

## SURFACE USE AGREEMENT

**State:** Colorado

**County:** Garfield

**Surface Owner:** Exxon Mobil Corporation

**Surface Owner Mailing Address:** 810 Houston Street, Fort Worth, TX 76102

**Operator:** WPX Energy Rocky Mountain, LLC

**Operator Address:** 1058 County Road 215, Parachute, Colorado 81635

**Surface Legal Description:** Township 7 South, Range 96 West, 6<sup>th</sup> P.M.  
Section 12: NE¼NW¼  
Garfield County, Colorado

WHEREAS, Exxon Mobil Corporation, is the owner of the surface estate on the above described lands ("Lands") in the County and State also named above;

WHEREAS, WPX Energy Rocky Mountain, LLC is the owner of the right to explore for oil and gas on the premises known as the Lands under the terms of its oil and gas leases;

WHEREAS, Surface Owner and Operator hereinafter are collectively referred to as the "Parties";  
and,

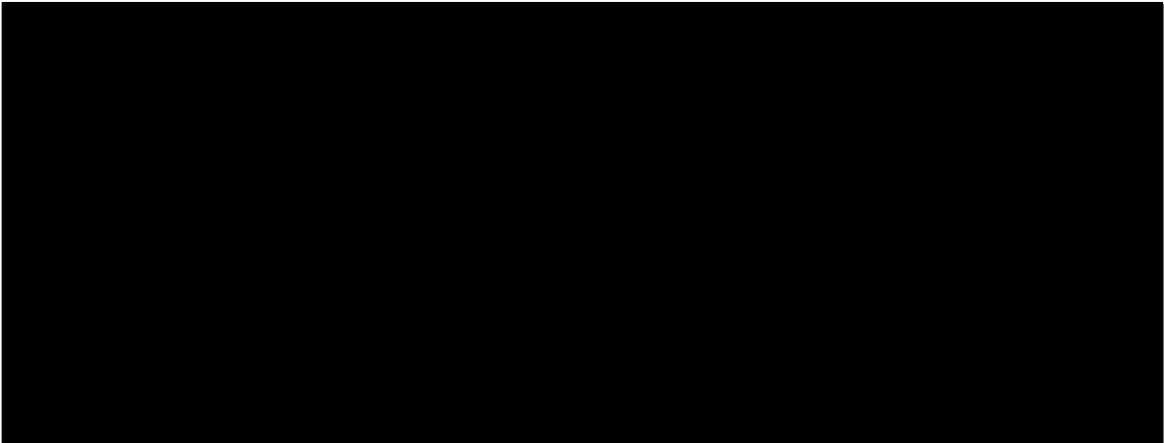
WHEREAS, this Surface Use Agreement ("Agreement") sets forth the Parties' rights and obligations regarding the relationship between the use of the Lands by Surface Owner and Operator's operation and development of its oil and gas leasehold estate, such rights and obligations to be binding upon the Parties' successors and assigns.

NOW, THEREFORE, in consideration of the premises stated herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by the Parties hereto, it is agreed:

1. Oil and Gas Operations Area. Surface Owner shall provide Operator with the oil and gas operations area ("Oil & Gas Operations Area") at the approximate location depicted on the attached Exhibit "A" for operations in connection with the drilling, completion, and production of oil and gas wells ("Wells"), including without limitation, workovers, well deepening, recompletions, fracturing, and replacement wells. Operator shall have the right to locate, build, repair, and maintain tanks, separators, dehydrators, well-site compression, completion equipment, and other equipment reasonably appropriate for the operation, completion, and production of Wells on the Lands, Wells pooled or unitized with the Lands, or Wells adjacent to the Lands and to place temporary surface lines from one Oil and Gas Operations Area to another in connection with any completion or workover operations. Surface Owner shall grant Operator the right to place drill cuttings from the Oil and Gas Operations Area on the Surface Owner's property in the area depicted on Exhibit "A" or at a location mutually agreed upon between Operator and Surface Owner.

