

## **SURFACE USE AGREEMENT**

This **SURFACE USE AGREEMENT** (this “**Agreement**”) is made and entered into effective this 7<sup>th</sup> day of July, 2022 (the “**Effective Date**”), by and between **CENTERRA EAST DEVELOPMENT, INC.**, a Delaware corporation duly authorized to conduct business in the State of Colorado (“**Owner**”), and **MRG, LP**, a Colorado limited partnership (“**Operator**”). Owner and Operator sometimes may be referred to herein collectively as the “**Parties**” or individually as a “**Party**”.

### **RECITALS**

**WHEREAS**, Owner owns the surface estate described on Exhibit “A” attached hereto (the “**Lands**”); and

**WHEREAS**, Owner has developed portions of the Lands and has plans to develop other portions of the Lands which plans may include planned communities for residential, commercial, agricultural, industrial and other development; and

**WHEREAS**, Operator holds one or more valid oil and gas leases covering all or portions of the Lands (collectively, the “**Leases**”) as set forth in Exhibit “B” hereto; and

**WHEREAS**, the Parties wish to enter into an agreement concerning the use by Operator of portions of the Lands for the purposes of drilling, completing, and operating oil and gas wells on the Lands consistent with Owner’s existing and planned development of the Lands.

### **AGREEMENT**

**NOW, THEREFORE**, in consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Parties agree as follows:

1. **Right of Use**. Concurrently with the rights granted under the Leases, Owner hereby gives and grants to Operator, its agents, employees, drilling contractors, and related service companies (collectively, “**Operator’s Group**”), subject to the terms of this Agreement, the non-exclusive right to enter upon and use the Lands for the purpose of drilling, completing, and producing one or more oil and gas wells (collectively, the “**Operations**”) at legal locations or at such exception locations as are approved by the Colorado Oil and Gas Conservation Commission

("COGCC"), as such are defined and described in Section 2 hereof and on Exhibit "B" hereto. Except as otherwise set forth in this Agreement, the rights of Operator to use the Lands as set forth herein are non-exclusive, and Owner reserves the right to use all access roads, and all surface and sub-surface uses of the Lands, and to grant successive easements on or across the Lands on such terms and conditions as Owner deems necessary or advisable, provided that Owner's use and all other uses authorized by Owner shall not unreasonably interfere with the operations of Operator.

**2. Notification and Consultation.**

a. Owner and Operator have agreed to the general location of an area in which Operator will conduct its Operations on the Lands (the "**Oil and Gas Operations Area**"), and which shall be located in accordance with all applicable rules and regulations of the COGCC and any other administrative or governmental entity with jurisdiction. The Oil and Gas Operations Area generally is depicted on Exhibit "C" attached hereto and incorporated herein by reference.

b. Prior to commencing any Operations, Operator reasonably shall notify Owner of its plans to include the location of each road, pipeline, power line, tank battery, or other facility to be placed in the Oil and Gas Operations Area in which Operations are to be conducted.

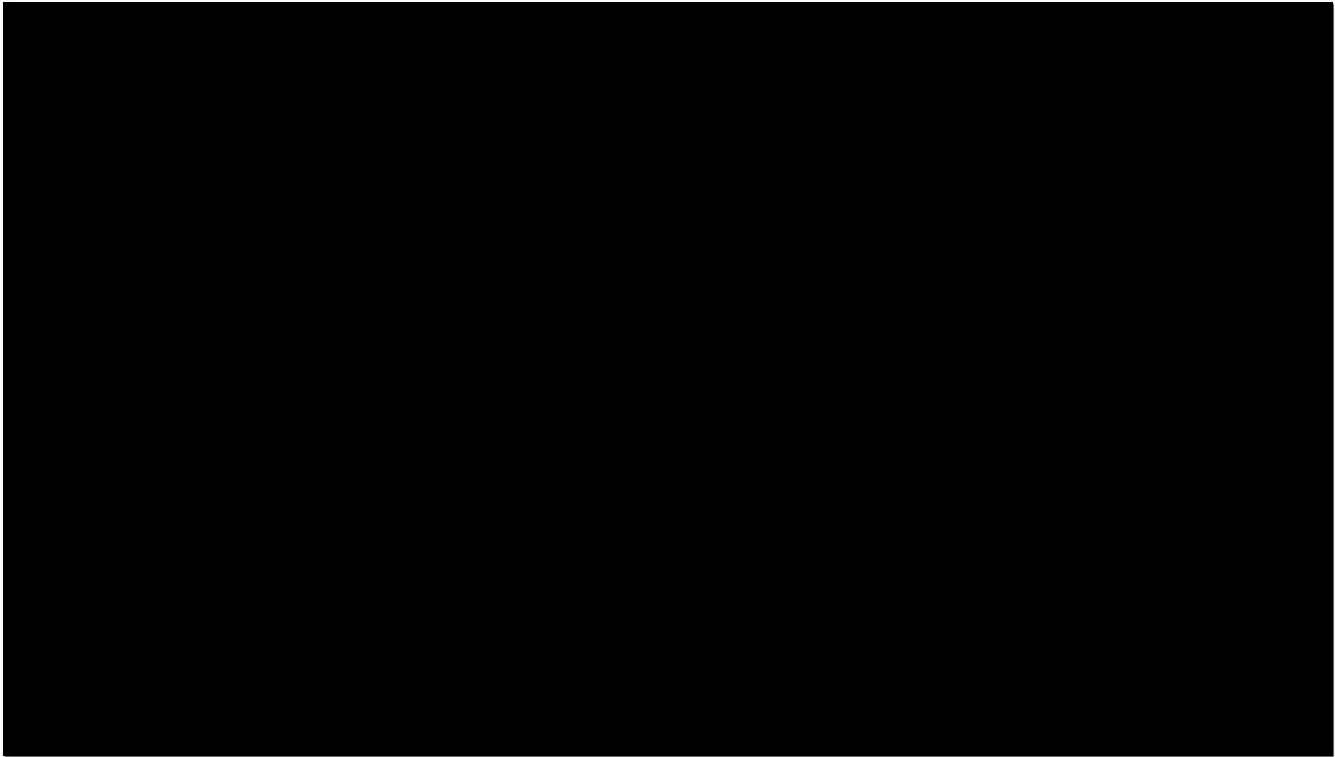
c. Except as otherwise provided in this Agreement with respect to roads, power lines and pipelines, all of Operator's activities shall be restricted to the Oil and Gas Operation Area and Owner shall not occupy any portion of the Oil and Gas Operation Area for any purpose; it being specifically agreed that the Oil and Gas Operation Area are for the exclusive use of Operator. No gas treatment or gas processing facility shall be placed on the Lands, other than standard wellsite separation, artificial lift equipment and dehydration equipment.

