

**FIRST AMENDMENT TO  
SECOND AMENDED AND RESTATED SURFACE USE AGREEMENT**

THIS FIRST AMENDMENT TO THE SECOND AMENDED AND RESTATED SURFACE USE AGREEMENT (this “Amendment”) is entered into and made effective as of August 1, 2018 (the “Effective Date”), between 70 Ranch, LLC, a Colorado limited liability company, having an address of 8301 East Prentice Avenue, Suite 100, Greenwood Village, Colorado 80111 (“70 Ranch”), and Confluence DJ LLC, a Colorado limited liability company, formerly known as Edge Energy, LLC, having an address of 1001 17<sup>th</sup> Street, Suite 1250, Denver, Colorado 80202 (“Confluence”). 70 Ranch and Confluence may be referred to individually herein as a “Party,” and collectively as the “Parties.”

**Recitals**

- A. 70 Ranch and Edge Energy, LLC (“Edge”) entered into that certain Surface Use Agreement, dated June 1, 2016, as amended and restated by that certain Amended and Restated Surface Use Agreement, dated October 24, 2016, and as further amended and restated by that certain Second Amended and Restated Surface Use Agreement, dated June 1, 2017, (the “Surface Use Agreement”); and
- B. Pursuant to Articles of Amendment filed with the Secretary of State of Colorado on March 6<sup>th</sup>, 2017 as Document Number 20171186853, Edge changed its name to Confluence DJ, LLC; and
- C. 70 Ranch owns all lands and real property described in Exhibit H of the Second Amended and Restated Surface Use Agreement (the “70 Ranch Lands”). Contained within the 70 Ranch Lands are: (i) that certain tract of land being a portion of Section 7, Township 4 North, Range 62 West, of the 6<sup>th</sup> P.M., County of Weld, State of Colorado (the “Section 7 Property”), (ii) that certain tract of land being a portion of Section 10, Township 4 North, Range 63 West, of the 6<sup>th</sup> P.M., County of Weld, State of Colorado (the “Section 10 East Property”), and (iii) that certain tract of land being portions of Sections 3 and 10, Township 4 North, Range 63 West, of the 6<sup>th</sup> P.M., County of Weld, State of Colorado (the “Section 10 West Property”), (collectively, the “Properties”); and
- D. Confluence owns certain rights to explore, drill, produce, operate and develop the oil and gas estate in, to and under the Properties, and lands near or adjacent to the Properties (the “Confluence Interest”). Confluence desires to explore, drill, produce, operate and develop the Confluence Interest, and in connection therewith, drill, test, case, complete, equip, construct, install, operate, own, maintain, rework, repair, replace and remove wells, wellbores, wellheads, pumps, tanks, meters, gauges, separators, heater treaters, compressors, engines, flow lines, power lines, pads, structures, fences, gates, and other oil and gas facilities and above-ground appurtenances (collectively, the “Facilities”) to be situated on each of the Properties in a defined area not to exceed 6.95 acres, more or less, for the Section 7 Property (the “Section 7 Wellsite”), 6.5 acres, more or less, for the Section 10 East Property (the “Section 10 East Wellsite”), and 16.2 acres, more or less, for the Section 10 West Property (the “Section 10 West Wellsite”) (collectively, the “Wellsites”), as depicted on Exhibit “A” and Exhibit “B” of the Surface Use Agreement, and Exhibit “A-1” and Exhibit “B-1” of the Surface Use Agreement, as amended hereby; and
- E. 70 Ranch owns an interest in an existing access road beginning at the end of WCR 388 and traversing approximately 7.4 miles in a southeasterly direction to the Section 7 Property, as depicted on Exhibit “B” to the Surface Use Agreement (the “Existing Section 7 Access Road”). Confluence plans to build, construct, install and maintain an additional access road to the Section 7 Wellsite from the Section 7 Access Road (together the “Section 7 Access Road”) after consultation with 70 Ranch. Confluence plans to build, construct, install and maintain access roads on 70 Ranch to the Section 10 East Wellsite and to the Section 10 West Wellsite. For the Section 10 East Wellsite, the access road shall start at an access point

