

AMENDED MEMORANDUM OF UNDERSTANDING

THIS AMENDED AGREEMENT is made and entered into this 10th day of July 2018 by and between the BOARD OF COUNTY COMMISSIONERS OF LA PLATA COUNTY, COLORADO, 1060 E. 2nd Avenue, Durango, Colorado 81301 and CATAMOUNT ENERGY PARTNERS, LLC, 1801 Broadway, Suite 1000 Denver, Colorado 80202.

DEFINITIONS

Abandonment or abandoned means the permanent abandonment of a well based on the operator's filing with the COGCC.

Best Management Practices means schedules of activities, prohibitions of practices, maintenance procedures, and other management practices intended to prevent or reduce the pollution of waters of the State of Colorado as described in the regulations of the Colorado Department of Public Health and Environment, as amended from time to time.

BLM means the Bureau of Land Management.

Catamount or Applicant means Catamount Energy Partners, LLC.

COGCC means the Colorado Oil and Gas Conservation Commission of the State of Colorado.

Conventional gas well means a well producing from a non-coalbed methane formation found in the San Juan Basin, such as the Mesa Verde or Dakota Sandstone formations.

County means the Board of County Commissioners of La Plata County.

County approved subdivision means any subdivision created pursuant to state law, which has received subdivision approval by the Board of County Commissioners since May 5, 1972.

Easement means express or implied authorization by a property owner for the use of a designated portion of his property by another, for a specified purpose.

Fruitland Coal Well means a gas well drilled for the purpose of producing gas from the Fruitland coal seams underlying the lands described in the Infill Application.

Gas well means a well having a pressure and volume of natural gas; specifically, producing methane, often in combination with a variety of other substances such as butane, propane and carbon dioxide.

Green completion means a technique whereby gas is recovered for sale or use instead of being vented or flared during initial completion flow back operations.

Heavy equipment means individual truck/trailer combination vehicles with a gross vehicle weight exceeding 5 tons.

Infill Application means the application filed by Catamount with the COGCC, on or about July 19, 2017, seeking an order to allow an additional two (2) infill wells, for a total of up to four (4) wells in each of the two (2) established 320-acre drilling and spacing units in Section 27, Township 33 North, Range 8 West, N.M.P.M., La Plata County, Colorado for the production of gas and associated hydrocarbons from the Fruitland Coal Seams.

Infill Application Area means the area within La Plata County described in the Infill Application, also known as Section 27, Township 33 North, Range 8 West, N.M.P.M.

Infill County Permit means any permit the county issues, pursuant to LPLUC Ch. 90, for minor oil and gas facilities and major oil and gas facilities related to the Infill Application.

Infill Wells means those wells contemplated to be drilled by the Infill Application.

LPLUC means the La Plata County Land Use Code.

Low bleed means pneumatic controllers installed on field equipment to replace high bleed devices that vent small amounts of methane continuously.

Major oil and gas facilities shall have the meaning set forth in Section 90-19 of LPLUC.

Minor oil and gas facilities shall have the meaning set forth in Section 90-19 of LPLUC.

Permanent operations means operations for an Infill Well after initial drilling, completion and interim reclamation and before abandonment.

Proposed Infill Well means an Infill Well for which an application for a minor facility has been submitted to La Plata County after the Effective Date of this Agreement.

Reasonable efforts means diligent and good faith efforts to accomplish a given objective.

Right-of-way means a tract or strip of land, separate and distinct from the underlying property, owned, occupied or intended to be occupied by an oil, gas and/or water pipeline.

Road Maintenance and Improvement Fees or *Fees* means the County road maintenance and improvement fees described in Article 3 below.

Water quality testing wells means domestic water wells within the vicinity of gas wells tested for water quality.

Well Pad means the flat graveled portion of the pad area in which permanent operations for the gas well take place.

RECITALS

A. La Plata County is a political subdivision of the State of Colorado authorized to act through its Board of Commissioners.