d. Provided mutually acceptable alternate locations are agreed upon by Owner and Operator, Owner shall have the right to require Operator to relocate any roads, pipelines, power lines, or other surface or underground facilities (excluding any well) upon ninety (90) days prior written notice to Operator. All relocation expenses will be borne by Owner and Operator will not be required to move any of its facilities until provision has been made for the payment of such expenses to the reasonable satisfaction of Operator.

e. Owner and Operator may agree to adjust the location of either or both of the Oil and Gas Operation Area, but Owner's consent shall be required for any adjustment to the

location of the Oil and Gas Operation Area, which consent may be withheld in Owner's sole and unlimited discretion.

3. **Compensation.** As compensation for surface damages for use of Owner's surface estate, Operator shall pay to Owner the following:



4. **Oil and Gas Operation Area.** The Oil and Gas Operation Area depicted on Exhibit C shall include the minimally required acreage to be permanently disturbed for producing wells, including any tank batteries constructed by Operator (each a "Permanent Operations Area"). Owner and Operator shall agree upon an area sufficient in size, shape and location that is technically and economically feasible as a location for Operator's subsequent operations on the wells located within the Permanent Operations Areas, but which shall be no larger than is necessary for Operator to conduct such subsequent operations and which, in all other respects, shall comply and be consistent with the terms and conditions of this Agreement.

5. **Operations.** Operator's Operations on the Lands shall be conducted according to the following specifications:

a. Operator shall conduct operations and activities on the Lands in accordance with, and shall strictly comply with all existing local, state, and federal laws, rules, and regulations,

including those of the COGCC (collectively, the “**Applicable Laws**”). Operator shall also obtain any permit, consent, license, or other authorization required by law or by any governmental authority having jurisdiction.

b. Operator shall rehabilitate, restore, reclaim, and reseed all disturbed areas caused by Operator’s operations in the timeframe and manner set forth in the then applicable rules of the COGCC and any other administrative or governmental entity with jurisdiction and shall do so in reasonable consultation with Owner or Owner’s designee.

c. Operator shall conduct operations and activities on, and otherwise maintain, the Lands in a manner consistent with and without undue interference with Owner’s use of the Lands as a first-class commercial business park and/or residential community operating within the City of Loveland, and otherwise consistent with, and without damage to, any surface development adjacent to the Lands.

6. **Road Construction and Use.** Subject to Section 2 above, any roads constructed or used by Operator on the Lands shall be constructed or used to the following specifications:

a. To the maximum extent reasonably possible, Operator will use existing roads designated by Owner for its operations if such use is operationally and economically feasible in Operator’s judgment reasonably exercised.

b. The surface of all roadways shall be made of compacted gravel, and shall comply with all regulations or laws applicable to such roadways. Operator shall control dust from all roadways through the application of an appropriate dust suppressant. Any roads constructed by Operator shall be improved as may be necessary and Owner and Operator agree that once surface development begins, the Parties will consult with each other and agree on how the roads used in the operations of the oil and gas activities will be merged into the development roads.

c. Operator agrees, if requested by Owner, to place an appropriate sign or signs on any road designating them as “private roads” and to assist Owner in the control of the use of such roads by unauthorized users. The size and color of such signs shall be subject to Owner’s approval.

d. Operator shall maintain existing and newly constructed roads used by Operator to the extent necessary for Operator’s needs and to the reasonable satisfaction of Owner.

e. No roads on the Lands shall be used by Operator for access to Lands not subject to the Lease.

7. **Pipelines.** Subject to Section 2, any pipelines constructed by Operator on the Lands shall be constructed and maintained to the following specifications:

a. The top of each pipeline shall be buried in accordance with industry standards and shall be constructed in such a manner to safely permit Owner to construct roads and utilities over such pipeline in such locations as may be designated by Owner.

b. Operator shall be responsible for backfilling, repacking, reseeding, and recontouring the surface so as not to interfere with Owner's present or future agricultural operations and its present or planned future development or other use of the Lands. If pipeline trenches settle so as to interfere with Owner's irrigation or ranching activities, upon request by Owner, Operator shall fill in, repack, and level such trenches.

c. The pipelines referred to in this Agreement are limited to and include only those gathering system pipelines used in connection with wells drilled on the Lands. Operator shall provide Owner with a plat showing the "as built" length and location of all pipelines promptly after their installation.

d. Owner reserves the right to occupy, use, and cultivate the Lands affected by such pipelines, and to grant such rights to others, so long as such use does not interfere with Operator's operations.

e. If Operator fails to use any pipeline for a period in excess of twenty-four (24) consecutive months, the pipeline shall be deemed abandoned and Operator shall promptly take all actions necessary or desirable to clean up and remove the pipeline, or render the pipeline environmentally safe and fit for abandonment in place, and restore the surface. All such cleanup and mitigation shall be performed in compliance with all applicable federal, state, and local laws and regulations.