2. Access and Rights-of-Way. Surface Owner shall at all times provide Operator with all necessary ingress and egress to the Oil & Gas Operations Area for the term of this Agreement. Surface Owner also grants Operator a right-of-way upon and across the Lands for construction and use of gathering lines and flow lines, and other facilities reasonably necessary to the development, production, and transportation of oil, gas, and water produced on the Lands and from third party lands. Surface Owner does hereby grant and convey to Operator a right-of-way upon, across, and underneath the Lands to access adjoining lands, provided however, Operator's rights to use the Lands to access adjoining lands shall be limited to lands on which Operator has leasehold, operating rights, easements, surface use agreements, or other rights to lawfully access or occupy such lands. Surface Owner agrees that Operator may use the existing roads or construct new access roads on the Lands to gain access to oil and gas activity on the property at all times. Such new access roads shall be a maximum width of eighteen (18) feet of traveled surface and have an additional five (5) feet for drainage ditching. New access roads width with drainage shall not exceed twenty-five (25) feet, except in turns and curves where engineering requirements require more width. Operator shall maintain roads used by Operator at a level appropriate for customary oil field use of such roads, which may include graveling, grading, installation and cleaning of culverts, and spraying for noxious weeds. Operator shall post speed limit and caution signs in accordance with State and Federal regulations. The rights granted in this paragraph to build or use roads and to construct and use flowlines and gathering lines shall be referred to herein as the "Rights-of-Way".

3.



4. Water Access/Use. Subject to the payment set forth above, Operator is granted the use of Surface Owner's property for water access and the right to use Surface Owner's water in the drilling, completion, or recompletion operations on each of the Wells covered by this Agreement. Operator shall divert Surface Owner's water only at times when it is physically and legally available under the statutes of the State of Colorado and rules and regulations of the Colorado Division of Water Resources.

5. Interim Reclamation. Operator shall conduct interim reclamation within twelve (12) months after the initial rig release from the Oil and Gas Operations Area, unless within such twelve (12) month period, Operator elects to conduct additional drilling activity. Such interim reclamation shall include the restoration of the surface of the Lands affected by Operator's operations as near as possible to the contours which existed prior to such operations, and reseeding the surface with a seed mixture mutually agreed to between the Parties and any regulatory agencies requiring approval. Reseeding shall be done at the appropriate rate per acre per seed mixture requirement as mutually agreed upon by the Surface Owner, Operator, and any regulatory agency requiring approval. The correct amount of the designated seed mixture will be broadcasted for the range

and irrigated pasture alike. Operator shall use water bars and such other measures as appropriate to prevent erosion and non-source pollution utilizing commonly accepted Best Management Practices and in accordance with requirements of regulatory agencies involved. All surface restoration shall be accomplished to the reasonable satisfaction of the Surface Owner and at the sole expense of the Operator.