on WCR 69, which is approximately 1,450 feet north of HWY 34, more or less, and end at the Section 10 East Wellsite, approximately 450 feet (the "Section 10 East Access Road"). For the Section 10 West Wellsite, Confluence shall share an existing access road beginning at a point on HWY 34 in Section 4 of 4N-63W and ending just east of the line between Section 3 and Section 4, from there Confluence shall construct approximately 1200' of access road to the Section 10 West Wellsite (the "Section 10 West Access Road"). Both roads are depicted on Exhibit "B-1" to the Surface Use Agreement, as amended hereby, and shall be built with the approval and design input of 70 Ranch. Collectively, the "Section 10 East Access Road", "Section 10 West Access Road" and the "Section 7 Access Road", shall be the "Access Roads"; and

F. Confluence desires to build, construct, install, own, operate, maintain, repair, replace and remove pipelines, valves, meters, compressors and other above-ground appurtenances (the "Pipelines") connecting the wells on the Properties to a third-party pipeline in an alignment mutually satisfactory to Confluence and 70 Ranch. 70 Ranch and Confluence have agreed upon and executed Non-Exclusive Pipeline Right-of-Way Grant (the "ROW"), a copy of which is shown on Exhibit "G" to the Surface Use Agreement. The Wellsites, the Access Roads and the Pipelines are further depicted on Exhibit "B" to the Lease and Exhibit "B-1" to the Lease, as amended hereby; and

G. 70 Ranch has or will grant to Confluence the rights of access to and use of the Properties, the Facilities, the Wellsites, the Access Roads and the Pipelines subject to the terms and conditions of this Surface Use Agreement, the ROW, and that certain Second Amended and Restated Surface Lease Agreement effective as of June 1st, 2017, as amended by the First Amendment to the Second Amended and Restated Surface Lease Agreement executed contemporaneously herewith (the "Lease").

H. The Parties desire to amend the Surface Use Agreement in accordance with the terms and conditions hereof.

#### Agreement

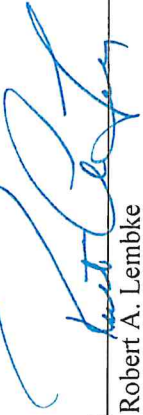
FOR TEN DOLLARS (\$10.00), the mutual premises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Except as otherwise provided herein, all capitalized terms shall have the meanings assigned to them in the Surface Use Agreement.
2. The Surface Use Agreement is amended hereby to replace all references to "Edge" with "Confluence."
3. Section 3(c) of the Surface Use Agreement is hereby deleted in its entirety and replaced with the following:
  - (c) On or before the 30th day of each calendar month during the term of the Lease, Confluence shall pay to 70 Ranch a surface use payment (the "Surface Use Payment")

