



**DOUGLAS COUNTY COMMISSIONERS  
WORK SESSION  
Monday, July 29, 2024  
(In Office and Remote)**

**A G E N D A**

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**Time\***

**10:00 a.m.**

**Proposition 123 Intergovernmental Agreement**

**Oil & Gas Mineral Lease Proposal**

**Douglas County Cultural Council Recommendations  
For 2024 SCFD Grant Funds**

**Opioid Regional Council Update**

**Agenda Item**

**DATE:** JULY 29, 2024  
**TO:** DOUGLAS COUNTY BOARD OF COUNTY COMMISSIONERS  
**THROUGH:** DOUGLAS J. DEBORD, COUNTY MANAGER  
**FROM:** TERENCE T. QUINN, AICP, DIRECTOR OF COMMUNITY DEVELOPMENT  
**CC:** STEVEN M. DODRILL, COMMUNITY PROGRAMS ADMINISTRATOR  
RAND M. CLARK, CCAP, NCRT, COMMUNITY SERVICES MANAGER  
JENNIFER L. EBY, AICP, ASSISTANT DIRECTOR OF COMMUNITY SERVICES  
**SUBJECT:** PROPOSITION 123 INTERGOVERNMENTAL AGREEMENT



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**SUMMARY**

During the September 12, 2023, Business Meeting, the Board of County Commissioners (BCC) approved a Resolution to participate in Proposition 123 funding. This Resolution established a baseline number of affordable housing units and affirmed the County's commitment to increase the number by 9% over the next 3 years. An Intergovernmental Agreement (IGA) has been drafted between the County, the Douglas County Housing Partnership (DCHP), City of Castle Pines, City of Lone Tree, Town of Parker, and Town of Castle Rock (Municipal Members) to establish a collaborative process to fulfill this commitment.

**BACKGROUND**

In November 2022, Colorado voters approved Proposition 123 to boost affordable housing and support homelessness programs. The initiative allocates 0.1% of Colorado's income tax revenue to help essential workers buy homes and to support local governments in increasing affordable housing by 3% each year, aiming for a 9% increase over three years.

Each Municipal Member and the County have filed a commitment with the Division of Housing to establish a baseline number of affordable housing units within their respective jurisdictions and affirm their commitment to increase affordable housing by 3% each year for the next 3 years. The American Community Survey from 2017 to 2021 was utilized to establish the baseline of 4,820 affordable for-sale homes and rental units within unincorporated Douglas County. Therefore, the County's commitment to develop 9% more affordable units within unincorporated Douglas County would be 434 over the next 3 years. Failure to achieve the 9% increase would result in the County being ineligible for

funding for one year beginning in 2026. The table below shows the baseline and three-year commitments for each Municipal Member and Douglas County.

<b>Jurisdiction</b>	<b>Baseline</b>	<b>3 Year Commitment</b>
Castle Pines	211	19
Castle Rock	3,067	277
Lone Tree	728	66
Parker	2,481	224
Unincorporated Douglas County	4,820	434
<b>TOTAL</b>	<b>11,307</b>	<b>1,020</b>

**DISCUSSION**

County staff has worked with Municipal Members and the DCHP to draft an IGA which establishes parameters focusing on the collaborative management of Proposition 123 locally and the allocation of development credits to each Municipal Member. The IGA authorizes the DCHP to seek funding from the state affordable housing fund for local projects, subject to approval by the DCHP Board and relevant Municipal Member’s Board representatives.

The IGA stipulates that a policy will be developed by the DCHP Board to distribute surplus development credits. The goal of the policy will be to ensure that as many jurisdictions as possible meet their respective commitments, deeming them eligible for future funding. Recommendations for the allocation of surplus credits will be presented to the Municipal Member’s governing body for direction before a decision is made. Decision-making regarding credit allocation requires a majority vote by the DCHP Board. The DCHP is responsible for tracking affordable housing projects and compliance reporting, with full cooperation expected from the County and Municipal Members.

The IGA will automatically renew annually unless terminated by mutual consent or unilaterally by the DCHP Board. Upon termination or withdrawal of any party, the DCHP will oversee the redistribution of affordable housing development credits.

**NEXT STEPS**

Staff requests direction from the BCC regarding the Proposition 123 IGA. Staff will present the final Proposition 123 IGA for BCC approval at the August 13<sup>th</sup> Business Meeting.

**ATTACHMENTS**

IGA Regarding Joint Management of Proposition 123 Funding and Credits.....3

**INTERGOVERNMENTAL AGREEMENT  
REGARDING JOINT MANAGEMENT OF  
PROPOSITION 123 FUNDING AND CREDITS**

This INTERGOVERNMENTAL AGREEMENT REGARDING JOINT MANAGEMENT OF PROPOSITION 123 FUNDING AND CREDITS (“Agreement”) is made, entered into as of the \_\_\_\_ day of \_\_\_\_\_ 2024, by and between: The DOUGLAS COUNTY HOUSING PARTNERSHIP (“DCHP”), a multi-jurisdictional housing authority, DOUGLAS COUNTY, a Colorado county and political subdivision (“County”), and the following municipalities: CITY OF CASTLE PINES, a Colorado home rule municipality (“Castle Pines”), CITY OF LONE TREE, a Colorado home rule municipality (“Lone Tree”), TOWN OF PARKER, a Colorado home rule municipality (“Parker”), and TOWN OF CASTLE ROCK (“Castle Rock”), a Colorado home rule municipality, collectively referred to as the “Municipal Members.” The DCHP, the County, and Municipal Members are collectively referred to herein as “Parties”.

**RECITALS**

WHEREAS, in 2022, Colorado voters approved Proposition 123 which has been codified in §29-32-101 et seq, C.R.S.to make additional state funding available to participating local jurisdictions for affordable housing purposes; and

WHEREAS, the County and Municipal Members have a growing need for affordable housing for residents with earned income that is insufficient to secure quality housing in reasonable proximity to their workplace to include workforce housing; and

WHEREAS, the Denver metro area, which includes portions of Douglas County, is experiencing a growing homelessness crisis that will require increasing resources of affordable housing financing and support to help alleviate; and

WHEREAS, vulnerable populations within all of Douglas County including veterans, older adults, children, individuals with disabilities, among others, need a safe and affordable place to call their home; and

WHEREAS, housing needs vary widely between different families and individuals requiring a wide array of housing options from detached single family homes, to condominiums and other multifamily options; and

WHEREAS, the County and the Municipal Members have established the DCHP, a multi-jurisdictional housing authority, through that certain Amended and Restated Establishing Intergovernmental Agreement for the Douglas County Housing Authority, A Multijurisdictional Housing Authority dated December 20, 2020; and

WHEREAS, the purpose of the DCHP is to effect the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, and operation of housing projects or programs pursuant to a multijurisdictional plan in order to provide dwelling accommodations at rental prices or purchase prices within the means of families of low or moderate income, to provide affordable housing projects or programs for employees of employers located within the jurisdiction of the Authority, and for any other purpose permitted by law; and

WHEREAS, in accordance with the requirements of §29-32-105, C.R.S., the Parties have formally committed to participate in the program for use of a state affordable housing fund (“Fund”) within the boundaries of Douglas County; and

WHEREAS, under §29-32-105, C.R.S., local governments are encouraged to enter into written agreements with each other that allow each jurisdiction to receive partial credit towards the local government's affordable housing unit growth requirement; and

WHEREAS, it would be in the best interest of all of the Parties to participate collectively in the planning, development, and financing of affordable housing projects and programs to ensure that affordable housing is available to their citizens.

NOW THEREFORE, in consideration of the terms and conditions of this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the DCHP, the County, and Municipal Members agree as follows:

1. Each Municipal Member and the County has filed their respective affordable housing commitment with the Division of Housing (“Division”) in the Department of Local Affairs (“Commitment”) pursuant to C.R.S. §29-32-105 for the three year cycle 2024-2026. Each Commitment establishes a baseline number of affordable housing units within each Municipal Member’s and the County’s respective jurisdictions and specifies how the combined number of newly constructed affordable housing units and existing units converted to affordable housing, will be increased by three percent each year for a three year period over the baseline number of affordable housing units.

2. The County and Municipal Members agree that DCHP may assist third parties or apply directly to the Fund for financial support of affordable housing projects located within Douglas County, subject to prior approval of such participation by majority vote of the DCHP Board and, specifically, by those Board representatives of the Party in whose jurisdiction the affordable housing project will be located.

3. The DCHP will develop a policy for approval by the DCHP Board to specify how excess affordable housing development credits, beyond the nine percent (9%) over three (3) years, generated by projects or programs in any one Party's jurisdiction will be applied to another Party that has not met its three (3) year affordable housing Commitment. The goal of such policy will be to ensure that as many jurisdictions as possible meet their respective Commitments so as to become eligible for money from the Fund.

4. Any action to be taken by the DCHP regarding the allocation of excess affordable housing development credits shall be by majority vote of the DCHP Board and shall be in accordance with this paragraph. The DCHP Board shall make a recommendation on a proposed action at a regular or special meeting. Each Party shall report the recommendation to their respective governing body to obtain direction from such body. At a subsequent meeting of the DCHP Board, the Parties shall take a vote on the recommendation.

4. The DCHP is responsible for tracking affordable housing projects and programs in each Party's jurisdiction and preparing the triennial Commitment report for each Municipal Member and the County to file with the Division as necessary to meet all state requirements. The County and Municipal Members shall fully cooperate and provide any necessary documents and information that will assist the DCHP in tracking or preparing such reports. Additionally, the County and the Municipal Members agree that they shall provide all necessary data to the DCHP to enable it to submit required compliance documentation to the Division and to carry out the purposes of this Agreement. DCHP shall communicate to the Parties what data it needs to fulfill its reporting or other requirements and shall make reasonable efforts to provide the Parties with sufficient notice to provide such requested information in a timely manner.

5. Notwithstanding anything herein to the contrary, nothing in this Agreement shall be construed so as to limit the authority vested in any of the Parties with respect to planning for or regulating land use within their respective jurisdictions.

6. Though no Party financial contribution is contemplated by this Agreement, any contribution of funds by the County or any Municipal Member would be subject to the annual appropriations of such jurisdiction for such purpose. No debt or fiscal year financial obligation is created by this Agreement.

7. This Agreement shall become effective upon its full execution by the Parties and shall renew automatically on January 1<sup>st</sup> of each year thereafter for additional, consecutive one-year terms until terminated by mutual agreement of all Parties or by the unilateral termination by the DCHP Board. Any Municipal Member or the County may individually terminate their participation of this Agreement

without terminating the entire Agreement so long as the remaining Parties consent to continue to participate.

8. Any Party may propose an amendment to this Agreement in writing and on reasonable notice to all other Parties. No proposed amendment shall be effective unless approved in writing by all Parties.

9. Upon termination of this Agreement in its entirety or the withdrawal of any individual Party, the DCHP Board will determine if any affordable housing development credits are due to the withdrawing Party or should be redistributed to the remaining Parties.

10. The Parties understand and agree that all Parties, their commissioners, directors, mayors, city councils, agents, and employees, are relying on, and do not waive or intend to waive by any provisions of this Agreement, the monetary limitations and other rights, immunities and protections provided by the Colorado Governmental Immunity Act, C.R.S. 24-10-101 to 120, or otherwise available to that jurisdiction.

11. This Agreement contains the entire agreement between and among the County, the DCHP and the Municipal Members. The Parties agree there have been no representations made other than those contained herein; that this Agreement constitutes their entire Agreement; and further agree that the various promises and covenants contained herein are mutually agreed upon and are in consideration for one another.

12. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. Digital signatures to this Agreement shall be acceptable and binding.

13. The Parties agree that they will act in a fair and reasonable manner with a view to carrying out the intents and goals of this Agreement; provided, however, that nothing herein shall be construed as imposing on the DCHP, the County, or any Municipal Member any greater duty or obligation to any other jurisdiction than that which already exists as a matter of Colorado law.

14. There are no express or implied third-party beneficiaries of this Agreement. No third party has the right to enforce this Agreement.

15. This Agreement shall be interpreted pursuant to the laws of the State of Colorado and venue for any disputes shall be in Douglas County, Colorado.

16. Should any one or more provisions of this Agreement be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.

17. The Recitals to this Agreement are incorporated by reference herein.

18. This Agreement is not intended to, and will not constitute, create, give rise to, or otherwise recognize a joint venture, partnership, or formal business association or organization of any kind between the Parties, and the rights and obligations of the Parties shall be only those expressly set forth in this Agreement.

THEREFORE, IN WITNESS WHEREOF, the Parties hereto have executed this Agreement the day and year above written.

**[Remainder of page intentionally left blank — signatures on following page]**



## Agenda Item

**DATE:** JULY 29, 2024  
**TO:** DOUGLAS COUNTY BOARD OF COUNTY COMMISSIONERS  
**THROUGH:** DOUGLAS J. DEBORD, COUNTY MANAGER  
**FROM:** TERENCE T. QUINN, AICP, DIRECTOR OF COMMUNITY DEVELOPMENT *TK-for TD*  
**CC:** CURTIS J. WEITKUNAT, AICP, LONG RANGE PLANNING MANAGER  
STEVEN E. KOSTER, AICP, ASSISTANT DIRECTOR OF PLANNING SERVICES  
CASEY BROWN, SENIOR ASSISTANT COUNTY ATTORNEY  
**SUBJECT: OIL AND GAS MINERAL LEASE PROPOSAL**

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### **SUMMARY**

Douglas County received a request to lease County-owned oil and gas interests. In late June 2024, GMT Exploration Company (GMT) provided documents to lease County-owned oil and gas beneath County-owned parcels in the northeastern portion of the County. The parcels are a mixture of road rights-of-way and three lots that were conveyed via deed or with subdivision for public use in the Ponderosa East subdivision.

### **BACKGROUND**

As of June 2024, there are no active oil and gas wells, nor any pending applications, within Douglas County per the Energy and Carbon Management Commission (ECMC) formerly known as the Colorado Oil and Gas Conservation Commission (COGCC) website.

GMT is processing the Secret Stash Oil and Gas Development Plan (OGDP) through the ECMC for approximately 2,700 acres in Douglas, Elbert, and Arapahoe Counties. Of the total Secret Stash OGDP acreage, approximately 640 acres (Section 4, Township 6 South, Range 65 West) are in Douglas County with approximately 27 acres owned by the County. The remaining acreage in Douglas County is in private ownership. Section 4, Township 6 South, Range 65 West is bounded by County Line Road on the north, Delbert Road on the east, and Piney Lake Road on the west.

If approved, the OGDP will allow for 12 directional wells to be drilled from the Secret Stash well pad in unincorporated Arapahoe County, approximately 1.4 miles east northeast of the Delbert and County Line Roads intersection. With this plan, there would be no surface operations in Douglas County, as six westerly directional well laterals, which are approximately 7,800 feet below ground, would terminate in Douglas County along Piney Lake Road.

