

SURFACE USE AGREEMENT

This Surface Use Agreement ("**Agreement**") is made and entered into this 1st day of December, 2016, by and between **Edmundson Land, LLC** (referred to as "**Surface Owner**"), and **Ward Petroleum Corporation**, (referred to as "**Ward Petroleum**" or "**Operator**"); sometimes referred to each as a "**Party**," or collectively as the "**Parties**."

RECITALS:

1. The Surface Owner owns the surface of certain lands located in Adams County, Colorado that are more specifically described as follows ("**Property**");

Township 1 South, Range 66 West, 6th P.M.

Section 30: SE1/4SE1/4SE1/4

2. As an inducement to Ward Petroleum entering into this Surface Use Agreement (the "**Agreement**"), Surface Owner represents to Ward Petroleum that the Surface Owner owns the entire surface of the Property in fee simple, subject to prior existing rights, including exceptions, reservations and encumbrances of record..

3. Ward Petroleum and Surface Owner have agreed upon the terms of this Agreement pursuant to which Ward Petroleum may drill, complete, and produce oil and gas wells on and from the surface of the Property

NOW, THEREFORE, in consideration of the premises, the payments made and to be made hereunder, the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Surface Owner and Ward Petroleum agree as follows:

1. **Recitals.** The Recitals set forth above are incorporated in this Agreement as though fully restated in this Paragraph 1.

2. **Oil and Gas Operations Area.** Upon the execution hereof, Ward Petroleum may use the portion of the Property that is identified and described as the Oil and Gas Operations Area on Exhibit A attached hereto. In particular, Ward Petroleum may use the oil and gas operations area to drill, complete, operate, and produce all and as many oil and gas wells that are permitted by state officials, including to drill to bottom hole locations both under the Lands and outside of the Lands, either in whole or in part. In using the surface of the Oil and Gas Operations Area, Ward Petroleum shall be entitled to construct, install, and maintain on the Property all equipment related to the oil and gas wells, specifically including, wellheads, pump jacks, production facilities, separators, emission control and vapor recovery units, oil tanks, water tanks, flow lines, utility lines and pipelines, and water vaults. Ward Petroleum may use this area to conduct any and all operations that may be reasonably necessary, useful or convenient for the drilling, completion and production of oil and gas from the surface of the

Property, including and not being limited to fracking and refracking the wells, working and reworking the wells and the redrilling of the wells, the recompletion of the wells and the deepening of the wells. Ward Petroleum may also construct, as necessary, and use access roads and Lines over the Property in accordance with the provisions of paragraph 3 below. Ward Petroleum may unilaterally make changes to the configuration of equipment and locations designated within the Oil and Gas Operations Area as depicted on Exhibit A which do not materially interfere with Surface Owner's existing use of the Surface Estate. Material changes to the designated Oil and Gas Operations Area which may interfere with Surface Owner's existing use of the Surface Estate may be made by Operator only with the consent of Surface Owner.,.

3. Access Roads and Lines.

(a) **Grant.** To the extent reasonably practical, Ward Petroleum shall use existing roads to access the Oil and Gas Operations Area and to conduct Operations on the Property. Notwithstanding the foregoing, Surface Owner grants to Ward Petroleum a non-exclusive easement on and across the Property, including over other lands owned, leased or claimed by Surface Owner which are adjacent to or contiguous with the Property, to use the existing roads or to construct one or more roads (an "Access Road") at the locations shown on Exhibit A for ingress and egress by Ward Petroleum, in the event reasonably necessary to access the Oil and Gas Operations Area and to conduct its Operations. Surface Owner further grants to Ward Petroleum an easement over the Property for the construction, operation, and maintenance of oil and gas flow lines, pipelines, gathering lines, telecommunications lines, electric lines and water lines (collectively referred to as "Lines") at the locations shown on Exhibit A; excluding however, pipeline and other rights of way outside of the Oil and Gas Operations Area.

