

## WELLSITE SURFACE LEASE AND USE AGREEMENT

This Wellsite Surface Lease and Use Agreement ("Lease") is entered into effective as of May 19, 2017 ("Effective Date"), between Dorothy A. Olander Family Trust (collectively "Surface Owner"), whose mailing address is 13799 County Road 5, Longmont, Colorado 80504 and Cub Creek Energy, LLC ("Operator"), whose mailing address is 200 Plaza Drive, Suite 100, Highlands Ranch, Colorado 80129. Surface Owner and Operator herein sometimes collectively referred to as "Parties", and individually referred to as "Party".

### RECITALS

WHEREAS, Operator, directly or through an assignee or designee, wishes to drill, complete and produce oil and gas wells on lands owned by Surface Owner in the Northeast Quarter of Section 29, Township 3 North, Range 68 West, Colorado, 6<sup>th</sup> Principal Meridian, Weld County, Colorado; and

WHEREAS, Surface Owner agrees to allow Operator, or an assignee or designee of Operator, to use a portion of the surface of its property to serve as an operations and production area for the drilling and production of the wells;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged herein, the Parties agrees as follows:

(1) Surface Owner does hereby grant, demise, lease and let unto Operator, its successors and assigns, the exclusive right to use for the purposes of drilling, completing, producing, and operating one or more oil and gas wells (including but not limited to straight, directional and horizontal wells), storing, transporting and marketing oil, gas and other products produced from such well, and all other rights as deemed reasonably necessary by Operator that may be associated with, incidental to, or convenient for the any such drilling, completing, producing, and operating activity, including, but not limited to, workovers, deepening, sidetracking, recompleting, hydraulic fracture stimulation, and drilling replacement wells, and installing and maintaining Production Equipment as defined herein below, the surface and the subsurface of the following described lands; to-wit:

Township 3 North, Range 68 West, 6<sup>th</sup> P.M., Weld County, Colorado

Section 29: that certain tract of land, being 7 acres more or less, situated in the North Half of the Northeast Quarter, and approximately identified as the "Olander Pad" in the plat attached hereto as Exhibit "A" (such tract referred to herein as "Leased Property"). Operator reserves the right to make minor adjustments to the pad configurations. In the event Operator determines that the location needs to be relocated significantly, Operator will consult with Surface Owner to obtain consent prior to construction, which consent shall not be unreasonably withheld. In any event, Operator will provide Surface Owner with a survey plat.

(2) This Lease shall commence on the Effective Date and shall continue [REDACTED] and shall remain in effect after the expiration of the primary term for so long as any oil and gas is produced from or operations are being conducted on a well that is located on the surface of the Leased Property without a lapse of more than one hundred eighty (180) days. When there is a well located on the Leased Property that is capable of producing oil and/or gas, whether or not such well is actually producing oil and/or gas, then notwithstanding anything contained or implied in this Lease to the contrary, oil and gas shall be deemed as being produced from such well. If production and operations ceases after the expiration of the primary term, this Lease shall remain in effect if within one hundred eighty (180) days from such session, either (i) production is restored from the Leased Property or (ii) additional operations are commenced in an effort to restore production from a well located on the Leased Property, including but not limited to installing or repairing Production Equipment, reworking an existing well and drilling a new well; and thereafter this Lease shall remain in effect as long as there is not a period of more than one hundred eighty days between any such operations and/or production from a well located on the Leased Property.

(3) Operator agrees to pay or cause to be paid to Surface Owner [REDACTED]. Such payment shall become due and payable fifteen (15) days after a well is spud on the Leased Property. Such payment(s) shall represent the total consideration to be paid by Operator to Surface Owner for the granting of this Lease and all the rights set forth thereunder to Operator. Except as otherwise specifically provided herein, in consideration of this payment, Surface Owner hereby waives all surface and/or other damage payments pursuant to any rule or regulation of the Colorado Oil & Gas Conservation Commission ("COGCC"), or and state statute, common law or prior agreement, for each and every well that is drilled and/or the installation of the Production Equipment located on the Leased Property.

