

**MEMORANDUM OF AGREEMENT
(Section 21: Gus Pad)**

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

Pursuant to the terms of that certain unrecorded Surface Use Agreement dated the 10th day of February, 2017, together with a Payment Agreement of the same date (collectively, the "Surface Use Agreement"), between the undersigned, and subject to the conditions set forth therein, **Great Western Operating Company, LLC** ("Great Western"), with an address of 1801 Broadway, Suite 500, Denver, CO 80202, and **Kortum Investment Company, LLLP**, a Colorado limited liability limited partnership, whose address is 15A Marlborough Rd., Shalimar, FL 32579, and **Patricia Castrodale**, whose address is 4 Sears Ct., Keokuk, IA 52632 (collectively, "Surface Owner"), agree to the location of the well(s) and payment for damages to the surface of land connected with the access to, and the drilling, construction, completion, recompletion, reworking, re-entry, production, maintenance and operations of, the well(s) and associated pipelines, tank batteries and other facilities or property of Great Western associated with the well(s) and located on the following land (the "Property"):

Township 1 South, Range 67 West, 6th P.M.
Section 21: N/2
Adams County, Colorado

Great Western is hereby granted a right-of-way and easement over that portion of the Property identified as the Surface Location Easement on **Exhibit "A"** attached hereto, being approximately 9 acres, during the term of the Surface Use Agreement, to drill, complete and operate oil and gas wells on the Property, including horizontal and directional wells that produce from and drain all or portions of the Property or any adjacent properties, provided that such locations must be 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. Surface Owner hereby waives its right to, and covenants that Owner shall not protest or object to any such exception location or application for the same by Great Western, provided that such exception location is otherwise consistent with the Surface Use Agreement.

Great Western is hereby granted a subsurface easement under the Property, during the term of the Surface Use Agreement, for passage of any portion of any wellbore for any of the future wells, whether producing or non-producing, including the right to occupy and use the subsurface pore space displaced by the wellbore and all structures appurtenant thereto.

It is agreed and understood that the location of the above-referenced wells will be outside of the COGCC designated drilling windows as set forth in Rule 318A.a. Said designated drilling windows are generally defined as the center of any governmental quarter section or quarter-quarter section.

It is further agreed and understood that the above-referenced wells will not be "twinned" as required by COGCC Rule 318A.c. Pursuant to Rule 318A.c.(2), Great Western will locate the wells on the agreed upon location as depicted in the Surface Use Agreement.

Great Western and Surface Owner intend that the grant of easement in this instrument and the Surface Use Agreement creates a valid, present interest in the Property in favor of Great Western. The covenants and rights contained in, and granted by, this instrument and the Surface Use Agreement are made for the direct benefit of the Property and shall run with and against the Property and inure to the benefit of and bind Surface Owner and Great Western and their respective agents, assigns, employees, heirs, lessees, mortgagees, permittees, successors, and transferees, and all entities or persons claiming by, through, or under them.

This Memorandum of Agreement is executed by Surface Owner and Great Western and placed of record in Adams County, Colorado for the purpose of placing all persons on notice of the existence of the Surface Use Agreement. A true and complete copy of the Surface Use Agreement is available from Great Western to any person with an interest in the above-described Property.

[Remainder of page intentionally left blank. Signatures follow.]

In witness whereof, this instrument is executed and made effective this 10th day of February, 2017.

KORTUM INVESTMENT COMPANY, LLLP:

GREAT WESTERN OPERATING COMPANY:

By: 

William B. Kortum, General Partner

By: 

Steve R. Stacy, Sr. Vice President – Land

PATRICIA CASTRODALE:

By: 

Patricia Castrodale

In witness whereof, this instrument is executed and made effective this 10th day of February, 2017.

KORTUM INVESTMENT COMPANY, L.L.P.:

GREAT WESTERN OPERATING COMPANY:

By: 
William B. Kortum, General Partner

By: _____
Steve R. Stacy, Sr. Vice President – Land

PATRICIA CASTRODALE:

By: _____
Patricia Castrodale

Exhibit "A"

Attached to and made a part of that certain Memorandum of Agreement dated the 10th day of February, 2017, between Kortum Investment Company, LLLP and Patricia Castrodale (collectively, "Surface Owner"), and Great Western Operating Company, LLC.