(b) **Construction of Access Road(s) and Lines.** Any new Access Roads shall be limited to approximately 60 feet, being 30 feet on each side of the centerline, and shall be constructed according to the locations for such roads depicted on Exhibit A attached hereto, if currently known and so depicted, or if not so depicted along the boundary lines of the Property, or along the section lines of the Property.,. Culverts shall be installed at ditch and drainage crossings when requested in writing by Owner, and shall be sized to prevent obstruction to the free flow of the volumes of water being carried, inclusive of flood stages. Similarly, all Lines shall be constructed according to the locations for such lines depicted on Exhibit A attached hereto, if currently known and so depicted or if not so depicted, shall be constructed along the boundary lines of the Property, or along the section lines of the Property.,. Ward Petroleum shall protect all water sources and conveyance structures, including but not limited to the natural flow of creeks, wells, and ditches, from all Operations and shall immediately remedy any diversion, curtailment, or blockage of water flows or contamination of water sources. Upon Surface Owner's written request, Ward Petroleum shall construct cattle guards at all places where Ward Petroleum requires access through Surface Owner's fences. Permanent gates shall be installed at each point where an Access Road intersects perimeter or cross fences. If Surface Owner or Ward Petroleum elects to lock any gate on the Access Road, keys shall be provided to the other Party.

4. **Grant of Easement.** Surface Owner hereby grants to Ward Petroleum an easement in the Property to use the Oil and Gas Operations Area depicted on Exhibit A to conduct oil and gas operations, in accordance with the provisions of Paragraph 3 above. Surface Owner further grants to Ward Petroleum an easement for ingress and egress to the Oil and Gas Operations Area and an easement for the construction, operation, and maintenance of the oil and gas flow lines, pipelines, gathering lines, telecommunications lines, electric lines and water lines, in accordance with the provisions of paragraph 3 above excluding however, pipeline and other rights of way outside of the Oil and Gas Operations Area which shall be negotiated on an arm's length basis between the Parties. Additionally, to the extent that Surface Owner owns the oil and gas underlying all or a portion of the Property, Surface Owner grants to Ward Petroleum a subsurface easement, located anywhere on the Property, during the term of this Agreement, for route of any portion of any wellbore associated with Operator's oil or gas wells, whether producing or nonproducing, including the option to engage and use the subsurface pore space relocated by the well bore and any and all constructions pertinent thereto.

5. **Waivers, Consents, and other permitting documents.** The parties acknowledge that in order to conduct its operations on the Lands, Ward Petroleum must comply with the rules and regulations of and obtain permits from the Colorado Oil and Gas Conservation Commission ("COGCC") and other governmental units and as appropriate, obtain from the Surface Owner waivers, consents, and/or releases from the Surface Owner. This Agreement constitutes written consent of Surface Owner for Ward Petroleum to conduct the oil and gas operations contemplated by this Agreement on the Property, as it deems necessary or convenient to the development of the oil and gas wells contemplated by this Agreement pursuant to the terms and conditions contained herein. This Agreement also constitutes Surface Owner's written acknowledgment that Ward Petroleum has provided an appropriate Notice of Drilling in accordance with Rules 305.b (1) and 305.c of the COGCC and has properly engaged in Drilling Consultation with Surface Owner in accordance with COGCC Rule 306.a (1). This Agreement also constitutes Surface Owner's acknowledgment that Ward Petroleum has complied with the well location requirements of COGCC Rule 318 A or that Surface Owner has waived any provisions of such rule that are inconsistent with or conflict with the well locations selected by Ward Petroleum pursuant to this Agreement. Surface Owner further agrees to cooperate with Ward Petroleum in providing any other waivers, consents or other documents reasonably needed by Ward Petroleum in the conduct of its operations in accordance with the terms of this Agreement. Surface Owner further expressly waives the application of any setbacks required by the Colorado Oil and Gas Conservation Commission ("COGCC") that may be inconsistent with this Agreement.

Operator agrees to provide Surface Owner with the COGCC Form 2A ("Oil and Gas Location Assessment") and the Applications for Permit to Drill for the Property when submitted to the COGCC and to ensure that said forms accurately reflects the provisions of this Agreement. Surface Owner agrees not to object to these Forms. so long as they are consistent with this Agreement, and if consistent with this Agreement, Surface Owner hereby waives any right granted by COGCC rule to comment on these Forms, to request an extension of the comment period, to request an onsite inspection pursuant to COGCC policy, or to appeal the approval and issuance of the Form 2A, and any related Form 2 ("Application for Permit to Drill").