8. **Power Lines.** Subject to Section 2 above, any buried or overhead power lines constructed on the Lands shall be constructed and maintained to the following specifications:

a. Operator will consult with Owner and with the independent power company supplying power to Operator with respect to the location of overhead power lines prior to

construction, and shall obtain Owner's written consent for such locations which consent shall not be unreasonably withheld. Overhead power lines will be constructed so as to cause the least interference reasonably possible with Owner's visual Landscape and Owner's existing and planned future uses of the Lands, and, to the maximum extent reasonably possible, overhead power lines will be constructed along fence lines or property lines. Owner shall be entitled to receive payment from Operator's electricity provider for overhead power lines.

b. Subject to compliance with any guidelines and policies of the power provider, within two months after a well has been placed on production, all power lines constructed by or for Operator downstream of the independent power company's meters shall be buried, and all power line trenches shall be fully reclaimed and reseeded to the reasonable satisfaction of Owner. Except as agreed to by Owner in Owner's reasonable discretion, buried power lines shall be installed at least forty-eight inches 48" below the surface of the ground, and shall be constructed in such a manner to safely permit Owner to construct roads and utilities over such power line in such locations as may be designated by Owner.

9. **Inspections and Reports.** Operator and its authorized agents and representatives shall have access to the Oil and Gas Operation Area, and to the surface location of any well drilled outside of the Lands that is or will be drilled into the Lands, and shall have the right to witness and observe all operations conducted thereon, including the drilling, logging, testing, casing, completing, directional surveying, and plugging and abandonment of any well thereon. Upon reasonable advance notice, Owner shall have the right to inspect Operator's records with respect to such operations to verify Operator's compliance with this Agreement. Owner shall maintain the confidentiality of all such information for so long as such information is not publicly available. Owner shall indemnify, defend and save and hold harmless Operator from and against any claims and liabilities for damage to property or injury to persons arising out of the acts or omissions of Owner or its agents or representatives in connection with such inspections, except to the extent such claim or liability is attributable to the negligence or willful misconduct of Operator or its contractors.

10. **Designated Contact Person.** Operator and Owner will each from time to time designate an individual, with appropriate 24-hour telephone and fax numbers, who is to be the

primary contact person for discussions and decisions concerning matters related to this Agreement. Current contact information is as follows:

11. **Limitation on Rights.** Except in connection with operations on Lands pooled or unitized with the Lands, the Lands may not be used by Operator in connection with operations on other premises not owned by Owner, or to access minerals not owned by Owner, without Owner's prior written consent, which consent may be withheld in Owner's sole and unlimited discretion.

12. **Prohibited Activities.** Operator shall not, and shall not permit any other member of Operator's Group to:

a. bring onto the Lands any illegal or illegally-obtained drugs, drug delivery paraphernalia including needles, syringes and pipes; spray paints, accelerants, or other compressed substances known to be inhaled for pleasure which are not otherwise used in furtherance of Operator's activities permitted hereunder; components and precursors known to be necessary for the production of illegal drugs; illegal drug plants and seeds, marijuana and alcohol;

b. bring onto the Lands any firearms and guns of any type, archery or cross-bow equipment, boats or other similar equipment used in water-sports, and items known to be used in the manufacture or growth of illegal drugs and plants or in the manufacture or growth of marijuana; be under the influence of alcohol, marijuana, or illegal drugs while on the Lands;

c. travel any road on the Land other than the Approved Traffic Route; or

d. use explosives on or under, or bring onto any explosives onto or under, the Lands except as required to conduct fracture stimulation operations.

13. **Produced Water.** With respect to any water produced from wells drilled on the Lands in connection with the production of oil, gas, or other hydrocarbons, Operator agrees to reinject produced water or haul the same away from the Lands and properly dispose of such produced water off the Lands. Operator shall not construct evaporation pits for produced water, but may have a small "emergency pit" during drilling, completion, or reworking operations for produced water purposes.

14. **Term.** This Agreement shall terminate automatically upon the termination of the Leases, provided that the Operator shall retain all rights under the Agreement necessary to satisfy its obligations to plug any Well, remove facilities, pay surface damages or conduct reclamation

upon the Lands following such termination. In the event of a termination of some but not all of the Leases, this Agreement shall terminate, as provided for herein, as to those portions of the Lands covered by the terminating Lease or Leases. Upon termination of this Agreement, in whole or in part, Operator will record a release of this Agreement, in whole or in part, in the Official Records in a form reasonably approved by Owner. Termination of this Agreement shall not relieve either Party from the liabilities or obligations incurred in the exercise of the terms of this Agreement prior to such termination.

**15. Indemnification.**

Except as to claims arising out of pollution or environmental damage or out of other provisions of this Agreement (which claims shall be governed by the terms of this Agreement), each party shall be and remain responsible for all losses, claims, damages, demands, suits, causes of action, fines, penalties, expenses and liabilities, including without limitation attorneys' fees and other costs associated therewith (all of the aforesaid herein referred to collectively as "Claims"), arising out of or connected with each such party's ownership or operations or activities on the Lands, no matter when asserted, subject to applicable statutes of limitations. Each such party shall release, defend, indemnify and hold the other parties, their officers, directors, employees, agents and contractors, successors and assigns, harmless against all such Claims. This provision does not, and shall not be construed to, create any rights in persons or entities not a party to this Agreement, nor does it create any separate rights in parties to this Agreement other than the right to be indemnified for Claims as provided herein. Notwithstanding anything in this Agreement to the contrary, Operator shall compensate Owner for any damage, loss, or claim which Owner sustains because Operator did not act as a reasonable and prudent operator. Upon the assignment or conveyance of a party's entire interest in the Lands, that party shall be released from its indemnification provided above, for all actions or occurrences happening after such assignment or conveyance.

**16. Environmental Indemnity.** The provisions of paragraph 15 above shall not apply to any environmental matters, which shall be governed exclusively by the following:

"**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 Lands 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 or relating to asbestos or to naturally occurring radioactive material. 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;

“**Environmental Laws**” shall mean any laws, regulations, rules, ordinances, or order of any 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. §§ 1401-1450), the Hazardous Material Transportation Act (49 U.S.C. §§ 1801 et seq.), the Clean Air Act, and the Toxic Substances Control Act (15 U.S.C. §§ 2601-2629); and

Operator shall protect, indemnify, and hold harmless Owner from any failure to comply with any Environmental Law or any Environmental Claims relating to the Lands or the Lease that arise out of Operator’s ownership and operation on the Lands and its ownership and operation of any pipeline easement or right-of-way on the Lands. Owner shall fully protect, defend, indemnify and hold harmless Operator from any and all Environmental Claims relating to the Lands that arise out of Owner’s operations on the Lands.