## **DISCUSSION**

GMT owns or leases a majority of the mineral interest in the 2,700-acre development area and will seek “statutory pooling” or forced pooling for the mineral interests it cannot buy or lease. Oil and gas companies, such as GMT, attempt to lease all the mineral interests within an OGDPA area to control extraction of the oil and gas. GMT is interested in leasing County-owned minerals as provided for in the “Oil, Gas & Mineral Lease” (Lease) and “Secret Stash Unit – Unleased Mineral Interest – Well Proposal” (Well Proposal).

There are three options related to the County mineral interests for the Board to discuss.

Option 1 – Sign the Lease and allow GMT to assume working interest in wells and receive a royalty rate of 17 percent.

Option 2 – Share in proportional cost (based on working interest ownership) of well development as shown in the Well Proposal and greater proportional royalty rate.

Option 3 – Do not sign the Lease or Well Proposal and require GMT and ECMC to initiate statutory pooling of the County’s mineral interest. The royalty rate would be less due to GMT’s additional costs related to statutory pooling process.

The Board could also accept the Lease offer as presented or direct staff to negotiate different terms for the lease. The provided lease is a standard oil and gas lease template and may be amended if alternative terms are desired.

## **ATTACHMENTS**

County Vicinity Map

Secret Stash Oil & Gas Development Plan Vicinity Map

Douglas County Location Map of parcels identified in Oil, Gas & Mineral Lease proposal

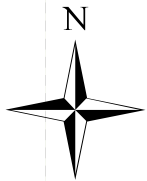
Memorandum Giving Notice of Paid Up Oil, Gas & Mineral Lease dated June 24, 2024

Secret Stash Unit – Unleased Mineral Interest – Well Proposal dated June 28, 2024

# COUNTY VICINITY MAP

## LEGEND

★ Section 4, T6S R65W



County of Douglas, CO, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS, Esri, NASA, NGA, USGS

Source: <https://apps.douglas.co.us/gisportal/apps/webappviewer/index.html?id=9cd173c692b7436891bd0bd025cbcc2c>

**Secret Stash OGDG Vicinity Map**

Aurora

Secret Stash  
Well Pad

Arapahoe County

Douglas County

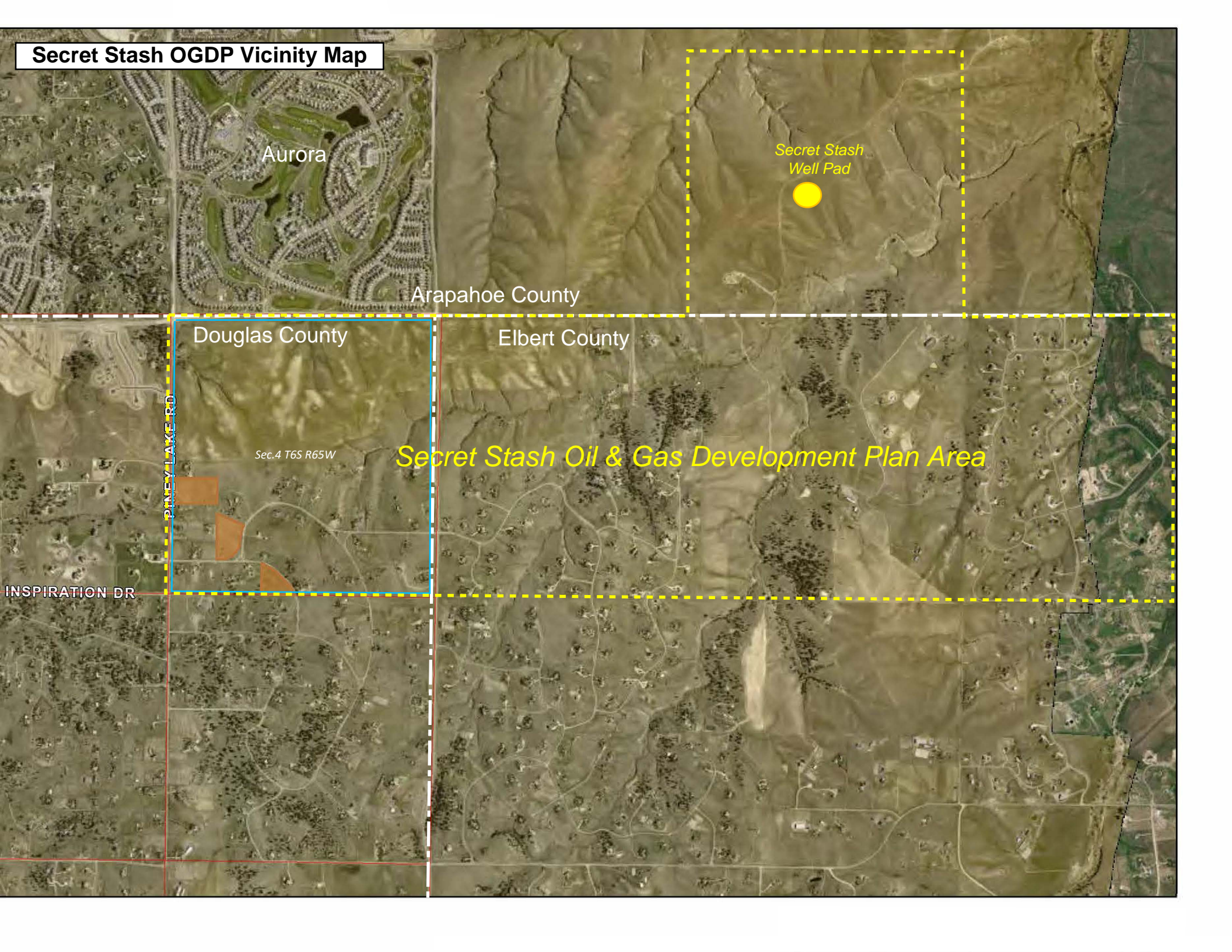
Elbert County

Sec. 4 T6S R65W

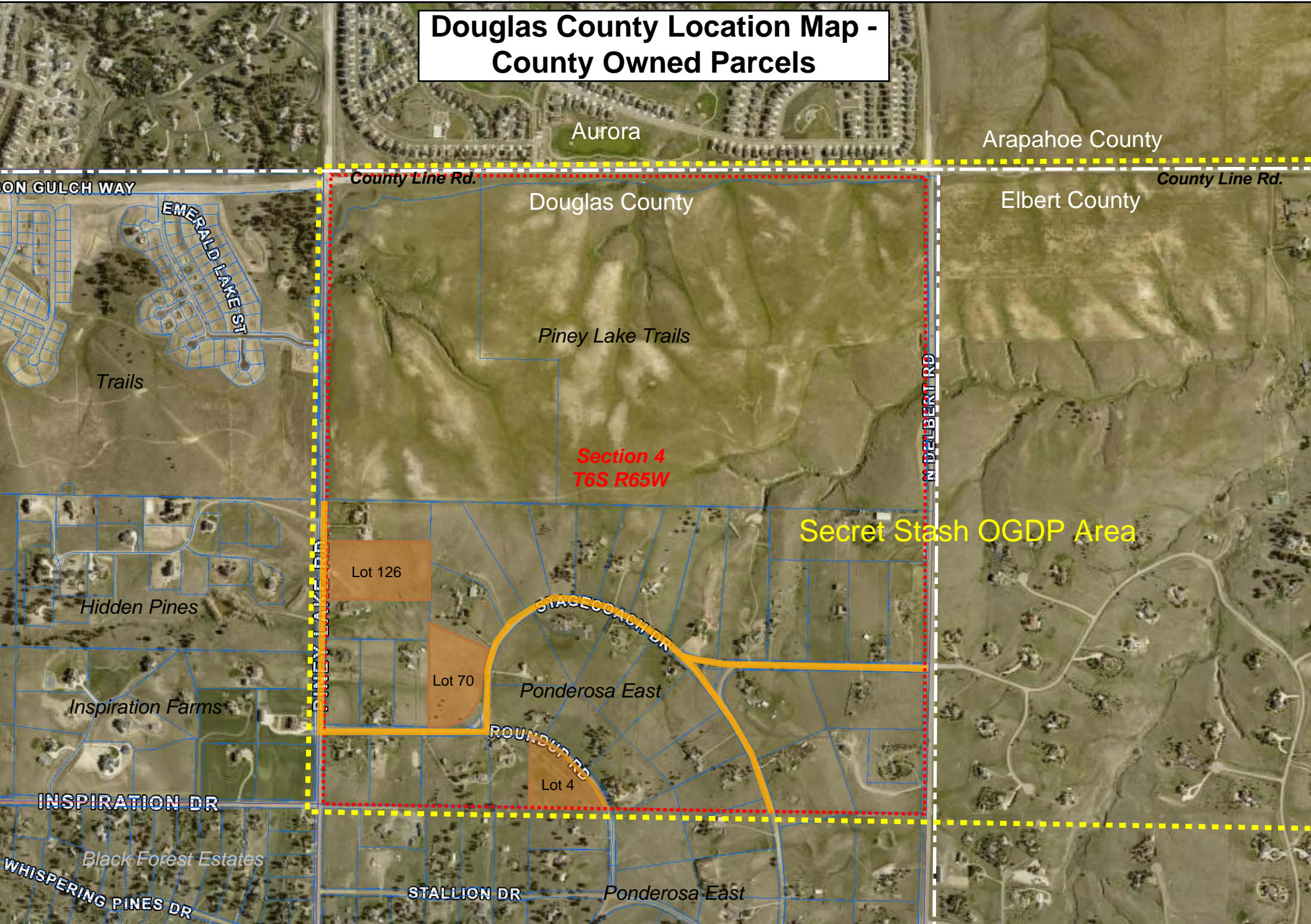
*Secret Stash Oil & Gas Development Plan Area*

PINEY LAKE RD

INSPIRATION DR



# Douglas County Location Map - County Owned Parcels



Aurora

Arapahoe County

County Line Rd.

County Line Rd.

Douglas County

Elbert County

Piney Lake Trails

Section 4  
T6S R65W

Secret Stash OGDG Area

Lot 126

Lot 70

Lot 4

Ponderosa East

Ponderosa East

Hidden Pines

Inspiration Farms

INSPIRATION DR

Black Forest Estates

WHISPERING PINES DR

STALLION DR

EMERALD LAKE ST

N DELBERT RD

STACEY CORNER DR

ROUNDUP RD

**MEMORANDUM GIVING NOTICE OF  
PAID UP OIL, GAS & MINERAL LEASE**

**State:** Colorado  
**County:** Douglas  
**Lessor:** County of Douglas  
100 Third Street  
Castle Rock, CO 80104  
**Lessee:** GMT Exploration Company LLC, a Delaware limited liability company  
4949 S Niagara Street, Suite 250  
Denver, Colorado 80237  
**Dated:** June 24<sup>th</sup>, 2024

For adequate consideration, Lessor, named above, has granted, leased, and let to Lessee, named above, for the purpose of investigating, exploring, prospecting, drilling, mining for, and producing oil, gas, and other minerals, laying pipelines, building roads, tanks, power stations, telephone lines and other structures and to produce, save, take care of, treat, transport, and own oil, gas, and other minerals, all on or from the following lands (the "Leased Premises") in the county and state named above:

**Township 6 South, Range 65 West, 6th P.M.**

**Section 4: Lot 70 of Ponderosa East Subdivision Filing No. 2, together with adjacent streets, to the centerline, according to Plat dated July 30, 1970 and recorded at Reception No. 1970139734 on December 4, 1970, located in the S2 of Section 4, T6S, R65W, 6th P.M.**

**Section 4: Lot 126 of Ponderosa East Subdivision Filing No. 2, together with adjacent streets, to the centerline, according to Plat dated July 30, 1970 and recorded at Reception No. 1970139734 on December 4, 1970, located in the S2 of Section 4, T6S, R65W, 6th P.M.**

**Section 4: Lot 4 of Ponderosa East Subdivision Filing No. 1, together with adjacent streets, to the centerline, according to Plat dated July 25, 1969 and recorded at Reception No. 1969134747 on October 1, 1969, located in the S2 of Section 4, T6S, R65W, 6th P.M.**

Containing 27.00 acres more or less

The Oil and Gas Lease (the "Lease") is for a primary term of **five (5)** years from **June 24, 2024**, is effective as long thereafter as oil, gas, or other minerals are produced in paying quantities from the Lands, or other lands pooled with the Lands, according to and by the terms and provisions of the Lease between Lessor and Lessee. The Lease, with all of its terms, covenants, and other provisions, is referred to and incorporated into this Memorandum for all purposes. This Memorandum is placed of record for the purpose of giving notice of the Lease. The original of the Lease is maintained in the office of the Lessee which will provide a full and complete copy, without cost, upon request.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2024.



LESSOR:

County of Douglas

By: \_\_\_\_\_

Its: \_\_\_\_\_



**Acknowledgment on Following Page**

**NOTARIZE**



**Acknowledgment**

STATE OF \_\_\_\_\_ §  
  §  
COUNTY OF \_\_\_\_\_ §

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, **2024**, before me, the undersigned authority, personally appeared \_\_\_\_\_, personally known to me or proved to me by satisfactory evidence to be the person whose name is subscribed to the foregoing instrument as the \_\_\_\_\_ of **County of Douglas**, and acknowledged to me that he/she/they executed the same with proper authority, and as the act of such corporation for the purposes therein set forth.

Notary Signature: \_\_\_\_\_  
Printed Name of Notary: \_\_\_\_\_  
Notary Public for the State of \_\_\_\_\_  
Residing at: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

## **PAID UP OIL GAS & MINERAL LEASE**

THIS PAID UP OIL, GAS & MINERAL LEASE, made effective the 24<sup>th</sup> day of **June, 2024**, is from **County of Douglas**, as Lessor, whose address is 100 Third Street, Castle Rock, CO 80104, to **GMT Exploration Company LLC**, a Delaware limited liability company, as Lessee, whose address is 4949 S Niagara Street, Suite 250, Denver, Colorado 80237.