Surface Owner also agrees not to oppose Operator in any COGCC or other governmental proceeding related to Operator's Operations, including, but not limited to, permitting, formation of drilling units, well spacing, well density, pooling, drilling, completion, stimulation, re-stimulation, workovers, deepening and recompleting, provided that Operator's position and contemplated undertakings in such proceedings are consistent with this Agreement.

6. **Compensation to Surface Owner.** As consideration and compensation, Ward Petroleum agrees to provide to Surface Owner the following consideration:

(a) Upon execution of this Agreement by Surface Owner, Ward Petroleum shall make a non-refundable payment to Surface Owner in amount of [REDACTED]. This payment shall be credited to and applied against the future consideration to be provided to Surface Owner under the provisions of (b) below;

(b) The Payment of the Sum of [REDACTED] for each horizontally drilled Well and associated Facilities & Access Roads and the sum of [REDACTED] for each vertically drilled Well and associated Facilities and Access Roads. Any amount in excess of the initial [REDACTED] payment referenced in (a) above, which shall be first credited against the well payments, shall be made by Ward Petroleum prior to the commencement of the Well. . This Amount shall be deemed full and agreed consideration for all damages caused or created by reason of the reasonable and customary ingress, egress, rights-of-way, drilling, completion, production and maintenance operations associated with the Wells and Facilities. Such damages will include, without limitation, damage to growing Crops and crop land; the removal, transportation and care of any livestock.; Operator shall be responsible for the re-seeding, construction and use of access roads; and the preparation and use of the wellsite areas and the reclamation of all such areas affected by Operator's operations. Any subsequent major operations for said Wells (refracking, recompletion, deepening, redrilling, etc.), except in case of emergency, shall require 10 days prior notice to Owner. Operator shall pay Owner for any additional actual damages caused by said subsequent operations and/or caused by the negligence of Ward Petroleum or its contractors.

(c) This subsection applies because Surface Owner agrees to allow Operator to use the Property as a multi-well drill site notwithstanding that the Surface Owner's Oil and Gas Lease with the Operator covering the Surface Owner's Property specifies that the Lease is a "no surface entry" Lease. Consequently, Operator shall pay to Surface Owner a monthly pad site fee in addition to the per well payments above on the production from all of the wells located by Operator on the Surface Owner's Property. This pad site fee shall amount to 0.50% of the revenues produced from all wells located on the Surface Owner's Property. The pad site fee shall be calculated on the gross sales proceeds actually received by Operator or, if applicable, its affiliate, as a result of the sale of the produced substances to an unaffiliated party. The pad site fee shall be a condition of and not a covenant under this Agreement. Grantee agrees to pay the pad site fee monthly to the Surface Owner and to use its best efforts to make the first pad site fee within 180 days after the first sale of the produced substances for each of wells drilled on the Surface Owner's Property.

(d) Operator shall remain liable for damages caused by its negligence or willful misconduct in drilling, completing and producing from the wells that are the subject of this Agreement and for damages to real property, personal property and crops caused by operations not contemplated by this Agreement. Notwithstanding any other provision herein to the contrary, Operator shall be liable for any and all damages, caused by its: (1) violation(s) of this Agreement; or (2) violation(s) of any Rule and/or Regulation of the COGCC, provided Surface Owner shall not have a private right of action to enforce any such Rule and/or Regulation. Compensation for additional surface damages occasioned by negligence on the part of Operator or for use of the Lands for operations not contemplated by this Agreement shall be negotiated between Owner and Operator. If the parties cannot agree on such damages, the question of such damages and the amount of compensation due shall be determined by arbitration as provided in Section 16, below.

7. **Payment of Expenses.** Ward Petroleum covenants and agrees to pay all of the costs and expenses attributable to the oil and gas wells that are drilled on the Property pursuant to the terms of this Agreement to include and not being limited to the design, construction, surveying, leveling, demolition and construction, topsoil removal storage and restoration, road construction and maintenance, fencing, weed control and any other costs and expenses related or incurred in connection with the development, construction, operation and maintenance of the Property for the purposes of this Agreement and the wells to be drilled pursuant to this Agreement.

