

SURFACE USE AGREEMENT

THIS SURFACE USE AGREEMENT (“Agreement”) is entered into by and between **Flanders Ranch, LLC** (“Owner”), whose address is P.O. Box 211, Hayden, Colorado 81639, the owner of the surface estate described below (the “Property”) and being more particularly described in that certain Oil and Gas Lease (the “Lease”) recorded as Document No. 633299, in the Official Records of Moffat County, Colorado, and SWN Production Company, LLC (“Company”), whose address is 10000 Energy Drive, Spring, Texas 77032 (together “Parties”), with respect to the following described property (hereinafter, “Property”), and further identified in Exhibit “A” attached hereto and made a part hereof:

Township 7 North – Range 88 West – Section 34: SE4NW4SW4

Whereas, Company owns the leasehold right to access the Property and use so much of the surface as is reasonably necessary to explore for and produce oil and gas from the leased premises; and,

Whereas, Company and Owner desire to enter into this Agreement as a supplement to, but not in derogation of, Company’s leasehold rights, including the right to drill future wells in addition to any well enumerated herein;

Now Therefore; in consideration of [REDACTED] and other good and valuable consideration, (the “Amount”) the receipt and sufficiency of which is hereby acknowledged and the mutual promises and covenants contained herein:

With the exception of claims by Owner for damages for loss of hunting income, if any, Owner hereby releases and discharges Company, its agents, employees, contractors, and licensees from and against any and all claims by Owner for damages, of whatsoever nature and character, including, but not limited to, diminution in value of the Property, arising from, incident to, or in connection with Company’s oil and gas operations (“the Operations”) on the Property, so long as such Operations are conducted in accordance with this Agreement.

AND,

Company shall have the right to drill and operate the well(s) within the areas shown on Exhibit A, attached hereto and incorporated herein, including directional wells that produce from and drain lands other than the Property, provided such lands are validly pooled with all or any portion of the lands included in Company’s Lease covering the Property, and so long as such locations are permitted locations under the then applicable well spacing regulations of the Colorado Oil and Gas Conservation Commission (“COGCC”) or exceptions granted thereto by the Director of the COGCC.

and applicable COGCC rules and regulations, except that any release, discharge or indemnity from and against liability contained herein shall survive the expiration of this Agreement.

In the event of alleged default by Company in the payment of any of the sums herein above provided to be made, in obligations to be performed, or any other terms, conditions or covenants of this Agreement, Owner will notify Company, by certified mail, return receipt requested, of the alleged default. Company will have 30 days from receipt of the written notification to dispute or otherwise respond to the notification before Owner may allege default.

Except as otherwise agreed in writing, no waiver by Owner of any breach by the Company of any of its obligations, agreements, or covenants hereunder will be deemed to be a waiver of any subsequent or continuing breach of the same, nor will any forbearance by Owner to seek a remedy for any breach by the Company be deemed to be waived by Owner of its rights or remedies with respect to such breach; however in no event will Company be liable for consequential damages.

This instrument contains the entire agreement between the Parties and may not be modified orally or in any other manner other than by agreement in writing signed by all Parties or their respective successors or assigns. This Agreement may be executed by facsimile, in counterparts, each of which will be considered an original and enforceable against either Party.

IN WITNESS WHEREOF, the Parties have executed this Agreement this 19 day of September, 2015.

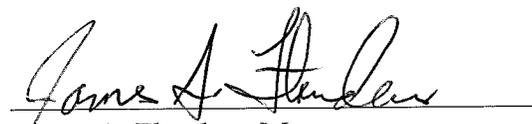
Owner:



Mary E. Stephens, Manager
Flanders Ranch, LLC
Stephans



Michael L. Flanders, Manager
Flanders Ranch, LLC



James A. Flanders, Manager
Flanders Ranch, LLC

Roger Richmond September 1, 2015

Roger Richmond, Land Manager
SWN Production Company, LLC