B. Catamount is a gas producing operator which has filed the Infill Application with the COGCC requesting an increase in the density of Fruitland Coal Wells in parts of La Plata County, Colorado. The Infill Application requests an order from the COGCC to permit, at the option of the operator, an additional two (2) infill wells, for a total of up to four (4) wells in each of the two (2) established 320-acre drilling and spacing units in Section 27, Township 33 North, Range 8 West, N.M.P.M., La Plata County, Colorado for the production of gas and associated hydrocarbons from the Fruitland Coal Seams.

C. The provisions of the LPLUC, Chapter 90, require Catamount to obtain a county permit for the construction, installation, and operation of oil and gas facilities within the unincorporated areas of the County, except with respect to those lands and Code provisions where the County's jurisdiction is preempted by federal or state law, or by the jurisdiction of the Southern Ute Indian Tribe.

E. The County seeks to facilitate the development of oil and gas resources within the above-described areas of the County, while mitigating potential impacts from such development.

F. The County has determined that potential impacts attendant to future gas development would be best mitigated if future Fruitland Coal Wells are drilled on existing well pads, where practicable, and as prescribed in the LPLUC despite the fact that, in some instances, the use of existing well pads may further affect certain property owners and neighboring properties.

G. C.R.S. § 43-2-147 allows the County to, and describes the manner in which, the County shall, regulate vehicular access to and from any public highway under its jurisdiction, and from or to property adjoining a public highway, in order to protect the public health, safety and welfare, to maintain smooth traffic flow, to maintain highway right-of-way drainage, and to protect the functional level of public highways.

H. The County, as a matter of right, intervened in the adjudicatory proceedings before the COGCC related to the Infill Application to raise environmental or public health, safety and welfare concerns. In exchange for the agreements contained herein, the County agreed not to protest Catamount's Infill Application, nor, if it intervened in the adjudicatory proceedings related to the Infill Application, would it advocate any position inconsistent with any term contained in this Agreement.

I. Catamount and the County wished to have certain issues amicably resolved prior to the COGCC's adjudicatory proceedings on the Infill Application, and agreed that certain provisions of their Memorandum of Understanding ("MOU") should be included (subject to COGCC approval) in the requested Infill order.

J. A mutually executed copy of this MOU's original version, dated January 23, 2018, was filed with the COGCC in Case No. 112, Docket No. 170900611, and COGCC Order No. 112-278 was made subject to and conditional upon compliance with its terms and with the specific provisions of Order No. 112-157.

K. Now, Catamount and the County wish to amend their MOU dated January 23, 2018 so that the Conditions of Approval contained therein reflect that Order No. 112-278 shall be subject to and conditional upon compliance with this MOU and Order No. 112-157, except to the extent that Order No. 112-278 modifies Order No. 112-157.

L. This Agreement and any prior iteration thereof is not applicable to infill spacing units contained within the Application involving the Southern Ute Indian Tribe's surface or mineral interests, which are subject to the jurisdiction of the Southern Ute Indian Tribe.

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AGREEMENT

In consideration of the mutual obligations and benefits set forth in this Agreement and for other good and valuable consideration, the receipt of which is acknowledged, Catamount and the County agree as follows:

ARTICLE I APPLICATION

This Agreement shall apply to Infill Application Wells on lands presently within the unincorporated portions of the Infill Application Area within the County, with the exception of those lands where the County's jurisdiction is preempted by federal or state law, or by the jurisdiction of the Southern Ute Indian Tribe.

ARTICLE II DENSITY AND USE OF EXISTING WELL PADS AND FACILITIES

2.1 *Density.* Catamount agrees that, except as provided in Article 2.2 below, or as otherwise may be permitted in the COGCC order approving Catamount's Infill Application, the density of Fruitland Coal Well Pads within the Infill Application Area shall not exceed two (2) within any drilling and spacing unit of 320-acres for the Fruitland Coal Seam. Notwithstanding the foregoing, nothing contained in this Article II shall be construed to require the closure or abandonment of any existing gas well.