8. **Assignability.** Ward Petroleum may assign to any successor Operator all or any portion of this Agreement at any time and from time to time provided that no such assignment shall enlarge, amend or modify the obligations or duties of the parties to this Agreement. Should Surface Owner sell the Property during the term of this Agreement, this Agreement shall automatically run with the land and inure to the benefit of and be binding upon Surface Owner's successor or assign. If Ward Petroleum makes any such partial or complete assignment of this Agreement or if Surface Owner sells the Property, the assigning or selling party shall notify the other party in writing of the name and address of the assignee; whereupon, the assigning party will be relieved of any further obligation(s) under this Agreement as to that portion of this Agreement and the Property covered by the assignment or sale.

9. **Compliance with applicable laws and rules and regulations.** Ward Petroleum shall conduct its operations on the Property, including the plugging and abandonment of the wells drilled on the Property pursuant to this Agreement in compliance with the applicable Oil and Gas Lease(s) and applicable rules and regulations of the COGCC and any other governmental unit with jurisdiction over the Property, provided, however, that this covenant of Ward Petroleum shall not create a private right of action in Land Owner or Land Owner's successors and assigns to enforce privately such laws, rules and regulations.

10. **Surface Owner's Treatment of Oil and Gas Operations Area.** Other than by a sale of the Property under which the Property shall remain subject to this Agreement, Surface Owner shall not encumber or grant to any other party any rights that pertain to the designated Oil and Gas Operations Area. Further, Surface Owner shall not install or plant any trees, landscaping other than ground cover, or watering systems and shall not construct or erect any temporary or permanent buildings, structures or other obstructions or improvements in, on or under the Oil and Gas Operations Area, Access Roads, and Lines (collectively, "**Encroachments**"). Ward Petroleum shall have the right to remove any and all such Encroachments. Surface Owner further agrees not to convey any other rights of way or other conflicting rights within the areas designated for Ward Petroleum's construction of Lines that might interfere with Ward Petroleum's construction or operation of these Lines. However, with the prior written consent of Ward Petroleum, which consent may be withheld by Ward Petroleum but only in the exercise of its reasonable discretion, Surface Owner may install and maintain, at its own expense and expense, ground cover, landscaping and watering systems ("**Landscaping**") within the Property but outside of the Oil and Gas Operations Area, provided that the Landscaping will not interfere with Ward Petroleum's operations. Land Owner acknowledges that Ward Petroleum's normal operations may from time to time disturb or destroy any installed Landscaping. Nothing in this Section 10 shall prohibit Surface Owner, or its successors or assigns, from granting a mortgage or deed of trust on the Property.

11. **Notices.** All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been fully given, made and received only when personally delivered, received via facsimile that has been confirmed electronically, delivered by Federal Express or other nationally recognized courier service, or three (3) days after having been deposited in the United States mail, postage prepaid, return receipt requested. All notices, requests, demands, payments, and other communications required or permitted hereunder shall be addressed as set forth below:

IF TO SURFACE OWNER:

Edmundson Land, LLC
c/o Matt Edmundson
18539 WCR 4
Brighton, CO 80603-9414
Phone: (303) 654-1682

IF TO WARD PETROLEUM

Ward Petroleum Corporation
Attn: Kent Craig
215 West Oak Street, Suite 1000
Fort Collins, CO 80521
Phone: 970-449-4632

12. **Successors and Assigns.** This Agreement and all of the covenants and obligations herein shall be covenants and obligations running with the land and shall inure to the benefit of and be binding upon the party's successors and assigns and any tenants of the Surface Owner.

13. **Recording of Agreement.** Surface Owner and Ward Petroleum agree that Ward Petroleum may record an original of this Agreement or a Memorandum thereof in the real property records of Adams County, Colorado.

14. **Integration Clause.** This Agreement contains the entire understanding between the parties hereto with respect to the transactions contemplated herein and such understanding shall not be modified except in writing signed by or on behalf of the parties hereto.

15. **Savings Clause.** If any provision of this Agreement or the application hereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Agreement nor the application of such provision to any other person or circumstances shall be affected thereby, but rather the same shall be enforced to the greatest extent permitted by applicable law.

