

### SETBACK WAIVER AND INFORMED CONSENT

This Setback Waiver ("*Waiver*"), is made between Kerr-McGee Oil & Gas Onshore LP ("Applicant or Operator") with an address of 1099 18<sup>th</sup> Street, Suite 1800, Denver, Colorado and Wade Warren Dones and Brenda Annette Dones ("Building Unit Owner(s)") with an address of 5368 WCR 46, Johnstown, Colorado.

1. Applicant owns oil and gas interests near the Building Unit. The Building Unit consists of the following building(s) and address(es):  
5368 WCR 46, Johnstown, CO 80534.
2. Applicant seeks the right to drill and operate wells by obtaining a 1041 WOGLA Permit for the following location: S/2NW/4 and N/2SW/4 of Section 13, Township 4 North, Range 68 West, 6<sup>th</sup> P.M., Weld County, Colorado (the "Oil and Gas Location").
3. The Building Unit is located 343 feet from the eastern edge of the Oil and Gas Location where Operator intends to locate an Oil and Gas Facility to be permitted through a 1041 WOGLA Permit. The Oil and Gas Location will include the following permanent equipment necessary for the development of oil and gas resources at the site: SBJ 22-13HZ Pad S/2NW/4 and N/2SW/4 of Section 13, Township 4 North, Range 68 West, 6<sup>th</sup> P.M., Weld County, Colorado (the "Oil and Gas Location"). Prior to production of oil and gas at the site, drilling, flowback and completion operations will take place at the site which will include various equipment necessary to perform such operations.
4. The Weld County Code governs the distance between Oil and Gas Locations and Building Units, High Occupancy Building Units, Designated Outside Activity Areas, and School Facilities and Child Care Centers. These code provisions provide for exceptions to those "setback" distances upon proper waivers from impacted owners. See Sec. 21-5-490.
5. Building Unit Owner(s) have been advised in writing regarding the nature, extent, duration and risks associated with developing and operating an Oil and Gas Location within 500 feet of the Building Unit, and information on what the Building Unit Owner(s) should do if there is an emergency at the Oil and Gas Location that could affect the Building Unit Owner's health, safety or welfare. Health risks may include, but are not limited to, headaches, nose bleeds, and asthma due to air quality, venting and flaring of natural gas, odor and/or spills, water quality, fugitive dust, noise, traffic and/or lighting has been provided to the Building Unit Owner. Property risks include, but are not limited to, property damage due to equipment malfunctions at the Oil and Gas Location.
6. Building Unit Owner(s) acknowledge that they have been fairly and accurately informed regarding the nature, extent, duration and risks associated with



developing and operating an Oil and Gas Location within 500 feet of the Building Unit.

7. With such knowledge, Building Unit Owner(s), on behalf of himself or herself, and on behalf of his or her heirs, successors, and assigns, voluntarily releases and agrees to hold harmless and indemnify the County of Weld; the Board of County Commissioners of County of Weld; the Colorado Oil and Gas Conservation Commission and their employees (the "Releasees"), from any and all claims and liability, past, present or future, for any injury or damage to Building Unit Owner(s) or to his or her property, resulting from any cause whatsoever occurring in the course developing and operating an Oil and Gas Location within 500 feet of the Building Unit, excepting only any such injury or damage resulting from the willful and wanton acts of the Releasees. Building Unit Owner(s) also agrees to hold harmless and indemnify the Releasees from any and all claims and liability, past, present or future, for any injury or damage to third parties, resulting from the negligent or intentional acts occurring in the course of the developing and operating an Oil and Gas Location.
8. Building Unit Owner(s) hereby knowingly, willingly and voluntarily waives the setback requirement of 500 feet from the Building Unit to the Oil and Gas Location.

**Building Unit Owner(s):**

Signature: Wade Warren Dones

Name: Wade Warren Dones

Date: 10-19-2020

Signature: Brenda Annette Dones

Name: Brenda Annette Dones

**ACKNOWLEDGMENT**

STATE OF Colorado )  
 )ss  
COUNTY OF Weld )

The foregoing instrument was acknowledged before me this 19<sup>th</sup> day of October, 2020, by Wade & Brenda Dones.

Witness my hand and official seal.

Zachary K. Martin  
Notary Public  
My commission expires: September 28, 2021