2.2 *Well Location; Exceptions.* The County believes that the potential impacts attendant to future gas development would be best mitigated if future Fruitland Coal Wells are drilled on existing well pads ("Pad Drilling"). In support of this policy, in situations where reasonable efforts fail to produce a surface use agreement concerning Pad Drilling between Catamount and the surface owner, the County, in its discretion, may approve an Infill County Permit for Pad Drilling. Special exceptions to Article 2.1 may be requested by Catamount in its applications for Infill County Permits. The County will grant special exceptions when the County finds that one or more of the following factors applies in a manner such that use of an existing Well Pad is rendered impractical:

- a. topographic characteristics of the site;
- b. natural resource constraints (e.g., wetlands);
- c. the location of utilities or similar services;
- d. geologic factors or where issues concerning distances between wells are present;
- e. other site conditions beyond the control of Catamount; or
- f. safety concerns.

In rare circumstances, the County also may, in its discretion, grant a special exception to Article 2.1, at the request of the surface owner and Catamount, based upon other impacts that may arise from Pad Drilling. Nothing herein shall be construed or applied to result in the complete preclusion of an Infill Well authorized by the COGCC. The limitation

contained in Section 2.1 shall not apply in any instance in which the County denies a permit application to drill a well from an existing Well Pad or to expand an existing Well Pad.

2.3 *Use of Existing Infrastructure.* Catamount agrees, except as provided in Article 2.2, to use existing infrastructure, including but not limited to the use of existing roads, pipeline routes and Well Pads within the existing COGCC drilling windows in the Infill Application Area. Nothing contained in this Article 2.3 shall preclude Catamount from installing additional or substitute facilities within the existing roads, pipeline routes and Well Pads, if reasonably required to produce and operate the Infill Wells. The County recognizes that some minor reconfiguration of the existing infrastructure or additional easements may be necessary due to the placement of multiple wells on existing Well Pads. At the request of the County, Catamount shall furnish information that is not privileged, confidential, or proprietary under state or federal law, demonstrating Catamount's requested need for new facilities (roads, pipeline easements, well pads, *etc.*) and new facilities may be required due to:

- a. The lack of existing infrastructure in a COGCC permitted Fruitland drilling window.
- b. Engineering, geologic, safety, surface feature, economic, and/or without limitation any other constraints that make use of existing infrastructure reasonably impractical.
- c. Facility ownership constraints that make the sharing or use of existing facilities reasonably impractical.

2.4 *Legal Non-Conforming Uses and Setbacks.* Section 90-122(b) of the LPLUC establishes certain setback requirements. In some instances, existing minor oil and gas facilities which initially met such requirements would not meet the requirements if a current application were filed due to (i) the encroachment of other development into the setback area, (ii) because the regulation was not in effect when the original installation occurred or (iii) because a waiver previously was obtained. Because the County believes that the policy of utilizing existing well pads is critical to the mitigation of the overall impact of the Infill Wells on the County as a whole, the County agrees that in those instances where the setback requirements of Sections 90-122 (b)(1) and (2) cannot be met currently, the County will consider the use of the existing Well Pad site a legal nonconforming use not subject to the requirements of Sections 90-122 (b)(1) and (2), provided that the degree of the nonconformity is not in any way increased by the placement of the Infill Well on the existing Well Pad site. The degree of existing nonconformity shall be measured from the well head to the nearest residential structure and/or county approved subdivision as applicable. The degree of nonconformity for the new Proposed Infill Well shall be measured from the proposed well head to the nearest residential structure and/or county approved subdivision as applicable. The increase, if any, in degree of nonconformity shall be the net difference between the two above measured values.

2.5 *Expansion of Existing Well Pads.* In those instances where an existing Well Pad is used for an Infill Well, Catamount agrees to use reasonable efforts to minimize the expansion of the area of the existing Well Pad. The reasonableness of the expansion under the circumstances shall be demonstrated by Catamount to the County with its Infill County Permit application. Catamount agrees to exercise reasonable efforts to expand existing well pads away from nearby existing impacted residential structures.

