

# NICKEL ROAD

O P E R A T I N G

June 2, 2021

Hitz Financial Group LLC  
1001 A E Harmony Road, Unit 410  
Fort Collins, CO 80525

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

**TOWNSHIP 7 NORTH, RANGE 67 WEST, of the 6<sup>th</sup> P.M.**

**SECTION 10: 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:

- K & M Company 1-10 (API: 05-123-14474), SESW Sec 10 7N67W

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 and return to my attention.

If you have any questions or concerns, please do not hesitate to contact the following for additional info:

Nickel Road Contact:

Alex Jones- Operations Manager

Email: [alex.jones@nickelroadoperating.com](mailto:alex.jones@nickelroadoperating.com)

Office: 303-330-3670

Contractor Contact:

Phoenix Resources

Taylor Heffner

Cell: 281-460-1517

Thank you for your attention to this matter.

Respectfully,



Blake Leavitt

Vice President of Land

Nickel Road Operating LLC

Blake.Leavitt@nickelroadoperating.com

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 K & M Company 1-10 (API: 05-123-14474) well in accordance with the Colorado Oil and Gas Conservation Commission's DJ Basin Horizontal Offset Policy.

Surface Owner:

**Hitz Financial Group LLC**

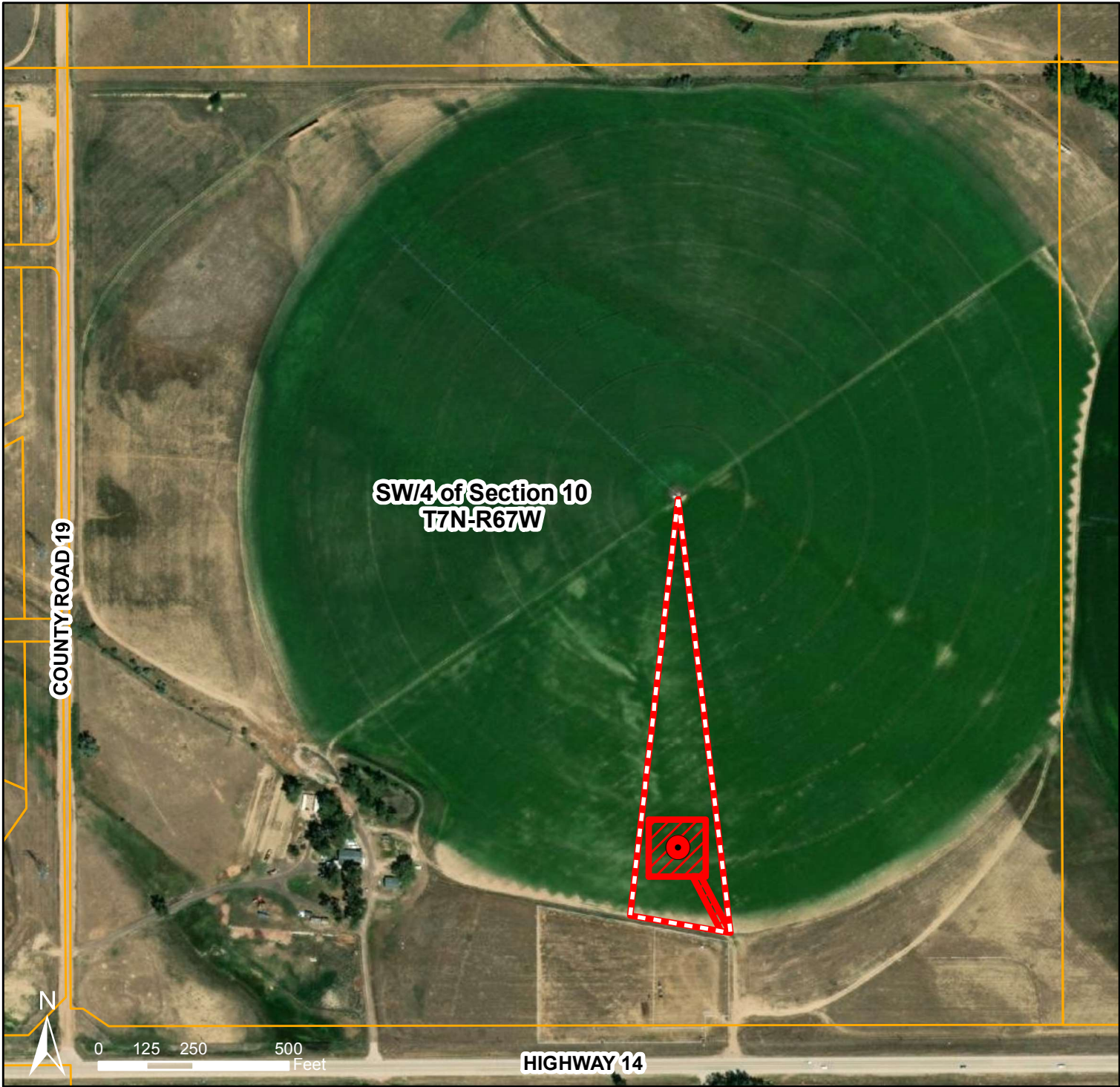
  
Stephen Hitz (Jul 9, 2021 10:43 MDT)