4. The Parties hereby acknowledge and agree that the payments due as of the Effective Date pursuant to Sections 4(i), 4(ii) and 4(iii) of the Surface Use Agreement have been paid in full.
5. Section 4 of the Surface Use Agreement is hereby amended by adding the following new paragraph 4(c):
  - (c) During the term of the Lease, Confluence shall pay 70 Ranch the Surface Use Payment on or before the 30<sup>th</sup> day of each calendar month in accordance with the terms of Section 3(c) above.
6. Section 15(a) of the Surface Use Agreement is hereby deleted in its entirety and replaced with the following:
  - 15(a). This Agreement will remain in full force and effect for as long as Confluence or its successors produce oil, gas or other hydrocarbon substances from any wells or maintains wells capable of producing oil, gas or other hydrocarbons that are shut-in and located on the Wellsites. Confluence may terminate the Lease any time if Confluence has (i) plugged and abandoned all wells drilled, maintained, operated and owned by Confluence, and (ii) complied with the requirements pertaining to removal of equipment, reclamation, cleanup and all other provisions of this Agreement and all applicable laws and regulations. When this Agreement ceases to be in full force and effect, the Parties will execute any and all releases necessary to evidence the fact that this Agreement shall no longer applies to the Properties.
7. Exhibit "A-1" to the Surface Use Agreement is hereby deleted in its entirety and replaced with Exhibit "A-1" attached hereto.
8. Exhibit "B-1" to the Surface Use Agreement is hereby deleted in its entirety and replaced with Exhibit "B-1" attached hereto.
9. Exhibit "G" to the Surface Use Agreement is hereby deleted in its entirety and replaced with the Exhibit "G" attached hereto.
10. As amended hereby, all provisions of the Surface Use Agreement remain in full force and effect, and are valid and binding in accordance with their terms. As amended hereby, the Surface Use Agreement, and all of the terms and provisions thereof, are binding upon 70 Ranch and Confluence, and their respective successors and assigns, and are deemed to be covenants running with the land, and a burden upon the Properties for the benefit of the Confluence Interest.
11. In the event of a conflict between the terms of this Amendment and the terms of the Surface Use Agreement, the terms of this Amendment shall control and govern the point in conflict. To the extent there is a conflict between the terms of the Surface Use Agreement, as amended hereby, and the Lease, the terms of the Surface Use Agreement shall control and govern the point in conflict. To the extent that there is a conflict between the terms of the Surface Use Agreement, as amended hereby, and the Easement, the terms of the Surface Use Agreement, as amended hereby, shall control and govern the point in conflict.
12. This Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

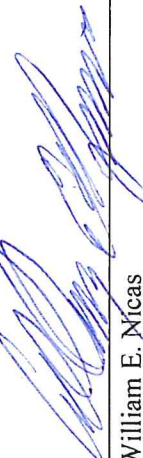
**EXECUTED** on the dates stated in the acknowledgments hereto, to be effective for all purposes as of the Effective Date.

**70 RANCH, LLC**



By: Robert A. Lembke  
Its: Manager

**CONFLUENCE DJ LLC**



By: William E. Micas  
Its: Sr Vice President

**APPROVED**  
**as to**  
**FORM**

Acknowledgements Attached

  
July 31, 2018

# ACKNOWLEDGEMENTS

STATE OF COLORADO )

) ss

COUNTY OF Adams )

The foregoing instrument was acknowledged before me this 1<sup>st</sup> day of August, 2018, before me, personally appeared Robert A. Weber as Manager of 70 Ranch, LLC, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or entity upon behalf of which the person acted, executed the instrument.

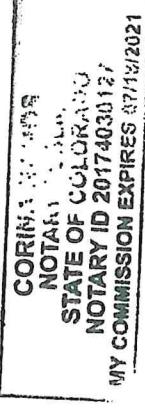
WITNESS my hand and official seal.

My commission expires:

7/18/2021



Notary Public



Corina Ramos

STATE OF Colorado )

) ss

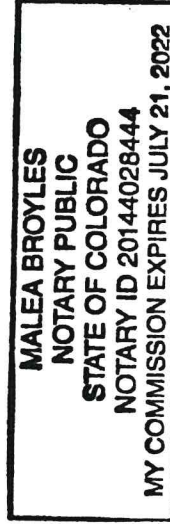
COUNTY OF Denver )

On August 1<sup>st</sup>, 2018, before me, personally appeared William E. Nicas as SR VP Land + Business Development of Confluence DJ LLC, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

My Commission Expires:

7.21.2022



Notary Public

Malea Broyles

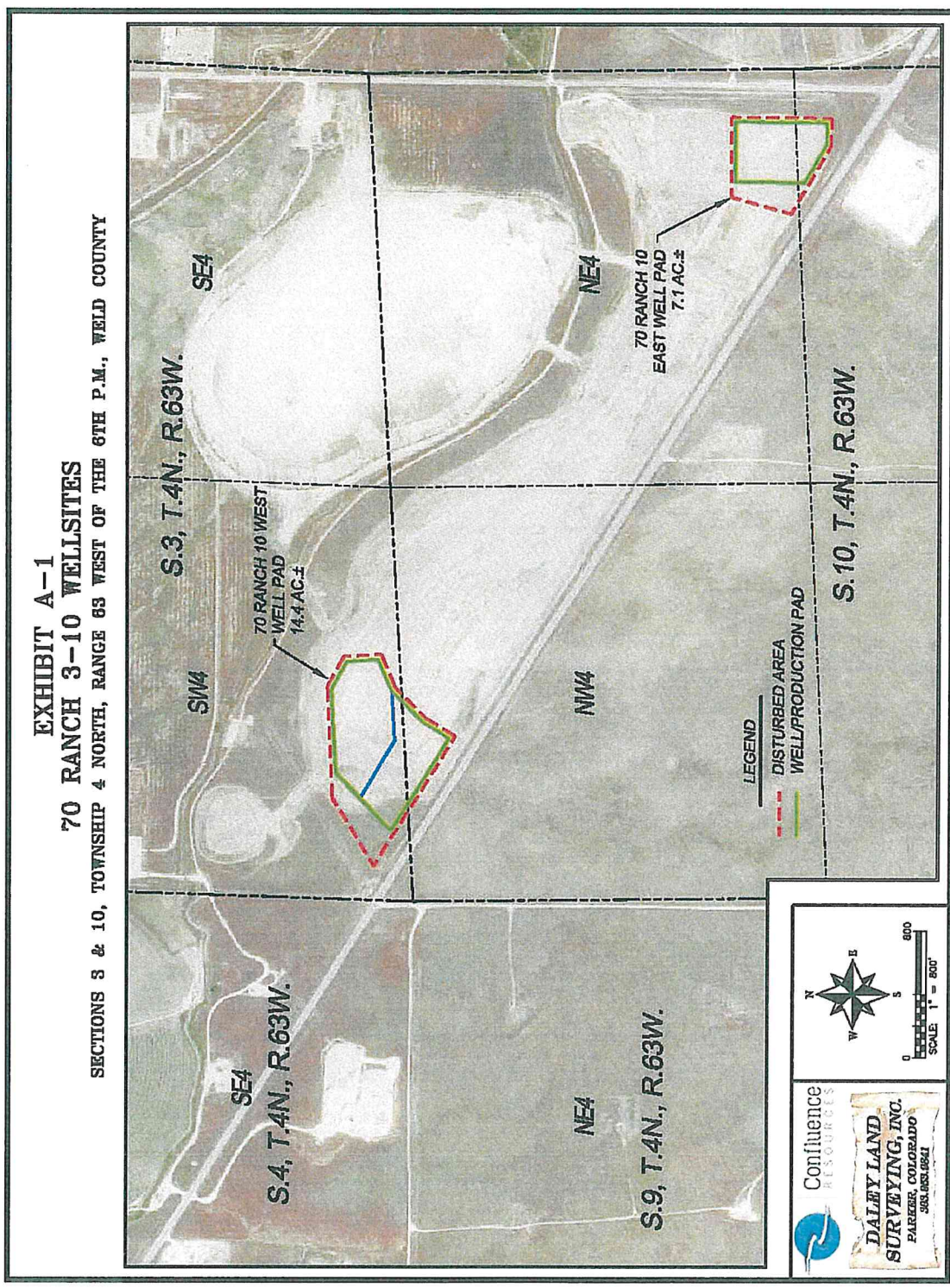


**Exhibit "A-1"**

*To that certain Second Amended and Restated Surface Use Agreement dated June 1, 2017,  
as amended by that certain First Amendment dated August 1, 2018,  
by and between Confluence DJ, LLC and 70 Ranch, LLC*