6. Weed Control. Operator shall be responsible for controlling in a timely and effective fashion all noxious weeds on the Oil and Gas Operations Area and access roads that are subject to the terms of this Agreement without demand therefore by Surface Owner. The definition of noxious weeds shall be as promulgated by the rules and regulations of Garfield County, Colorado and the Federal Bureau of Land Management. Operator shall also be responsible for preventing such noxious weeds from spreading to Surface Owner's lands from the Oil and Gas Operations Area and access roads and to adjacent properties whether owned by Surface Owner or not. In the event such noxious weeds spread to lands adjacent to the Lands subject to this agreement, Operator shall be responsible for controlling the noxious weeds on those lands as well. If the lands immediately adjacent to the Oil and Gas Operation Area, any road access or other right-of-way on or adjacent to those of Surface Owner are not free of such noxious weeds prior to construction of the same, Operator shall have no responsibility to control such noxious weeds. If Operator locates or Surface Owner notifies Operator of location of noxious weeds on any road access, or right-of-way, or in another area noted hereinbefore for which Operator is responsible for noxious weed control, Operator shall implement adequate control procedures before noxious weeds go to seed.
7. Surface Use Restrictions. Operator's employees, authorized agents, and personnel under the direction or control of Operator ("Operator Entities") shall not be permitted to bring dogs, ATV's used for recreational purposes, firearms, or weapons on the Lands, or to hunt, fish, or trap on the Lands. No smoking of cigarettes, cigars, or pipes shall be permitted on the Lands, except inside of vehicles or dog houses. Operator agrees to keep its Oil and Gas Operations Area, Rights-of-Ways, and other areas it disturbs free of debris and litter. Operator shall not allow the use, possession, transfer, purchase or sale of illegal drugs, narcotics, or other unlawful substances and materials, alcoholic beverages, by the Operator Entities or other visitors while on the Lands.
8. State and Local Regulations. Surface Owner understands and acknowledges that the Colorado Oil and Gas Conservation Commission ("COGCC") and the local county have rules and regulations that apply to drilling, completing, and operating of the Wells. In connection with the COGCC and county regulations, Surface Owner agrees to the following:
  - a. Surface Owner agrees that access on any newly constructed oil and gas access roads shall be limited to oil and gas traffic.
  - b. Surface Owner agrees that Operator may use topographic features and vegetative screening to create seclusion areas.
  - c. Surface Owner agrees that Operator may use wildlife appropriate fencing.
  - d. Surface Owner consents to Operator utilizing wildlife appropriate seed mix in accordance with section 5.
  - e. Surface Owner grants Operator the right to post signs at the entrance to Surface Owner's property.
  - f. Surface Owner agrees that Operator may have temporary living quarters within the Oil and Gas Operations Area during drilling and completion operations for essential personnel.

Surface Owner also waives all setback requirements in the 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 Operator or its successors and assigns, to explore for and produce the oil and gas in accordance with this Agreement.

9. Default. In the event that Surface Owner or Operator hereunder shall fail to comply with any of its rights, duties, or obligations hereunder, the other party shall so notify the defaulting party in writing, and if said default is not corrected within thirty (30) days after receipt of said notice, the non-defaulting party shall have the right to enforce the provisions of this Agreement in law or in equity have such other rights and remedies as provided under Colorado law.
10. Confidentiality. Surface Owner and Operator mutually agree to keep all terms of this Agreement confidential, except as disclosure may be required by court order, applicable law, or rules and regulations of governmental agencies. For purposes of government regulatory compliance, either party may release this document under a confidentiality restriction without violating this section of this Agreement as between themselves.
11. Covenant Running with the Land. This Agreement shall be construed as a covenant running with the Lands and shall be binding on any and all personal representatives, heirs, successors, and assigns of the Parties.
12. Exclusive and Nonexclusive Rights. The rights granted by Surface Owner to Operator are nonexclusive, and Surface Owner reserves the right to use all access roads and all surface uses of the Lands affected by this Agreement, outside of the Oil and Gas Operations Area, and the right to grant successive easements thereon or across on such terms and conditions as Surface Owner deems necessary or advisable. The rights to the Oil and Gas Operations Area are exclusive to Operator, its successors, and assigns during the term of this Agreement.
13. Memorandum of Surface Use Agreement. This Agreement shall not be placed of record without the written consent of both Parties; however, Surface Owner agrees that Operator may file in the county records a "Memorandum of Surface Use Agreement" to provide third party notice of the existence of this Agreement, and the location of the Oil and Gas Operations Area, roads and pipelines.
14. Term. This Agreement shall remain in full force and effect until Operator's leasehold estate that is serviced by the Oil and Gas Operations Area, expires or is terminated, and Operator has plugged and abandoned all Wells owned all or in part by Operator and complied with the requirements of all applicable oil and gas leases pertaining to removal of equipment, reclamation, cleanup, and all other applicable provisions of the leases and existing laws and regulations. When this Agreement ceases to be in full force and effect, upon request of either party, the Parties shall execute any and all releases necessary to evidence the fact that this Agreement shall no longer apply to the Lands. In the event that Operator releases or surrenders a portion of its leasehold estate, this Agreement may likewise be partially released or surrendered as to those lands, subject to the terms of this section 14.
15. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado, without reference to its conflict of laws provisions.
16. Entire Agreement. This Agreement sets forth the entire understanding among the Parties hereto regarding the matters addressed herein, and supersedes any previous communications, representations, or agreement, whether oral or written. This Agreement shall not be amended, except by written document signed by all Parties.