ARTICLE III PRIVATE ROADS AND ROAD MAINTENANCE AND IMPROVEMENT FEES

3.1 *Road Maintenance and Improvement Fees.* County and Catamount have determined that specific land use activities by Catamount within the Infill Application Area may create impacts on County roads and, therefore, mitigation in the form of negotiated road maintenance and improvement fees is proper and necessary. The parties recognize that these fees are not always a reliable or sufficient source of funds and that the County's ability to actually perform such work may be limited or hampered by reasons beyond its control. However, the County agrees to exercise good faith in its efforts to carry out the intent of this Agreement and to perform such work to the extent that monies are available and appropriated. The County shall control the sequencing and timing of such work and Catamount hereby waives its rights, if any, to dictate the manner, sequencing and timing of the same. Such waiver does not, however, waive any right of Catamount to request that the County fix, maintain, or reclaim certain County roads and/or intersections utilized by Catamount. The County recognizes and acknowledges that the monies collected hereunder must be collected and spent in a manner consistent with the accounting practices set forth in C.R.S. § 29-1-801 *et seq.* and that such monies may only be spent on facilities that are directly and reasonably related to the mitigation of impacts related to the activities described in the Infill Application.

3.2. *Road Maintenance and Improvement Fees Calculation and Payment.* Based upon certain assumptions made by the County, the collective Road Maintenance and Improvement Fee for minor oil and gas facilities with respect to the Infill Wells proposed in the Infill Application shall be \$4,450 per well. All major facilities shall pay fee(s) based upon a traffic study associated with the Class II permit for such major facility and such fee(s) shall be based upon the methodologies used by the parties to derive the fees set forth herein.

Catamount shall pay the County the Road Maintenance and Improvement Fee due and owing for the prescribed activity prior to the County's final approval of the Infill County Permit for the associated Infill Well(s), and not before. If a permit is not issued for the proposed Infill Well(s), or if Catamount decides not to construct any of the proposed Infill Wells, then the fee will be returned to Catamount. If Catamount decides not to construct any of the Infill Wells subsequent to the payment of the fee, the County will return the appropriate portion of the fee directly related to the impacts associated with the Infill Well(s) that Catamount decides not to construct. In addition, for any

oversized and/or overweight vehicles, Catamount will need to acquire appropriate permits from the County Public Works Department.

3.3 *Submission of Information.* The County seeks to efficiently and effectively schedule maintenance and improvement projects on its county roads. The use of such roads by heavy equipment related to construction or production activities in the Infill Application Area could affect such projects. With respect to its operation of the wells subject to this Agreement, the County seeks and Catamount agrees to provide the County a forecasted activity plan setting forth the expected location and duration of minor oil and gas facilities and major oil and gas facilities operations, as well as the County roads to be accessed and general proposed travel or haul routes, within the County. Catamount agrees to submit the desired information as part of its application for an Infill County Permit on the wells subject to this Agreement. The Parties agree that Catamount will not be required to submit any information that is privileged, confidential, or proprietary pursuant under state or federal law. The disclosure of such plans and routes, if applicable is for informational purposes only and shall not be construed as creating any obligation on the part of Catamount, including, without limitation, to create such plans or to conduct such operations, to limit the location and duration of such operations or to follow such routes.

3.4 *Use of Subdivision Roads.* Catamount agrees that in those instances where it accesses Infill Wells in the Infill Application Area through a road or roads within a County-approved subdivision that is not maintained by the County and a governing entity exists (e.g., homeowners' association) with legal authority to bind the entity and its members, and with the authority to grant access rights over such roads and/or negotiate agreements with respect to their use, Catamount will use reasonable efforts to negotiate a fair and reasonable road maintenance or road improvement agreement with such entity for the purpose of paying or making in-kind contributions for its pro rata share of the cost of maintaining or improving the affected road(s). Such agreements or a memorandum thereof shall be recorded with the Clerk and Recorder of La Plata County. The existence, or lack thereof, of such executed and recorded agreements shall be noted in the Infill County Permit application for informational purposes only, and shall have no bearing on the outcome of the Infill County Permit.

