

July 13<sup>th</sup>, 2022

State Board of Land Commissioners  
Attn: Steve Freese  
1127 Sherman Street, Suite 300  
Denver, CO 80203

Re: Request to access State land  
State-Palace #1 well, 8N-60W-36  
API 05-123-09382

Dear Mr. Freese,

Mallard Exploration, LLC would like to request permission to use the surface location of the State-Palace #1 ("Well") in order locate and plug said well.

Mallard Exploration, LLC intends to locate, re-enter and re-plug the Well, in accordance with the DJ Basin Horizontal Offset Policy, as set forth by the Colorado Oil and Gas Conservation Commission ("COGCC").

The Well will be plugged in accordance with the lease rights granted by the State of Colorado. A 100' x 100' area surrounding the surveyed location of the Well, will be designated as the disturbance area. Once the Well is located a 150' x 150' pad will be designated as the pad location for plugging operations. If the well cannot be located in the 100' x 100' disturbance area the Mallard Exploration, LLC will cease operations and contact the State Land Board to discuss further efforts to locate the well.

Upon review of oil and gas lease No. OG 98/6083-S, Mallard Exploration, LLC has determined that there are not biologic lease stipulations associated with the mentioned lease. However, Mallard Exploration, LLC intends to accommodate any timing or location issues that may affect its plugging operations.

Enclosed please find a satellite photo depicting the potential location of the State-Palace #1 well located in Section 36, 8N-60W. A surveyed plat will be provided once it has been completed by the survey company. Please let us know if you would like to set up a consult to view the pad site. Should you find the location satisfactory, please sign and return the attached acknowledgement. If you have any questions, please do not hesitate to call or email me.

Sincerely,

Erin Mathews, VP of Development

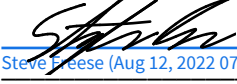
A handwritten signature in blue ink, reading "Erin K. Mathews". The signature is fluid and cursive, with the first name "Erin" and last name "Mathews" clearly legible.

Mallard Exploration  
1400 16th Street, Suite 300  
Denver, CO 80202

303.882.8472  
jlinton@mallardexploration.com

I hereby acknowledge receipt of the satellite photo depicting the potential location of the State-Palace #1 well in Section 36, 8N-60W. I find the location to be satisfactory and approve of the well to be re-entered and plugged.

Steve Freese  
Mineral Field Specialist

By:   
Steve Freese (Aug 12, 2022 07:30 MDT)

Date: Aug 12, 2022


# Re-Entry to Remediate with Active OG Lease - State-Palace 1


Final Audit Report


2022-08-12


Created:	2022-08-11
By:	Cristina Carrasco (ccarrasco@mallardexploration.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAYH1X51ULJYJYvpRtpkdNxgt5LuobbW_M


## "Re-Entry to Remediate with Active OG Lease - State-Palace 1" History


 Document created by Cristina Carrasco (ccarrasco@mallardexploration.com)  
2022-08-11 - 11:36:20 PM GMT- IP address: 174.51.243.80

 Document emailed to steve.freese@state.co.us for signature  
2022-08-11 - 11:44:40 PM GMT

 Email viewed by steve.freese@state.co.us  
2022-08-12 - 1:25:13 PM GMT- IP address: 174.198.131.110

 Signer steve.freese@state.co.us entered name at signing as Steve Freese  
2022-08-12 - 1:30:48 PM GMT- IP address: 174.198.131.110

 Document e-signed by Steve Freese (steve.freese@state.co.us)  
Signature Date: 2022-08-12 - 1:30:50 PM GMT - Time Source: server- IP address: 174.198.131.110

 Agreement completed.  
2022-08-12 - 1:30:50 PM GMT