(4) For the purposes of this Lease, "Production Equipment" shall be deemed to include, any and all equipment and/or facilities, whether located on the surface or subsurface of the Leased Property, as deemed reasonably necessary by Operator for the purpose of conducting, any drilling, completing, producing, and operating activity on the Leased Property, or associated with, incidental to or convenient for any and all operations conducted on the Leased Property as contemplated under this Lease. Production Equipment shall include, but not limited to tanks, tank batteries, separators, dehydrators, compressors, pumping unit, vapor recovery units, wellheads, gathering lines, flowlines and other equipment, facilities and any associated housings and/or fencings.

(5) Subject to the limitations hereinafter described, Surface Owner further grants and conveys to Operator, and its designees and assigns, a non-exclusive right-of-way and easement ("Pipeline Easement") over, under and through all lands owned by Surface Owner in Section 29, Township 3 North, Range 68 West, 6<sup>th</sup> P.M., Weld County, Colorado, and in lands owned in whole or part by Surface Owner which are contiguous or adjacent thereto, for the purposes of installing, constructing, operating, maintaining, replacing and repairing one or more flow lines, gathering lines, and/or pipelines (collectively "Pipeline"), as determined necessary by Operator in, or incidental to, the exercise any of the rights granted under this Lease in and to the Leased Property, including but not limited to the transportation and marketing of oil or gas produced from any well located on the Leased Property. Operator shall provide notice to Surface Owner with advance notice of the proposed location of any Pipeline Easement. If Surface Owner should determine in good faith that the proposed location for the Pipeline and/or Pipeline Easement will unreasonably interfere with Surface Owner's intended future use of the lands, then Surface Owner shall within 15 days propose an alternative location for the Pipeline Easement. Should Operator determine that any proposed alternative location for the Pipeline Easement is not satisfactory for its operations, the location of the Pipeline Easement shall be reasonably determined by Operator giving due consideration to utilizing the most direct economic routing after taking into consideration the contemplated development of the Leased Property by Surface Owner. Operator will provide Surface Owner with as-built diagrams of the underground facilities located with the Pipeline Easements. All Pipelines shall be buried below ordinary plow depth. Subject to Surface Owner providing Operator with the land and rights necessary to construct and maintain an alternative Pipeline which is reasonable and feasible from a technical and engineering standpoint and complies with all applicable rules and regulations, Surface Owner shall have the right to require the relocation of any Pipeline, including a Pipeline lying within the Pipeline Easement, because of development plans that Surface Owner may have for the property owned by Surface Owner. Operator shall not object to any such relocation, so long as such relocation is reasonable and feasible from a technical and engineering standpoint and complies with all applicable rules and regulations. Any such relocation shall be at Surface Owner's cost and expense. Operator shall in good faith attempt to relocate any Pipeline as agreed to by the Parties within ninety (90) days of receipt of payment from the Surface Owner of the estimated cost of relocating the Pipeline. Surface Owner shall reimburse Operator for the actual costs of the relocation in excess of the estimate within thirty (30) days of receipt of an invoice from Operator or a third party that may have relocated the Pipeline at the request of Operator. Surface Owner shall be responsible for all abandonment and restoration costs associated with the Pipeline, or the portion thereof, that is abandoned at Surface Owner's request. Operator shall not be required to dig up and remove the line once abandoned, and may elect to abandon any Pipeline in place subject to the governing rules and regulations. Operator shall notify Surface Owner in writing of the abandonment and the location of the abandoned Pipeline.

