

ASSIGNMENT OF WELLBORE INTEREST

This Assignment of Wellbore Interest ("**Assignment**"), dated effective January 1, 2019 at 7:00 A.M., Mountain Time (the "**Effective Time**") is from PDC Energy, Inc., a Delaware corporation ("**Assignor**"), with an address of 1775 Sherman Street, Suite 3000, Denver, Colorado 80203, to K.P. Kauffman Company, Inc., a California corporation ("**Assignee**"), with an address of 1675 Broadway, 28th Floor, Denver, CO 80202-4628.

For \$10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby sells, assigns, transfers, grants, bargains and conveys to Assignee, subject to the reservations, exceptions, terms, covenants and conditions below stated, all of Assignor's right, title and interest, whether present, contingent or reversionary, in and to the following (the "**Wellbore Interests**"):

(a) The wells described on **Exhibit "A"** attached hereto and made a part hereof (the "**Wells**"), whether producing or non-producing, together with the oil and gas and all other hydrocarbons ("**Hydrocarbons**") that may be produced from the Wells from and after the Effective Time and attributable to Assignor's working interest in the Wells;

(b) The oil and gas leases described on **Exhibit "B"** (the "**Leases**"), including without limitation any and all working interests, including rights to after-payout working interests and operating rights, together with the lands covered thereby as described on **Exhibit "B"** and the lands pooled, communitized or unitized therewith (the "**Lands**"), **insofar and only insofar** as such Leases and Lands cover the Wells and are necessary to access, operate, maintain or repair the Wells, or produce, sell or market Hydrocarbons from the wellbores of the Wells, including without limitation all spaces, cavities and areas penetrated by the wellbores of the Wells and by any fractures associated with the completion of the Wells;

(c) To the extent transferable, in and to all existing and effective unitization, pooling and communitization agreements, declarations and orders, and the properties covered and the units created thereby, **insofar and only insofar** as such rights are necessary to access, operate, maintain or repair the Wells, or produce, sell or market Hydrocarbons from the wellbores of the Wells;

(d) To the extent transferable, in and to all contracts and agreements relating to the Wells or the Hydrocarbons produced therefrom, including but not limited to, all Hydrocarbon sales, purchase, gathering, transportation or processing contracts, operating agreements, balancing agreements, and farmout agreements (the "**Contracts**"), **insofar and only insofar** as such rights are necessary to access, operate, maintain or repair the Wells, or produce, sell or market Hydrocarbons from the wellbores of the Wells;

(e) To the extent transferable, in and to all surface leases, subsurface leases, surface use agreements, rights-of-way, easements, licenses, permits, authorizations and other surface or subsurface agreements pertaining to the Wells, Leases, and Lands (collectively, the "**Surface Agreements**"), **insofar and only insofar** as the Surface

Agreements are necessary to access, operate, maintain or repair the Wells, or produce, sell or market Hydrocarbons from the wellbores of the Wells;

(f) All personal property relating to or used or held for use solely in connection with the operation of the Wells as of the Effective Time, including but not limited to, all machinery, equipment, fixtures, and all other personal property of whatever kind or nature; and

(g) All files and records pertaining to the items described in (a) through (f), above, including without limitation, lease, land, well, division order, title and contract files, landowner contact information, title abstracts, title opinions, maps, logs, drilling reports, joint interest billing, lease operating expense, division of interest, tax and other accounting records. If, however, Assignor is bound by confidentiality obligations to non-affiliated third parties that limit Assignor's ability to comply with the requirements of this Paragraph (g), Assignor may withhold only those files and records that Assignor is prohibited from disclosing, pursuant to such confidentiality obligations.