3.5 *Use of Equipment.* Catamount agrees that:

a. it will remove or require the removal of chains from its heavy equipment before entering a county road;

b. all new roads associated with the Infill Wells within the Infill Application Area shall have gravel access and Well Pads with a minimum of four inches (4") of Class 6 Aggregate Base Course as defined by the Colorado Department of Transportation Standard Specifications for Road and Bridge Construction over a stabilized base, both of which shall be maintained throughout permanent operations of the Well Pad; and

c. if mud and/or debris is tracked onto the county road by Catamount's equipment, Catamount shall remove same and restore the condition of the road as promptly as is reasonable under the circumstances.

3.6 *Produced Water Hauling.* In those instances where the utilization of a water hauling truck is required, Catamount agrees to strictly comply with the weight restrictions set forth in Chapter 42, Article V of the LPLUC.

ARTICLE IV AIR QUALITY

4.1 *Electrification.* Catamount agrees that with respect to Infill Wells drilled after the Effective Date of this Agreement within the Infill Application Area requiring long-term artificial lift, it shall use electric motors for all artificial lift installations if, and only if, the Well Pad is within 1320 feet of distribution voltage and the ability to do so is not cost prohibitive due to the demands of property owners from whom easements are required, topography or other physical features (e.g., the presence of a river). Catamount agrees that if distribution voltage is not currently within 1320 feet of the proposed Well Pad, it will contact and provide the surface owner an opportunity at the surface owner's cost to extend distribution voltage to within 1320 feet of the proposed Well Pad. The electrification requirements contemplated herein refer to the use of 3 phase power. Catamount shall use 3 phase power to satisfy the electrification requirements unless La Plata Electric Association provides evidence satisfactory to the County that 3 phase power is not feasible for a particular site. It is understood that gas powered artificial lift equipment may be used prior to the time that La Plata Electric Association brings power to the site. Catamount agrees to request that La Plata Electric Association place the power lines underground except in areas where the topography or subsurface conditions render it infeasible or in situations in which the landowner requests overhead lines.

4.2 *Greenhouse Gas Reduction.* Catamount agrees to utilize reasonable efforts to minimize methane emissions by using "green completion" techniques, and the installation of "low bleed" pneumatic instrumentation, when feasible.

4.3 *Emission Control Equipment.* Catamount will comply with existing EPA rules and any future regulations validly adopted by an authority with appropriate jurisdiction, including regulations that have been or may be adopted by the Southern Ute Indian Tribe.

ARTICLE V WATER QUALITY

5.1 *Storm Water Management and Spill Prevention Containment and Control.* Catamount shall comply with state laws and regulations applicable to Catamount's operations for the Infill Application Wells for all pad expansions and new pads and for road and pipeline development or improvements.

5.2 *Water Well Sampling.* If a conventional gas well exists within one quarter (1/4) mile of the bottom hole location of a Proposed Infill Well, then the two (2) closest water wells within a one-half (1/2) mile radius of the conventional gas well shall be sampled by Catamount as water quality testing wells so long as the owner of the water wells allows Catamount to conduct such sampling. If possible, the water wells selected shall be on opposite sides of the existing conventional gas well not exceeding one-half (1/2) mile radius. If water wells on opposite sides of the conventional gas well cannot be identified, then the two (2) closest wells within one-half (1/2) mile radius shall be sampled so long as the owner of the water wells allows Catamount to conduct such sampling. If two (2) or more conventional gas wells are located within one quarter (1/4) mile of the bottom hole location of the Proposed Infill Well, then the conventional gas well closest to a Proposed Infill Well shall be used for selecting wells for sampling.

If no conventional gas wells are located within one quarter (1/4) mile radius of the bottom hole location of the Proposed Infill Well, then the selected water wells shall be within one quarter (1/4) mile of the bottom hole location of the Proposed Infill Well. In areas where two (2) or more water wells exist within one quarter (1/4) mile of the bottom hole location of the Proposed Infill Well, then the two (2) closest water wells shall be sampled by Catamount so long as the owner of the water wells allows Catamount to conduct such sampling. Ideally, if possible, the water wells selected should be on opposite sides of the bottom hole location of the Proposed Infill Well. If water wells on opposite sides of the bottom hole location of the Proposed Infill Well cannot be identified, then the two (2) closest wells within one quarter (1/4) mile radius shall be sampled by Catamount so long as the owner of the water wells allows Catamount to conduct such sampling. If two (2) water wells do not exist within one quarter (1/4) mile radius, then the closest two water wells within a one-half (1/2) mile radius shall be selected.