1. **Description.** Lessor, in consideration of Ten & More Dollars (\$10.00+), in hand paid, the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee the leased premises described below, for the purpose of exploring for, geophysically or by other means (whether now known or not), developing, producing and marketing oil and gas of any nature or kind, along with all hydrocarbon and nonhydrocarbon substances, whether liquid or gaseous, produced in association therewith including sulphur, helium, carbon dioxide, nitrogen and other commercial gases as well as hydrocarbon gases (collectively referred to herein as "covered minerals"), and marketing or rendering more marketable or more valuable the covered minerals. The "leased premises" means the following described land together with any reversionary rights, riparian rights and after-acquired interests therein in Douglas County, Colorado, to-wit:

**Township 6 South, Range 65 West, 6th P.M.**

**Section 4: Lot 70 of Ponderosa East Subdivision Filing No. 2, together with adjacent streets, to the centerline, according to Plat dated July 30, 1970 and recorded at Reception No. 1970139734 on December 4, 1970, located in the S2 of Section 4, T6S, R65W, 6th P.M.**

**Section 4: Lot 126 of Ponderosa East Subdivision Filing No. 2, together with adjacent streets, to the centerline, according to Plat dated July 30, 1970 and recorded at Reception No. 1970139734 on December 4, 1970, located in the S2 of Section 4, T6S, R65W, 6th P.M.**

**Section 4: Lot 4 of Ponderosa East Subdivision Filing No. 1, together with adjacent streets, to the centerline, according to Plat dated July 25, 1969 and recorded at Reception No. 1969134747 on October 1, 1969, located in the S2 of Section 4, T6S, R65W, 6th P.M.**

This lease also covers all property acquired by prescription, accretions and any small strips or parcels of land now or hereafter acquired or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental conveyances or instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the leased premises shall be deemed to be comprised of **27.00** acres, whether it actually comprises more or less.

2. **Term of Lease.** This lease shall be in force for a primary term from the effective date of this lease until **June 24, 2029**, and for as long thereafter as either: (a) any covered minerals are being produced from the leased premises or from lands pooled, unitized or otherwise combined therewith; or (b) Operations, as hereinafter defined, are being conducted upon the leased premises or from lands pooled, unitized or otherwise combined therewith with no cessation of more than ninety (90) consecutive days; or (c) this lease is otherwise maintained in effect pursuant to the provisions hereof. This lease is a "paid-up" lease requiring no rentals be paid to Lessor. Further, no shut-in royalty payments are required during the primary term.

3. **Royalty Payment.** Royalties on covered minerals produced and saved from the leased premises and used off the leased premises or lands pooled or unitized therewith or sold (whether to an affiliated or non-affiliated purchaser), shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons, the royalty shall be **seventeen percent (17%)** of the proceeds received by lessee for such production; and (b) For natural gas of any nature or kind (including casinghead gas) and all other covered minerals (including liquid hydrocarbons suspended in gas that are not separated at the primary separation facilities), the royalty shall be **seventeen percent (17%)** of the proceeds received by lessee from the first arm's length sale to an unaffiliated purchaser for such production. In calculating royalties on all production hereunder, Lessee may deduct Lessor's proportionate part of any taxes such as ad valorem, production, severance and excise taxes or other similar taxes as may be imposed on production currently or at any point in the future. If, at the expiration of the primary term or at any time or times thereafter, there is any well on the leased premises or on lands pooled or unitized therewith, capable of producing covered minerals, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though Operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the covered minerals capable of being produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities, flowlines, separators, and lease tanks, and shall not be required to market such covered minerals upon terms unacceptable to Lessee (in Lessee's reasonable discretion). If at any time or times after the expiration of the primary term, all wells located upon the leased premises or lands pooled or unitized therewith (whether classified as oil wells or gas wells) are shut-in for a period of ninety (90) consecutive days, and during such time there are no other Operations being conducted on the leased premises or lands pooled or unitized therewith, then within thirty (30) days after the expiration of said ninety (90) day period, Lessee covenants to pay or tender, as royalty, a sum equal to one dollar (\$1.00) for each acre of land then covered by this lease, and it shall be considered that covered minerals are being produced from the leased premises. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety (90) day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this shut-in provision. Each such payment or tender shall be made to the parties who at the time of the payment would be entitled to receive the royalties which would be paid under this lease



if the wells were producing, and shall be paid directly to Lessor at the address shown above. Any payment hereunder shall be made by check deposited in the mail or delivered to the party entitled to receive payment and shall be due on or before the last date for payment. Lessee's failure to pay and/or properly pay shut-in royalty shall render Lessee liable for the amount due, but shall not alone operate to terminate this lease. Nothing herein shall impair Lessee's right to release any portion of the leased premises as provided in paragraph 11 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owners of this lease, severally as to acreage owned by each. Lessee shall have free use of oil, gas, water and other substances produced from said land, except water from Lessor's wells or ponds, for all Operations hereunder, and Lessor's royalty shall be computed after deducting any produced oil or gas so used.

4. Operations. Whenever used in this lease, the word "Operations" (unless specified to the contrary) shall mean preparation for and any of the following: drilling, testing, completing, reworking, recompleting, deepening, plugging back, abandoning, repairing, perforating, fracturing or dewatering of a well in search of or in an endeavor to obtain, increase, or restore and/or market or render marketable or more valuable production of oil, gas, sulphur or other covered minerals, and/or production, actual or constructive, of oil, gas, sulphur or other covered minerals. All Operations conducted off the leased premises that are intended to result in production from the leased premises or lands pooled or unitized therewith shall be considered Operations conducted on the leased premises for purposes of extending and/or maintaining this lease in effect under any other paragraph or provision hereof.

5. Pooling. Lessee shall have the continuing and recurring right, but not the obligation, to pool or otherwise combine all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee, in its sole discretion, deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises or to comply with a pooling order of any governmental authority having jurisdiction over such matters, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A pooled unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed eighty (80) acres plus a maximum acreage tolerance of ten percent (10%), and for an oil well which is a horizontal completion or a gas well shall not exceed one thousand two hundred eighty (1,280) acres plus a maximum acreage tolerance of ten percent (10%); provided that larger pooled units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds one hundred (100) feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with pooled units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the pooled unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool or combine either before or after commencing Operations for or completing an oil or gas well on lands lying within a pooled unit and any pooled unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which Operations have theretofore been commenced. Operations anywhere on a pooled unit which includes all or any part of the leased premises, regardless of whether such Operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were Operations on the leased premises and references in this lease to production from or Operations on the leased premises shall be deemed to include production from or Operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the pooled unit area (other than the leased premises) which well is not classified as the type of well for which the pooled unit was created (oil, gas or other covered minerals as the case may be), such well shall be considered a dry hole for purposes of applying the provisions of this lease set forth in paragraph 2(b) hereof. If a gas well on a pooled gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included with the pooled unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease set forth in paragraph 2(b) hereof. The production on which Lessor's royalty is calculated and paid shall be that proportion of the total pooled unit production which the net acreage covered by this lease and included in the pooled unit bears to the total gross acreage in the pooled unit, but only to the extent that such proportion of pooled unit production is sold or used off the leased premises or lands pooled therewith by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any pooled unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the sole judgment of Lessee, promote the conservation of covered minerals in and under and that may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised pooled unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the pooled unit by virtue of such revision, the proportion of pooled unit production on which

royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any pooled unit formed hereunder by filing a written declaration describing the pooled unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. If this lease now or hereafter covers separate tracts, no pooling of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool as provided in this paragraph with consequent allocation of production as herein provided. As used herein the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. Unitization. Lessee shall have the continuing and recurring right, but not the obligation, to unitize all or any part of the lease premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, so as to constitute a unit or units whenever, in Lessee's sole judgment, such unitization is required to prevent waste or promote and encourage the conservation of oil and gas by any cooperative or unit plan of development or operation or by a cycling, pressure-maintenance, repressuring or secondary recovery program. Any such unit formed shall comply with the local, State and Federal laws and with the orders, rules, and regulations of State or Federal regulatory or conservation agency having jurisdiction. The size of any such unit may be increased by including acreage believed to be productive, and decreased by excluding acreage believed to be unproductive, or where the owners of which do not join the unit, but any such change resulting in an increase or decrease of Lessor's royalty shall not be retroactive. Any such unit may be established, enlarged or diminished and, in the absence of production from the unit area, may be abolished and dissolved by filing of record an instrument so declaring. Operations anywhere on any part of a unit which includes all or any part of the leased premises, regardless of whether such Operations were commenced before or after the execution of this lease or the instrument declaring the unit, shall be treated for all purposes as if they were Operations on the leased premises and references in this lease to production from or Operations on the leased premises shall be deemed to include production from or Operations on any portion of such unit; provided that if after creation of a unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other covered minerals as the case may be), such well shall be considered a dry hole for purposes of applying the provisions of this lease set forth in paragraph 2(b) hereof. Lessee shall allocate to the portion of the leased premises included in any such unit a fractional part of production from such unit on any one of the following basis: (a) the ratio between the participating acreage in the leased premises in such units and the total of all participating acreage in the unit; or, (b) the ratio between the estimated quantity of recoverable reserves underlying the leased premises in such unit and the estimated total of recoverable reserves underlying all lands within such unit; or, (c) any other basis approved by State or Federal authorities having jurisdiction over such matters. Lessor shall be entitled to the royalties provided under this lease on the part of the unit production so allocated to that part of the leased premises included in such unit and no more.

7. Ancillary Rights. In exploring for, developing, producing and marketing covered minerals, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the free right of ingress and egress along with the right to conduct Operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations and any other Operations on the leased premises, lands pooled or unitized therewith or lands adjacent thereto, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, dispose of, store, process, treat and transport production and associated fluids in connection with said wells. In connection with Lessee's Operations, Lessee's ancillary rights granted herein shall apply to the subsurface of (a) the entire leased premises described in Paragraph 1 above, (b) all lands pooled or unitized with the leased premises; and (c) any other lands contiguous or adjacent to the leased premises described in Paragraph 1 above in which Lessor now or hereafter has authority to grant such rights. Such ancillary rights include, but are not limited to, the right to use the subsurface of the leased premises in connection with a well to be drilled under but not bottomed off the leased premises. No surface location for a well shall be located on the leased premises without Lessor's consent. In addition to the ancillary rights described above, Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within one (1) year following the expiration hereof.

8. Ownership Changes. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until thirty (30) days after Lessee has been furnished with notice consisting of the original or certified or duly authenticated copies of the recorded documents establishing a completed transaction from Lessor to Lessor's grantee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two (2) or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided

interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Warranty of Title. Lessor hereby warrants and agrees to defend the title to the leased premises and agrees, that Lessee, at its option, may pay or discharge any tax, mortgage or lien existing, levied or assessed against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties or shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

10. Payment Reductions. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises. To the extent any royalty or other payment attributable to the mineral interest covered by this lease is payable to someone other than Lessor, such royalty or other payment shall be deducted from the corresponding amount otherwise payable to Lessor hereunder.

11. Release of Lease. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereafter be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

12. Regulation and Delay. Lessee's obligations under the lease, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when Operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, rigs, fracking services, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof or any period for performance of Lessee's rights or obligations hereunder. Lessee shall not be liable for breach of any terms of this lease when Operations are so prevented, delayed or interrupted. Notwithstanding anything to the contrary in the foregoing paragraph, without prejudice to the primary term, force majeure shall not serve to extend the term of this lease beyond a maximum of two years after the force majeure occurs. A condition of force majeure shall not exist until Lessee notifies Lessor in writing declaring the existence of a condition of force majeure.

13. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least forty-five (45) days after Lessor has given Lessee written notice fully describing the breach or default, and if Lessee does not dispute the breach, then only if Lessee fails to remedy or commence to remedy the breach or default within such period. The lease shall not be forfeited or cancelled until a court has rendered a final non-appealable decision in favor of the Lessor. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal-agent relationship between Lessor and Lessee for any purpose. Lessee's standard of conduct shall be that of a reasonable prudent operator. Notwithstanding anything to the contrary, Lessee shall not be liable for damages to the leased premises and associated restoration costs and expenses caused by Lessee's activities hereunder that exceed the fair market value (as of the date of this lease) of the property affected.

14. Existing Wellbores. [Not used.]

15. Miscellaneous.

(a) Captions. The captions used in the lease are solely for the convenience of the parties hereto and shall have no significance, separate and apart, from the terms and provisions of the lease.

(b) Severability. If any term or other provision of this lease is invalid, illegal or incapable of being enforced under any rule of law, all other conditions and provisions of this lease shall nevertheless remain in full force and effect.

(c) Choice of Law. THIS LEASE SHALL BE GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF COLORADO (EXCLUSIVE OF ANY PRINCIPLES OF CONFLICTS OF LAWS WHICH WOULD DIRECT APPLICATION OF THE SUBSTANTIVE LAWS OF ANOTHER JURISDICTION).

(d) Counterparts. This lease may be executed in any number of counterparts and by each of the parties hereto in separate counterparts, all such counterparts together constituting but one (1) and the same instrument.

(e) If Lessee determines the existence of any adjoining or contiguous parcels of land that are not contained within the legal description contained on Exhibit "A" or acreage calculation, Lessee shall notify Lessor of its determination as to the existence of such additional lands and pay a bonus and royalties to Lessor for the additional acreage based on the original bonus rate and royalty rate paid in connection with this original Lease.

**IN WITNESS WHEREOF**, this lease is executed and made effective the date first written above, and upon execution shall be binding upon the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not the lease has been executed by all parties named herein as Lessor.

Lessor:

**County of Douglas**

By: \_\_\_\_\_

Its: \_\_\_\_\_



**Acknowledgment**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, **2024**, before me, the undersigned authority, personally appeared \_\_\_\_\_, personally known to me or proved to me by satisfactory evidence to be the person whose name is subscribed to the foregoing instrument as the \_\_\_\_\_ of **County of Douglas**, and acknowledged to me that he/she/they executed the same with proper authority, and as the act of such corporation for the purposes therein set forth.

Notary Signature: \_\_\_\_\_

Printed Name of Notary: \_\_\_\_\_

Notary Public for the State of \_\_\_\_\_

Residing at: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

# Request for Taxpayer Identification Number and Certification

Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

Give form to the requester. Do not send to the IRS.

**Before you begin.** For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

<b>Print or type.</b> See <i>Specific Instructions</i> on page 3.	<b>1</b> Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.) County of Douglas
	<b>2</b> Business name/disregarded entity name, if different from above.
	<b>3a</b> Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only one of the following seven boxes. <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C corporation <input type="checkbox"/> S corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) _____ <b>Note:</b> Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner. <input type="checkbox"/> Other (see instructions) _____
	<b>4</b> Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any) _____ <i>(Applies to accounts maintained outside the United States.)</i>
	<b>3b</b> If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions . . . . . <input type="checkbox"/>
	<b>5</b> Address (number, street, and apt. or suite no.). See instructions. 100 Third Street
	<b>6</b> City, state, and ZIP code Castle Rock, CO 80104
<b>7</b> List account number(s) here (optional)	
Requester's name and address (optional)	

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

<b>Social security number</b>
-        -
<b>or</b>
<b>Employer identification number</b>
-

**Note:** If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

## Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

<b>Sign Here</b>	Signature of U.S. person	Date
------------------	--------------------------	------

### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

### What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

### Purpose of Form

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3 (Form 1065).