17. **Environmental Safeguards.** Operator agrees to perform, and shall cause each other member of Operator’s Group to perform, all operations and reclamation activities in accordance with all Applicable Laws, unless a variance is granted by the COGCC upon the request of Operator; *provided, however*, that Operator shall not seek a variance from the COGCC from or with respect to any substantial requirements without the prior written consent of the Owner, which consent shall not be unreasonably denied or delayed.

18. **Design Review.** Some or all of Operator’s operations on the Lands may be subject to any then applicable Design Review Committee (the “**DRC**”), pursuant to any rules and regulations of any such DRC.

19. **Release.** To the maximum extent permitted by law, Operator releases and waives and discharges Owner and, if applicable, Owner’s officers, directors, employees, members,

shareholders, affiliates, representatives, trusts, contractors, agents, successors, and assigns from any and all liability for personal injury, death, property damage, or otherwise arising out of Operator's or its agents' operations under this Agreement or Operator's use of Owner's property, unless such injury, death, or property damage is the result of Owner's grossly negligent acts or omissions or those of its members, officers, directors, employees, agents, successors, and assigns.

**20. Insurance.** Operator shall maintain such insurance as is required under the rules and regulations of the COGCC throughout the Term of this Agreement.

**21. Hazardous Materials.** With respect to Hazardous Materials, and without limiting any other provision of this Agreement, Operator covenants and agrees as follows: no Hazardous Materials shall be brought on the Lands by Operator's Group, except when and to the extent necessary for Operations, after which time Operator promptly shall remove such substances from the Lands. Operator shall handle and store Hazardous Materials in compliance with all Applicable Laws. Operator shall not install any underground storage tanks on the Lands.

b. Except de minimis amounts that do not result in a violation of Hazardous Materials Law, Operator agrees not to, and shall not permit other members of Operator's Group to, release Hazardous Material onto the Lands, discharge Hazardous Material into any watercourse, body of surface or subsurface water, or wetland in, on or under the Lands, or discharge Hazardous Material into the atmosphere above the Lands. Operator shall not undertake, and shall not permit any other member of Operator's Group to undertake, any activity with respect to the Lands that would cause a violation of any Hazardous Material Law.

c. To the extent known to Operator's Group, Operator immediately shall advise Owner of each of the following:

(i) any governmental or regulatory actions instituted or threatened in writing under any Hazardous Material Law affecting the Lands;

(ii) all claims made or threatened in writing by any third party against any member of Owner's Group relating to damage, contribution, cost recovery, compensation, loss, or injury resulting from any Hazardous Material; and

(iii) the discovery of any occurrence or condition on the surface of the Lands or which could subject any member of Operator's Group or any member of Owner's Group, or the Lands to any restrictions on ownership, occupancy, transferability, or use of any portion of the Lands under any Hazardous Material Law.

d. At its sole cost and expense, Operator shall promptly remedy every violation of a Hazardous Material Law affecting the Lands caused by any member of Operator's Group in accordance with applicable regulations. Upon Owner's written request, Operator shall provide to Owner any routine reports submitted by Operator to COGCC or the Colorado Department of Public Health and Environment (the "**Required Reports**"). Except for the Required Reports, Operator shall promptly, but in no case more than ten (10) Business Days following Operator's or any of its Affiliate's, receipt thereof, shall provide to Owner copies of any environmental reports or studies received or commissioned by Operator or any of its Affiliates that relate to all or part of the Lands. Except as required by Applicable Law, all such reports and other materials shall be held in confidence by both Owner and Operator, and neither Party shall disclose the same to any Person for so long as the Lease directly related to such reports and other materials remains in effect, except as follows: (i) either Party may disclose the same to its Related Parties' Group and Owner may disclose such information to its lenders provided that in each case the Person receiving such information is bound by the confidentiality provisions of this Section; (ii) with the written consent of the non-disclosing Party; or (iii) as may be required by law, or as necessary to ensure environmental cleanup, or in the context of disclosure to any potential purchaser.

e. Excepted as permitted under this Agreement or necessary for Operations, Operator immediately shall remove all substances released on the Lands by any member of Operator's Group that cause contamination or damage to the Lands, vegetation, any of Owner's Group's improvements, water, livestock, or wildlife, whether or not such act or omission is a violation of any Hazardous Materials Laws. Operator promptly shall reclaim the Lands affected by such substances to a condition reasonably satisfactory to Owner.

f. Operator shall prevent the escape of produced water or noxious materials onto the Lands and prevent the same from running into any surface water tank, water well, creek, ravine, or upon or over the Lands or adjoining Lands, or from penetrating, seeping, or flowing into any subsurface fresh water stratum, and will timely contain and remove such substances from the Lands in accordance with applicable governmental rules and regulations. Operator shall be responsible and liable for all damages, injury or loss resulting therefrom, including loss or injury to livestock.

22. **Owner Access.** Owner reserves the right, no more often than one (1) time per month and upon not less than forty-eight (48) hours' written notice, which prior notice shall not be required in cases of emergency or urgent circumstances, or with earlier approval of Operator, to access any portion of the Lands to conduct inspection to confirm compliance with the obligations of this Agreement. In no circumstances, however, shall Owner access an Oil and Gas Operations Area while active drilling or completions operations are ongoing without prior notice to Operator, and Operator's consent, which consent shall not be unreasonably withheld. Any discrepancies, omissions or incomplete work noted on any such inspection shall be corrected by Operator as promptly as reasonably practical, but in no event later than thirty (30) days after written notice of such discrepancies, omissions or incomplete work is provided to Operator, unless Owner consents in writing to a longer period of time upon request from Operator, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, in the event Operator is advised of any discrepancies, omissions or incomplete work for which it had been notified on a previous inspection, then Operator shall undertake to correct such discrepancies, omissions or incomplete work in a diligent manner.