17. Execution and Binding Effect. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original instrument but all of which together shall constitute one and the same instrument, and shall be binding upon and inure to the benefit of the Parties, and each of their respective heirs, executors, administrators, successors and assigns, and is executed by the Parties as of the effective date set forth below.
18. No Third Party Beneficiary. This Agreement does not intend to create any third-party beneficiaries and does not create any rights or remedies of any kind in favor of any third-party.
19. Oil and Gas Leases. No provision herein shall limit or modify Operator's rights under its oil and gas leases.
20. Laws. Notwithstanding anything herein to the contrary, in the event any applicable local, state, or federal rules, statutes, regulations, or ordinances ("Laws") impose more stringent standards upon Operator than those contained herein, Operator agrees to comply with such Laws.
21. Indemnification. Operator shall protect, indemnify, and hold harmless Surface Owner, its directors, officers, employees, and agents from and against all risks, expenses, claims, demands, losses, liabilities, and causes of action of every kind and character, arising out of, incident to, in connection with, or resulting from Operator's, and Operator's employees, agents, contractors and subcontractors activities on the lands.

Dated effective this 25<sup>th</sup> day of April, 2014.

SURFACE OWNER:

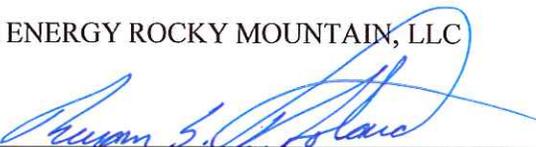
XTO ENERGY INC. as Attorney-in-Fact for EXXON MOBIL CORPORATION

By:   
 Name: Edwin S. Ryan, Jr.  
 Title: Senior VP - Land Administration  
 Date: 4/25/14

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OPERATOR:

WPX ENERGY ROCKY MOUNTAIN, LLC

By:   
 Name: Bryan S. Hotard  
 Title: Attorney-In-Fact

ACKNOWLEDGMENTS

STATE OF TEXAS )  
 )  
COUNTY OF TARRANT )

Before me, a Notary Public, in and for said County and State aforesaid, I do hereby certify that Edwin S. Ryan, Sr. whose name is subscribed to the foregoing instrument as Sr. Vice President – Land Administration of **XTO Energy Inc.** appeared before me this day in person and acknowledged that he executed said instrument as his free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 25<sup>th</sup> day of April, 2014.

My Commission Expires: 02/04/2016  
(SEAL)

Becky L. Swanson  
Notary Public



STATE OF COLORADO )  
 )  
COUNTY OF GARFIELD )

Before me, a Notary Public, in and for said County and State aforesaid, I do hereby certify that **Bryan S. Hotard** whose name is subscribed to the foregoing instrument as Attorney-in-Fact of **WPX Energy Rocky Mountain, LLC** appeared before me this day in person and acknowledged that he executed said instrument as his free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 2<sup>nd</sup> day of May, 2014.