**The "Section 10 East Wellsite" and the "Section 10 West Wellsite"**

T.4N-R.63W - Section 3 and Section 10  
Weld County, Colorado





**Exhibit "B-1"**

*To that certain Second Amended and Restated Surface Use Agreement dated June 1, 2017,  
as amended by that certain First Amendment dated August \_\_, 2018,  
by and between Confluence DJ, LLC and 70 Ranch, LLC*

**The "Section 10 Access Road" and "Pipelines"**

T.4N-R.63W - Section 3 and Section 10  
Weld County, Colorado

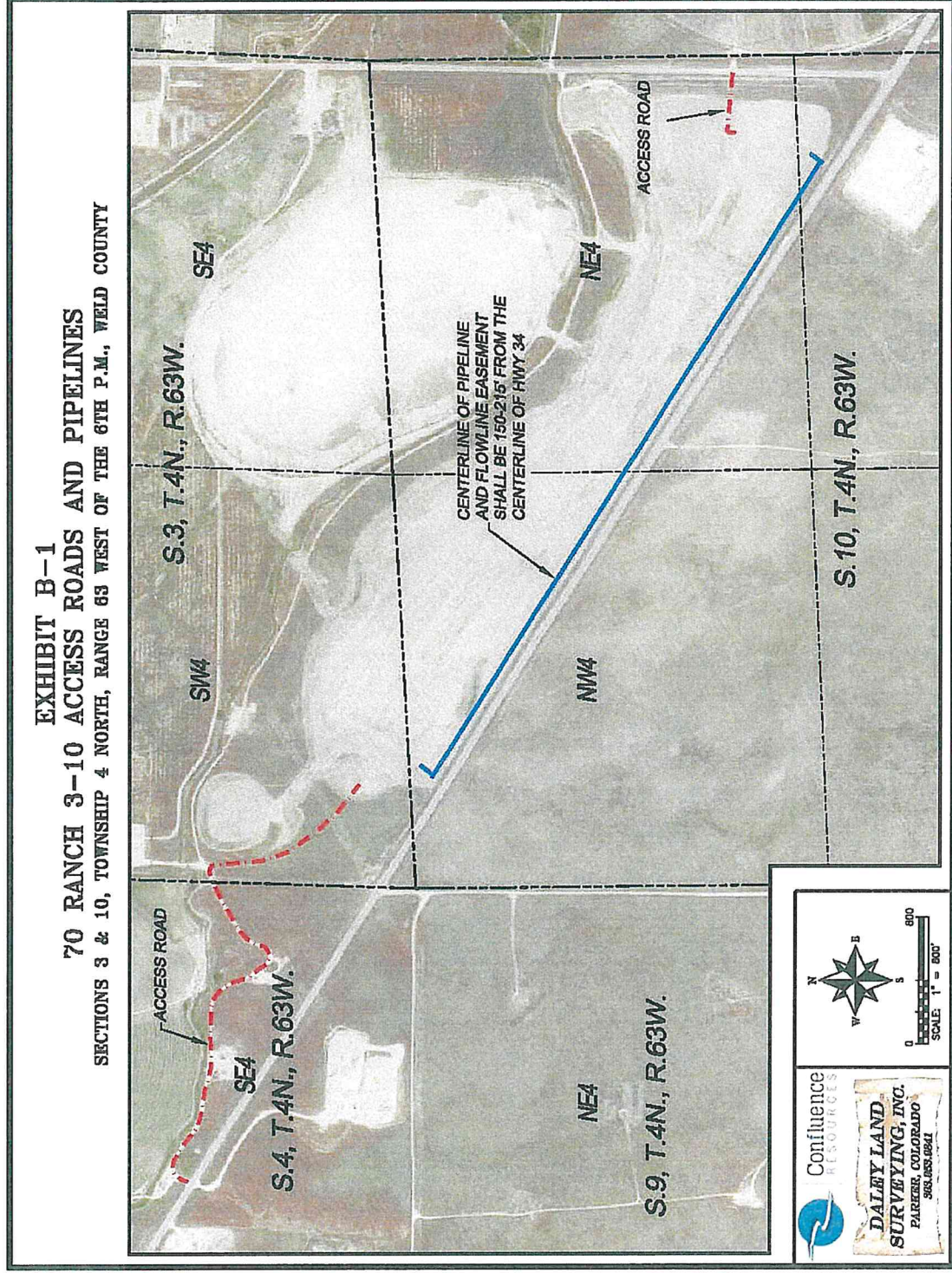


Exhibit "G"

