

SECOND AMENDMENT TO SURFACE USE AGREEMENT

This Second Amendment to Surface Use Agreement ("Second Amendment") is dated and made effective this __ of _____, 2020 and is by and among Anadarko Land Corp. ("Anadarko Land"), Anadarko E&P Onshore LLC ("Anadarko E&P") and Kerr-McGee Oil & Gas Onshore LP ("Kerr-McGee"), all with an address of 1099 18th Street, Suite 1800, Denver, Colorado 80202 and referred to hereinafter collectively as the "Anadarko Entities" and the Town of Erie ("Town"), a municipal corporation of the State of Colorado, with an address of 645 Holbrook, Post Office Box 750, Erie, Colorado 80516.

RECITALS

- A. Kerr-McGee Rocky Mountain Corporation ("KMRMC"), Anadarko Land, Anadarko E&P, Encana Energy Resources Inc. ("EnCana") and Erie Commons Investors, LLC entered into a surface use agreement dated December 15, 2004, and recorded January 13, 2005 at Reception No. 3252946 in the Office of the Clerk and Recorder for Weld County ("Agreement") that covered certain property in Weld County, including (among other property) a portion of the NW/4 of Section 19, Township 1 North, Range 68 West, which is more specifically described in Exhibit 1 of the Agreement and hereinafter referred to as the "Property."
- B. KMRMC, Anadarko Land, Anadarko E&P, Erie Commons, EnCana and the Town entered into a Consent and Waiver dated December 15, 2004 and recorded January 13, 2005 at Reception No. 3252947 ("Consent") that applied to the Property among other property.
- C. Kerr-McGee is the successor to KMRMC, and the Town has succeeded to the interests of Erie Commons in the ownership of the surface estate for the Property.
- D. Anadarko Land and Anadarko E&P own the oil, gas and associated liquid hydrocarbons that underlie the Property, and Kerr-McGee owns oil and gas leasehold interests that underlie the Property.
- E. The Agreement provided for the compatible development of the surface estate and the oil and gas estate for the Property and identified specific locations for oil and gas wells, associated drilling and production facilities, a pipeline easement and an access road on the Property.
- F. The parties in the Consent understood and acknowledged that the Town had succeeded to or would succeed to the interests of Erie Commons in the Property, and the Town in the Consent acknowledged and consented to the agreements in the Agreement for itself and its successors and assigns and agreed that it was bound by all of the terms and provisions in the Agreement with respect to the Property and that it would comply with the terms and provisions in the Agreement.
- G. Anadarko Land, Anadarko E&P, Kerr-McGee, and the Town entered into that certain Amendment to Surface Use Agreement dated August 25, 2009 and recorded August 27, 2009, at Reception No. 3645248 ("Amendment") that applied to the Property, and among other things, contracted the size of the Oil and Gas Operations Area identified in the Agreement for the Property.

- H. The Town has requested the Anadarko Entities relinquish the Oil and Gas Operations Area identified in the Agreement on Exhibit 2-B located on the Property (the "Relinquished OGOA"), and the Anadarko Entities hereby agree to the relinquishment of the Relinquished OGOA pursuant to the terms of this Second Amendment.
- I. Kerr-McGee has plugged and abandoned the Commons 3-19, 4-19, 5-19, 6-19, 18-19, 21-19, and 28-19 wells (the "Plugged Wells") generally located within the Relinquished OGOA, and has removed the flowlines and production facilities once associated with the Plugged Wells.
- J. Contemporaneously with this Agreement, the Town and Kerr-McGee have entered into that certain Waiver of Final Reclamation Agreement, wherein the Town has waived certain reclamation obligations of Kerr-McGee with respect to the Plugged Wells and Relinquished OGOA.

NOW THEREFORE, in consideration of the covenants and mutual promises set forth in this Second Amendment, Agreement, Consent, and Amendment, including in the recitals, the parties agree as follows:

- 1. The Anadarko Entities hereby relinquish and quitclaim the Relinquished OGOA for the express purposes of drilling and production activities, workovers, well deepenings, recompletions, fracturing, drilling or replacement of wells and additional wells, and re-fracturing. The relinquishment provided for herein is expressly limited to the Relinquished OGOA on the Property.
- 2. Kerr-McGee agrees that the Town's consultants, CGRS, shall verify that the Plugged Wells have been plugged and abandoned in a satisfactory manner consistent with COGCC rules and regulations.
- 3. The Anadarko Entities specifically reserve and do not relinquish any rights, title and interest to the remainder of Oil and Gas Operations Areas covered by the Agreement not expressly relinquished herein.
- 4. The parties hereby agree that, except as specifically amended by the Amendment and this Second Amendment, all other terms of the Consent and Agreement not specifically amended thereby shall continue in full force and effect.

This Second Amendment may be executed in counterparts, each of which shall be deemed and original, and together of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Second Amendment on the day and year first written above.

[Signature and Acknowledgements Page to Follow]

Anadarko Land Corp.

By:

Its:

Name:

Kerr-McGee Oil & Gas Onshore LP

By:

Its:

Name:

Anadarko E&P Onshore LLC

By:

Its:

Name:

Town of Erie

By:

Its:

Name:

ACKNOWLEDGEMENTS

STATE OF COLORADO

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)ss.

CITY AND COUNTY OF _____

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The foregoing **SECOND AMENDMENT TO SURFACE USE AGREEMENT** was acknowledged before me this ____ day of _____, 2020, by _____, in ____ capacity as Attorney-in-Fact of ANADARKO LAND CORP., on behalf of such company.

Witness my hand and official seal.

[S E A L]

Notary Public

My Commission Expires: _____

[Acknowledgements Continued on Following Page]

STATE OF COLORADO)
)ss.
CITY AND COUNTY OF _____)

The foregoing **SECOND AMENDMENT TO SURFACE USE AGREEMENT** was acknowledged before me this ____ day of _____, 2020, by _____, in ____ capacity as Attorney-in-Fact of KERR-MCGEE OIL & GAS ONSHORE LP., on behalf of such partnership.

Witness my hand and official seal.

[S E A L]

Notary Public

My Commission Expires: _____

STATE OF COLORADO)
)ss.
CITY AND COUNTY OF _____)

The foregoing **SECOND AMENDMENT TO SURFACE USE AGREEMENT** was acknowledged before me this ____ day of _____, 2020, by _____, in ____ capacity as Attorney-in-Fact of ANADARKO E&P ONSHORE LLC, on behalf of such limited liability company.

Witness my hand and official seal.

[S E A L]

Notary Public

My Commission Expires: _____

STATE OF COLORADO)
)ss.
COUNTY OF _____)

The foregoing **SECOND AMENDMENT TO SURFACE USE AGREEMENT** was acknowledged before me this ____ day of _____, 2020, by _____, in ____ capacity as _____ of the TOWN OF ERIE, on behalf of such _____.

Witness my hand and official seal.

[S E A L]

Notary Public

My Commission Expires: _____

[End of Acknowledgements Page]