

NICKEL ROAD

O P E R A T I N G

February 27, 2020

Ms. Carla Herold
20297 COUNTY ROAD 84
Ault, CO 80610

RE: Well Re-Entry and Mitigation
Colorado Oil and Gas Conservation Commission ("COGCC") – DJ Basin Horizontal Offset Policy

TOWNSHIP 7 NORTH, RANGE 65 WEST, of the 6th P.M.

SECTION 4: SE/4 SW/4

**Weld County, Colorado
(the "Lands")**

Per the COGCC DJ Basin Horizontal Offset Policy, any existing oil and gas wells within 1500' of a proposed horizontal wellbore that does not have adequate protection and isolation over the treated formations must be re-entered and mitigated prior to hydraulic stimulation of the proposed horizontal wellbore. The following well(s) on your Lands do not meet the COGCC standards and must be mitigated prior to Nickel Road's hydraulic fracturing operations:

- Simpson 42-4 (API: 05-123-11525), SESW Sec 4 7N65W

Nickel Road Operating LLC is required to enter your Lands in order to locate, unearth, re-enter and mitigate this existing plugged and abandoned well prior to hydraulic fracturing operations. This process will take approximately ten days from commencement to completion.

Nickel Road Operating agrees to restore the areas impacted by our operations as follows:

- a) Surface Restoration: Upon cessation of Nickel Road's operations on the Lands, all areas thereof occupied or utilized by Nickel Road Operator (including the area around the well to be remediated, and any utilized access roads) will be restored to their original condition as is reasonably practicable at the sole expense of Nickel Road.
- b) Crop Damage: Nickel Road agrees to pay Owner actual damage caused by operations for damages to Crops. Damages shall be calculated under the USDA federal crop insurance guidelines and standards, or at the election of the Owner, damages shall be calculated using the average price received by Owner for the last three years for the acreage in which damage occurred.

Please sign below consenting to Nickel Road Operating, LLC and/or its contractors or agents entering your Lands located in Weld County, Colorado in order to perform the work described above.

If you have any questions or concerns, please do not hesitate to contact Alex Jones- Operations Manager at the following:

Email: alex.jones@nickelroadoperating.com

Office: 303-330-3670

Thank you for your attention to this matter.

Respectfully,



Blake Leavitt
Vice President of Land
Nickel Road Operating LLC

As owner of the Lands, I hereby consent to Nickel Road Operating LLC and/or its contractors or agents to enter the Lands in Weld County, Colorado in order to mitigate the Simpson #42-4 (API: 05-123-11525) well in accordance with the Colorado Oil and Gas Conservation Commission's DJ Basin Horizontal Offset Policy.

Surface Owner:

Carla Herold

Signature

Dated

If you have any questions or concerns, please do not hesitate to contact Alex Jones- Operations Manager at the following:

Email: alex.jones@nickelroadoperating.com

Office: 303-330-3570

Thank you for your attention to this matter

Respectfully,

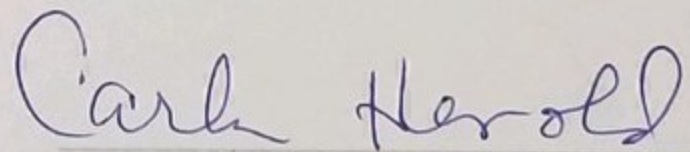


Blake Leavitt
Vice President of Land
Nickel Road Operating LLC

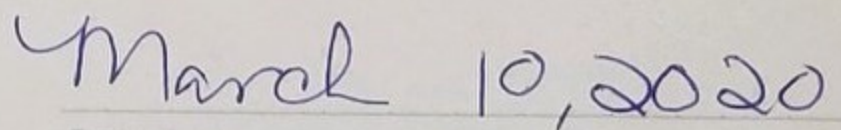
As owner of the Lands, I hereby consent to Nickel Road Operating LLC and/or its contractors or agents to enter the Lands in Weld County, Colorado in order to mitigate the Simpson #42-4 (API: 05-123-11325) well in accordance with the Colorado Oil and Gas Conservation Commission's DJ Basin Horizontal Offset Policy.

Surface Owner:

Carla Harold



Signature



Dated