If no water well is located within a one quarter (1/4) mile radius area or if access is denied, a water well within one-half (1/2) mile of the bottom hole location of the Proposed Infill Well shall be selected. If there are no water quality testing wells meeting the foregoing criteria, then sampling shall not be required. If the BLM or the COGCC have already acquired data on a water well within one quarter (1/4) mile of the conventional gas well, but it is not the closest water well, it shall be given preference in selecting a water quality testing well. The "initial baseline testing" described in this paragraph shall include all major cations and anions, TDS, iron and manganese, nutrients (nitrates, nitrites, selenium), dissolved methane, pH, presence of bacteria and specific conductance and field hydrogen sulfide.

If free gas or a methane concentration level greater than 2 mg/L is detected in a water quality testing well, compositional analysis and carbon isotopic analyses of methane carbon shall be performed to determine gas type (thermogenic, biogenic or an intermediate mix of both). If the testing results reveal biogenic gas, no further isotopic testing shall be done. If the carbon isotope test results in a thermogenic or intermediate mix signature, annual testing shall be performed thereafter and an action plan shall be drafted by Catamount to determine the source of the gas. If the methane concentration level increases

by more than 5 mg/L between sampling periods, or increase to more than 10 mg/L, an action plan shall be drafted to determine the source of the gas.

The initial baseline testing shall occur prior to the drilling of the Proposed Infill Well so long as the owner of the water wells allows Catamount to conduct such sampling. Within one (1) year after completion of the Infill Well, a "post completion" test shall be performed for the same parameters above and repeated on the third (3rd) and sixth (6th) year thereafter so long as the owner of the water wells allows Catamount to conduct such sampling. If no significant changes from the baseline have been identified after the third test (the six year test), no further testing shall be required. The testing schedule will restart after the drilling of a new Infill Well on an existing Well Pad if the wells to be tested include those tested for the Infill Application Area. Additional "post completion" test(s) may be required if changes in water quality are identified during follow-up testing. The Director of the COGCC may require further water well sampling at any time in response to complaints from water well owners.

Within three (3) months of collecting the samples used for the test, copies of all test results described above shall be provided to the COGCC and the surface owner where the water quality testing well is located.

ARTICLE VI PLUGGED AND ABANDONED WELLS/SOIL GAS VAPOR SURVEY

A soil gas vapor-monitoring program is designed to determine a possible lack of zonal isolation along wellbores of plugged and abandoned wells. Catamount will attempt to identify any plugged and abandoned wells located the Infill Application Area that are within 0.25 miles of the bottom hole location of any Proposed Infill Well and shall notify La Plata County, Colorado and the COGCC of any such known locations. Catamount shall conduct soil gas monitoring tests to determine whether a possible lack of zonal isolation exists with respect to each Proposed Infill Well(s) subject to this Agreement so long as the surface owner allows Catamount to conduct such sampling. Any plugged and abandoned well within 0.25 miles of the bottom hole of a Proposed Infill Well will be assessed for risk, taking into account cementing practices reported in the plugged and abandoned reports. Catamount shall not become responsible for any of the plugged and abandoned wells assessed pursuant to this Article VI, if any. Catamount shall notify the COGCC of all results of all risk assessments of plugging procedures. The COGCC may appropriate funds under Rule 701 (the Environmental Response Fund) to conduct soil gas monitoring tests to further define the risks. If the monitoring reveals a possible lack of zonal isolation, the COGCC may then conduct or order any necessary remediation or other authorized activities.

**ARTICLE VII
INCLUSION INTO COGCC ORDER**

As set forth in attached Exhibit A, Catamount and the County agree to jointly request that certain conditions, including the provisions of this MOU, be incorporated into the COGCC order approving the Infill Application.