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they



# ORDER FOR PAYMENT (100% BONUS PAYMENT)

On approval of the agreement associated herewith and on approval of title to same, LoneTree Energy Partners, LLC will make payment as indicated herein by check within 45 business days of receipt of the original of this Order of Payment and the Agreement. Payment is deemed complete upon mailing or dispatch. No default shall be declared for failure to make payment until 10 days after receipt of written notice from payee of intention to declare such default.

If the Oil and Gas Lease referenced herein covers less than the entire undivided interest in the oil and gas or other rights in such land, then the dollar amount listed herein shall be paid to the Lessor only in the proportion which the interest in said lands covered by the Agreement bears to the entire undivided interest therein. Further, should Lessor own more or less than the net interest defined herein, Lessee shall increase or reduce the dollar amount payable hereunder proportionately.

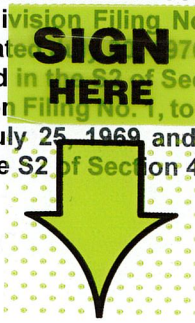
Lessor and Lessee agree that, when Lessor executed the Oil and Gas Lease, Lessor and Lessee entered into a binding contract that, among other things, leases the lands listed in Oil and Gas Lease to Lessee. Lessee agrees to pay Lessor the bonus consideration for the Lease, subject to approval of title and the verification of Lessor's net mineral acre ownership, as determined solely by the Lessee.

PAY TO: County of Douglas  
AMOUNT OF: Forty Thousand Five Hundred Dollars and 00/100ths-----\$40,500.00  
ADDRESS OF LESSOR: 100 Third Street, Castle Rock, CO 80104

This payment constitutes the initial (100%) bonus consideration for a five (5) year Paid-Up Oil and Gas Lease dated June 24, 2024 covering the following described lands in Douglas, Colorado.

Township 6 South, Range 65 West, 6th P.M.  
Section 4: Lot 70 of Ponderosa East Subdivision Filing No. 2, together with adjacent streets, to the centerline, according to Plat dated July 30, 1970 and recorded at Reception No. 1970139734 on December 4, 1970, located in the S2 of Section 4, T6S, R65W, 6th P.M.  
Section 4: Lot 126 of Ponderosa East Subdivision Filing No. 2, together with adjacent streets, to the centerline, according to Plat dated July 30, 1970 and recorded at Reception No. 1970139734 on December 4, 1970, located in the S2 of Section 4, T6S, R65W, 6th P.M.  
Section 4: Lot 4 of Ponderosa East Subdivision Filing No. 1, together with adjacent streets, to the centerline, according to Plat dated July 25, 1969 and recorded at Reception No. 1969134747 on October 1, 1969, located in the S2 of Section 4, T6S, R65W, 6th P.M.

GROSS ACRES: 27.00  
NET ACRES: 27.00



LoneTree Energy Partners, LLC

County of Douglas

Pete Lockhart, as Agent

By: \_\_\_\_\_

Its: \_\_\_\_\_



*Hans C. Schuster  
Land Manager  
GMT Exploration Company LLC  
4949 S Niagara, Suite 250  
Denver, CO 80237  
Main: 720-946-3028  
Direct: 303-586-9284*

June 28, 2024

Via FedEx: Tracking # 777103491637

County of Douglas  
100 Third Street  
Castle Rock CO 80104

RE: Secret Stash Unit  
Unleased Mineral Interest - Well Proposals  
Arapahoe, Douglas, and Elbert Counties, Colorado

SECRET 6-65 3-4 1HN	SECRET 6-65 3-4 2HN	SECRET 6-65 3-4 3HN
SECRET 6-65 3-4 4HN	SECRET 6-65 3-4 5HN	SECRET 6-65 3-4 6HN
STASH 6-65 2-1 1HN	STASH 6-65 2-1 2HN	STASH 6-65 2-1 3HN
STASH 6-65 2-1 4HN	STASH 6-65 2-1 5HN	STASH 6-65 2-1 6HN

Dear County of Douglas:

GMT Exploration Company LLC (“GMT”), as Operator, hereby proposes to drill the above captioned wells (each a “Well”) as a horizontal well to depth sufficient to test the Niobrara Formation.

GMT is proposing to drill each Well, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, with with costs and production allocated to a drilling and spacing unit pending with the Colorado Energy and Carbon Management Commission (“ECMC”) in Docket Number 231200372, scheduled for Hearing on August 21, 2024, comprised of the following lands (collectively, “DSU”):

Township 6 South, Range 65 West, 6th P.M.

Section 1: All

Section 2: All

Section 3: All

Section 4: All

Containing 2731.06 acres, more or less

The planned surface hole location, planned bottom hole location, proposed true vertical depths, proposed measured depths, estimated lateral lengths, and estimated spud dates are described on Exhibit “A” attached hereto.

As a potential working interest owner, you are entitled to: (i) participate in each proposed Well by electing to pay your proportionate share of the cost to drill, complete, and equip each Well, as detailed on the election page of this letter, or in lieu thereof, (ii) enter into an oil and gas lease covering your interest in each Well and DSU; or in the alternative, have your interest in such Well subjected to statutory pooling pursuant to C.R.S. § 34-16-116(6)-(8) as applicable.

Your working interest ownership in each Well and DSU is approximately **0.988627%** based on GMT's current records; provided however, that such ownership is expressly subject to GMT's confirmation of the same via an attorney-rendered title opinion covering the DSU and production from each Well.

Enclosed for your review are the following:

1. Election Form with election choices for each Well.
2. Statutory Pooling in Colorado Pamphlet – The Colorado Energy and Carbon Management Commission prepared this pamphlet to help educate oil and gas mineral owners about ECMC's administrative process for "pooling" mineral interests.
3. Well Location Plats for each Well.
4. Authority for expenditures concerning each Well (each a "Well AFE"). The costs set out in the Well AFEs are estimates. The actual costs may be higher or lower. Should you elect to participate in the drilling and completion of a Well, you will be responsible for payment of your proportionate share of such actual costs, including your proportionate share of the costs to construct the location and the facilities. Your estimated proportionate share of such costs is detailed on the election page of this letter.
5. Oil and Gas Lease Packet covering your interest in the Well and DSU. This includes an Offer Letter, an Order for Payment, and Oil and Gas Lease, an Oil and Gas Lease Memorandum, and a W9 form. The offer letter includes the up-front bonus payment per net mineral acre, the royalty rate, and the term.

With respect to option (ii) above, and in lieu of electing to directly participate in the drilling, completion and equipping of the Wells, GMT is prepared to assume all of your working interest in each Well and the DSU upon your voluntary execution of the enclosed standard form oil and gas lease between you, as lessor, and GMT as lessee. To the extent you are interested in leasing your interest to GMT, please review the attached offer to lease and contact Hans Schuster at the contact information provided below.

In the event you: (i) elect to not participate in the drilling and completion of the Wells (or otherwise fail to timely respond with the time below and (ii) elect not to enter into an oil and gas lease with GMT or some other third party, GMT may subject your interest in the Well to statutory pooling pursuant to C.R.S. § 34-16-116, the specifics of which are borne out in detail in the attached pamphlet entitled "Frequently asked Questions Related to Statutory Pooling in Colorado," published by the ECMC (formerly "COGCC").

**Please indicate your election concerning each Well by executing and returning the Well Participation Election form with all applicable signed Well AFEs to GMT via Regular Mail, which must be received by GMT no later than sixty (60) days from the receipt of the same.**



If you choose to participate, be sure to include each applicable signed Well AFE with your election. Failure to respond within such sixty (60) day period shall be deemed an election NOT to participate in the drilling, completion and equipping of each Wells, and GMT may subject your interest in such Well to statutory pooling pursuant to C.R.S. § 34-16-116. If you expressly reject this offer verbally or in writing, or if you elect to be statutorily pooled for any Well, you will be deemed a non-consenting party in all the Wells on the above-referenced spacing unit basis and your working interest will be subject to C.R.S. § 34-60-116(6), (7) and (8) as well as Rule 506 of the ECOM Rules and Regulations.

To the extent you elect to participate in the drilling and completion of a Well and wish to attempt to negotiate and enter a joint operating agreement, please notify GMT by writing and a form joint operating agreement a may be provided for your review and comment. Your election concerning a Well is expressly not conditioned on execution of such operating agreement. To the extent that an agreement is reached to enter into the operating agreement, the Well will be deemed to have been proposed pursuant to the terms of the same.

Should you have any questions concerning either the foregoing or the enclosed Well AFE please do not hesitate to contact me at 303-586-9280 or by electronic mail at [hschuster@gmtexploration.com](mailto:hschuster@gmtexploration.com).

Respectfully,

**GMT Exploration Company LLC**



**Hans C. Schuster**  
**Land Manager**

**EXHIBIT "A"**

#	Well Name	Surface Location (5S-65W-35)	Bottom Hole Location (6S-65W-4)	Proposed Total Measured Depth (FT)	Proposed True Vertical Depth (FT)	Estimated Lateral Length (FT)	Estimated Spud
1	<b>SECRET 6-65 3-4 1HN</b>	2253' FSL 2366' FWL	600' FNL 550' FWL	17,700	7,750	9,360	3Q 2025
2	<b>SECRET 6-65 3-4 2HN</b>	2257' FSL 2385' FWL	1467' FNL 550' FWL	17,790	7,830	9,360	3Q 2025
3	<b>SECRET 6-65 3-4 3HN</b>	2261' FSL 2405' FWL	2334' FNL 550' FWL	17,880	7,750	9,360	3Q 2025
4	<b>SECRET 6-65 3-4 4HN</b>	2265' FSL 2424' FWL	2334' FSL 550' FWL	17,970	7,830	9,360	3Q 2025
5	<b>SECRET 6-65 3-4 5HN</b>	2268' FSL 2444' FWL	1467' FSL 550' FWL	18,060	7,750	9,360	3Q 2025
6	<b>SECRET 6-65 3-4 6HN</b>	2272' FSL 2464' FWL	600' FSL 550' FWL	18,150	7,830	9,360	3Q 2025

#	Well Name	Surface Location (5S-65W-35)	Bottom Hole Location (6S-65W-1)	Proposed Total Measured Depth (FT)	Proposed True Vertical Depth (FT)	Estimated Lateral Length (FT)	Estimated Spud
7	<b>STASH 6-65 2-1 1HN</b>	2231' FSL 2248' FWL	600' FNL 550' FEL	17,650	7,750	9,360	3Q 2025
8	<b>STASH 6-65 2-1 2HN</b>	2235' FSL 2268' FWL	1506' FNL 550' FEL	17,740	7,830	9,360	3Q 2025
9	<b>STASH 6-65 2-1 3HN</b>	2238' FSL 2287' FWL	2411' FNL 550' FEL	17,830	7,750	9,360	3Q 2025
10	<b>STASH 6-65 2-1 4HN</b>	2242' FSL 2307' FWL	2411' FSL 550' FEL	17,920	7,830	9,360	3Q 2025
11	<b>STASH 6-65 2-1 5HN</b>	2246' FSL 2326' FWL	1505' FSL 550' FEL	18,010	7,750	9,360	3Q 2025
12	<b>STASH 6-65 2-1 6HN</b>	2250' FSL 2346' FWL	600' FSL 550' FEL	18,100	7,830	9,360	3Q 2025

**ELECTION**

Wells: Secret Stash Unit - Multiple  
 Facilities: Secret Stash Unit location and facilities  
 Working Interest Owner: County of Douglas  
 Estimated Working Interest: 0.988627%

WELL NAME	The undersigned elects to <b>PARTICIPATE</b> in the drilling and completion for its proportionate WI only.	The undersigned elects to <b>PARTICIPATE</b> in the drilling and completion and <b>acquire</b> its proportionate share of any <b>non-consent</b> interest.	The undersigned elects to <b>NOT PARTICIPATE</b> in the drilling and completion.	Proportionate Share of Well Costs
SECRET 6-65 3-4 1HN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$55,952.93
SECRET 6-65 3-4 2HN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$55,952.93
SECRET 6-65 3-4 3HN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$55,952.93
SECRET 6-65 3-4 4HN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$55,952.93
SECRET 6-65 3-4 5HN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$55,952.93
SECRET 6-65 3-4 6HN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$55,952.93
STASH 6-65 2-1 1HN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$55,952.93
STASH 6-65 2-1 2HN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$55,952.93
STASH 6-65 2-1 3HN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$55,952.93
STASH 6-65 2-1 4HN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$55,952.93
STASH 6-65 2-1 5HN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$55,952.93
STASH 6-65 2-1 6HN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$55,952.93

Please mark only one out of the three options for each well.

By: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

**Total**

<b>\$671,435.17</b>
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**LEASE ELECTION**

**Wells:** Secret Stash Unit - Multiple  
**Facilities:** Secret Stash Unit location and facilities  
**Working Interest Owner:** County of Douglas  
**Estimated Working Interest:** 0.988627%

\_\_\_\_\_ I hereby elect, on behalf of **County of Douglas** to **ENTER INTO A LEASE WITH GMT** to facilitate the drilling and completing of the Wells and construction of the Facilities in the DSU.

\_\_\_\_\_ I hereby provide notice and evidence, on behalf of **County of Douglas**, that **County of Douglas** has/have **ENTERED INTO A LEASE WITH A THIRD PARTY** to facilitate the drilling and completing of the Wells and construction of the Facilities in the DSU.

