

SURFACE USE AGREEMENT

This SURFACE USE AGREEMENT ("**SUA**" or "**Agreement**") is made and entered into this 15th day of June, 2020, by and between Linda Blehm, ("**Owner**"), and Nickel Road Operating LLC, ("**Operator**"); sometimes referred to each as a "**Party**," or collectively as the "**Parties**."

WITNESSETH:

For and in consideration of the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **OWNERSHIP.** Owner is the Surface Owner of certain lands located in Weld County, Colorado as more specifically described as follows ("**Lands**"):

Township 7 North, Range 67 West, 6th P.M.

Section 9: That portion of Lot A Recorded Exemption No. 0705-9-2-RE192, lying South and East of the Larimer County Canal, being a portion of the North ½ according to the map recorded January 5, 1967 in Book 876 at Reception No. 1678094

Containing 102.580 gross acres more or less

Operator (and/or its affiliates) owns a working interest in valid leases covering all or portions of the Lands or lands pooled or included in a spacing unit therewith, or abutting the Lands (each a "**Lease**," collectively, the "**Leases**").

2. **OPERATOR'S OIL AND GAS OPERATIONS ON THE LANDS.** Operator intends to drill or cause to be drilled oil and/or gas wells on the Lands (the "**Wells**"). In order for Operator to drill, construct, complete, produce, maintain, and operate the Wells and all facilities associated therewith, including, but not limited to, access roads ("**Access Roads**"), pipelines, flowlines, separators, tank batteries, emission control devices, electric lines and any other facilities or property necessary for Operator to conduct operations on the Wells (each a "**Facility**," collectively, the "**Facilities**"), it is necessary that Operator enter and utilize a portion of the surface of the Lands.

The Parties enter into this Agreement to evidence their entire agreement regarding the payment of surface damages, entry, surface use, and any other matters relating to Operator's use of the Lands.

3. **LOCATION.** All Wells, Access Roads and Facilities to be placed on the Lands shall be confined exclusively to areas immediately adjacent to the Western boundary of the Lands, subject to required setbacks, more accurately described in the "**Exhibit A**", attached hereto. Any material changes to the location of this parcel of land may be made by Operator with the consent of Owner in writing. Operator agrees not to use any more of the surface of the Lands than is reasonably necessary to conduct its operations.

4. **CONDUCT OF OPERATIONS.** Operator's operations on the Lands will be conducted pursuant to the terms of the Leases, this Agreement, the rules and regulations of the Colorado Oil & Gas Conservation Commission ("**COGCC**"), and applicable Colorado statutes and case law.

6. **ADDITIONAL SURFACE USE PROVISIONS, ACCESS ROADS, FENCES AND FACILITIES.** With respect to its operations on the Lands, Operator will comply with the following provisions:

A. Access Roads:

- (i) Permanent Access Roads will not exceed 20 feet in width.
- (ii) Operator will maintain all Access Roads in good repair and condition and will be constructed and maintained to accommodate emergency vehicles.

B. Surface Restoration:

- (i) Owner waives the interim reclamation timing requirements per COGCC Rule 1003.b. for the oil and gas location pursuant to Exhibit A, attached hereto.
- (ii) The term of the waiver shall not exceed 5 years from COGCC approval of the Interim Reclamation variance request, to be submitted by Operator as appropriate.
- (iii) Interim reclamation shall commence within 6 months of the conclusion of development of the final permitted well or 5 years from the date of approval of the variance, whichever is earlier.
- (iv) Interim reclamation is being waived in anticipation of multiple drilling occupations on the subject pad location and in an effort to minimize unnecessary surface disturbing activities with heavy equipment.
- (v) Owner acknowledges that the condition of the oil and gas location will be deemed satisfactory conditions under the provisions of this Waiver.
- (vi)
 - a. Owner acknowledges that all active portions of the oil and gas location and all oil and gas operations remain under the jurisdiction of the COGCC.
 - b. The surface owner shall not impede ingress to or egress from the active oil and gas location or interfere with the safe conduct of oil and gas operations on the location.