23. **Miscellaneous**

a. **Assignment and Amendment.** This Agreement shall run with the Lands and shall be assigned by Operator in connection with any assignment of Operator's oil and gas leasehold rights under all or a portion of the Lands; provided, however, that no assignment shall relieve the Parties of their obligations hereunder.

b. **Non-Waiver.** No delay or omission in exercising any right of either Party hereunder shall operate as a waiver of any other rights of that Party hereunder.

c. **Covenants Running with the Land.** The rights granted by Owner to Operator and the obligations of Owner under this Agreement shall run with the Lands and shall be binding upon Owner and its successors and assigns with respect to ownership of this Agreement and the Lands.

d. **Force Majeure.** Subject to the other provisions of this Agreement, if either Party is rendered unable, wholly or in part, by Force Majeure to carry out its obligations under this Agreement, other than with respect to payment and indemnity obligations hereunder, it is agreed that, upon such Party's giving notice and reasonably full particulars of such Force Majeure in writing or by facsimile to the other Party within a reasonable time after the occurrence of the cause

relied upon, the obligations of the Party giving such notice, so far as they are affected by Force Majeure, shall be suspended during the continuance of any inability so caused, but for no longer period, and such cause shall so far as possible be remedied with all reasonable dispatch.

e. **Enforcement Costs.** If either party defaults under this Agreement, the defaulting party shall pay all costs and expenses, including a reasonable attorney's fee, incurred by the non-defaulting party in enforcing this Agreement, with or without litigation.

f. **Recording.** Owner and Operator will jointly execute a Memorandum of this Agreement for the purpose of placing third parties on notice of this Agreement. The Parties understand and agree that the Memorandum of this Agreement and any amendments thereto will be recorded in Larimer County, Colorado at the sole cost and expense of Operator.

g. **Conflicts.** In the event of any conflict between this Agreement and any of the Leases covering the Lands or any portion of the Lands, the terms and provisions of this Agreement shall control.

h. **Binding Effect.** This Agreement is binding upon and shall inure to the benefit of any permitted the successors and assigns of the Parties.

i. **Third Party Rights.** Except as set forth in this Agreement, this Agreement does not grant any easement or other right to any third party for any purpose.

j. **Entire Agreement.** This Agreement, together with the exhibits hereto, constitute the entire integrated agreement among the Parties regarding the Lands and the subject matter hereof and supersede any previous communications, representations or agreements, whether oral or written.

k. **Counterparts.** This Agreement may be signed in any number of counterparts, including by electronic means, each of which shall be considered an original for all purposes, with the same effect as if the signatures thereto and hereto were upon the same instrument.

l. **Applicable Law.** This Agreement shall be construed under the laws of the State of Colorado without regard for any conflict of laws principles that would require the application of the law of any other jurisdiction.

m. **Dispute Resolution.** In the event of any dispute, disagreement or controversy arising out of, relating to or connected with this Agreement including but not limited to the location of any well, surface sites or facilities, access roads and pipelines, the Parties shall

use reasonable, good faith efforts to settle such dispute or claim through negotiations with each other. If such negotiations fail to produce a mutually acceptable resolution to the matter in dispute, the Parties will submit the same to non-binding mediation before a sole mediator. The mediation will be conducted by the Judicial Arbitrator Group, Inc., 1601 Blake St, Suite 400, Denver, CO 80202 (“JAG”). The matter in dispute will be submitted to mediation within fifteen (15) days of a written demand for mediation from one Party to the other. If the mediation is not successful, the matter in dispute shall be submitted for final reconciliation by a sole arbitrator to be chosen by the Parties from the pool of arbitrators at JAG by no later than thirty (30) days of a written demand for arbitration from one Party to the other (or such other time as may be agreed to by the Parties). The demand for arbitration and the response thereto shall concisely state the matter(s) in dispute, the position of the Party with respect to such matter(s) and the Party’s proposed resolution of the same.

(i) During any negotiations conducted pursuant to this Agreement, the Parties will keep and maintain a record of all issues upon which agreement has been reached. To narrow and focus the issues that may need to be resolved in an arbitration proceeding, each of the submittals by the Parties shall include all points that have been agreed to by the Parties during their negotiations.

(ii) Any proceeding before the arbitrator shall be conducted in accordance with the Uniform Arbitration Act then currently in effect. The purpose of the arbitrator’s role is to produce a final decision of any matter submitted for arbitration to which the Parties’ herein agree to be bound. The place of arbitration shall be at the offices of JAG in Denver, Colorado.

(iii) The JAG arbitrator shall, ideally, be possessed of demonstrated experience in matters pertaining to the law of oil and gas development, and, at a minimum, Colorado law of real property governing the use and enjoyment of surface and subsurface estates. If the Parties cannot reach agreement on the choice of JAG arbitrator within ten (10) days of the original demand for arbitration (or such other time as may be agreed to by the Parties), they shall abide by the assignment of JAG arbitrator made by the JAG Administrator.

(iv) For any matter requiring judicial resolution in connection with the arbitration, including the enforcement of any award, enforcement of this agreement to arbitrate, or injunctive relief to preserve the status quo pending arbitration, the Parties agree to the exclusive

jurisdiction of the state and federal courts located in the City and County of Denver, State of Colorado.

IN WITNESS WHEREOF, the Parties have executed this Surface Use Agreement effective as of the Effective Date.