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Approval For Expenditure**

Pre - Drill: SecretStash Spacing Unit (2 DSU's)  
 Prepared By: GMT Exploration Company LLC  
 DSU/Lease: SecretStash  
 Well Name: Stash 6-65 2-1 1HN



AFE #: \_\_\_\_\_ (to be assigned)

**DRILLING AND COMPLETION COST**

TYPE	Accounting Code	Description	Gross Est (\$/well)
IDC	1530022	GEOLOGICAL, SEISMIC ACQUISITION AND PROCESSING	\$ 5,000.00
IDC	1600201	PERMITS/SURVEY WORK/PLATS/ STAKE	\$ 16,666.67
IDC	1600203	TITLE/ABSTRACTS	\$ 8,333.33
IDC	1600205	RIGHTS OF WAY/SPACING & LEGAL	\$ 4,166.67
IDC	1600200	LOCATION CONSTRUCTION	\$ 100,000.00
IDC	16005600	INSURANCE/BOND	\$
IDC	16000300	DAMAGES	\$
IDC	16000400	MOB/DEMOB	\$ 12,500.00
IDC	16001000	RIG (Turnkey tophole rig, Dayrate mainhole rig)	\$ 50,000.00
IDC	16001800	FUEL	\$ 199,500.00
IDC	16001400	BITS	\$ 61,250.00
IDC	16001600	MUD COST (mud and base oil, closed loop system, equipment)	\$
IDC	16001601	FLUID COST (WATER)	\$ 180,000.00
IDC	16001607	STORAGE/MUD TRANSFER/DISPOSAL	\$ 10,000.00
IDC	16001229	TRAILERS, COMMUNICATION EQUIPMENT, FORKLIFT, LIGHT PLANT, VACCUUM UNIT	\$ 40,000.00
IDC	16002805	CEMENTING CONDUCTOR AND SURFACE	\$ 97,750.00
IDC	16002809	CEMENTING PRODUCTION CASING	\$ 40,000.00
IDC	16002400	MUDLOGGING	\$ 95,000.00
IDC	16002600	ELECTRIC LOGGING	\$ 10,000.00
IDC	16003001	DIRECTIONAL SURVEYS AND SERVICES MWD/LWD	\$ 2,833.33
IDC	16004600	CASING CREW CASING INSPECTION/TESTING/WELDING	\$ 182,000.00
IDC	16004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 37,750.00
IDC	16007800	TRASH AND DISPOSAL	\$ 30,000.00
IDC	16009600	SAFETY & ENVIRONMENTAL (liners)	\$ 60,000.00
IDC	16002200	TRUCKING	\$ 25,833.33
IDC	16005400	SUPERVION AND ENGINEERING CONSULTANTS	\$ 15,000.00
			\$ 29,300.00
			<b>TOTAL INTANGIBLE DRILLING COSTS \$ 1,312,883.33</b>
TDC	16100600	CONDUCTOR AND SURFACE	\$ 88,207.50
TDC	16101200	PRODUCTION CASING	\$ 333,180.00
TDC	16100801	CASING HEAD AND HANGERS	\$ 25,000.00
TDC	16101000	MISC. TANGIBLE DRILLING COSTS	\$ 15,000.00
			<b>TOTAL TANGIBLE DRILLING COSTS \$ 461,387.50</b>
ICC	17001000	WORKOVER RIG	\$ 60,000.00
ICC	17001201	BLOWOUT PREVENTION AND WELL CONTROL/FRAC TREE	\$ 37,750.00
ICC	17001800	FUEL (including frac crew)	\$ 275,000.00
ICC	17004000	COIL TUBING UNIT, SNUBBING UNIT	\$ 20,000.00
ICC	17001601	FLUID COST (WATER AND CHEMICALS)	\$ 450,000.00
ICC	17001205	RENTAL - DOWNHOLE	\$ 40,000.00
ICC	17001233	CRANE, FORKLIFT, LIGHT PLANT, PUMPS, VACCUUM UNIT	\$ 12,500.00
ICC	17004200	FRACTURING SERVICES	\$ 1,550,000.00
ICC	17007600	PERFORATING SERVICES, LOGGING, AND WIRELINE SERVICES	\$ 275,000.00
ICC	17008800	COMPOSITE BRIDGE PLUGS PLUS PUMPING	\$ 45,000.00
ICC	17003400	WELL TESTING AND FLOWBACK	\$ 50,000.00
ICC	17002400	SALTWATER DISPOSAL	\$ 200,000.00
ICC	17004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 15,000.00
ICC	17007800	TRASH AND SOLIDS DISPOSAL	\$ 17,750.00
ICC	17009600	SAFETY & ENVIRONMENTAL	\$ 10,000.00
ICC	17002200	TRUCKING	\$ 30,000.00
ICC	17001000	WELL REMEDIATION (4 vertical wells)	\$ 100,000.00
ICC	17005400	ENGINEERING CONSULTANTS	\$ 42,500.00
			<b>TOTAL INTANGIBLE COMPLETION COSTS \$ 3,230,500.00</b>
TCC	17100800	TUBING	\$ 45,375.00
TCC	17101405	WELLHEAD - TREE	\$ 60,000.00
TCC	17200600	ARTIFICIAL LIFT SYSTEMS	\$ 25,000.00
TCC	17101601	MISC. TANGIBLE COMPLETION COSTS	\$ 10,000.00
			<b>TOTAL TANGIBLE COMPLETION COSTS \$ 140,375.00</b>
<b>DRILLING &amp; COMPLETION TOTAL COSTS</b>			
TOTAL INTANGIBLE COSTS			DRILLING \$ 1,312,883.33 COMPLETION \$ 3,230,500.00 TOTAL \$ 4,543,383.33
TOTAL TANGIBLE COSTS			\$ 461,387.50 \$ 140,375.00 \$ 601,762.50
CONTINGENCY 10%			\$ 177,427.08 \$ 337,087.50 \$ 514,514.58
<b>TOTAL DRILLING AND COMPLETIONS AFE COSTS</b>			<b>\$ 1,951,697.91 \$ 3,707,962.50 \$ 5,659,660.41</b>

TOTAL PROJECT COSTS	LOC/FACILITY	DRILLING	COMPLETION	TOTAL
TOTAL DRILLING AND COMPLETIONS AFE COSTS		\$ 1,951,697.91	\$ 3,707,962.50	\$ 5,659,660.41
<b>TOTAL PROJECT COSTS</b>	\$ -	<b>\$ 1,951,697.91</b>	<b>\$ 3,707,962.50</b>	<b>\$ 5,659,660.41</b>

**DISCLAIMER:** The information on this AFE is only an estimate which may or may not be based on any actual contracts or bids.

VP Operations

Approved By:

*S.M. Snow*

Date:

4/26/24

**Approval For Expenditure**

Pre - Drill: SecretStash Spacing Unit (2 DSU's)  
 Prepared By: GMT Exploration Company LLC  
 DSU/Lease: SecretStash  
 Well Name: Stash 6-65 2-1 2HN



AFE #: \_\_\_\_\_ (to be assigned)

**DRILLING AND COMPLETION COST**

TYPE	Accounting Code	Description	Gross Est (\$/well)
IDC	1530022	GEOLOGICAL, SEISMIC ACQUISITION AND PROCESSING	\$ 5,000.00
IDC	1600201	PERMITS/SURVEY WORK/PLATS/ STAKE	\$ 16,666.67
IDC	1600203	TITLE/ABSTRACTS	\$ 8,333.33
IDC	1600205	RIGHTS OF WAY/SPACING & LEGAL	\$ 4,166.67
IDC	1600200	LOCATION CONSTRUCTION	\$ 100,000.00
IDC	16005600	INSURANCE/BOND	\$ -
IDC	16000300	DAMAGES	\$ 12,500.00
IDC	16000400	MOB/DEMOB	\$ 50,000.00
IDC	16001000	RIG (Turnkey topohole rig, Dayrate mainhole rig)	\$ 199,500.00
IDC	16001800	FUEL	\$ 61,250.00
IDC	16001400	BITS	\$ -
IDC	16001600	MUD COST (mud and base oil, closed loop system, equipment)	\$ 180,000.00
IDC	16001601	FLUID COST (WATER)	\$ 10,000.00
IDC	16001607	STORAGE/MUD TRANSFER/DISPOSAL	\$ 40,000.00
IDC	16001229	TRAILERS, COMMUNICATION EQUIPMENT, FORKLIFT, LIGHT PLANT, VACCUUM UNIT	\$ 97,750.00
IDC	16002805	CEMENTING CONDUCTOR AND SURFACE	\$ 40,000.00
IDC	16002809	CEMENTING PRODUCTION CASING	\$ 95,000.00
IDC	16002400	MUDLOGGING	\$ 10,000.00
IDC	16002600	ELECTRIC LOGGING	\$ 2,833.33
IDC	16003001	DIRECTIONAL SURVEYS AND SERVICES MWD/LWD	\$ 182,000.00
IDC	16004600	CASING CREW CASING INSPECTION/TESTING/WELDING	\$ 37,750.00
IDC	16004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 30,000.00
IDC	16007800	TRASH AND DISPOSAL	\$ 60,000.00
IDC	16009600	SAFETY & ENVIRONMENTAL (liners)	\$ 25,833.33
IDC	16002200	TRUCKING	\$ 15,000.00
IDC	16005400	SUPERVION AND ENGINEERING CONSULTANTS	\$ 29,300.00
			<b>TOTAL INTANGIBLE DRILLING COSTS \$ 1,312,883.33</b>
TDC	16100600	CONDUCTOR AND SURFACE	\$ 88,207.50
TDC	16101200	PRODUCTION CASING	\$ 333,180.00
TDC	16100801	CASING HEAD AND HANGERS	\$ 25,000.00
TDC	16101000	MISC. TANGIBLE DRILLING COSTS	\$ 15,000.00
			<b>TOTAL TANGIBLE DRILLING COSTS \$ 461,387.50</b>
ICC	17001000	WORKOVER RIG	\$ 60,000.00
ICC	17001201	BLOWOUT PREVENTION AND WELL CONTROL/FRAC TREE	\$ 37,750.00
ICC	17001800	FUEL (including frac crew)	\$ 275,000.00
ICC	17004000	COIL TUBING UNIT, SNUBBING UNIT	\$ 20,000.00
ICC	17001601	FLUID COST (WATER AND CHEMICALS)	\$ 450,000.00
ICC	17001205	RENTAL - DOWNHOLE	\$ 40,000.00
ICC	17001233	CRANE, FORKLIFT, LIGHT PLANT, PUMPS, VACCUUM UNIT	\$ 12,500.00
ICC	17004200	FRACTURING SERVICES	\$ 1,550,000.00
ICC	17007600	PERFORATING SERVICES, LOGGING, AND WIRELINE SERVICES	\$ 275,000.00
ICC	17008800	COMPOSITE BRIDGE PLUGS PLUS PUMPING	\$ 45,000.00
ICC	17003400	WELL TESTING AND FLOWBACK	\$ 50,000.00
ICC	17002400	SALTWATER DISPOSAL	\$ 200,000.00
ICC	17004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 15,000.00
ICC	17007800	TRASH AND SOLIDS DISPOSAL	\$ 17,750.00
ICC	17009600	SAFETY & ENVIRONMENTAL	\$ 10,000.00
ICC	17002200	TRUCKING	\$ 30,000.00
ICC	17001000	WELL REMEDIATION (4 vertical wells)	\$ 100,000.00
ICC	17005400	ENGINEERING CONSULTANTS	\$ 42,500.00
			<b>TOTAL INTANGIBLE COMPLETION COSTS \$ 3,230,500.00</b>
TCC	17100800	TUBING	\$ 45,375.00
TCC	17101405	WELLHEAD - TREE	\$ 60,000.00
TCC	17200600	ARTIFICAL LIFT SYSTEMS	\$ 25,000.00
TCC	17101601	MISC. TANGIBLE COMPLETION COSTS	\$ 10,000.00
			<b>TOTAL TANGIBLE COMPLETION COSTS \$ 140,375.00</b>
<b>DRILLING &amp; COMPLETION TOTAL COSTS</b>			
TOTAL INTANGIBLE COSTS			DRILLING \$ 1,312,883.33 COMPLETION \$ 3,230,500.00 TOTAL \$ 4,543,383.33
TOTAL TANGIBLE COSTS			\$ 461,387.50 \$ 140,375.00 \$ 601,762.50
CONTINGENCY 10%			\$ 177,427.08 \$ 337,087.50 \$ 514,514.58
<b>TOTAL DRILLING AND COMPLETIONS AFE COSTS</b>			<b>\$ 1,951,697.91 \$ 3,707,962.50 \$ 5,659,660.41</b>

TOTAL PROJECT COSTS	LOC/FACILITY	DRILLING	COMPLETION	TOTAL
TOTAL DRILLING AND COMPLETIONS AFE COSTS		\$ 1,951,697.91	\$ 3,707,962.50	\$ 5,659,660.41
<b>TOTAL PROJECT COSTS</b>	\$ -	<b>\$ 1,951,697.91</b>	<b>\$ 3,707,962.50</b>	<b>\$ 5,659,660.41</b>

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VP Operations

Approved By:

*[Signature]*

Date:

6/26/20

**Approval For Expenditure**

Pre - Drill: SecretStash Spacing Unit (2 DSU's)  
 Prepared By: GMT Exploration Company LLC  
 DSU/Lease: SecretStash  
 Well Name: Stash 6-65 2-1 4HN



AFE #: \_\_\_\_\_ (to be assigned)

