



for each and every well and related wellsite that is or will be drilled and located within the Oil and Gas Operations Areas and for associated oil and gas equipment and facilities to be located within the Oil and Gas Operations Areas and Production Facility Locations and for flowlines, access roads and Pipelines and Petroleum Pipeline Easements. KMG or its assignees may provide a copy of this Agreement to the COGCC or any local jurisdiction, person or entity or court of law as evidence of this waiver.

17. **WAIVER OF SETBACK AND OTHER REQUIREMENTS.** Aurora understands and acknowledges that the COGCC has rules and regulations that apply to the distance between a wellhead and public roads, production facilities, building units and surface property lines, among other things. Aurora hereby waives all setback requirements in COGCC Rule 603, or any successor rule or amendment to the COGCC setback rules, and to any other state or local setback requirements or other requirements or regulations that are or become inconsistent with this Agreement or that would prohibit or interfere with the rights of KMG, or its successors and/or assigns, to explore for and produce the oil and gas in accordance with this Agreement. Aurora understands that KMG may cite the waiver in this Section 17 in order to obtain a location exception or variance under COGCC rules or from a local jurisdiction.

18. **GOVERNMENTAL PROCEEDINGS/ AURORA AGREEMENT.** Aurora acknowledges the rights of KMG to conduct oil and gas operations on the Property in accordance with this Agreement and the Surface Use Agreement. Aurora agrees that it will not object to or oppose KMG in any forum, including but not limited to, the COGCC, Weld County, or other governmental entity, to the use by KMG of the surface of the Property consistent with this Agreement and the Surface Use Agreement and hereby waives any such right to object. Aurora further agrees that it will provide such other written approvals, consents and waivers that are requested by KMG and consistent with this Agreement and the Surface Use Agreement, including, but not limited to, all approvals and waivers to drill a well or to conduct oil and gas operations on the Property because of any law or regulation (present or future), including any local ordinance and regulations of the COGCC, and including, for example, waivers to state and local setback requirements and to any setback requirements from a surface property line or for an exception location or for a permit to drill, workover, deepen, recompleat or twin any well located or to be located on the Property. Aurora waives any rights it has to require or request a surface inspection for wells proposed to be drilled on the Property for the purpose of requesting that conditions be attached to a permit to drill the well. Aurora further consents to the location of multiple wells within an Oil and Gas Operations Area that are greater or less than fifty feet apart so long as all such wells are located within an Oil and Gas Operations Area and, upon the request of KMG, Aurora will execute written waivers for specific wells proposed to be drilled by KMG on the Property; provided, that, all such wells are to be located within an Oil and Gas Operations Area.

19. **LIMITATION OF LIABILITY, RELEASE, WAIVER AND INDEMNITY.**

a. To the extent permitted by law, Aurora agrees to assume and be responsible for, and shall release, defend, hold harmless and indemnify KMG and its officers, directors, employees, successors and assigns and also its affiliates, contractors, subcontractors, agents and representatives