16. **Breach of Agreement and Arbitration.**

(a) **Default and Right to Cure.** In the event of any alleged default by Operator in the payment of any of the sums hereinabove provided to be made, in the obligations to be performed, or as to any other terms, conditions or covenants of this Agreement or in the event of any alleged default by Surface Owner in its obligations to be performed or other terms, conditions, or covenants of this Agreement, the non-breaching party shall notify the other party by certified mail, return receipt requested, of the alleged default. The party receiving such notice shall have 60 days from receipt of the written notification in which to dispute or otherwise respond to the notification or to cure the default, before any further action is taken by the non-breaching party. However, this notice period may be shortened as necessary if the non-breaching party may suffer immediate or irreparable damages if the breaching party's actions continue. If any such breach is not cured within the time provided or if the parties cannot agree on a resolution of any dispute with respect to this Agreement, such dispute will be resolved through arbitration. Any such arbitration will be conducted by the Judicial Arbitrator Group ("JAG") in Denver, Colorado, by a single arbitrator employed by or associated with JAG. Such arbitrator will have knowledge of oil and gas law, either as a lawyer licensed to practice law in Colorado or a judge familiar with oil and gas issues. Either Party may serve upon the other a demand for such arbitration, which should be served by fax and mail, or by hand delivery. Surface Owner and Operator agree that if either of them initiates a demand for such arbitration, Surface Owner and Operator will thereafter attempt to mutually agree on the selection of one of the JAG arbitrators to be the arbitrator. Surface Owner and Operator will confer on the selection of such arbitrator within 10 days after the demand for arbitration is served, and will agree upon the selection of a JAG arbitrator, if possible, within 20 days after the arbitration demand has been served. In the event that Surface Owner and Operator are unable to agree on the selection of such arbitrator within this 20-day time period, then Surface Owner and Operator will each

submit to JAG, via fax, the names of three arbitrators (meeting the requisite experience specified above) who are employed by or associated with JAG, whom each would find acceptable to be the arbitrator. Such submission to JAG will be made on the fifth business day after the 20-day time period referenced above has expired. JAG will thereafter select from the names submitted by Surface Owner and Operator a single arbitrator who will hear and decide the arbitration based upon applicable Colorado law. The arbitrator will issue an arbitration decision within 30 days after the arbitration hearing is concluded. In the event that JAG no longer exists, the arbitration will be conducted by another arbitration or mediation entity with expertise in oil and gas matters that is mutually acceptable to the parties. Any decision by the arbitrator relating to the dispute between Lessor and Lessee will be final and binding upon both Surface Owner and Operator.

17. Additional Surface Use Provisions, Access Roads, Fences, and Facilities. With respect to its operations on the Property, Ward Petroleum shall comply with the following additional provisions:

A. Access Roads:

(i) Operator will maintain all Access Roads in good repair and condition, except that the Surface Owner shall be solely responsible for damage caused by Surface Owner.

B. Surface Restoration:

(i) Upon permanent cessation of Operator's operations on the Lands, all areas thereof occupied or utilized by Operator will be restored by Operator to their original contour as nearly as is reasonably practicable.

C. Other:

(i) Operator will install culverts on the Lands that may be necessary to maintain present drainage and irrigation otherwise affected by its operations on the Lands.

(ii) If by reason of the activities of the Operator, including, but not limited to, drilling, completing, equipping, and operating of the Wells, there is damage to personal property of the Surface Owner, including, but not limited to, irrigation wells, fences, culverts, bridges, pipelines, ditches, or irrigation systems, and for which Owner has not been previously compensated pursuant to Paragraph 6, Operator will repair or replace such items after consultation with and to the reasonable satisfaction of the Surface Owner. Surface Owner will notify Operator of any items damaged after the Wells' construction and Operator will repair or replace such items after consultation with the Surface Owner within 15 days of occurrence, if reasonably practicable.

(iii) Operator agrees that all trash, refuse pipe, equipment, liquids, chemicals, or other materials brought on the Lands that are not necessary for continued operations of the Wells will be removed and disposed away from the Lands no later than 30 days after the completion of the Wells. No such items will be burned or buried on the Lands.

(iv) During drilling operations, the well sites and any pits shall be fenced if requested by Surface Owner. After completion of the Wells and in the event of production, all

production tanks shall be bermed. Additionally, the well sites shall be kept free and clear of all noxious weeds, unsightly growth and trash either during drilling operations or after completion and production.