**DRILLING AND COMPLETION COST**

TYPE	Accounting Code	Description	Gross Est (\$/well)	
IDC	1530022	GEOLOGICAL, SEISMIC ACQUISITION AND PROCESSING	\$ 5,000.00	
IDC	16000201	PERMITS/SURVEY WORK/PLATS/ STAKE	\$ 16,666.67	
IDC	16000203	TITLE/ABSTRACTS	\$ 8,333.33	
IDC	16000205	RIGHTS OF WAY/SPACING & LEGAL	\$ 4,166.67	
IDC	16000200	LOCATION CONSTRUCTION	\$ 100,000.00	
IDC	16005600	INSURANCE/BOND	\$ -	
IDC	16000300	DAMAGES	\$ 12,500.00	
IDC	16000400	MOB/DEMOB	\$ 50,000.00	
IDC	16001000	RIG (Turnkey tophole rig, Dayrate mainhole rig)	\$ 199,500.00	
IDC	16001800	FUEL	\$ 61,250.00	
IDC	16001400	BITS	\$ -	
IDC	16001600	MUD COST (mud and base oil, closed loop system, equipment)	\$ 180,000.00	
IDC	16001601	FLUID COST (WATER)	\$ 10,000.00	
IDC	16001607	STORAGE/MUD TRANSFER/DISPOSAL	\$ 40,000.00	
IDC	16001229	TRAILERS, COMMUNICATION EQUIPMENT, FORKLIFT, LIGHT PLANT, VACCUUM UNIT	\$ 97,750.00	
IDC	16002805	CEMENTING CONDUCTOR AND SURFACE	\$ 40,000.00	
IDC	16002809	CEMENTING PRODUCTION CASING	\$ 95,000.00	
IDC	16002400	MUDLOGGING	\$ 10,000.00	
IDC	16002600	ELECTRIC LOGGING	\$ 2,833.33	
IDC	16003001	DIRECTIONAL SURVEYS AND SERVICES MWD/LWD	\$ 182,000.00	
IDC	16004600	CASING CREW CASING INSPECTION/TESTING/WELDING	\$ 37,750.00	
IDC	16004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 30,000.00	
IDC	16007800	TRASH AND DISPOSAL	\$ 60,000.00	
IDC	16009600	SAFETY & ENVIRONMENTAL (liners)	\$ 25,833.33	
IDC	16002200	TRUCKING	\$ 15,000.00	
IDC	16005400	SUPERVION AND ENGINEERING CONSULTANTS	\$ 29,300.00	
			<b>TOTAL INTANGIBLE DRILLING COSTS \$ 1,312,883.33</b>	
TDC	16100600	CONDUCTOR AND SURFACE	\$ 88,207.50	
TDC	16101200	PRODUCTION CASING	\$ 333,180.00	
TDC	16100801	CASING HEAD AND HANGERS	\$ 25,000.00	
TDC	16101000	MISC. TANGIBLE DRILLING COSTS	\$ 15,000.00	
			<b>TOTAL TANGIBLE DRILLING COSTS \$ 461,387.50</b>	
ICC	17001000	WORKOVER RIG	\$ 60,000.00	
ICC	17001201	BLOWOUT PREVENTION AND WELL CONTROL/FRAC TREE	\$ 37,750.00	
ICC	17001800	FUEL (including frac crew)	\$ 275,000.00	
ICC	17004000	COIL TUBING UNIT, SNUBBING UNIT	\$ 20,000.00	
ICC	17001601	FLUID COST (WATER AND CHEMICALS)	\$ 450,000.00	
ICC	17001205	RENTAL - DOWNHOLE	\$ 40,000.00	
ICC	17001233	CRANE, FORKLIFT, LIGHT PLANT, PUMPS, VACCUUM UNIT	\$ 12,500.00	
ICC	17004200	FRACTURING SERVICES	\$ 1,550,000.00	
ICC	17007600	PERFORATING SERVICES, LOGGING, AND WIRELINE SERVICES	\$ 275,000.00	
ICC	17008800	COMPOSITE BRIDGE PLUGS PLUS PUMPING	\$ 45,000.00	
ICC	17003400	WELL TESTING AND FLOWBACK	\$ 50,000.00	
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ICC	17004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 15,000.00	
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ICC	17001000	WELL REMEDIATION (4 vertical wells)	\$ 100,000.00	
ICC	17005400	ENGINEERING CONSULTANTS	\$ 42,500.00	
			<b>TOTAL INTANGIBLE COMPLETION COSTS \$ 3,230,500.00</b>	
TCC	17100800	TUBING	\$ 45,375.00	
TCC	17101405	WELLHEAD - TREE	\$ 60,000.00	
TCC	17200600	ARTIFICIAL LIFT SYSTEMS	\$ 25,000.00	
TCC	17101601	MISC. TANGIBLE COMPLETION COSTS	\$ 10,000.00	
			<b>TOTAL TANGIBLE COMPLETION COSTS \$ 140,375.00</b>	
<b>DRILLING &amp; COMPLETION TOTAL COSTS</b>				
		<b>DRILLING</b>	<b>COMPLETION</b>	<b>TOTAL</b>
TOTAL INTANGIBLE COSTS		\$ 1,312,883.33	\$ 3,230,500.00	\$ 4,543,383.33
TOTAL TANGIBLE COSTS		\$ 461,387.50	\$ 140,375.00	\$ 601,762.50
CONTINGENCY 10%		\$ 177,427.08	\$ 337,087.50	\$ 514,514.58
<b>TOTAL DRILLING AND COMPLETIONS AFE COSTS</b>		<b>\$ 1,951,697.91</b>	<b>\$ 3,707,962.50</b>	<b>\$ 5,659,660.41</b>

TOTAL PROJECT COSTS	LOC/FACILITY	DRILLING	COMPLETION	TOTAL
TOTAL DRILLING AND COMPLETIONS AFE COSTS		\$ 1,951,697.91	\$ 3,707,962.50	\$ 5,659,660.41
<b>TOTAL PROJECT COSTS</b>	\$ -	<b>\$ 1,951,697.91</b>	<b>\$ 3,707,962.50</b>	<b>\$ 5,659,660.41</b>

**DISCLAIMER:** The information on this AFE is only an estimate which may or may not be based on any actual contracts or bids.

VP Operations

Approved By:

*D. M. Snow*

Date:

6/26/24

**Approval For Expenditure**

Pre - Drill: SecretStash Spacing Unit (2 DSU's)  
 Prepared By: GMT Exploration Company LLC  
 DSU/Lease: SecretStash  
 Well Name: Stash 6-65 2-1 3HN



AFE #: \_\_\_\_\_ (to be assigned)

**DRILLING AND COMPLETION COST**

TYPE	Accounting Code	Description	Gross Est (\$/well)
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IDC	16001000	RIG (Turnkey tophole rig, Dayrate mainhole rig)	\$ 199,500.00
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IDC	16002805	CEMENTING CONDUCTOR AND SURFACE	\$ 40,000.00
IDC	16002809	CEMENTING PRODUCTION CASING	\$ 95,000.00
IDC	16002400	MUDLOGGING	\$ 10,000.00
IDC	16002600	ELECTRIC LOGGING	\$ 2,833.33
IDC	16003001	DIRECTIONAL SURVEYS AND SERVICES MWD/LWD	\$ 182,000.00
IDC	16004600	CASING CREW CASING INSPECTION/TESTING/WELDING	\$ 37,750.00
IDC	16004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 30,000.00
IDC	16007800	TRASH AND DISPOSAL	\$ 60,000.00
IDC	16009600	SAFETY & ENVIRONMENTAL (liners)	\$ 25,833.33
IDC	16002200	TRUCKING	\$ 15,000.00
IDC	16005400	SUPERVION AND ENGINEERING CONSULTANTS	\$ 29,300.00
			<b>TOTAL INTANGIBLE DRILLING COSTS \$ 1,312,883.33</b>
TDC	16100600	CONDUCTOR AND SURFACE	\$ 88,207.50
TDC	16101200	PRODUCTION CASING	\$ 333,180.00
TDC	16100801	CASING HEAD AND HANGERS	\$ 25,000.00
TDC	16101000	MISC. TANGIBLE DRILLING COSTS	\$ 15,000.00
			<b>TOTAL TANGIBLE DRILLING COSTS \$ 461,387.50</b>
ICC	17001000	WORKOVER RIG	\$ 60,000.00
ICC	17001201	BLOWOUT PREVENTION AND WELL CONTROL/FRAC TREE	\$ 37,750.00
ICC	17001800	FUEL (including frac crew)	\$ 275,000.00
ICC	17004000	COIL TUBING UNIT, SNUBBING UNIT	\$ 20,000.00
ICC	17001601	FLUID COST (WATER AND CHEMICALS)	\$ 450,000.00
ICC	17001205	RENTAL - DOWNHOLE	\$ 40,000.00
ICC	17001233	CRANE, FORKLIFT, LIGHT PLANT, PUMPS, VACCUUM UNIT	\$ 12,500.00
ICC	17004200	FRACTURING SERVICES	\$ 1,550,000.00
ICC	17007600	PERFORATING SERVICES, LOGGING, AND WIRELINE SERVICES	\$ 275,000.00
ICC	17008800	COMPOSITE BRIDGE PLUGS PLUS PUMPING	\$ 45,000.00
ICC	17003400	WELL TESTING AND FLOWBACK	\$ 50,000.00
ICC	17002400	SALTWATER DISPOSAL	\$ 200,000.00
ICC	17004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 15,000.00
ICC	17007800	TRASH AND SOLIDS DISPOSAL	\$ 17,750.00
ICC	17009600	SAFETY & ENVIRONMENTAL	\$ 10,000.00
ICC	17002200	TRUCKING	\$ 30,000.00
ICC	17001000	WELL REMEDIATION (4 vertical wells)	\$ 100,000.00
ICC	17005400	ENGINEERING CONSULTANTS	\$ 42,500.00
			<b>TOTAL INTANGIBLE COMPLETION COSTS \$ 3,230,500.00</b>
TCC	17100800	TUBING	\$ 45,375.00
TCC	17101405	WELLHEAD - TREE	\$ 60,000.00
TCC	17200600	ARTIFICIAL LIFT SYSTEMS	\$ 25,000.00
TCC	17101601	MISC. TANGIBLE COMPLETION COSTS	\$ 10,000.00
			<b>TOTAL TANGIBLE COMPLETION COSTS \$ 140,375.00</b>
<b>DRILLING &amp; COMPLETION TOTAL COSTS</b>			
TOTAL INTANGIBLE COSTS			DRILLING \$ 1,312,883.33 COMPLETION \$ 3,230,500.00 TOTAL \$ 4,543,383.33
TOTAL TANGIBLE COSTS			\$ 461,387.50 \$ 140,375.00 \$ 601,762.50
CONTINGENCY 10%			\$ 177,427.08 \$ 337,087.50 \$ 514,514.58
<b>TOTAL DRILLING AND COMPLETIONS AFE COSTS</b>			<b>\$ 1,951,697.91 \$ 3,707,962.50 \$ 5,659,660.41</b>

TOTAL PROJECT COSTS	LOC/FACILITY	DRILLING	COMPLETION	TOTAL
TOTAL DRILLING AND COMPLETIONS AFE COSTS		\$ 1,951,697.91	\$ 3,707,962.50	\$ 5,659,660.41
<b>TOTAL PROJECT COSTS</b>	\$ -	<b>\$ 1,951,697.91</b>	<b>\$ 3,707,962.50</b>	<b>\$ 5,659,660.41</b>

**DISCLAIMER:** The information on this AFE is only an estimate which may or may not be based on any actual contracts or bids.

VP Operations

Approved By:

*[Signature]*

Date:

6/26/2A



**Approval For Expenditure**

Pre - Drill: SecretStash Spacing Unit (2 DSU's)  
 Prepared By: GMT Exploration Company LLC  
 DSU/Lease: SecretStash  
 Well Name: Stash 6-65 2-1 5HN



AFE #: \_\_\_\_\_ (to be assigned)

**DRILLING AND COMPLETION COST**

TYPE	Accounting Code	Description	Gross Est (\$/well)
IDC	1530022	GEOLOGICAL, SEISMIC ACQUISITION AND PROCESSING	\$ 5,000.00
IDC	16000201	PERMITS/SURVEY WORK/PLATS/ STAKE	\$ 16,666.67
IDC	16000203	TITLE/ABSTRACTS	\$ 8,333.33
IDC	16000205	RIGHTS OF WAY/SPACING & LEGAL	\$ 4,166.67
IDC	16000200	LOCATION CONSTRUCTION	\$ 100,000.00
IDC	16005600	INSURANCE/BOND	\$ -
IDC	16000300	DAMAGES	\$ 12,500.00
IDC	16000400	MOB/DEMOB	\$ 50,000.00
IDC	16001000	RIG (Turnkey tophole rig, Dayrate mainhole rig)	\$ 199,500.00
IDC	16001800	FUEL	\$ 61,250.00
IDC	16001400	BITS	\$ -
IDC	16001600	MUD COST (mud and base oil, closed loop system, equipment)	\$ 180,000.00
IDC	16001601	FLUID COST (WATER)	\$ 10,000.00
IDC	16001607	STORAGE/MUD TRANSFER/DISPOSAL	\$ 40,000.00
IDC	16001229	TRAILERS, COMMUNICATION EQUIPMENT, FORKLIFT, LIGHT PLANT, VACCUUM UNIT	\$ 97,750.00
IDC	16002805	CEMENTING CONDUCTOR AND SURFACE	\$ 40,000.00
IDC	16002809	CEMENTING PRODUCTION CASING	\$ 95,000.00
IDC	16002400	MUDLOGGING	\$ 10,000.00
IDC	16002600	ELECTRIC LOGGING	\$ 2,833.33
IDC	16003001	DIRECTIONAL SURVEYS AND SERVICES MWD/LWD	\$ 182,000.00
IDC	16004600	CASING CREW CASING INSPECTION/TESTING/WELDING	\$ 37,750.00
IDC	16004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 30,000.00
IDC	16007800	TRASH AND DISPOSAL	\$ 60,000.00
IDC	16009600	SAFETY & ENVIRONMENTAL (liners)	\$ 25,833.33
IDC	16002200	TRUCKING	\$ 15,000.00
IDC	16005400	SUPERVION AND ENGINEERING CONSULTANTS	\$ 29,300.00
<b>TOTAL INTANGIBLE DRILLING COSTS</b>			<b>\$ 1,312,883.33</b>
TDC	16100600	CONDUCTOR AND SURFACE	\$ 88,207.50
TDC	16101200	PRODUCTION CASING	\$ 333,180.00
TDC	16100801	CASING HEAD AND HANGERS	\$ 25,000.00
TDC	16101000	MISC. TANGIBLE DRILLING COSTS	\$ 15,000.00
<b>TOTAL TANGIBLE DRILLING COSTS</b>			<b>\$ 461,387.50</b>
ICC	17001000	WORKOVER RIG	\$ 60,000.00
ICC	17001201	BLOWOUT PREVENTION AND WELL CONTROL/FRAC TREE	\$ 37,750.00
ICC	17001800	FUEL (including frac crew)	\$ 275,000.00
ICC	17004000	COIL TUBING UNIT, SNUBBING UNIT	\$ 20,000.00
ICC	17001601	FLUID COST (WATER AND CHEMICALS)	\$ 450,000.00
ICC	17001205	RENTAL - DOWNHOLE	\$ 40,000.00
ICC	17001233	CRANE, FORKLIFT, LIGHT PLANT, PUMPS, VACCUUM UNIT	\$ 12,500.00
ICC	17004200	FRACTURING SERVICES	\$ 1,550,000.00
ICC	17007600	PERFORATING SERVICES, LOGGING, AND WIRELINE SERVICES	\$ 275,000.00
ICC	17008800	COMPOSITE BRIDGE PLUGS PLUS PUMPING	\$ 45,000.00
ICC	17003400	WELL TESTING AND FLOWBACK	\$ 50,000.00
ICC	17002400	SALTWATER DISPOSAL	\$ 200,000.00
ICC	17004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 15,000.00
ICC	17007800	TRASH AND SOLIDS DISPOSAL	\$ 17,750.00
ICC	17009600	SAFETY & ENVIRONMENTAL	\$ 10,000.00
ICC	17002200	TRUCKING	\$ 30,000.00
ICC	17001000	WELL REMEDIATION (4 vertical wells)	\$ 100,000.00
ICC	17005400	ENGINEERING CONSULTANTS	\$ 42,500.00
<b>TOTAL INTANGIBLE COMPLETION COSTS</b>			<b>\$ 3,230,500.00</b>
TCC	17100800	TUBING	\$ 45,375.00
TCC	17101405	WELLHEAD - TREE	\$ 60,000.00
TCC	17200600	ARTIFICIAL LIFT SYSTEMS	\$ 25,000.00
TCC	17101601	MISC. TANGIBLE COMPLETION COSTS	\$ 10,000.00
<b>TOTAL TANGIBLE COMPLETION COSTS</b>			<b>\$ 140,375.00</b>
<b>DRILLING &amp; COMPLETION TOTAL COSTS</b>			
<b>TOTAL INTANGIBLE COSTS</b>			<b>\$ 1,312,883.33</b>
<b>TOTAL TANGIBLE COSTS</b>			<b>\$ 461,387.50</b>
<b>CONTINGENCY 10%</b>			<b>\$ 177,427.08</b>
<b>TOTAL DRILLING AND COMPLETIONS AFE COSTS</b>			<b>\$ 1,951,697.91</b>
			<b>\$ 3,707,962.50</b>
			<b>\$ 5,659,660.41</b>