TO HAVE AND TO HOLD the Wellbore Interests unto Assignee and its successors and assigns forever subject to the following terms and conditions:

Section 1. Disclaimer. THIS ASSIGNMENT IS MADE WITH WARRANTY AND REPRESENTATION OF TITLE ONLY AS TO CLAIMS MADE BY, THROUGH OR UNDER ASSIGNOR OR ITS AFFILIATES, BUT NOT OTHERWISE AND ALL OTHER WARRANTIES OR REPRESENTATIONS, EITHER EXPRESS, IMPLIED, OR STATUTORY, ARE EXPRESSLY DISCLAIMED. THIS ASSIGNMENT IS MADE WITHOUT ANY EXPRESS, IMPLIED, OR STATUTORY WARRANTY OR REPRESENTATION AS TO THE CONDITION, QUANTITY, QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR ANY PURPOSE, FREEDOM FROM DEFECTS, OR MERCHANTABILITY OF ANY OF THE WELLS, FACILITIES, PIPELINES, FLOWLINES, PLATFORMS, OR EQUIPMENT. FURTHERMORE, ASSIGNEE ACCEPTS THE WELLS, FACILITIES, PIPELINES, FLOWLINES, PLATFORMS, AND EQUIPMENT "AS IS", "WHERE IS," AND "WITH ALL FAULTS," AND ASSIGNEE RELEASES ASSIGNOR FROM ANY AND ALL LIABILITY FOR LOSS ARISING FROM USE OF THE PROPERTY. ASSIGNEE AND ASSIGNOR AGREE THAT, TO THE EXTENT REQUIRED BY APPLICABLE LAW TO BE EFFECTIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS ASSIGNMENT ARE "CONSPICUOUS" DISCLAIMERS."

Section 2. Assumption of Liabilities. As of the Effective Time, Assignee hereby agrees to assume, bear and perform all the duties, obligations and liabilities arising in connection with or related to the Wells, including, but not limited to the following: (i) all burdens; (ii) all production taxes (including applicable penalties and interest); (iii) compliance with all applicable laws pertaining to the Wellbore Interests, including the procurement and maintenance of all permits required by governmental authorities or applicable law in connection with the Wellbore Interests; and (iv) the condition of the Wellbore Interests, both surface and subsurface (including all obligations to properly plug and abandon, or re-plug and re-abandon, all wells that are located on the Wellbore Interests, to restore the surface of the Lands, and to comply with, or to bring the Wellbore Interests into compliance with applicable law, including conducting any remediation activities, investigations, feasibility studies, and other clean-up activities which may be required); (v) all liabilities, costs, expenses and claims related to (a) ownership and operation of the Wells

after the Effective Time and (b) any environmental claims, environmental liabilities or environmental laws, ordinances or regulations related to the Wells, whether arising before or after the Effective Time. For the avoidance of doubt, the foregoing duties, obligations and liabilities shall be limited to only those arising in connection with or related to the Wells.

Section 3. Proration of Costs and Revenues. Assignee shall be entitled to all production of Hydrocarbons from or attributable to the Wells from and after the Effective Time (and all products and proceeds attributable thereto), and to all other income, proceeds, receipts and credits earned with respect to the Wells at or after the Effective Time, and shall be responsible for (and entitled to any refunds with respect to) all Property Expenses, as defined herein, incurred on or after the Effective Time. Assignor shall be entitled to all Hydrocarbons produced from or attributable to the Wells prior to the Effective Time (and all products and proceeds attributable thereto), and to all other income, proceeds, receipts and credits earned with respect to the Wells prior to the Effective Time, and shall be responsible for (and entitled to any refunds with respect to) all Property Expenses incurred prior to the Effective Time. "Earned" and "incurred," as used in this Assignment shall be interpreted in accordance with GAAP and COPAS standards, except as otherwise specified in this Assignment. For purposes of allocating production (and proceeds and accounts receivable with respect thereto), (1) liquid Hydrocarbons shall be deemed to be "from or attributable to" the Wells when they pass through the pipeline connecting into the storage facilities into which they are run, and (2) gaseous Hydrocarbons shall be deemed to be "from or attributable to" the Wells when they pass through the royalty measurement meters, delivery point sales meters, or custody transfer meters on the gathering lines or pipelines through which they are transported (whichever is closest to the Well). Assignor shall utilize reasonable interpolative procedures, consistent with industry practice, to allocate of production when exact meter readings or gauging and strapping data are not available.

The term "Property Expenses" means all expenses and payments of every kind attributable to the Wells, including capital expenses, operating expenses, facilities and plant expenses, joint interest billings, overhead costs charged to the Wells where the applicable operating agreement(s), lease operating expenses, lease rental and maintenance costs, and burdens.