To that certain Second Amended and Restated Surface Use Agreement dated June 1, 2017,  
as amended by that certain First Amendment dated August 1, 2018,  
by and between Confluence DJ, LLC and 70 Ranch, LLC

**NON-EXCLUSIVE PIPELINE RIGHT-OF-WAY GRANT**

FOR AND IN CONSIDERATION OF THE SUM OF one hundred dollars and no cents (\$ 100.00 ) for the pipeline to be constructed under the terms hereof, to be paid after a survey establishing the route of the lines has been completed, and before construction is commenced,

70 Ranch, LLC  
8301 E Prentice Avenue, Suite 100  
Greenwood Village, CO 80111

hereinafter referred to as "Grantor" (whether one or more) does hereby grant, to Confluence DJ, LLC, its successors and assigns, hereinafter referred to as "Grantee", a non-exclusive easement, Fifty (50) feet in width, for the purpose of installing and maintaining multiple product flow lines and gas lines from time to time, operating, inspecting, maintaining, protecting, repairing, replacing, and removing such pipelines and appurtenances essential to its operation for the transportation of oil, gas, petroleum products, produced water, and any products and derivatives of any of the foregoing, and any combinations and mixtures of any of the foregoing, upon and along a route, as depicted on the attached Exhibit A, through the following described land located in **WELD** County, State of **COLORADO**, to wit:

Township, Range of the 6<sup>th</sup> P.M.

Section 10: Township 4 North, Range 63 West, 6<sup>th</sup> P.M.

In connection with the grant of the fifty foot easement, Grantor also grants a temporary license to use an alignment, One Hundred (100) feet in width and coaxial with the identical alignment of the pipeline easement as shown in Exhibit A, for initial construction of this line only.

**Said temporary construction license and permanent non-exclusive pipeline easement being more particularly described on Exhibit "A" attached hereto and made a part hereof.**

Together with the right of ingress and egress to and from said pipeline and valve site, which shall be limited to Grantee only on the pipeline easement described herein, or to such other routes as Grantor may agree to from time to time.

No construction may begin until Grantor and Grantee have held an onsite consultation. Grantee shall provide sufficient notice to Grantor's representatives to allow the representatives of Grantor and Grantee to hold an onsite consultation on the route, protection and erection of fencing, cattle guards, potential road repairs and other matters not less than seven (7) days prior to the mobilization of heavy equipment to the site. Grantor agrees to reasonably cooperate in good faith with Grantee regarding matters discussed in the consultation.

It is agreed that the pipelines to be laid under this grant shall be constructed a minimum depth of forty-eight (48) inches below the surface of the ground to permit normal cultivation at the time of construction, and Grantor shall have the right to fully use and enjoy the above described premises subject to the rights herein granted.

Grantee agrees to reclaim those lands disturbed during construction as nearly as practicable to its original condition and reseed the same as soon as possible. Upon completion of the pipeline installation and reseeded activities which shall be no later than 60 days from the date of completion (weather permitting), said temporary construction license shall terminate. If the reclamation effort fails in whole or in part for any reason, or if the location is re-disturbed with additional heavy equipment for operations or maintenance by Grantee, then Grantee shall continue the reclamation process until such time as those lands have been successfully reclaimed.

Grantee shall have the right to clear all trees, undergrowth and other obstructions from the herein granted permanent right-of-way, and Grantor agrees not to build, construct or create any buildings, structures or engineering works on the herein granted right-of-way that will interfere with the normal operation and maintenance of said line.