**ARTICLE VIII
SITE SPECIFIC DEVELOPMENT PLAN AND FUTURE REGULATIONS**

This Agreement shall not grant or create any common law or statutory vested development rights or exempt Catamount from any applicable County development review regulations or processes. The County reserves the right in the future to enact and apply prospectively oil and gas regulations that are general in nature and are applicable to all similarly situated oil and gas activities subject to land use regulation by the County, even though such regulations may be more or less stringent than the standards applicable to the Infill Wells by virtue of this Agreement.

**ARTICLE IX
PRESERVATION OF RIGHTS**

The parties acknowledge, understand and agree that this Agreement shall not operate as a bar, constitute a waiver of any rights of the parties, or in any respect affect the ability of any party to this Agreement to assert its claims concerning the validity of the County's land use jurisdiction. Nothing in this Agreement shall be construed as an admission regarding the existence of proper jurisdictional authority or waiver by either party of any legal right or obligation, nor shall anything be construed as a bar to either party to seek any legal remedy available to it.

**ARTICLE X
ANNUAL REPORTING REQUIREMENT**

Once the wells subject to this Agreement are permitted by both the COGCC and the County, and the well is drilled, Catamount will provide summary information to the County regarding the status of Catamount's activities within the Infill Application Area. Specifically, Catamount shall provide information with respect to the following Sections:

Section 2.2 - well location exceptions, if applicable

Section 3.2 – confirm that road maintenance and improvement fees have been paid.

Section 4.1 - the nature of electrification measures used, if applicable, and

Section 4.2 – the nature of green completion techniques utilized.

This information will be presented in table format with the following fields:

- County permit number
- Well name
- Date well completed
- Exception location status (ie – is the well an exception location, if applicable)
- Reason for exception location (if applicable)
- Road impact fee tier and amount paid
- Date electrification implemented
- Target electrification date (if not already electrified)
- Green completion status (ie – were green completion practices used?)

If mutually agreed to by the Parties, in addition to the summary information set forth above, Catamount will provide to the County an overview of its proposed drilling plans, if known, in the Infill Application Area for the following calendar year, with the recognition by the County that such plans would be tentative and subject to change and with the County's agreement that such plans would be kept confidential.

ARTICLE XI GENERAL PROVISIONS

The following general provisions shall govern the relationship between the parties with respect to Infill Fruitland Coal Wells within the Infill Application Area.

11.1 *Effective Date and Term.* Notwithstanding anything herein to the contrary, this Agreement shall be effective upon entry of the COGCC's order approving the Infill Application.

11.2 *Entire Agreement.* Except as otherwise expressly set forth herein, this Agreement embodies the complete agreement and understanding between the parties hereto with respect to the subject matter concerning the Infill Area hereof and supersedes and preempts any prior understandings, agreements or representations by or between the parties, written or oral, which may have related to the subject matter concerning the Infill Area hereof in any way.

11.3 *Successors and Assigns.* Except as otherwise provided herein, Catamount shall have the absolute right to transfer or sell any or part of its interest in the Infill Wells; provided, however, that in the event of transfer, Catamount's transferees, sublessees, successors and assigns shall be bound to comply with all terms hereof.

11.4 *Counterparts.* This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which when taken together shall constitute a single agreement.

11.5 *Amendment.* All covenants, representations and warranties herein and all other obligations, responsibilities and terms hereof shall continue to be fully binding and enforceable on the parties until expressly superseded by written agreement of the parties. No amendment to this Agreement shall be effective unless in writing, signed by all parties who are then subject to this Agreement.

11.6 *Waiver.* No failure on the part of any party hereto to exercise and no delay in exercising any right hereunder shall operate as a waiver of such right. The remedies provided herein are cumulative and not exclusive of any remedies provided by law. No waiver of, or failure to exercise any right hereunder shall operate to prevent future enforcement of such right.