**OWNER:**  
**CENTERRA EAST DEVELOPMENT, INC.**  
a Delaware corporation

By:   
Beth Johnson (Sep 27, 2022 10:00 MDT)  
Name: Bethany Johnson  
Title: SVP, Deputy General Counsel

**OPERATOR:**  
**MRG, LP**  
a Colorado limited partnership

By: McWhinney Real Estate Company, Inc.,  
a Colorado corporation,  
Managing General Partner

By:   
Troy McWhinney (Sep 28, 2022 08:41 MDT)  
Name: Troy C. McWhinney  
Title: Chief Investment Officer

**EXHIBIT A**

**Attached to and made a part of the certain Surface Use Agreement dated effective the 7<sup>th</sup> day of July, 2022 by and between Centerra East Development, Inc., as Owner, and MRG, LP, as Operator**

**The Lands:**

**SE of the NE of Section 115N 68W, comprising, 14 acres, more or less**



**EXHIBIT B**

Attached to and made a part of the certain Surface Use Agreement dated effective the 7<sup>th</sup> day of July, 2022 by and between Centerra East Development, Inc., as Owner, and MRG, LP, as Operator

The Leases:

That certain Oil and Gas Lease between MHC Oil and Gas Investments, LLC, Centerra Properties West, LLC, McWhinney Holding Company, LLLP, Stonebridge McWhinney, LLC, Foxtrail Lodging, LLC, Troy C. McWhinney, The Chad C. McWhinney Trust, and Centerra Commercial Owners Association, collectively, Lessor, and MRG, LP, Lessee, a Memorandum of which was recorded with the Clerk & Recorder, Larimer County, Colorado on August 25, 2022 at Reception No. 20220052734.

## **EXHIBIT C**

**Attached to and made a part of the certain Surface Use Agreement dated effective the 7<sup>th</sup> day of July, 2022 by and between Centerra East Development, Inc., as Owner, and MRG, LP, as Operator**

**The Oil and Gas Operation Area:**

**See Attached.**

**15098267.4**

## Exhibit C-1

### PROPERTY DESCRIPTION

A parcel of land, being a portion of Outlot P, Millennium East Tenth Subdivision recorded February 18, 2021 at Reception Number 20210017402, situate in the Northeast Quarter (NE1/4) of Section Eleven (11), Township Five North (T.5N.), Range Sixty-eight West (R.68W.) of the Sixth Principal Meridian (6th P.M.), City of Loveland, County of Larimer, State of Colorado, being more particularly described as follows:

**COMMENCING** at the East Quarter corner of said Section 11 as monumented by a #6 rebar with a 3.25" aluminum cap LS illegible and assuming the South line of the NE1/4 of said Section 11 as monumented on the West end by a #6 rebar with a 2.5" aluminum cap LS 14823 as bearing South 89°10'18" West, being a grid bearing of the Colorado State Plane Coordinate System, North Zone, North American Datum 1983, a distance of 2643.01 feet with all other bearings contained herein being relative thereto;

The lineal dimensions as contained herein are based upon the "U.S. Survey Foot."

THENCE North 03°13'05" West a distance of 777.18 feet to a point on the West line of a Twenty (20) foot Deed of Dedication recorded December 19, 2006 at Reception Number 20060096244 and to the **POINT OF BEGINNING**;

THENCE North 90°00'00" West a distance of 123.90 feet;

THENCE North 00°00'04" West a distance of 18.78 feet;

THENCE South 89°59'56" West a distance of 144.30 feet;

THENCE North 49°25'08" East a distance of 114.21 feet;

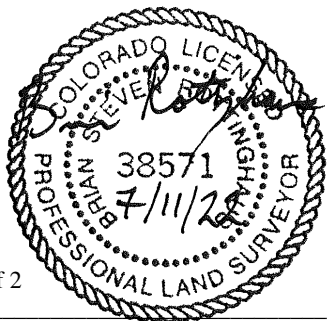
THENCE South 89°31'45" East a distance of 182.22 feet to a point on the West line of said Deed of Dedication;

THENCE South 00°28'14" West along the West line of said Deed of Dedication a distance of 91.58 feet to the **POINT OF BEGINNING**;

Said parcel of land contains 18,929 sq. ft. or 0.43 acres more or less (+/-), and is subject to any rights-of-way or other easements of record as now existing on said described parcel of land.

### SURVEYORS CERTIFICATE

I, Brian S. Rottinghaus, a Colorado Licensed Professional Land Surveyor do hereby state that this Property Description was prepared by me or under my personal supervision and checking, and that it is true and correct to the best of my knowledge and belief.



Sheet 1 of 2

Brian S. Rottinghaus— on behalf of Lat40°, Inc.  
Colorado Licensed Professional  
Land Surveyor #38571

**Lat40°, Inc.**  
**Professional Land Surveyors**  
6250 W. 10<sup>th</sup> Street, Unit 2  
Greeley, CO 80634  
(970) 515-5294