Section 4. Further Assurances. Assignor shall execute, acknowledge and deliver or cause to be executed, acknowledged and delivered such instruments and take such other action as may be reasonably necessary or advisable to carry out the purposes and intents of this Assignment.

Section 5. Successors and Assigns. This Assignment binds and inures to the benefit of Assignor and Assignee and their respective successors and assigns.

Section 6. Exhibits. All exhibits attached hereto are hereby made part hereof and incorporated herein by this reference. References in such exhibits to instruments on file in the public records are notice of such instruments for all purposes. Unless provided otherwise, all recording references in such exhibits are to the appropriate records of the counties in which the Properties are located.

Section 7. Counterparts. This Assignment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute but one and the same instrument.

[Signature page follows]

EXECUTED on the dates contained in the acknowledgments of this Assignment, to be effective for all purposes as of the Effective Time.

ASSIGNOR:

PDC Energy, Inc.

By: 

Name: Paul Whisenand

Title: Director of Land

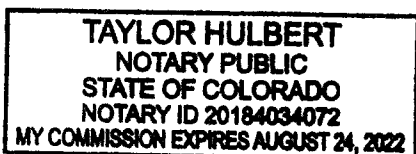
ASSIGNOR'S ACKNOWLEDGEMENT

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 21st day of May, 2019, by Paul Whisenand, as Director of Land of PDC Energy, Inc., a Delaware corporation, on behalf of said corporation.

Witness my hand and official seal.

[SEAL]





Notary Public

My commission expires: 8/24/2022

EXECUTED on the dates contained in the acknowledgments of this Assignment, to be effective for all purposes as of the Effective Time.

ASSIGNEE:

K.P. Kauffman Company, Inc.

By: 
Name: Jeffrey V. Kauffman
Title: President and COO

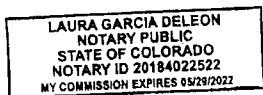
ASSIGNEE'S ACKNOWLEDGEMENT

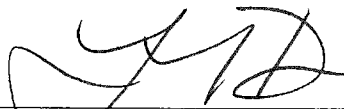
STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 20th day of May, 2019, by Jeffrey V. Kauffman, as President and COO of K.P. Kauffman Company, Inc., a California corporation, on behalf of said limited liability companies.

Witness my hand and official seal.

[SEAL]




Notary Public

My commission expires:
05/29/2022

Exhibit A*Attached to and made a part of that certain Assignment of Wellbore Interest dated Effective January 1, 2019***Wells**

Well Name	API No.	Spud Date	Tshp	Rng	Sec
Jacobucci 23-32	05-123-21328	4/3/2003	1N	67W	32
Jacobucci 13-32	05-123-20024	8/4/2000	1N	67W	32
Our Diane 31-27	05-123-15467	12/20/1991	2N	68W	27
Our Diane 32-27	05-123-08501	8/16/1975	2N	68W	27

Exhibit B

Attached to and made a part of that certain Assignment of Wellbore Interest dated Effective January 1, 2019

Leases

PDC Lease No.	Lessor	Lessee	Lease Date	Legal Description	Gross Acres	Recording No. & County
COL01550.000	Jean J. Jacobucci	Rocky Mountain Oil and Gas Co.	11/01/1970	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: S2	310.00 acres, more or less	1557322 Weld County
COL01551.000	Earl Taylor and Margaret L. Taylor, husband and wife	Coors Energy Company	4/27/1987	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: That portion of the SE, as further described in the lease	4.10 acres, more or less	2098753 Weld County
COL01552.000	Thomas C. Lynch and Evelyn S. Lynch, husband and wife	Coors Energy Company	4/24/1987	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: Beginning at the Southeast corner of Section 32, thence West along the South line of Section 32, 416 feet; thence North and parallel with the East line of the Section 32, 832 feet; thence East and parallel with the Southline of Section 32, 416 feet, to a point on the East line; thence South along the East line of Section 32, 832 feet to the true point of beginning; subject to county road right-of-way on the East 30 feet.	7.94 acres, more or less	2098752 Weld County
COL01553.000	Opal Mae Norris, a widow	Coors Energy Company	4/23/1987	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: That portion of the SE, as further described in the lease	7.43 acres, more or less	2098754 Weld County
COL01554.000	Billy A. and Carol A. Burris, husband and wife	Coors Energy Company	4/24/1987	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: Lots 3 and 4 of the Jacobucci Subdivision, as further described in the lease	8.00 acres, more or less	2098755 Weld County
COL01555.000	Carl Schreiner and Lois Mae Schreiner, husband and wife	Coors Energy Company	4/28/1987	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: That portion of the SESE, as further described in the lease	4.10 acres, more or less	2098756 Weld County
COL01556.000	Cheryl E. Tracy, a married woman dealing in her sole and separate property	Coors Energy Company	4/29/1987	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: That portion of the SE, as further described in the lease	4.56 acres, more or less	2098757 Weld County
COL01557.000	Robert G. Daratany and Ruth Daratany, husband and wife	Coors Energy Company	4/27/1987	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: Lot 2 of the Jacobucci Subdivision, as further described in the lease	4.00 acres, more or less	2098758 Weld County
COL01558.000	Carl F. and Donna J. Weaver, husband and wife	Coors Energy Company	5/04/1987	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: That portion of the SE, as further described in the lease	4.00 acres, more or less	2099240 Weld County