(v) All guy line anchors for drilling and completion rigs shall be immediately removed after such work is completed.

(vi) Operator agrees to fence off the perimeter of the well sites with temporary fencing if reasonably requested by Surface Owner. Operator will also install cattle guards and/or gates where reasonably necessary.

(vii) Operator agrees not to drill any injection wells of any kind on the Property without first obtaining the Surface Owner's written consent.

18. **Indemnity and Release.** Surface Owner hereby releases and agrees to hold harmless Operator from any and all liability and further payment, other than what has been provided herein, for damages on the Lands which arise from, out of or in connection with the Operator's operations on the Lands, but only as to those operations which are described in and permitted by this Agreement, and for those operations which the Amount has agreed to be paid or has been paid and received by Owner pursuant to this Agreement.

Operator agrees to indemnify and hold Surface Owner harmless from any and all claims, damages and causes of action arising out of Operator's operations on the Property that may be asserted against Surface Owner, unless Surface Owner has acted with gross negligence or willful misconduct with respect to such claims, damages and causes of action.

19. **Term of Agreement.** This Agreement shall commence and is effective upon the day of execution of this Agreement by Surface Owner. The agreement and the easements provided herein shall continue in effect until the occurrence of either of the following events, at which point they will terminate; (a) the plugging and abandoning of all wells drilled by Operator on the Property and completion of reclamation operations, which shall be done by Operator in accordance with the rules and regulations of the COGCC or (b) if Operator does not commence any oil and gas well on the Property within five years of the commencement date of this Agreement.

20. **Reasonable Accommodation.** Surface Owner acknowledges the right to use of the surface estate of the Property by Operator as herein described are expressly granted to Operator, its successors, and assigns; therefore Surface Owner further acknowledges Operator's use of the surface estate of the Property as granted herein to Operator shall constitute "reasonable accommodation" by Operator, its successor, and assigns with respect to Colorado revised Statute 34-60-127.

21. **Counterparts.** This Agreement may be executed by facsimile, in counterparts, each of which will be considered an original and enforceable against either Party.

22. **Authority of Signatories.** The signatories below declare, warrant and represent that they have the authority to enter into this Agreement on behalf of their respective principals, if any.

23. **Environmental Indemnity**

(a) Operator shall protect, indemnify, and hold harmless Surface Owner, and any

subsequent owner of the Property from any Environmental Claims relating to the Property or oil and gas leasehold thereunder that arise solely out of the Operator's Operations located on the Property during the term of this Agreement. Operator will not protect, indemnify, and hold harmless Owner or any subsequent owner of the Property from any Environmental Claim arising prior to the Effective Date or otherwise unrelated to the Operator's Operations during the term of the Agreement. Surface Owner shall fully protect, defend, indemnify and hold harmless Operator, along with any of Operator's successors or assigns, from any and all Environmental Claims relating to the Property that arise out of Surface Owner's use of the Property.

(b) "Environmental Claims" shall mean all Claims asserted by governmental bodies or other third parties for pollution or environmental damage of any kind, arising from Operations on or ownership of the Property or ownership of the oil and gas leasehold interest, whichever is applicable, and all cleanup and remediation costs, fines and penalties associated therewith, including, but not limited to, any Claims arising from Environmental Laws. Environmental Claims shall not include the costs of any remediation undertaken voluntarily by any Party, unless such remediation is performed under the imminent threat of a Claim by a governmental body or other third party.

(c) "Claim" shall mean any and all losses, claims, damages, judgments, fines or liabilities, including reasonable legal fees or other expenses incurred in investigating or defending against such losses, claims, damages, judgments, fines or liabilities, and any amounts expended in settlement of any claims.

(d) "Environmental Laws" shall mean any laws, regulations, rules, ordinances, or order (whether currently existing or hereafter adopted) of any federal, state or local governmental authority(ies), which relate to or otherwise impose liability, obligation, or standards with respect to pollution or the protection of the environment, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. § 9601, et seq.), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §§ 6901, et seq.), the Clean Water Act (33 U.S.C. §§ 466, et seq.), the Safe Drinking Water Act (14 U.S.C. § 1401, et seq.), the Hazardous Material Transportation Act (49 U.S.C. §§ 1801, et seq.), the Clean Air Act (42 U.S.C. § 7401, et seq.), and the Toxic Substances Control Act (15 U.S.C. § 2601, et seq.).