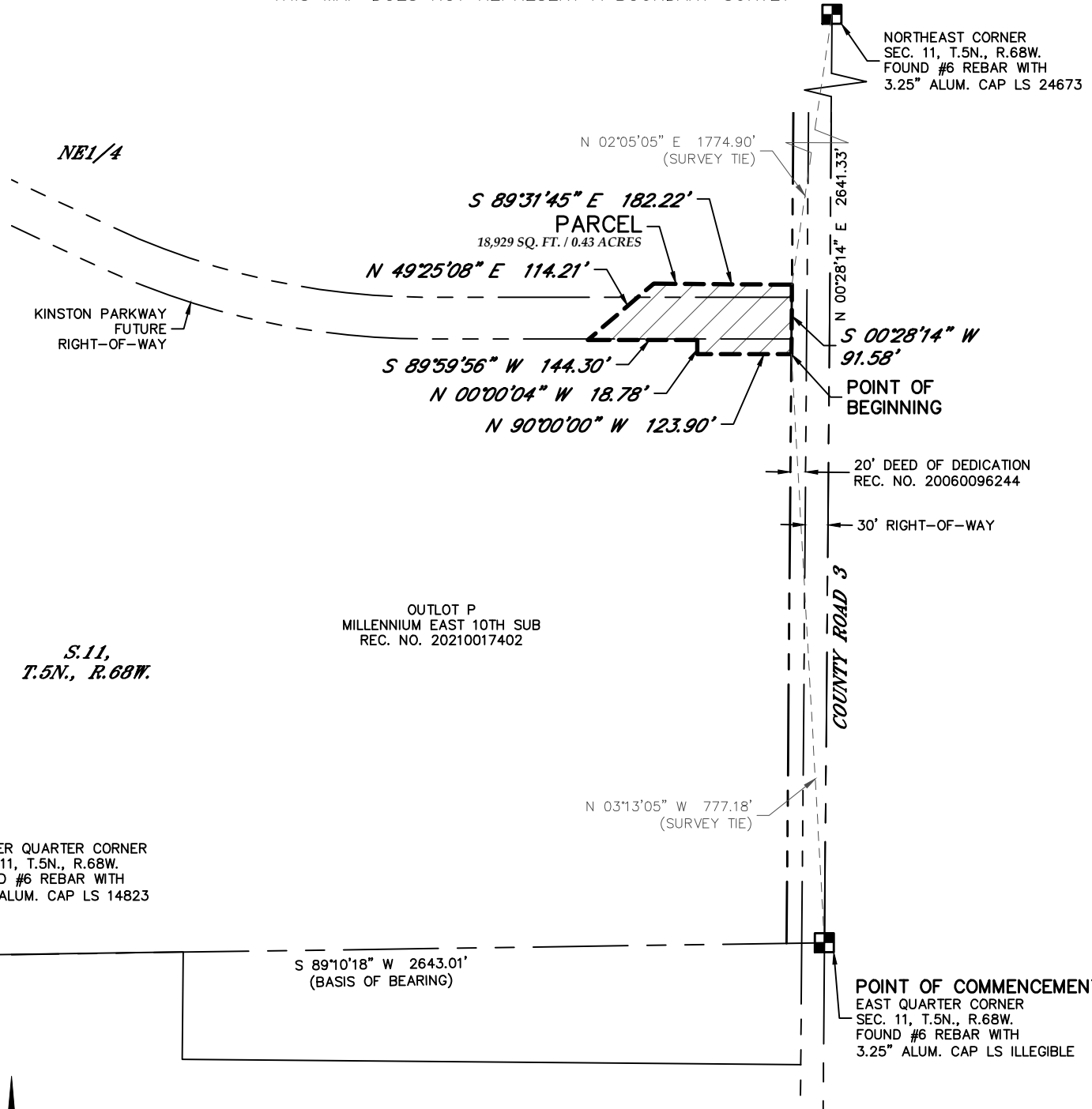


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# EXHIBIT C-2

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY

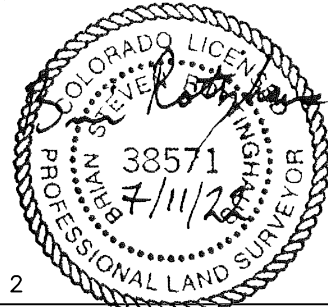
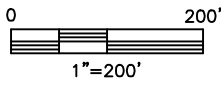
SECTION: 11  
TOWNSHIP: 5N  
RANGE: 68W



**S. 11,  
T. 5N., R. 68W.**

CENTER QUARTER CORNER  
SEC. 11, T.5N., R.68W.  
FOUND #6 REBAR WITH  
2.5" ALUM. CAP LS 14823

POINT OF COMMENCEMENT  
EAST QUARTER CORNER  
SEC. 11, T.5N., R.68W.  
FOUND #6 REBAR WITH  
3.25" ALUM. CAP LS ILLEGIBLE



NOTE: This exhibit drawing is not intended to be a monumented land survey. It's sole purpose is as a graphic representation to aid in the visualization of the written property description which it accompanies. The written property description supersedes the exhibit drawing.

**Exhibit C-3**

**PROPERTY DESCRIPTION**

A parcel of land, being a portion of Outlot P, Millennium East Tenth Subdivision recorded February 18, 2021 at Reception Number 20210017402, situate in the East Half (E1/2) of Section Eleven (11), Township Five North (T.5N.), Range Sixty-eight West (R.68W.) of the Sixth Principal Meridian (6th P.M.), City of Loveland, County of Larimer, State of Colorado, being more particularly described as follows:

**COMMENCING** at the East Quarter corner of said Section 11 as monumented by a #6 rebar with a 3.25" aluminum cap LS illegible and assuming the South line of the Northeast Quarter (NE1/4) of said Section 11 as monumented on the West end by a #6 rebar with a 2.5" aluminum cap LS 14823 as bearing South 89°10'18" West, being a grid bearing of the Colorado State Plane Coordinate System, North Zone, North American Datum 1983, a distance of 2643.01 feet with all other bearings contained herein being relative thereto;

The lineal dimensions as contained herein are based upon the "U.S. Survey Foot."

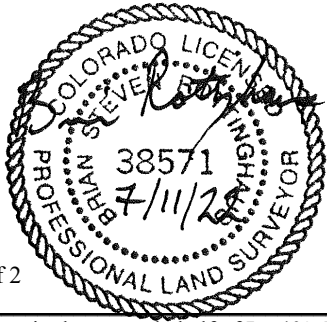
THENCE South 65°48'11" West a distance of 183.65 feet to the **POINT OF BEGINNING**;

THENCE South 89°59'56" West a distance of 670.00 feet;  
THENCE North 00°00'04" West a distance of 870.00 feet;  
THENCE North 89°59'56" East a distance of 670.00 feet;  
THENCE South 00°00'04" East a distance of 870.00 feet to the **POINT OF BEGINNING**;

Said parcel of land contains 582,900 sq. ft. or 13.38 acres more or less (+/-), and is subject to any rights-of-way or other easements of record as now existing on said described parcel of land.

**SURVEYORS CERTIFICATE**

I, Brian S. Rottinghaus, a Colorado Licensed Professional Land Surveyor do hereby state that this Property Description was prepared by me or under my personal supervision and checking, and that it is true and correct to the best of my knowledge and belief.