COL01559.000	Mountain View Water Users Association	Byron Oil Industries, Inc.	1/10/1982	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: All that part of the SESE, as further described in the lease	0.23 acres, more or less	1887030 Weld County
COL01560.000	John F. Rupert, Jr. and Betty Ann Rupert, husband and wife	Byron Oil Industries, Inc.	1/10/1982	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: That part of the SE, as further described in the lease	4.10 acres, more or less	1894307 Weld County
COL01565.000	Thomas C. Lynch and Evelyn S. Lynch, husband and wife	Byron Oil Industries, Inc.	6/02/1982	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: That part of the SE, as further described in the lease	7.10 acres, more or less	1896578 Weld County
COL01566.000	Carl F. Weaver and Donna J. Weaver	Byron Oil Industries, Inc.	6/04/1982	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: Lot 1, Jacobucci Subdivision, as further described in the lease	3.99 acres, more or less	1896990 Weld County
COL01567.000	Carl Schreiner and Lois Schreiner	Byron Oil Industries, Inc.	6/02/1982	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: That part of the NESE, as further described in the lease	4.10 acres, more or less	1896579 Weld County
COL01568.000	Earl Taylor and Margaret L. Taylor, husband and wife	Byron Oil Industries, Inc.	6/04/1982	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: That part of the NESE, as further described in the lease	4.10 acres, more or less	1896583 Weld County
COL01569.000	Opal Mae Norris	Byron Oil Industries, Inc.	6/04/1982	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: A parcel of land in the SE, as further described in the lease	7.10 acres, more or less	1896581 Weld County
COL01570.000	Darr Tracy and Cheryl E. Jacobucci Tracy	Byron Oil Industries, Inc.	6/14/1982	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: That part of the SE, as further described in the lease	4.10 acres, more or less	1896580 Weld County
COL01571.000	Billy A. Burris and Carol A. Burris, husband and wife	Byron Oil Industries, Inc.	6/02/1982	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: Lots 3 and 4, Jacobucci Subdivision, as further described in the lease	7.99 acres, more or less	1896582 Weld County
COL01572.000	Dennis E. Brenning and Judith S. Brenning	Byron Oil Industries, Inc.	3/12/1982	<u>Township 1 North, Range 67 West, 6th P.M.</u> Section 32: Lot 2, Jacobucci Subdivision, as further described in the lease	3.99 acres, more or less	1897898 Weld County
COL01519.000	Carl A. Miller	Martin J. Freedman	8/21/1970	Insofar and only insofar as said lease covers: <u>Township 2 North, Range 68 West, 6th P.M.</u> Section 27: W2NE, NENE, N2SENE	620.00 acres, more or less	1554539 Weld County
COL01535.001	The Rocky Mountain Fuel Company, a Corporation (Delaware)	Thomas H. Connelly	1/18/1971	Insofar and only insofar as said lease covers: <u>Township 2 North, Range 68 West, 6th P.M.</u> Section 27: S2SENE, SE	660.00 acres, more or less	1562474 Weld County