*Signature (Title)*

**Jul 9, 2021**

*Dated*

EXHIBIT A



**K & M COMPANY #1-10 Well Location**  
Location Field Verified on 7/2/2021



**Actual Disturbance Area**  
Approx. 0.6 acres  
See Exhibit B for details



**Overall Disturbance Area**  
Approx. 3.4 acres

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**K&M 1-10 PA Map**

Well Located in SW/4 of Section 10  
Township 7 North, Range 67 West

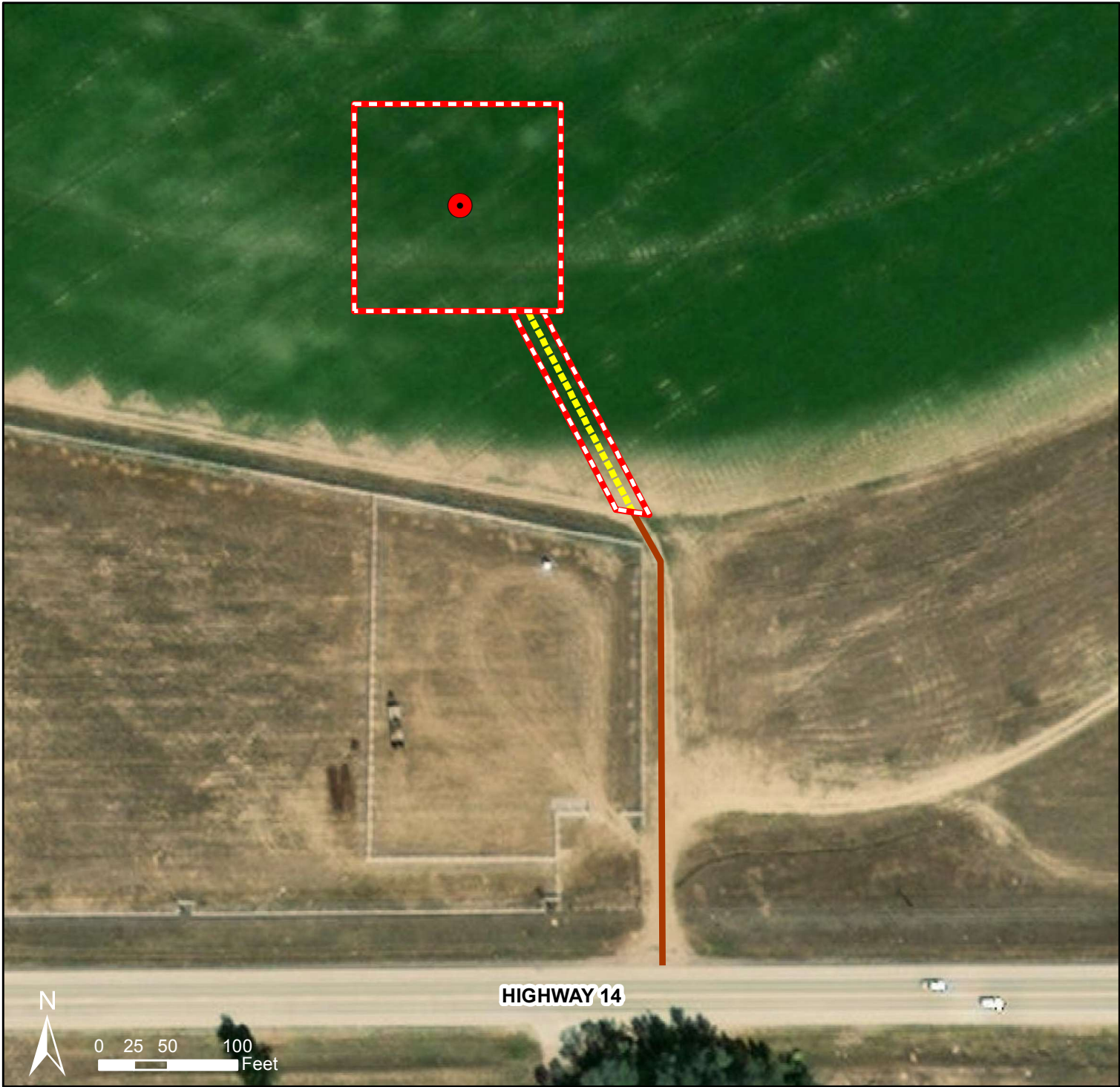
Weld County, Colorado

Author: JL□□

□Date: 7/6/21



EXHIBIT B



**K & M COMPANY #1-10 Well Location**  
Location Field Verified on 7/2/2021



**Proposed Disturbance Area**  
Well Area: 150' l x 150' w, ~0.5 acres  
Access Area: 165' l x 20' w, ~0.1 acres  
Total Disturbance: Approx. 0.6 acres



**Proposed Temporary Access**  
10' access road required



**Existing Field Access**  
No changes proposed

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**K&M 1-10 PA Map**

Well Located in SW/4 of Section 10  
Township 7 North, Range 67 West

Weld County, Colorado

Author: JL□□

□Date: 7/6/21