(e) Except to the extent disclosed in writing by Surface Owner to Ward Petroleum, Surface Owner represents that Surface Owner has no actual or constructive knowledge of any material latent condition or defect on the Property that could give rise to an Environmental Claim.

IN WITNESS WHEREOF, the Parties have set their hands, the day and year first written above.

Operator:
Ward Petroleum Corporation

Surface Owner:
Edmundson Land, LLC

By:
Title:


By: Matt Edmundson
Title: managing member

ACKNOWLEDGEMENTS

STATE OF COLORADO)
)
COUNTY OF WELD)

The foregoing instrument was acknowledged before me this 22nd day of APRIL, 2018, by _____, _____ of Ward Petroleum Corporation, known to be the person described in and who executed the foregoing instrument, and who acknowledged to me that they executed the same.

WITNESS my hand and Official Seal.

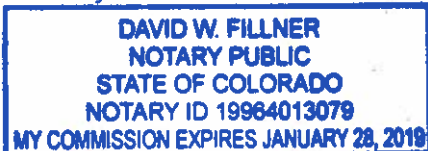
Notary Public in and for said State and County

MY COMMISSION EXPIRES:

STATE OF COLORADO)
)
COUNTY OF ADAMS WELD)

The foregoing instrument was acknowledged before me this 22nd day of MARCH, 2018, by Matt Edmundson as MANAGING MEMBER, known to be the person described in and who executed the foregoing instrument, and who acknowledged to me that he or she executed the same.

WITNESS my hand and Official Seal.





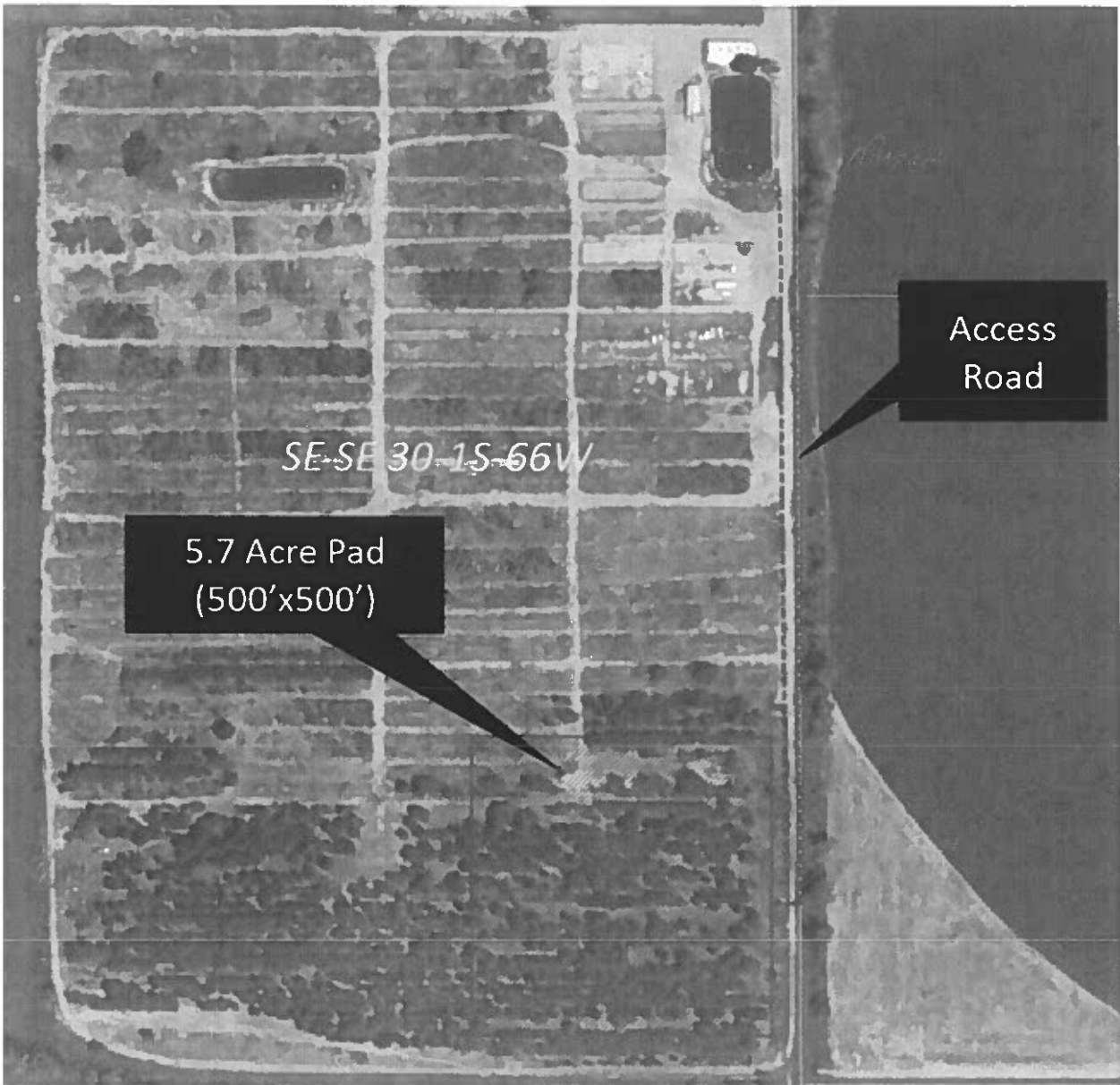
Notary Public in and for said State and County