Sheet 1 of 2

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Brian S. Rottinghaus— on behalf of Lat40°, Inc.  
Colorado Licensed Professional  
Land Surveyor #38571

**Lat40°, Inc.**  
**Professional Land Surveyors**  
6250 W. 10<sup>th</sup> Street, Unit 2  
Greeley, CO 80634  
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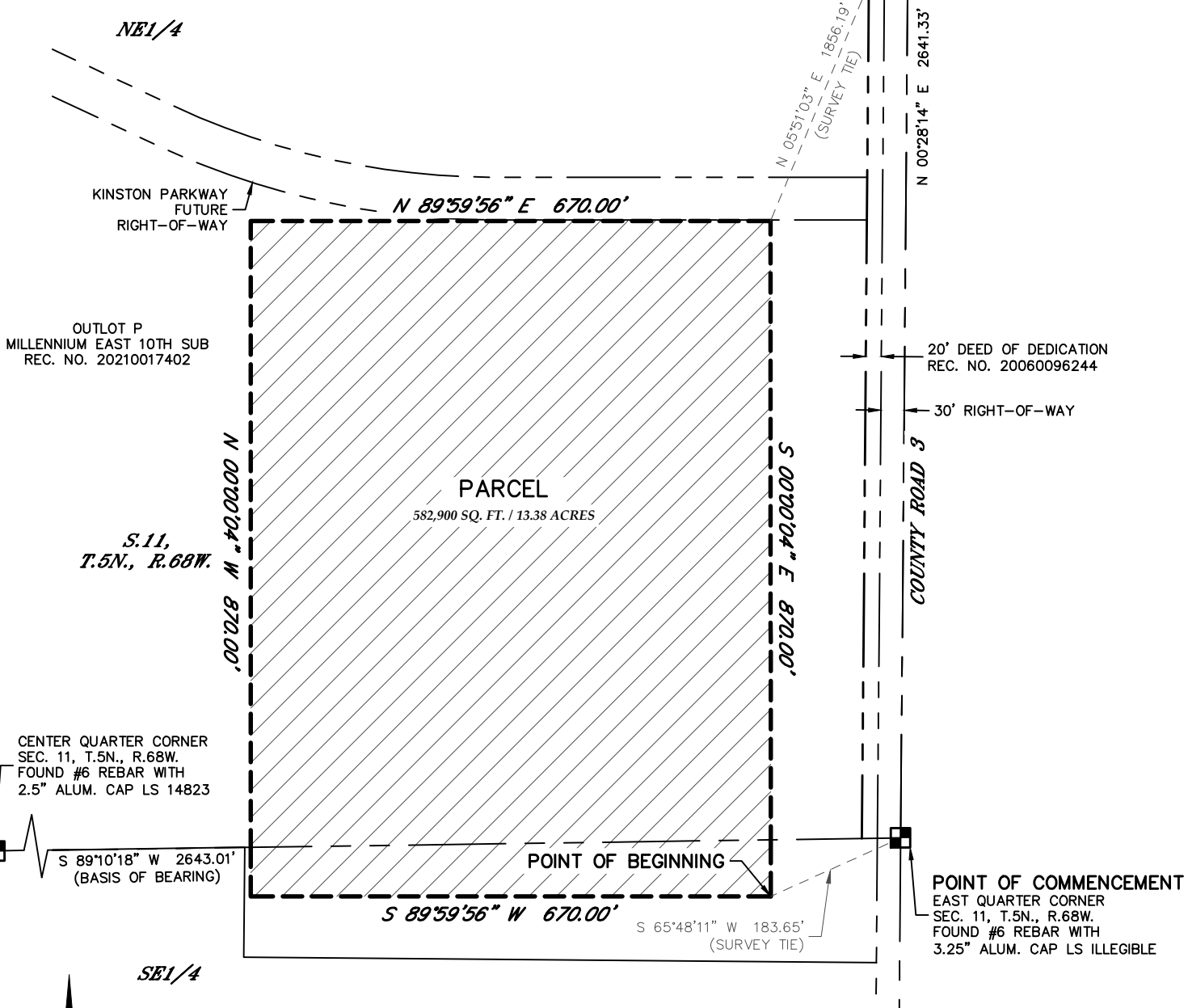
Lat40°, Inc. 6250 W. 10th Street, Unit 2, Greeley, CO 970-515-5294

# EXHIBIT C-4

SECTION: 11  
TOWNSHIP: 5N  
RANGE: 68W

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY

NORTHEAST CORNER  
SEC. 11, T.5N., R.68W.  
FOUND #6 REBAR WITH  
3.25" ALUM. CAP LS 24673



OUTLOT P  
MILLENNIUM EAST 10TH SUB  
REC. NO. 20210017402

S.11,  
T.5N., R.68W.

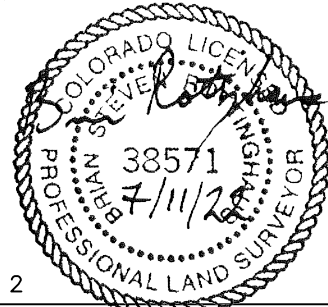
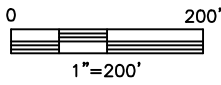
CENTER QUARTER CORNER  
SEC. 11, T.5N., R.68W.  
FOUND #6 REBAR WITH  
2.5" ALUM. CAP LS 14823

20' DEED OF DEDICATION  
REC. NO. 20060096244

30' RIGHT-OF-WAY

COUNTY ROAD 3

POINT OF COMMENCEMENT  
EAST QUARTER CORNER  
SEC. 11, T.5N., R.68W.  
FOUND #6 REBAR WITH  
3.25" ALUM. CAP LS ILLEGIBLE



NOTE: This exhibit drawing is not intended to be a monumented land survey. It's sole purpose is as a graphic representation to aid in the visualization of the written property description which it accompanies. The written property description supersedes the exhibit drawing.