TOTAL PROJECT COSTS	LOC/FACILITY	DRILLING	COMPLETION	TOTAL
TOTAL DRILLING AND COMPLETIONS AFE COSTS		\$ 1,951,697.91	\$ 3,707,962.50	\$ 5,659,660.41
TOTAL PROJECT COSTS	\$ -	\$ 1,951,697.91	\$ 3,707,962.50	\$ 5,659,660.41

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VP Operations

Approved By:

*[Signature]*

Date:

6/26/24

**Approval For Expenditure**

Pre - Drill: SecretStash Spacing Unit (2 DSU's)  
 Prepared By: GMT Exploration Company LLC  
 DSU/Lease: SecretStash  
 Well Name: Stash 6-65 2-1 6HN



AFE #: \_\_\_\_\_ (to be assigned)

**DRILLING AND COMPLETION COST**

TYPE	Accounting Code	Description	Gross Est (\$/well)	
IDC	15300022	GEOLOGICAL, SEISMIC ACQUISITION AND PROCESSING	\$ 5,000.00	
IDC	16000201	PERMITS/SURVEY WORK/PLATS/ STAKE	\$ 16,666.67	
IDC	16000203	TITLE/ABSTRACTS	\$ 8,333.33	
IDC	16000205	RIGHTS OF WAY/SPACING & LEGAL	\$ 4,166.67	
IDC	16000200	LOCATION CONSTRUCTION	\$ 100,000.00	
IDC	16005600	INSURANCE/BOND	\$ -	
IDC	16000300	DAMAGES	\$ 12,500.00	
IDC	16000400	MOB/DEMOB	\$ 50,000.00	
IDC	16001000	RIG (Turnkey tophole rig, Dayrate mainhole rig)	\$ 199,500.00	
IDC	16001800	FUEL	\$ 61,250.00	
IDC	16001400	BITS	\$ -	
IDC	16001600	MUD COST (mud and base oil, closed loop system, equipment)	\$ 180,000.00	
IDC	16001601	FLUID COST (WATER)	\$ 10,000.00	
IDC	16001607	STORAGE/MUD TRANSFER/DISPOSAL	\$ 40,000.00	
IDC	16001229	TRAILERS, COMMUNICATION EQUIPMENT, FORKLIFT, LIGHT PLANT, VACCUUM UNIT	\$ 97,750.00	
IDC	16002805	CEMENTING CONDUCTOR AND SURFACE	\$ 40,000.00	
IDC	16002809	CEMENTING PRODUCTION CASING	\$ 95,000.00	
IDC	16002400	MUDLOGGING	\$ 10,000.00	
IDC	16002600	ELECTRIC LOGGING	\$ 2,833.33	
IDC	16003001	DIRECTIONAL SURVEYS AND SERVICES MWD/LWD	\$ 182,000.00	
IDC	16004600	CASING CREW CASING INSPECTION/TESTING/WELDING	\$ 37,750.00	
IDC	16004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 30,000.00	
IDC	16007800	TRASH AND DISPOSAL	\$ 60,000.00	
IDC	16009600	SAFETY & ENVIRONMENTAL (liners)	\$ 25,833.33	
IDC	16002200	TRUCKING	\$ 15,000.00	
IDC	16005400	SUPERVION AND ENGINEERING CONSULTANTS	\$ 29,300.00	
			<b>TOTAL INTANGIBLE DRILLING COSTS \$ 1,312,883.33</b>	
TDC	16100600	CONDUCTOR AND SURFACE	\$ 88,207.50	
TDC	16101200	PRODUCTION CASING	\$ 333,180.00	
TDC	16100801	CASING HEAD AND HANGERS	\$ 25,000.00	
TDC	16101000	MISC. TANGIBLE DRILLING COSTS	\$ 15,000.00	
			<b>TOTAL TANGIBLE DRILLING COSTS \$ 461,387.50</b>	
ICC	17001000	WORKOVER RIG	\$ 60,000.00	
ICC	17001201	BLOWOUT PREVENTION AND WELL CONTROL/FRAC TREE	\$ 37,750.00	
ICC	17001800	FUEL (including frac crew)	\$ 275,000.00	
ICC	17004000	COIL TUBING UNIT, SNUBBING UNIT	\$ 20,000.00	
ICC	17001601	FLUID COST (WATER AND CHEMICALS)	\$ 450,000.00	
ICC	17001205	RENTAL - DOWNHOLE	\$ 40,000.00	
ICC	17001233	CRANE, FORKLIFT, LIGHT PLANT, PUMPS, VACCUUM UNIT	\$ 12,500.00	
ICC	17004200	FRACTURING SERVICES	\$ 1,550,000.00	
ICC	17007600	PERFORATING SERVICES, LOGGING, AND WIRELINE SERVICES	\$ 275,000.00	
ICC	17008800	COMPOSITE BRIDGE PLUGS PLUS PUMPING	\$ 45,000.00	
ICC	17003400	WELL TESTING AND FLOWBACK	\$ 50,000.00	
ICC	17002400	SALTWATER DISPOSAL	\$ 200,000.00	
ICC	17004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 15,000.00	
ICC	17007800	TRASH AND SOLIDS DISPOSAL	\$ 17,750.00	
ICC	17009600	SAFETY & ENVIRONMENTAL	\$ 10,000.00	
ICC	17002200	TRUCKING	\$ 30,000.00	
ICC	17001000	WELL REMEDIATION (4 vertical wells)	\$ 100,000.00	
ICC	17005400	ENGINEERING CONSULTANTS	\$ 42,500.00	
			<b>TOTAL INTANGIBLE COMPLETION COSTS \$ 3,230,500.00</b>	
TCC	17100800	TUBING	\$ 45,375.00	
TCC	17101405	WELLHEAD - TREE	\$ 60,000.00	
TCC	17200600	ARTIFICIAL LIFT SYSTEMS	\$ 25,000.00	
TCC	17101601	MISC. TANGIBLE COMPLETION COSTS	\$ 10,000.00	
			<b>TOTAL TANGIBLE COMPLETION COSTS \$ 140,375.00</b>	
<b>DRILLING &amp; COMPLETION TOTAL COSTS</b>				
TOTAL INTANGIBLE COSTS		DRILLING	COMPLETION	TOTAL
		\$ 1,312,883.33	\$ 3,230,500.00	\$ 4,543,383.33
TOTAL TANGIBLE COSTS		\$ 461,387.50	\$ 140,375.00	\$ 601,762.50
CONTINGENCY 10%		\$ 177,427.08	\$ 337,087.50	\$ 514,514.58
<b>TOTAL DRILLING AND COMPLETIONS AFE COSTS</b>		<b>\$ 1,951,697.91</b>	<b>\$ 3,707,962.50</b>	<b>\$ 5,659,660.41</b>

TOTAL PROJECT COSTS	LOC/FACILITY	DRILLING	COMPLETION	TOTAL
TOTAL DRILLING AND COMPLETIONS AFE COSTS		\$ 1,951,697.91	\$ 3,707,962.50	\$ 5,659,660.41
<b>TOTAL PROJECT COSTS</b>		<b>\$ 1,951,697.91</b>	<b>\$ 3,707,962.50</b>	<b>\$ 5,659,660.41</b>

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VP Operations

Approved By:

*[Signature]*

Date:

6/26/24

**Approval For Expenditure**

Pre - Drill: SecretStash Spacing Unit (2 DSU's)  
 Prepared By: GMT Exploration Company LLC  
 DSU/Lease: SecretStash  
 Well Name: Secret 6-65 3-4 1HN



AFE #: \_\_\_\_\_ (to be assigned)

**DRILLING AND COMPLETION COST**

TYPE	Accounting Code	Description	Gross Est (\$/well)	
IDC	1530022	GEOLOGICAL, SEISMIC ACQUISITION AND PROCESSING	\$ 5,000.00	
IDC	1600201	PERMITS/SURVEY WORK/PLATS/ STAKE	\$ 16,666.67	
IDC	1600203	TITLE/ABSTRACTS	\$ 8,333.33	
IDC	1600205	RIGHTS OF WAY/SPACING & LEGAL	\$ 4,166.67	
IDC	1600200	LOCATION CONSTRUCTION	\$ 100,000.00	
IDC	16005600	INSURANCE/BOND	\$ -	
IDC	16000300	DAMAGES	\$ 12,500.00	
IDC	16000400	MOB/DEMOB	\$ 50,000.00	
IDC	16001000	RIG (Turnkey tophole rig, Dayrate mainhole rig)	\$ 199,500.00	
IDC	16001800	FUEL	\$ 61,250.00	
IDC	16001400	BITS	\$ -	
IDC	16001600	MUD COST (mud and base oil, closed loop system, equipment)	\$ 180,000.00	
IDC	16001601	FLUID COST (WATER)	\$ 10,000.00	
IDC	16001607	STORAGE/MUD TRANSFER/DISPOSAL	\$ 40,000.00	
IDC	16001229	TRAILERS, COMMUNICATION EQUIPMENT, FORKLIFT, LIGHT PLANT, VACCUUM UNIT	\$ 97,750.00	
IDC	16002805	CEMENTING CONDUCTOR AND SURFACE	\$ 40,000.00	
IDC	16002809	CEMENTING PRODUCTION CASING	\$ 95,000.00	
IDC	16002400	MUDLOGGING	\$ 10,000.00	
IDC	16002600	ELECTRIC LOGGING	\$ 2,833.33	
IDC	16003001	DIRECTIONAL SURVEYS AND SERVICES MWD/LWD	\$ 182,000.00	
IDC	16004600	CASING CREW CASING INSPECTION/TESTING/WELDING	\$ 37,750.00	
IDC	16004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 30,000.00	
IDC	16007800	TRASH AND DISPOSAL	\$ 60,000.00	
IDC	16009600	SAFETY & ENVIRONMENTAL (liners)	\$ 25,833.33	
IDC	16002200	TRUCKING	\$ 15,000.00	
IDC	16005400	SUPERVION AND ENGINEERING CONSULTANTS	\$ 29,300.00	
			<b>TOTAL INTANGIBLE DRILLING COSTS \$ 1,312,883.33</b>	
TDC	16100600	CONDUCTOR AND SURFACE	\$ 88,207.50	
TDC	16101200	PRODUCTION CASING	\$ 333,180.00	
TDC	16100801	CASING HEAD AND HANGERS	\$ 25,000.00	
TDC	16101000	MISC. TANGIBLE DRILLING COSTS	\$ 15,000.00	
			<b>TOTAL TANGIBLE DRILLING COSTS \$ 461,387.50</b>	
ICC	17001000	WORKOVER RIG	\$ 60,000.00	
ICC	17001201	BLOWOUT PREVENTION AND WELL CONTROL/Frac TREE	\$ 37,750.00	
ICC	17001800	FUEL (including frac crew)	\$ 275,000.00	
ICC	17004000	COIL TUBING UNIT, SNUBBING UNIT	\$ 20,000.00	
ICC	17001601	FLUID COST (WATER AND CHEMICALS)	\$ 450,000.00	
ICC	17001205	RENTAL - DOWNHOLE	\$ 40,000.00	
ICC	17001233	CRANE, FORKLIFT, LIGHT PLANT, PUMPS, VACCUUM UNIT	\$ 12,500.00	
ICC	17004200	FRACTURING SERVICES	\$ 1,550,000.00	
ICC	17007600	PERFORATING SERVICES, LOGGING, AND WIRELINE SERVICES	\$ 275,000.00	
ICC	17008800	COMPOSITE BRIDGE PLUGS PLUS PUMPING	\$ 45,000.00	
ICC	17003400	WELL TESTING AND FLOWBACK	\$ 50,000.00	
ICC	17002400	SALTWATER DISPOSAL	\$ 200,000.00	
ICC	17004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 15,000.00	
ICC	17007800	TRASH AND SOLIDS DISPOSAL	\$ 17,750.00	
ICC	17009600	SAFETY & ENVIRONMENTAL	\$ 10,000.00	
ICC	17002200	TRUCKING	\$ 30,000.00	
ICC	17001000	WELL REMEDIATION (4 vertical wells)	\$ 100,000.00	
ICC	17005400	ENGINEERING CONSULTANTS	\$ 42,500.00	
			<b>TOTAL INTANGIBLE COMPLETION COSTS \$ 3,230,500.00</b>	
TCC	17100800	TUBING	\$ 45,375.00	
TCC	17101405	WELLHEAD - TREE	\$ 60,000.00	
TCC	17200600	ARTIFICIAL LIFT SYSTEMS	\$ 25,000.00	
TCC	17101601	MISC. TANGIBLE COMPLETION COSTS	\$ 10,000.00	
			<b>TOTAL TANGIBLE COMPLETION COSTS \$ 140,375.00</b>	
<b>DRILLING &amp; COMPLETION TOTAL COSTS</b>				
		<b>DRILLING</b>	<b>COMPLETION</b>	<b>TOTAL</b>
TOTAL INTANGIBLE COSTS		\$ 1,312,883.33	\$ 3,230,500.00	\$ 4,543,383.33
TOTAL TANGIBLE COSTS		\$ 461,387.50	\$ 140,375.00	\$ 601,762.50
CONTINGENCY 10%		\$ 177,427.08	\$ 337,087.50	\$ 514,514.58
<b>TOTAL DRILLING AND COMPLETIONS AFE COSTS</b>		<b>\$ 1,951,697.91</b>	<b>\$ 3,707,962.50</b>	<b>\$ 5,659,660.41</b>

TOTAL PROJECT COSTS	LOC/FACILITY	DRILLING	COMPLETION	TOTAL
TOTAL DRILLING AND COMPLETIONS AFE COSTS		\$ 1,951,697.91	\$ 3,707,962.50	\$ 5,659,660.41
TOTAL PROJECT COSTS	\$ -	\$ 1,951,697.91	\$ 3,707,962.50	\$ 5,659,660.41

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VP Operations

Approved By:

*S.M. Snow*

Date:

6/26/21

**Approval For Expenditure**

Pre - Drill: SecretStash Spacing Unit (2 DSU's)  
 Prepared By: GMT Exploration Company LLC  
 DSU/Lease: SecretStash  
 Well Name: Secret 6-65 3-4 2HN



AFE #: \_\_\_\_\_ (to be assigned)