Operator will stockpile topsoil in a manner that protects soil resources in accordance with COGCC Rule 1001.c for use during final reclamation / recontouring operations. Operator will stabilize and seed topsoil stockpiles and slopes to prevent erosion in accordance with Best Management Practices.

Upon permanent cessation of Operator's operations on the Lands, final reclamation of the oil and gas location and associated access road disturbance will be conducted in accordance with COGCC 1000-series Rules and will be restores to their original contour as nearly as is reasonable practicable.

9. **WAIVERS.** Operator agrees to provide notice to Owner upon approval of COGCC Form 2A Oil and Gas Location Assessment and COGCC Form 2 Application for Permit to Drill. Owner hereby waives the following notices, setbacks and regulation provisions:

- i) COGCC pre-application and post-application notice and consultation requirements;
- ii) 1041 Weld County Oil & Gas Location Assessment (1041 WOGLA) pre-application and post-application notice and consultation requirements;
- iii) COGCC Greater Wattenberg Area (GWA) special well location, spacing

and unit designation requirements including the provisions and allowed waivers under COGCC Rules 318A.a., 318A.c., 603.a.(2) and 604.a.(1) & 604.a.(2);

- iv) Minimum 7-day written notice for commencement of pad construction (Statutory notice);
- v) Minimum 30-day written notice requirement for operations to begin (Move-in, Rig-up notice); and
- vi) Any future notices, setbacks or consultation requirements of the COGCC and the local land use authority.

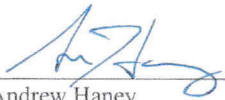
10. **NOTICE FOR ADDITIONAL OPERATIONS.** Operator will comply with COGCC rules and regulations requiring that advance notice be provided to Owner for subsequent operations on the planned Wells described in Exhibit A, including, but not limited to, reworking operations thereto.

22. **SUCCESSORS.** This Agreement constitutes a covenant running with the Lands and will be binding upon and inure to the benefit of, and be enforceable by, the Parties and their respective successors, administrators, trustees, executors and assigns.


IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above. The Effective Date of this Agreement shall be as of the date of the Agreement.

NICKEL ROAD OPERATING LLC

LINDA BLEHM



Andrew Haney
Co-President



Linda Blehm
Owner

ACKNOWLEDEMENTS TO FOLLOW

ACKNOWLEDGEMENTS

STATE OF Colorado)
COUNTY OF Weld) ss. ACKNOWLEDGMENT FOR INDIVIDUAL

This instrument was acknowledged to me on this 18th day of June, 2020,
by Linda Blehm

My commission expires: 01-30-2023

Verona Baldivia
Notary Public

Verona Baldivia
(Type/Print Name)

Verona Baldivia
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20144030346
MY COMMISSION EXPIRES JAN 30, 2023

ACKNOWLEDGEMENTS

STATE OF COLORADO)
COUNTY OF DENVER) ss.

This instrument was acknowledged to me on this 15th day of June, 2020,
by Andrew Haney, as Co-President of Nickel Road Operating LLC

My commission expires: 07/07/2022

Emily M. Nelson
Notary Public

Emily M. Nelson
(Type/Print Name)

EMILY M NELSON
Notary Public
State of Colorado
Notary ID # 20064026123
My Commission Expires 07-07-2022

Exhibit A
Oil and Gas Location



Legend

-  Proposed Blehm Pad
approx. 5.4 acres
-  Blehm Pad with Stormwater Buffer
approx. 8.4 acres
-  Proposed Access Road
-  Blehm Property Boundary
-  Wetlands / Riparian Areas

NICKEL ROAD
O P E R A T I N G

Blehm Pad

A Portion of the NE/4 of Section 9
Township 7 North, Range 67 West

Weld County, Colorado

Author: JL

Date: 6/15/2020