

## **SURFACE USE AGREEMENT**

This Agreement is entered into at Las Animas County, Colorado by and between **Thomas Dahlberg** and **Kimberly Dahlberg**, his wife, hereinafter called “**Owners**” and **Desert Eagle Operating Company, LLC**, hereinafter called **DEO**.

### RECITALS

WHEREAS, Owners, as Lessors, and Twin Bridges Resources, LLC (“Twin Bridges”) as Lessee, entered into a Helium Lease and Easement Agreement dated November 10, 2020, as modified by an Amendment of Helium Lease and Easement Agreement dated April 16, 2021 and by a Second Amendment of Helium Lease and Easement Agreement dated effective as of July 24, 2021 (collectively, the “Helium Lease”), and entered into a Surface Use Agreement dated November 10, 2020 (the “Original Surface Use Agreement”); and,

WHEREAS, by Assignment, Bill of Sale and Conveyance dated effective June 1, 2022 and recorded as document 202200764005, at Book 1184, Page(s) 635-640, DEO acquired from Twin Bridges all right title and interest in and to the Helium Lease, the Original Surface Use Agreement and two helium wells located on the Helium Lease; and

WHEREAS, Owners and DEO wish to enter into a Surface Use Agreement (this “Agreement”) to replace the Original Surface Use Agreement; and

WHEREAS, the Owners and DEO (the “Parties”) recognize that certain damages or impacts to the surface of the subject property are inevitable in connection with mineral production and some forms of mineral exploration; and,

WHEREAS, the Parties desire to establish by this Agreement a schedule of compensation for various types of burdens on the surface of the Dahlberg lands and reciprocal covenants in connection with use of the surface estate by DEO, its successors and assigns.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. Lands which are the subject of this Agreement are as follows:

T29S-R55W Section 35: W2E2, E2

T30S-R55W Section 1: Lots 1-4, S2NE, SE

2. The topography of the Leased Premises is rugged canyon and mesa land. Notwithstanding any other provision in the Helium Lease, DEO has agreed and does hereby covenant that it will conduct all operations from the mesa tops above the rimrock and not conduct any operations in the canyons, arroyos or sides of said canyons or arroyos on the Leased Premises without Owners' prior written consent. All operations in connection with the Helium Lease will be conducted on that part of the Leased Premises above the canyon rims. DEO shall not conduct drilling operations within one hundred feet (100') of any canyon rim.

3. The Parties agree the following schedule will pertain with respect to payment for various uses of the surface of the Leased Premises by DEO, its contractors, agents or employees:

a. The sum of [REDACTED] will be paid to Owner for each helium well location. DEO represents helium wells can be drilled with water well drilling equipment employing portable tanks. There is no need for slush pits, mud pits or similar devices in connection with drilling a helium well. Depending on the topography of each location, some minor dirt work may be necessary but DEO does not anticipate that well locations will need to be significantly excavated.

b. There currently are a number of existing two track ranch roads located upon the Leased Premises. DEO anticipates additional roadways may need to be constructed and that the existing two track roads may need to be upgraded to support required traffic. If the two track roads are upgraded to any degree, then DEO will pay Owner the sum of [REDACTED] per rod for the use of existing roadways to compensate for damage anticipated as a result of necessary traffic. In the event said two track roads are improved into all-weather roads by addition of base course, caliche, crusher fines or other materials then DEO shall pay to Owners the sum of [REDACTED]

- ██████████ per rod. For the construction of new roads DEO will pay Owners the sum of ██████████ per rod. Any improvements to existing roads and any new roads shall become the property of Owners, and shall be left in place when DEO is no longer using such roads for its operations, unless Owner provides DEO with written notice stating its desire that some or all of said roads shall be removed and the lands reclaimed to the condition they were in prior to the improvement or construction of said roads.
- c. For pipelines of any kind, including any gathering lines, DEO will pay to Owners the sum of ██████████ per rod. All pipelines will be buried a minimum of eighteen inches (18") below grade level.
- d. For any overhead power lines, communication lines and other similar installations, DEO will pay the Owners the sum of ██████████ per rod.
- e. DEO anticipates using diesel or propane engines to operate the compressors, generators and other equipment necessary to process crude helium captured from the Lease Premises. No helium liquefaction will occur on said premises. Owners will be compensated for placement of such processing equipment, metering devices and related facilities by payment of the sum of ██████████ annually. Said processing equipment, truck terminal and related facilities will not occupy a footprint in excess of a five (5) acre square.
4. Aside from installation and maintenance of a diesel or propane tank, there will be no fuel storage tanks permitted on the Lease Premises, whether said tanks are above ground or below ground. Any materials which are known to be toxic to people or animals and any hazardous substances will be stored in closed containers such as Conex containers so that they cannot be accessed by any livestock or wild animals or by any unauthorized humans. Owners expressly consent to the burying of drill cuttings on location from wells drilled on the Leased Premises by DEO or its contractors, provided that such drill cuttings shall be buried in trenches at least four feet in depth.