11.7 *Notices.* Notices hereunder may be given by certified mail, return receipt requested, or by facsimile or electronic mail transmission. Notices shall be effective on receipt, provided, however, that confirmation of receipt shall be required in all instances. Notice to the respective parties shall be given to:

To the County at:
Brenna Kampf
La Plata County Planning Department
211 Rock Point Dr.
Durango, Colorado 81301

With Copies to:
Kim Perdue
La Plata County Attorney's Office
1060 East Second Ave., Suite 140
Durango, Colorado 81301

To Catamount at:
Catamount Energy Partners LLC
Attn: Denise Greer, Landman
1801 Broadway, Suite 1000
Denver, Colorado 80202

With Copies to:
Joseph C Pierzchala
Geoffrey W. Storm
Welborn Sullivan Meck & Tooley, P.C.
1125 Seventeenth Street, Suite 2200
Denver, Colorado 80202

or to any other addresses as any party hereto may, from time to time, designate in writing and deliver in a like manner.

11.8 *Headings.* The descriptive headings of the sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

11.9 *Further Acts.* Each of the parties shall promptly and expeditiously execute and deliver any and all documents and perform any and all acts as reasonably necessary, from time to time, to carry out the matters contemplated by this Agreement.

11.10 *No Partnership; Third Party Beneficiaries.* It is not intended by this Agreement to, and nothing contained in this agreement shall, create any partnership, joint venture or other arrangement between Catamount and the County. No term or provision of this Agreement is intended to or shall be for the benefit of any person, firm,

organization or corporation not a party hereto and no other person, firm, organization or corporation shall have any right or cause of action hereunder.

11.11 *Severability*. Should any part of this Agreement be rendered or declared illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement by a court of competent jurisdiction of the State of Colorado, such invalidation of such part or portion of this Agreement should not invalidate the remaining portions thereof, and they shall remain in full force and effect. If an action is brought that seeks an invalidation of any part of this Agreement, the Parties shall initially negotiate in good faith for an equivalent or substitute provision or other appropriate adjustment to this Agreement. If the parties cannot reach agreement within sixty (60) days, or if so desired by the parties, then the issues in dispute shall be submitted to a mediator acceptable to both parties for nonbinding mediation. Unless otherwise agreed to by the parties, such mediation shall occur within sixty (60) days of a party's receipt of a notice to mediate from the other party. If the mediation is unsuccessful, the Parties shall proceed with the pending action in a court of competent jurisdiction of the State of Colorado.

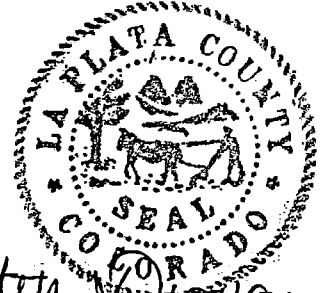
CATAMOUNT ENERGY PARTNERS, LLC

By: Craig A Reed
Name, Title: Craig A Reed
President

BOARD OF COUNTY COMMISSIONERS
LA PLATA COUNTY, COLORADO

Gwen Lachelt
Gwen Lachelt, Chair

(SEAL)
ATTEST:



Elizabeth Ortega
Clerk to the Board

EXHIBIT A

PROPOSED CONDITIONS OF APPROVAL

Applicant CATAMOUNT ENERGY PARTNERS, LLC ("CATAMOUNT") and Intervenor La Plata County, Colorado ("La Plata County") respectfully request that an Order issued by the Commission in Cause No. 112, Docket No. 170900611 be made subject to and conditional upon the following:

1. Compliance with all terms, conditions and provisions of prior Commission Orders in Cause No. 112, including without limitation, the specific provisions of Order No. 112-157 including the Rule 508j.(3)B conditions attached thereto, except to the extent Order No. 112-157 is modified by the Commission's Order No. 112-278.
2. Compliance with the terms and provisions of all the Commission's health, safety, welfare and environmental rules and regulations now or hereafter in effect.
3. Compliance with the terms of the July 10, 2018 Amended Memorandum of Understanding, including its Exhibit A, between Catamount and La Plata County. In the event of any conflict between the terms of the Memorandum of Understanding and the terms of Exhibit A to the Amended Memorandum of Understanding, the terms of the Amended Memorandum of Understanding shall control.