Grantee agrees to repair, replace, or at Grantor's discretion, pay to the owners and to any tenant, as their interests may be, any and all damages to crops, timber, fences, drain tile, or other improvements on said premises that may arise from the exercise of the rights herein granted; provided, however, that after the pipeline has been constructed hereunder, Grantee shall not be liable for damages caused on the easement by keeping said easement clear of trees, undergrowth, and brush in the exercise of the rights herein granted. Any payment due hereunder may be made direct to the said Grantor or any one of them. The initial consideration paid by Grantee to Grantor includes any and all damages that may be sustained by original construction of the pipeline within the easement area, including without limitation, cutting trees and damages to surface, fences or any other property owned by Grantor. If the property is leased, Grantee will settle actual damages with tenant.

Grantee further agrees that, if at any time, the pipeline settles or causes any settling in the area of the pipeline, it will make all necessary repairs at Grantee's sole cost and expense and pay damages to crops, improvements, or any facilities or infrastructure affected by such settling, within sixty days of the discovery of the condition.



## Exhibit "G" - Cont.

The grant is made in consideration that Grantee, its successors and assigns, shall hold Grantor, its successors and assigns, harmless from damages or liability of any character which may arise out of the exercise of the rights herein granted.

The terms, conditions, and provisions of the contract shall extend to and be binding upon the heirs, executors, administrators, personal representatives, successors, and assigns of the parties hereto.

This easement shall terminate by its own terms at such time as the line installed in the easement has been unused for a continuous twelve month period. Grantee's obligations to abandon and remove the pipe and appurtenant facilities shall survive termination of the easement, and shall continue indefinitely until such abandonment and removal has been completed and certified by the state or federal agency having jurisdiction.

TO HAVE AND TO HOLD said easement, rights, estates, and privileges unto Grantee, its successors and assigns, as long as said easement is used for the purposes granted herein.

IN WITNESS WHEREOF, Grantor and Grantee have executed this instrument this \_\_\_\_\_ day of June, 2018 signed, sealed, and delivered in the presence of:

Grantor: 70 Ranch, LLC

APPROVED  
as to  
FORM  
7/3/2018

By: Robert A. Lembke  
Title: Manager

Grantee: Confluence DVI LLC

By:  
Title:

Acknowledgements on following page

Exhibit "G" - Cont.

ACKNOWLEDGEMENT

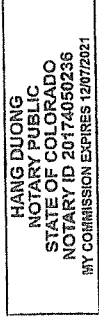
STATE OF COLORADO

ss.  
COUNTY OF

Before Me, the undersigned, a Notary Public in and for said County and State, on this day personally appeared, Robert A. Lembke as Manager of 70 Ranch LLC, known to me to be the same person who executed the within and foregoing instrument, and acknowledged to me he executed the same as his free and voluntary act and deed for the purposes and consideration therein expressed.

Given Under My Hand and Seal of Office, this 11<sup>th</sup> day of July, A.D. 2018.