(6) Surface Owner does hereby grant, transfer and convey unto Operator, and its designees and

assigns, a non-exclusive right-of-way and easement ("Drilling Easement") to drill and operate one or more horizontal and/or directional wells under the surface and through the subsurface of the all lands owned by Surface Owner in Section 29, Township 3 North, Range 68 West, 6<sup>th</sup> P.M., Weld County, Colorado and any other lands owned by Surface Owner contiguous or adjacent thereto, for the purposes of exploring, drilling, and operating for, and/or developing and producing oil and gas whether or not any such oil and gas is attributable to lands or mineral rights owned in whole or in part by Surface Owners. This Drilling Easement is separate and apart for the rights otherwise granted in this Lease. This Drilling Easement shall remain in full force and effect for the Primary Term and as long thereafter until any and all wells utilizing the Drilling Easement have been plugged and abandoned in compliance with the rules of the governmental authority.

(7) Subject to the limitations hereinafter described, Surface Owner further grants and conveys to Operator, and its designees and assigns, a non-exclusive right-of-way and easement ("Road Easement") over, upon and through all lands owned by Surface Owner in the Northeast Quarter of Section 29, Township 3 North, Range 68 West, 6<sup>th</sup> P.M., Weld County, Colorado, and in lands owned in whole or part by Surface Owner which are contiguous or adjacent thereto, to the extent necessary to provide Operator, and its employees, contractors, subcontracts, agents and representatives the rights of ingress and egress to and from the Leased Property, and for the purposes of constructing, operating, maintaining, replacing and repairing a road or roads ("Access Road"), as determined necessary by Operator in the exercise any of the rights granted under this Lease in and to the Leased Property, including but not limited to the drilling, completing, producing, and operating an oil and gas well(s) and/or the transportation and marketing of oil or gas produced from any well located on the Leased Property. To the extent possible such access shall be accomplished through the existing roads. This Lease is intended to confine the placement of any Access Road to that general area as identified and depicted on the attached plat labeled Exhibit "A". Should Operator wish to construct and maintain an Access Road outside of the Road Easement, it shall obtain Surface Owner's written consent and shall construct and maintain such road at its sole cost and expense, which consent shall not be unreasonably withheld. Except as to the extent that existing roads are used, access up to and around the Leased Property shall be on the road constructed and maintained at the sole cost and expense of Operator. Subject to Surface Owner providing Operator with the land and rights necessary to construct and maintain an alternative Access Road which is reasonable and feasible from a technical and engineering standpoint and complies with all applicable rules and regulations, Surface Owner shall have the right to require the relocation of any Access Road, including an Access Road lying within the Road Easement, because of development plans that Surface Owner may have for the property. Any such relocation shall be at Surface Owner's cost and expense. Operator shall in good faith attempt to relocate any Access Road as agreed to by the Parties within ninety (90) days of receipt of payment from the Surface Owner of the estimated cost of relocating the Access Road. Surface Owner shall reimburse Operator for the actual costs of the relocation in excess of the estimate within thirty (30) days of receipt of an invoice from Operator or a third party that may have relocated the Access Road at the request of Operator. Surface Owner shall be responsible for all abandonment and restoration costs associated with the Access Road, or the portion thereof, that is abandoned at Surface Owner's request. Should Operator use a road that is constructed by Surface Owner, Operator shall be responsible for damage caused by its use of any such road, and shall hold Surface Owner harmless from any claims brought against Surface Owner as a result of damage or personal injury which to the extent that such damage or personal injury is directly caused by the use of the road by Operator. At its sole risk and expense, Surface Owner and its tenants shall have the right to use any Access Road constructed by Operator, provided that any such use shall not interfere with the use of the Access Road by Operator, and any such party using the Access Road shall do so at its sole risk and release Operator from all claims for damages or personal injury, regardless of fault or negligence by Operator. Surface Owner shall be liable for any damage to any Access Road constructed by Operator caused by Surface Owner's or its tenants use of the Access Road, and for any claims by third parties attributable to such use.