5. In no event will any injection wells be drilled or employed upon the Lease Premises.
6. DEO agrees to hold harmless and unconditionally indemnify Owners Tom Dahlberg and Kimberly Dahlberg, their heirs, successors and assigns against and for all liability, costs, expenses, claims, and damages which Owners shall suffer or sustain or become liable for by reason of any accidents, damages or injuries either to person or property in any manner arising from or incident to operations concluded by or on behalf of DEO in connection with the Helium Lease or this Surface Use Agreement. This covenant to hold harmless and indemnify extends unconditionally to any act or omission committed by any DEO officer, agent, employee, contractor, guest or invitee.
7. DEO will insure its operations do not result in unnecessary destruction or degradation of vegetation on the Lease Premises or result in erosion. DEO shall not permit its employees, contractors, principals or invitees to discharge any firearms on the Leased Premises or to leave any uncontained trash or rubbish on the Leased Premises.
8. DEO's access to the Leased Premises may be restricted by Owners to a period from 4:00 p.m. to 9:00 a.m. during the hunting season (September 1 through December 31) of each year upon three (3) days telephonic notice. Owners recognize that helium processing activities and marketing traffic may occur during all hours of the day and on all days of the year, and hereby authorize all necessary operations and traffic in support of helium processing and marketing activities; provided, however that DEO and its designees shall endeavor to limit such operations, activities during hunting season to the extent practicable.
9. Prior to constructing any new roadways, pipelines, overhead or underground wire, well locations, material yards, processing facilities, generation stations or similar facilities related to the development of helium reserves on the Leased Premises, DEO will provide a plan and specifications of the proposed work complete with topographic maps indicating the location of proposed facilities to Owners. Within fifteen (15) days of delivery of said plans, specifications and plats, Owners shall either consent to the plan or suggest reasonable changes with respect to location of roads, well locations, pipelines and other facilities. If no written suggestions for alteration of DEO's said plans are made by Owners, within said fifteen (15) day period, then

DEO may proceed with its plans. If alternate suggestions are made in a timely manner, then the parties will discuss any differences and work in good faith to accommodate each other's concerns. If the parties cannot agree to any planned development work DEO will proceed with planned development employing industry best practices to accommodate concerns raised in writing by Owners.

10. Payments due to Owners hereunder for well locations, road construction or improvement, installation of pipelines, overhead or underground electrical or communication lines, and all other facilities will be paid prior to commencement of work following acceptance or acquiescence in the plan or discussion and agreement or, failing agreement then following a good faith attempt to agree to any planned work. Any annual payments due under Paragraph 3(f) hereof will be paid by January 10<sup>th</sup> of each calendar year in which operations continue.

11. DEO shall not bury or otherwise dispose of any materials or substance upon the Leased Premises if such disposal would constitute a violation of any federal, state or local environmental law or regulation. DEO shall promptly clean up any waste, fuel or any materials deemed to be harmful to the environment and leave the Leased Premises in a clean, neat and natural condition to the extent practicable upon the termination of the Lease.

12. Any roadways constructed by DEO shall be limited to width of twenty feet (20'). Pipelines will be promptly backfilled and re-seeded with native grasses.

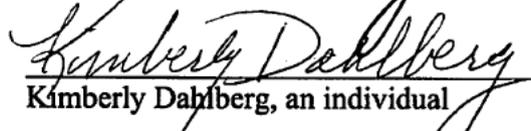
13. This Surface Use Agreement will be binding on the parties hereto, their heirs, successors and assigns. This Surface Use Agreement may be signed in one or more counterparts. A facsimile or electronic signature is as binding as an original.

Executed as of the dates shown below, but to be effective as of June 1, 2022.

OWNERS

  
\_\_\_\_\_  
Tom Dahlberg, an individual

10-19-2022  
Date

  
\_\_\_\_\_  
Kimberly Dahlberg, an individual

10-19-2022  
Date

DESERT EAGLE OPERATING, LLC

By:   
\_\_\_\_\_  
Brad Butler, Manager

10/19/2022  
Date