My commission expires: 12/07/2021



Hang Duong  
Notary Public

ACKNOWLEDGEMENT

STATE OF COLORADO

ss.  
COUNTY OF

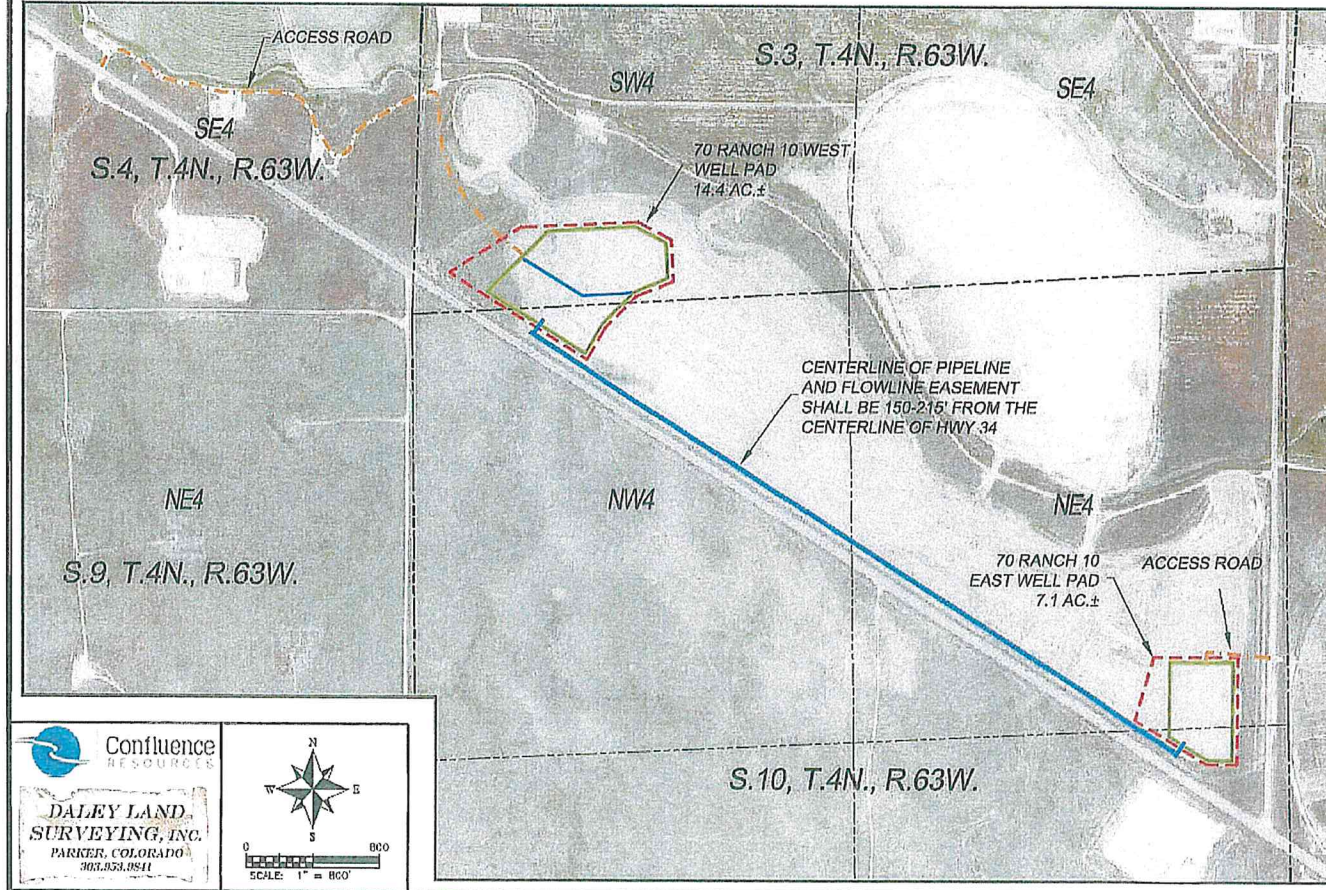
Before Me, the undersigned, a Notary Public in and for said County and State, on this day personally appeared, William E. Nicas as Senior Vice President of Land & Business Development of Confluence DJ LLC, known to me to be the same person who executed the within and foregoing instrument, and acknowledged to me he executed the same as his free and voluntary act and deed for the purposes and consideration therein expressed.

Given Under My Hand and Seal of Office, this \_\_\_\_ day of May, A.D. 2018.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

**EXHIBIT A**  
**70 RANCH 10 WELL & PRODUCTION PADS**  
 SECTIONS 3 & 10, TOWNSHIP 4 NORTH, RANGE 63 WEST OF THE 6TH P.M., WELD COUNTY



Drawing Date: 6/28/10

Confluence  
RESOURCES  
 DALEY LAND  
SURVEYING, INC.  
 PARKER, COLORADO  
 303.853.9841