(8) Surface Owner expressly consents to wells being drilled on the Leased Property acknowledging that the surface location of any wells drilled on the Leased Property will or may be an exception location and not lie within the drilling windows created for the designated well spacing unit by Rule 318A of the rules and regulations of the COGCC. As by this Lease, Surface Owner has agreed to the locations for wells and Production Equipment, together with the locations of Pipelines and access Roads to access the well sites, Surface Owner waives its right to engage in consultation with the oil and gas operator related to surface locations for wells,

pipelines and roads, as required under the rules and regulations of the COGCC. Further, upon request of Operator, Surface Owner agrees to execute such further documents as maybe be required by the COGCC or other governmental or regulatory agencies to acknowledge the rights granted to Operator to use the Leased Property as set forth in this Lease to facilitate the permitting of any well or operation thereon or associated therewith. To the extent required Surface Owner also agrees to obtain such further executed documents from any tenant of Surface Owner.

(9) During the term of this Lease, Surface Owner will not locate any lot line, building, or structure within the Leased Property without first granting any waiver(s) as may be required to allow Operator to continue to use the Lease Property for the purposes herein granted. Surface Owner shall not inhibit Operator's access to the Leased Property or inhibit Operator's operations within the Leased Property or any of the easements granted hereunder by landscaping or other improvements, unless otherwise agreed upon in writing by Operator, which will not be unreasonably withheld. Surface Owner 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. In order to give full effect to the purposes of this Lease, Surface Owner hereby waives its right to object to the location of any of Operator's facilities on the basis of setback requirements in the rules and regulations of the COGCC, as they may be amended from time to time. To the extent required Surface Owner agrees to obtain a similar waiver from any tenant of Surface Owner. Surface Owner further and similarly waives its right to object to any other state, county, city or local setback requirements or other requirements or regulations that are or become inconsistent with this Lease or that would prohibit or interfere with the rights of Operator, its designees and assigns, to explore for and produce oil and gas from wells located on the Leased Property in accordance with this Lease. Operator or its successors and assigns may cite the waiver in this paragraph in order to obtain a location exception or variance under COGCC rules or from any other state or local governmental body having jurisdiction. Surface Owner agrees not to object to the use of the surface of the Leased Property, so long as such use is consistent with the terms of this Lease, and Surface Owner will provide Operator or its successors and assigns with whatever written support they may reasonably require to obtain permits from the COGCC or any state, county or local jurisdiction.

(10) Operator shall be responsible for any actual damages to growing crops caused by Operator's construction and maintenance of the Leased Property, Access Road, and/or Pipeline.

(11)



(12)



(13) Should Surface Owner believe that Operator is not in compliance with any of the terms and conditions of this Lease, Surface Owner shall provide Operator with written notice of such non-compliance. Neither Party shall be liable for, or be required to pay for, special, punitive, exemplary, incidental, consequential or indirect damages to any other Party for activities undertaken within the scope of this Lease.



(14) Upon the termination of this Lease as provided in Section 2, except as to the Drilling Easement, Operator's right to use the Leased Property for additional operations or wells shall terminate. Provided, however, this Lease remain in full force and effect until Operator, at Operator's expense, has in full compliance with the rules and regulations of the COGCC and any other governing regulatory agencies, plugged and abandoned all wells drilled on the Leased Property, and has removed any and all Production Equipment or other materials placed on the Leased Property, and has reclaimed and restored both surface of the Leased Property in compliance with any applicable rules, regulations or laws, and the terms of this Lease. Operator agrees to restore the surface of the Leased Property, and any Pipeline Easement or Road Easement used by Operator in connection with or impacted by its operations, to the extent reasonably practicable to a condition similar to the condition that existed as of the date of the Lease, or as otherwise may be required under any applicable rules, regulations or laws. If within one hundred twenty (120) days of the termination of Operator's right to use the Leased Property for additional operations or wells, Operator fails to commence in good faith operations to plug a well or to restore the Leased Property, Surface Owner shall have the right to preform or have a third party preform any such action. Operator agrees to reimburse Surface Owner within thirty (30) days of receipt of an invoice from Surface Owner, any and all reasonable costs incurred by Surface Owner in connection with any such reasonable action taken by or on behalf of Surface Owner. If Operator fails to reimburse such costs within the 30-day period, Operator shall be further responsible for all costs incurred by Surface Owner in collecting any such reimbursement, including but not limited to court cost and attorney's fee.

