



Nicholson GeoSolutions LLC

3433 East Lake Drive
Centennial, CO 80121

December 13, 2017

Mr. Don Rollins
Carson Rollins, Inc.
Houston, Texas

Subject: Mount Hope Reclamation

Dear Don:

Nicholson GeoSolutions LLC conducted site reclamation activities at three of six leases formerly operated by Legado DJ, LLC in Logan County, Colorado on December 7th, 2017. The locations of the six leases are shown on Figure 1.

Reclamation activities were conducted in accordance with the Colorado Oil and Gas Conservation Commission (COGCC) Series 1000 Rules by Rocky Mountain Reclamation (RMR) of Laramie, Wyoming with oversight by Nicholson GeoSolutions.

The additional reclamation activities consisted of deep ripping, the application of soil amendments, reseeding, and placement and crimping of hay mulch on three sites with persistent bare areas from previous reclamation efforts (the Mount Hope Green #1-25, Mount Hope Green #3-34, and Mount Hope Green #37 leases). Photographs that document the reclamation activities are contained in Appendix A. Each of the sites were previously reseeded in March and December 2016 to varying degrees of success.

The reclamation procedures included deep ripping to relieve soil compaction and enhance soil percolation and the application of soil amendments. The soil amendments used were Sustane organic fertilizer (6-1-3) to provide nutrients; elemental sulfur to reduce the high pH levels observed during soil sampling of the sites; compost to enhance moisture percolation, soil tilth, and lower the pH; Mycorrhiza bacteria to assist plant development; and, humates to enhance nutrient uptake. These amendments were applied to the ripped surface and then tilled into the soils using a disc attachment. The sites were then reseeded with a modified dry prairie seed mix using a custom seed drill. The details of the seed mix are provided in Table 1. Following reseeding, hay mulch was spread on the area at the rate of 2.0 tons per acre and crimped into place using a hay spreader, tractor, and disc attachment.

The sites will be inspected in June 2018 to evaluate the reclamation success and the need for any additional reclamation activities.

Nicholson GeoSolutions LLC



David K. Nicholson, P.G.
Principal Geologist

Table 1 Seed Mix Details

Species	Variety	% Pure	G +D or H	Origin
Western Wheatgrass	Rosana	37.99	91 - TZ	Washington
Green Needlegrass	Lodom	22.68	2 + 96 = 98	Montana
Sideoats Grama	Pierre	21.95	75 +15 = 90	Canada
Saltbrush, fourwing	VNS	7.16	69 - TZ	Wyoming
Blue Grama	Bad River	5.20	19 + 76 = 95	Canada
Other Crop		0.00		
Inert Matter		0.05		
Weed Seed		0.00		
Percent Hard Seed		0.30		

Seed provided by Granite Seed Company, Lehi, Utah

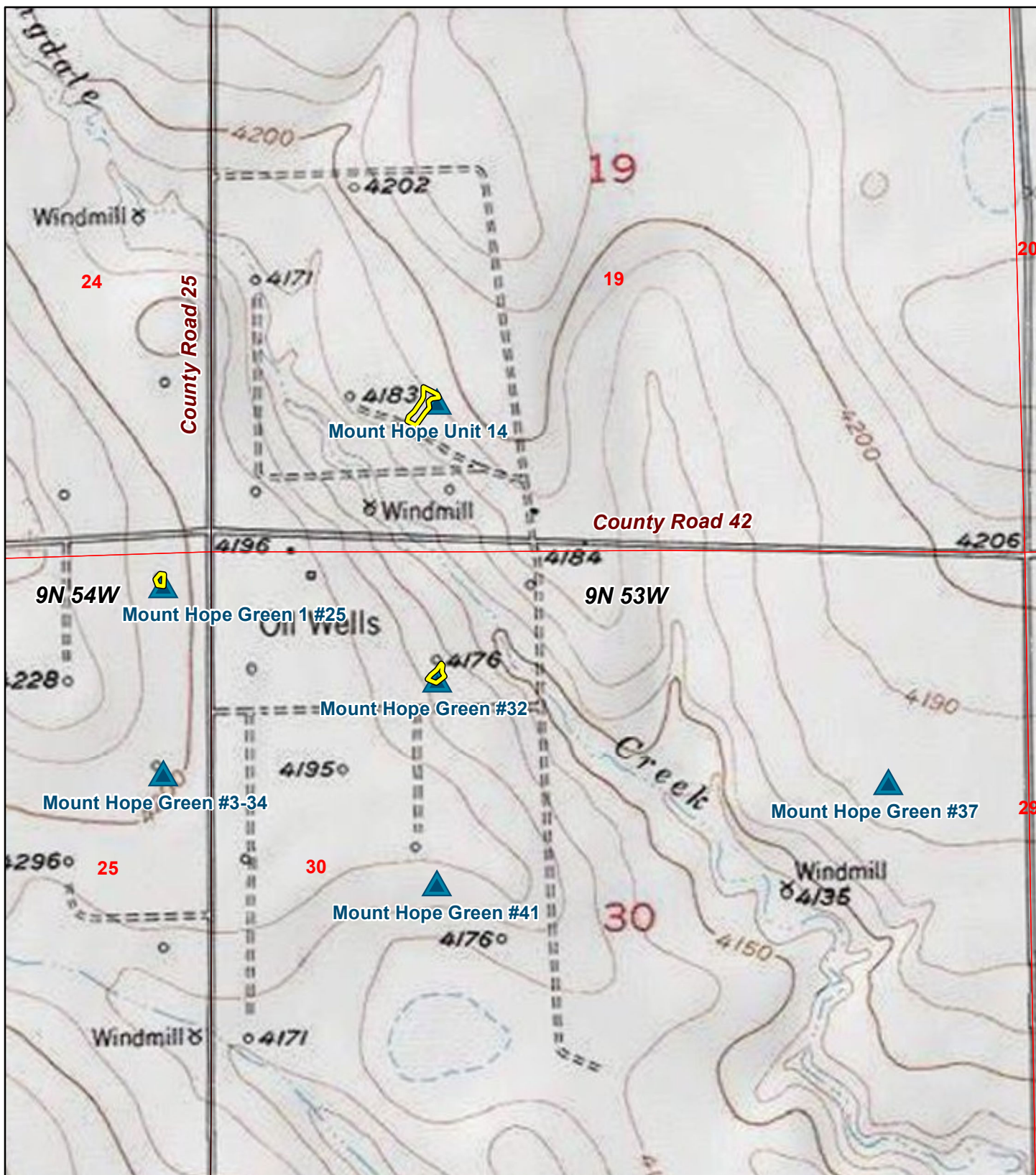


Figure 1

March
2016

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Legend



Bare Ground/Reduced
Growth



Mount Hope Leases

0 500 1,000 2,000 Feet 1" = 1,000'

Legado DJ LLC

Mount Hope
Leases
Logan County, Colorado

Appendix A
Photographs of Reclamation Activities



Mount Hope Green #1-25 prior to reseeding



Mount Hope Green #3-34 prior to reclamation



Bare areas at Mount Hope Green #1-25



Mount Hope Green #37 prior to reclamation



Application of compost



Incorporation of compost and soil amendments



Application of soil amendments



Reseeding of Mount Hope Green #1-25



Mount Hope Green #1-25 after reclamation



Mount Hope Green #3-34 after reclamation



Mount Hope Green #1-25 after reclamation



Mount Hope Green #37 after reclamation