MY COMMISSION EXPIRES:

01/28/19

EXHIBIT "A":

Attached to and made a part of that certain Surface Damage and Release Agreement dated December 1, 2016.



MEMORANDUM OF SURFACE USE AGREEMENT

This Memorandum of Surface Use Agreement is executed this 30th day of January, 2018 by Ward Petroleum Corporation.

PLEASE TAKE NOTICE THAT: On December 01, 2016, **Ward Petroleum Corporation** (referred to as "Operator") entered into an agreement entitled "Surface Use Agreement" (referred to as "Surface Use Agreement" or "Agreement") with **Edmundson Land, LLC** (referred to as "Surface Owner").

Under the Surface Use Agreement, Surface Owner granted to Operator the right to access, install and maintain equipment, roads, pipelines, utility lines and facilities, and conduct oil and gas operations on certain lands located in Adams County, Colorado, which lands are described below (the "Lands"):

Township 1 South, Range 66 West, 6th P.M.

Section 30: SE/4SE/4

The Agreement further provides for oil and gas operations to be conducted on a designated Oil and Gas Operations Area, which is located on a portion of the Lands described above. In return for such surface use, the Operator agrees to provide certain compensation to Surface Owner. This Agreement commences and is effective as of December 01, 2016. The agreement and the easements provided in the Agreement shall continue in effect until the occurrence of either of the following events, at which point they will terminate; (a) the plugging and abandoning of all Wells drilled by Operator on the Property and completion of reclamation operations, which shall be done by Operator in accordance with the rules and regulations of the COGCC or (b) if Operator does not commence any oil and gas Well on the Property within five (5) years of the commencement date of this Agreement, or has not extended this Agreement pursuant to the provisions of the Agreement. The Agreement constitutes a covenant running with the Lands and is binding upon and inures to the benefit of the parties and their successors and assigns.

The complete agreement may be reviewed by contacting Ward Petroleum Corporation at its address of 215 West Oak Street, Suite 1000, Fort Collins, CO 80521.

Executed this 30th day of January, 2018.

WARD PETROLEUM CORPORATION (Operator)

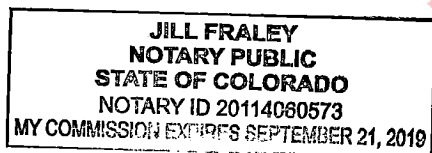
Kent C. Craig
Kent C. Craig, Senior Landman

State of Colorado }

County of Larimer }

The foregoing instrument was acknowledged before me this 30 day of January, 2018, by Kent C. Craig, Senior Landman, of Ward Petroleum Corporation, an Oklahoma Corporation, on behalf of the said corporation

{Seal}



My Commission Expires:

Sept 24, 2019

Jill Fraley