(15) This Lease, and any amendment hereto shall not be recorded in the public records of Weld County, Colorado, without the written consent of both Parties. Provided, however, Operator may record in the public records of Weld County, Colorado, a Memorandum of Surface Lease and Use Agreement, setting forth the identity of the Parties to the Lease, the effective date, the term of the Lease, the rights granted to Operator and the lands covered by the Lease, for the purpose of notice to third parties, with the document to be recorded to be signed by Surface Owner at the request of Operator. Operator shall provide Surface Owner with a recorded copy of any such recorded document. Notwithstanding, Operator may provide a copy of this Lease to the COGCC.

(16) THIS LEASE SHALL BE INTERPRETED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF COLORADO.

(17) The rights granted herein may be assigned in whole or in part by either Party, and the terms, conditions, and provisions of this Lease are a covenant running with the land and shall extend to and be binding upon the successors, and assigns of Surface Owner and Operator. The Lease shall inure to the benefit of and shall be binding upon Surface Owner and Operator and their successors, assigns and designees.

(18) This Lease 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 Lease shall not be amended, except by written document signed by all Parties. This Lease may be executed in counterparts, each of which shall be deemed an original instrument, and which together shall constitute but one and the same instrument. A facsimile or scanned copy of the signed Lease shall be deemed as an original executed copy thereof.

IN WITNESS WHEREOF, the Parties have duly executed this Lease as of the date set forth below.

Surface Owner:  
Dorothy A. Olander Family Trust

 DFE

Date: May 19, 2017

Operator:  
Cub Creek Energy, LLC

By:   
Name: Robert A. Gardner  
Title: President and Chief Executive Officer

Date: May 19, 2017 TB

ACKNOWLEDGMENTS

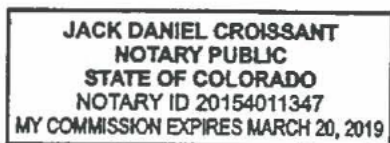
STATE OF COLORADO           )  
  ) ss.  
COUNTY OF WELD           )

The foregoing instrument was subscribed, sworn to, and acknowledged before me this 19<sup>th</sup> day of MAY, 2017, by Dorothy A. Olander Family Trust.

WITNESS my hand and official seal.

My commission expires: MARCH 20<sup>th</sup>, 2019

Jack Daniel Croissant  
Notary Public



STATE OF COLORADO           )  
  ) ss.  
COUNTY OF DOUGLAS        )

The foregoing instrument was acknowledged before me this 19<sup>th</sup> day of May, 2017, by Robert A. Gardner, as President and Chief Executive Officer of Cub Creek Energy, LLC, a Delaware limited liability company, by and on behalf of said company.

WITNESS my hand and official seal.