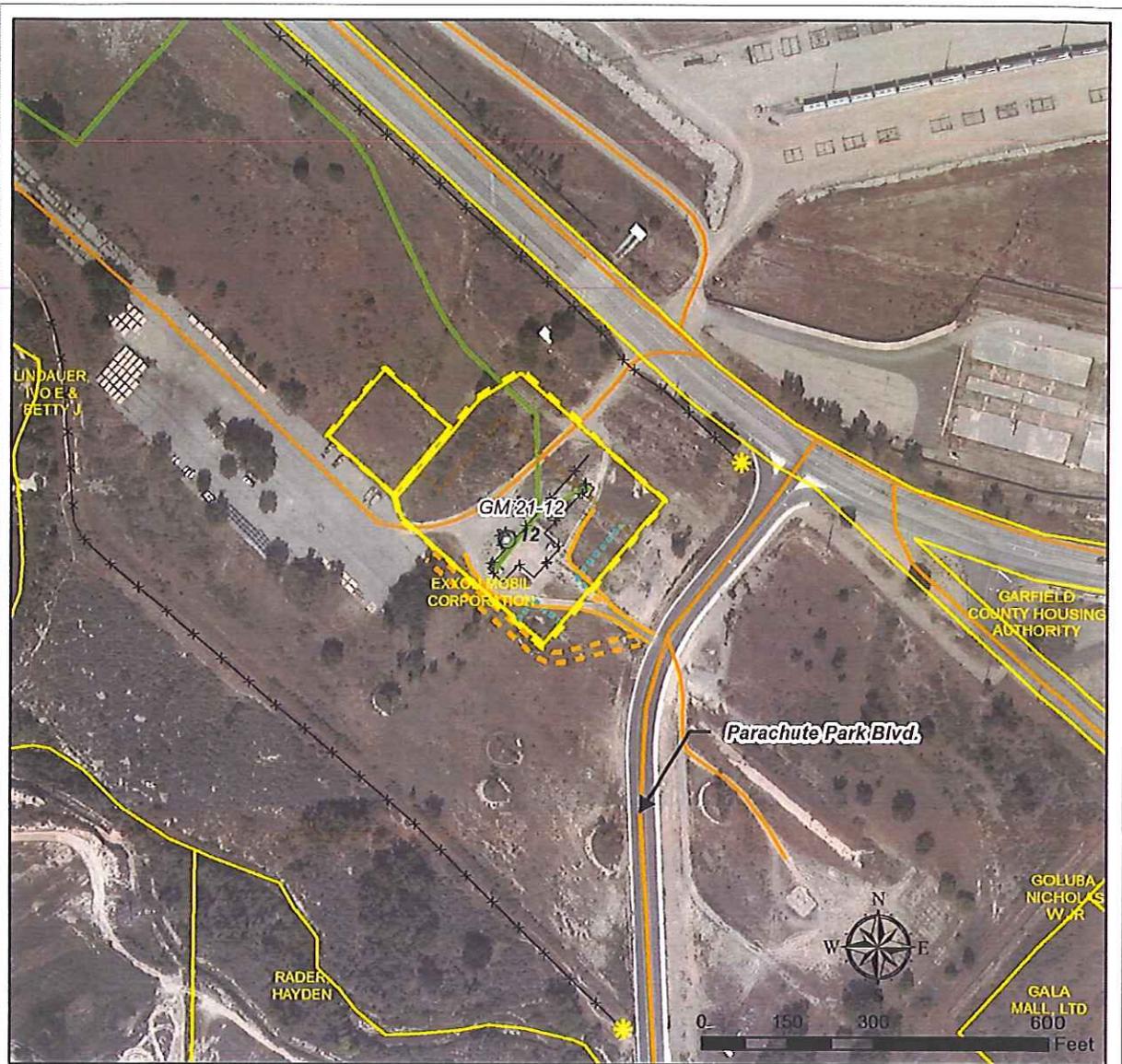
My Commission Expires: 05/16/2015  
(SEAL)

Justin R. Hall  
Notary Public



EXHIBIT "A"

Attached to and made part hereof that certain Surface Use Agreement dated this 25<sup>th</sup> day of April, 2014, by and between Exxon Mobil Corporation, Surface Owner, and WPX Energy Rocky Mountain, LLC, Operator



**Legend**

- \* End of Existing Fence
- Existing Gas Pipeline
- Proposed Road
- - - Proposed Cuttings Management Area
- Proposed Production Equipment Area
- - - Proposed Daylight Line
- Oil and Gas Operations Area
- Existing Road
- x-x- Existing Fence
- Parcel Ownership (acquired from Garfield County)

**WPX Energy Rocky Mountain, LLC**

**GM 21-12  
T7S R96W, Section 12**

**January 31, 2014**



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