORMANCE BOND

BOND NO: CASH. 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.

Surety Provider No: 10689 OGCC Oper. No: 10689 FATS No: 2018-0028

KNOW ALL PERSONS BY THESE PRESENTS, That we, Incline Operating, LLC of the County of Dallas, in the State of Texas as principals, and 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 (\$60,000.00), Sixty Thousand 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.

Table with 3 columns: Type of Bond (Plugging, Surface, Seismic, E&P Waste Facility, Downstream Gas Facilities), Coverage (Blanket, Individual, Excess Inactive Wells), and Location (Well Name and Number, Owner of lands, QtrQtr, Sec, Twp, Rng, Meridian, County).

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.

Witness our hands, this 19th day of March, 2018.

Principal: Incline Operating, LLC Address: 5019 N. Central Expressway, Suite B City: Dallas State: TX Zip: 80631 Phone: (214) 274-3800 Fax: (214) 242-2255

Signed: [Signature] Name Printed: William Francis

Witness our hands, this \_\_\_ day of \_\_\_, \_\_\_.

Surety: Address: City: State: Zip: Phone: Fax:

Signed: Name Printed:

Approved: [Signature] Director, Oil and Gas Conservation Commission

Bond Release Approved: [Signature] Director, Oil and Gas Conservation Commission

Dated: 3/22/2018

Release Date: May 21, 2020

Cashier's Check - Copy

LEGACY TEXAS

PO BOX 869105, PLANO, TX 75086-9105

*Fats 2018-0028*  
*Op#10689*  
CHECK NUMBER  
2934258

U81SHJACKS      DATE 3-21-18      AMOUNT \$\*\*\*\*\*60,000.00

PAY TO THE ORDER OF:  
COLORADO OIL & GAS CONSERVATION COMMISSION

Purchaser: WILLIAM FRANCIS

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★ LEGACY TEXAS.

Cashier's Check

DATE 3-21-18      CHECK NUMBER 2934258

U81SHJACKS      \$\*\*\*\*\*60,000.00

PAY Sixty thousand & 00/100 dollars \*\*\*\*\*

Purchaser Customer's Name WILLIAM FRANCIS

TO THE ORDER OF: COLORADO OIL & GAS CONSERVATION COMMISSION SIGNATURES REQUIRED IF OVER \$25,000.00

*Redmond Higgins*  
*Kewm Jlay*

⑈ 2934258 ⑈