



TEP Rocky Mountain LLC
1058 County Road 215
Parachute, CO 81635

02/11/2025

Mr. Rex C. Huggard
80 Hillcrest Drive
Basalt, Colorado 81621

RE: Equipment on RMV 20-35 pad

Dear Mr. Huggard,

This is a notification regarding an inspection TEP Rocky Mountain LLC (“TEP”) received from the Colorado Energy and Carbon Management Commission (“ECMC”) on the oil and gas location (RMV 20-35) located on your property. The inspection, which was received on 09/26/2024 and filed under the ECMC public database as Document #708904682, is attached for your reference. The inspection identifies a rule compliance deficiency and a corrective action (“CA”) that must be completed to ensure TEP’s compliance with ECMC regulations.

Under ECMC Rule 606.a, the CA identifies there is unused equipment or vehicles that are located on the oil and gas location, which is still under the control of TEP. Upon review of the inspection TEP has determined that the equipment is property that belongs to the surface owner, and to ensure compliance with ECMC rules as provided under the Surface Use Agreement and Oil and Gas Lease for the pad in question, the property and equipment must be removed by the surface owner from the oil and gas location within a reasonable amount of time.

The CA requires removal of the items in the next thirty (30) days. Please let me know if this timeline is acceptable to remove the equipment and if not, what proposed date would be acceptable to you.

If you have any questions or concerns regarding the inspection or corrective actions required for compliance, please contact me directly at 970-263-2754 (O), 970-361-2006 (C), or by email at bhotard@terraep.com.

As always, our mutual best interests are priority in our operations as we maintain compliance under state and local regulations.

Sincerely,

TEP ROCKY MOUNTAIN LLC

A handwritten signature in blue ink, appearing to read "Bryan S. Hotard", is written over the printed name.

Bryan S. Hotard
Surface Team Lead

CC: Mike Gardner
CC: Jeff Kirtland