My commission expires: August 23, 2020

Tracy S. Butzen  
Notary Public

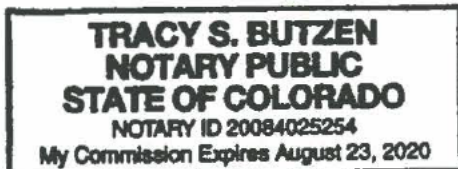
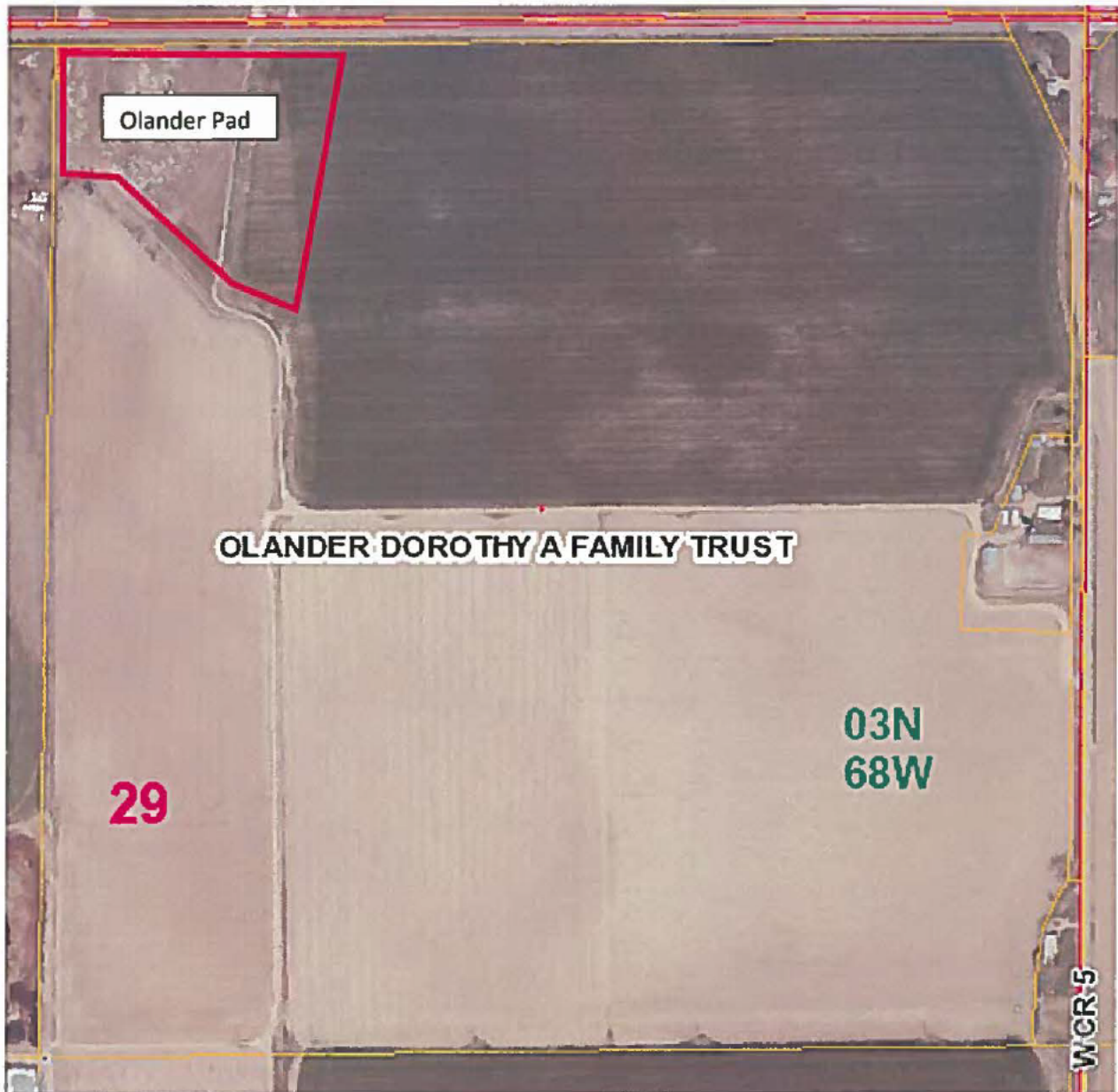




EXHIBIT "A"

Attached to and made a part of that certain Wellsite Surface Use Agreement dated May 19, 2017 by and between Dorothy A. Olander Family Trust, as Surface Owner, and Cub Creek Energy, LLC, as Operator



T3N-R68W Sec. 29 – NE4