**DRILLING AND COMPLETION COST**

TYPE	Accounting Code	Description	Gross Est (\$/well)
IDC	1530022	GEOLOGICAL, SEISMIC ACQUISITION AND PROCESSING	\$ 5,000.00
IDC	1600201	PERMITS/SURVEY WORK/PLATS/ STAKE	\$ 16,666.67
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IDC	1600200	LOCATION CONSTRUCTION	\$ 100,000.00
IDC	16005600	INSURANCE/BOND	\$ -
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IDC	16000400	MOB/DEMOB	\$ 50,000.00
IDC	16001000	RIG (Turnkey tophole rig, Dayrate mainhole rig)	\$ 199,500.00
IDC	16001800	FUEL	\$ 61,250.00
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IDC	16001601	FLUID COST (WATER)	\$ 10,000.00
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IDC	16002200	TRUCKING	\$ 15,000.00
IDC	16005400	SUPERVION AND ENGINEERING CONSULTANTS	\$ 29,300.00
			<b>TOTAL INTANGIBLE DRILLING COSTS \$ 1,312,883.33</b>
TDC	16100600	CONDUCTOR AND SURFACE	\$ 88,207.50
TDC	16101200	PRODUCTION CASING	\$ 333,180.00
TDC	16100801	CASING HEAD AND HANGERS	\$ 25,000.00
TDC	16101000	MISC. TANGIBLE DRILLING COSTS	\$ 15,000.00
			<b>TOTAL TANGIBLE DRILLING COSTS \$ 461,387.50</b>
ICC	17001000	WORKOVER RIG	\$ 60,000.00
ICC	17001201	BLOWOUT PREVENTION AND WELL CONTROL/FRAC TREE	\$ 37,750.00
ICC	17001800	FUEL (including frac crew)	\$ 275,000.00
ICC	17004000	COIL TUBING UNIT, SNUBBING UNIT	\$ 20,000.00
ICC	17001601	FLUID COST (WATER AND CHEMICALS)	\$ 450,000.00
ICC	17001205	RENTAL - DOWNHOLE	\$ 40,000.00
ICC	17001233	CRANE, FORKLIFT, LIGHT PLANT, PUMPS, VACCUUM UNIT	\$ 12,500.00
ICC	17004200	FRACTURING SERVICES	\$ 1,550,000.00
ICC	17007600	PERFORATING SERVICES, LOGGING, AND WIRELINE SERVICES	\$ 275,000.00
ICC	17008800	COMPOSITE BRIDGE PLUGS PLUS PUMPING	\$ 45,000.00
ICC	17003400	WELL TESTING AND FLOWBACK	\$ 50,000.00
ICC	17002400	SALTWATER DISPOSAL	\$ 200,000.00
ICC	17004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 15,000.00
ICC	17007800	TRASH AND SOLIDS DISPOSAL	\$ 17,750.00
ICC	17009600	SAFETY & ENVIRONMENTAL	\$ 10,000.00
ICC	17002200	TRUCKING	\$ 30,000.00
ICC	17001000	WELL REMEDIATION (4 vertical wells)	\$ 100,000.00
ICC	17005400	ENGINEERING CONSULTANTS	\$ 42,500.00
			<b>TOTAL INTANGIBLE COMPLETION COSTS \$ 3,230,500.00</b>
TCC	17100800	TUBING	\$ 45,375.00
TCC	17101405	WELLHEAD - TREE	\$ 60,000.00
TCC	17200600	ARTIFICIAL LIFT SYSTEMS	\$ 25,000.00
TCC	17101601	MISC. TANGIBLE COMPLETION COSTS	\$ 10,000.00
			<b>TOTAL TANGIBLE COMPLETION COSTS \$ 140,375.00</b>
<b>DRILLING &amp; COMPLETION TOTAL COSTS</b>			
<b>TOTAL INTANGIBLE COSTS</b>			
<b>TOTAL TANGIBLE COSTS</b>			
<b>CONTINGENCY 10%</b>			
<b>TOTAL DRILLING AND COMPLETIONS AFE COSTS</b>			

TOTAL PROJECT COSTS	LOC/FACILITY	DRILLING	COMPLETION	TOTAL
TOTAL DRILLING AND COMPLETIONS AFE COSTS		\$ 1,951,697.91	\$ 3,707,962.50	\$ 5,659,660.41
<b>TOTAL PROJECT COSTS</b>	\$ -	<b>\$ 1,951,697.91</b>	<b>\$ 3,707,962.50</b>	<b>\$ 5,659,660.41</b>

**DISCLAIMER:** The information on this AFE is only an estimate which may or may not be based on any actual contracts or bids.

VP Operations

Approved By:

*D. M. Snow*

Date:

6/26/24

**Approval For Expenditure**

Pre - Drill: SecretStash Spacing Unit (2 DSU's)  
 Prepared By: GMT Exploration Company LLC  
 DSU/Lease: SecretStash  
 Well Name: Secret 6-65 3-4 3HN



AFE #: \_\_\_\_\_ (to be assigned)

**DRILLING AND COMPLETION COST**

TYPE	Accounting Code	Description	Gross Est (\$/well)
IDC	1530022	GEOLOGICAL, SEISMIC ACQUISITION AND PROCESSING	\$ 5,000.00
IDC	1600201	PERMITS/SURVEY WORK/PLATS/ STAKE	\$ 16,666.67
IDC	1600203	TITLE/ABSTRACTS	\$ 8,333.33
IDC	1600205	RIGHTS OF WAY/SPACING & LEGAL	\$ 4,166.67
IDC	1600200	LOCATION CONSTRUCTION	\$ 100,000.00
IDC	16005600	INSURANCE/BOND	\$ -
IDC	16000300	DAMAGES	\$ 12,500.00
IDC	16000400	MOB/DEMOB	\$ 50,000.00
IDC	16001000	RIG (Turnkey top hole rig, Dayrate main hole rig)	\$ 199,500.00
IDC	16001800	FUEL	\$ 61,250.00
IDC	16001400	BITS	\$ -
IDC	16001600	MUD COST (mud and base oil, closed loop system, equipment)	\$ 180,000.00
IDC	16001601	FLUID COST (WATER)	\$ 10,000.00
IDC	16001607	STORAGE/MUD TRANSFER/DISPOSAL	\$ 40,000.00
IDC	16001229	TRAILERS, COMMUNICATION EQUIPMENT, FORKLIFT, LIGHT PLANT, VACCUUM UNIT	\$ 97,750.00
IDC	16002805	CEMENTING CONDUCTOR AND SURFACE	\$ 40,000.00
IDC	16002809	CEMENTING PRODUCTION CASING	\$ 95,000.00
IDC	16002400	MUDLOGGING	\$ 10,000.00
IDC	16002600	ELECTRIC LOGGING	\$ 2,833.33
IDC	16003001	DIRECTIONAL SURVEYS AND SERVICES MWD/LWD	\$ 182,000.00
IDC	16004600	CASING CREW CASING INSPECTION/TESTING/WELDING	\$ 37,750.00
IDC	16004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 30,000.00
IDC	16007800	TRASH AND DISPOSAL	\$ 60,000.00
IDC	16009600	SAFETY & ENVIRONMENTAL (liners)	\$ 25,833.33
IDC	16002200	TRUCKING	\$ 15,000.00
IDC	16005400	SUPERVION AND ENGINEERING CONSULTANTS	\$ 29,300.00
			<b>TOTAL INTANGIBLE DRILLING COSTS \$ 1,312,883.33</b>
TDC	16100600	CONDUCTOR AND SURFACE	\$ 88,207.50
TDC	16101200	PRODUCTION CASING	\$ 333,180.00
TDC	16100801	CASING HEAD AND HANGERS	\$ 25,000.00
TDC	16101000	MISC. TANGIBLE DRILLING COSTS	\$ 15,000.00
			<b>TOTAL TANGIBLE DRILLING COSTS \$ 461,387.50</b>
ICC	17001000	WORKOVER RIG	\$ 60,000.00
ICC	17001201	BLOWOUT PREVENTION AND WELL CONTROL/FRAC TREE	\$ 37,750.00
ICC	17001800	FUEL (including frac crew)	\$ 275,000.00
ICC	17004000	COIL TUBING UNIT, SNUBBING UNIT	\$ 20,000.00
ICC	17001601	FLUID COST (WATER AND CHEMICALS)	\$ 450,000.00
ICC	17001205	RENTAL - DOWNHOLE	\$ 40,000.00
ICC	17001233	CRANE, FORKLIFT, LIGHT PLANT, PUMPS, VACCUUM UNIT	\$ 12,500.00
ICC	17004200	FRACTURING SERVICES	\$ 1,550,000.00
ICC	17007600	PERFORATING SERVICES, LOGGING, AND WIRELINE SERVICES	\$ 275,000.00
ICC	17008800	COMPOSITE BRIDGE PLUGS PLUS PUMPING	\$ 45,000.00
ICC	17003400	WELL TESTING AND FLOWBACK	\$ 50,000.00
ICC	17002400	SALTWATER DISPOSAL	\$ 200,000.00
ICC	17004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 15,000.00
ICC	17007800	TRASH AND SOLIDS DISPOSAL	\$ 17,750.00
ICC	17009600	SAFETY & ENVIRONMENTAL	\$ 10,000.00
ICC	17002200	TRUCKING	\$ 30,000.00
ICC	17001000	WELL REMEDIATION (4 vertical wells)	\$ 100,000.00
ICC	17005400	ENGINEERING CONSULTANTS	\$ 42,500.00
			<b>TOTAL INTANGIBLE COMPLETION COSTS \$ 3,230,500.00</b>
TCC	17100800	TUBING	\$ 45,375.00
TCC	17101405	WELLHEAD - TREE	\$ 60,000.00
TCC	17200600	ARTIFICIAL LIFT SYSTEMS	\$ 25,000.00
TCC	17101601	MISC. TANGIBLE COMPLETION COSTS	\$ 10,000.00
			<b>TOTAL TANGIBLE COMPLETION COSTS \$ 140,375.00</b>
<b>DRILLING &amp; COMPLETION TOTAL COSTS</b>			
<b>TOTAL INTANGIBLE COSTS</b>			
<b>TOTAL TANGIBLE COSTS</b>			
<b>CONTINGENCY 10%</b>			
<b>TOTAL DRILLING AND COMPLETIONS AFE COSTS</b>			

TOTAL PROJECT COSTS	LOC/FACILITY	DRILLING	COMPLETION	TOTAL
TOTAL DRILLING AND COMPLETIONS AFE COSTS		\$ 1,951,697.91	\$ 3,707,962.50	\$ 5,659,660.41
TOTAL PROJECT COSTS	\$ -	\$ 1,951,697.91	\$ 3,707,962.50	\$ 5,659,660.41

**DISCLAIMER: The information on this AFE is only an estimate which may or may not be based on any actual contracts or bids.**

VP Operations

Approved By:

*[Signature]*

Date:

6/26/24

**Approval For Expenditure**

Pre - Drill: SecretStash Spacing Unit (2 DSU's)  
 Prepared By: GMT Exploration Company LLC  
 DSU/Lease: SecretStash  
 Well Name: Secret 6-65 3-4 4HN



AFE #: \_\_\_\_\_ (to be assigned)

**DRILLING AND COMPLETION COST**

TYPE	Accounting Code	Description	Gross Est (\$/well)	
IDC	15300022	GEOLOGICAL, SEISMIC ACQUISITION AND PROCESSING	\$ 5,000.00	
IDC	16000201	PERMITS/SURVEY WORK/PLATS/ STAKE	\$ 16,666.67	
IDC	16000203	TITLE/ABSTRACTS	\$ 8,333.33	
IDC	16000205	RIGHTS OF WAY/SPACING & LEGAL	\$ 4,166.67	
IDC	16000200	LOCATION CONSTRUCTION	\$ 100,000.00	
IDC	16005600	INSURANCE/BOND	\$ -	
IDC	16000300	DAMAGES	\$ 12,500.00	
IDC	16000400	MOB/DEMOB	\$ 50,000.00	
IDC	16001000	RIG (Turnkey topohole rig, Dayrate mainhole rig)	\$ 199,500.00	
IDC	16001800	FUEL	\$ 61,250.00	
IDC	16001400	BITS	\$ -	
IDC	16001600	MUD COST (mud and base oil, closed loop system, equipment)	\$ 180,000.00	
IDC	16001601	FLUID COST (WATER)	\$ 10,000.00	
IDC	16001607	STORAGE/MUD TRANSFER/DISPOSAL	\$ 40,000.00	
IDC	16001229	TRAILERS, COMMUNICATION EQUIPMENT, FORKLIFT, LIGHT PLANT, VACCUUM UNIT	\$ 97,750.00	
IDC	16002805	CEMENTING CONDUCTOR AND SURFACE	\$ 40,000.00	
IDC	16002809	CEMENTING PRODUCTION CASING	\$ 95,000.00	
IDC	16002400	MUDLOGGING	\$ 10,000.00	
IDC	16002600	ELECTRIC LOGGING	\$ 2,833.33	
IDC	16003001	DIRECTIONAL SURVEYS AND SERVICES MWD/LWD	\$ 182,000.00	
IDC	16004600	CASING CREW CASING INSPECTION/TESTING/WELDING	\$ 37,750.00	
IDC	16004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 30,000.00	
IDC	16007800	TRASH AND DISPOSAL	\$ 60,000.00	
IDC	16009600	SAFETY & ENVIRONMENTAL (liners)	\$ 25,833.33	
IDC	16002200	TRUCKING	\$ 15,000.00	
IDC	16005400	SUPERVION AND ENGINEERING CONSULTANTS	\$ 29,300.00	
			<b>TOTAL INTANGIBLE DRILLING COSTS \$ 1,312,883.33</b>	
TDC	16100600	CONDUCTOR AND SURFACE	\$ 88,207.50	
TDC	16101200	PRODUCTION CASING	\$ 333,180.00	
TDC	16100801	CASING HEAD AND HANGERS	\$ 25,000.00	
TDC	16101000	MISC. TANGIBLE DRILLING COSTS	\$ 15,000.00	
			<b>TOTAL TANGIBLE DRILLING COSTS \$ 461,387.50</b>	
ICC	17001000	WORKOVER RIG	\$ 60,000.00	
ICC	17001201	BLOWOUT PREVENTION AND WELL CONTROL/Frac TREE	\$ 37,750.00	
ICC	17001800	FUEL (including frac crew)	\$ 275,000.00	
ICC	17004000	COIL TUBING UNIT, SNUBBING UNIT	\$ 20,000.00	
ICC	17001601	FLUID COST (WATER AND CHEMICALS)	\$ 450,000.00	
ICC	17001205	RENTAL - DOWNHOLE	\$ 40,000.00	
ICC	17001233	CRANE, FORKLIFT, LIGHT PLANT, PUMPS, VACCUUM UNIT	\$ 12,500.00	
ICC	17004200	FRACTURING SERVICES	\$ 1,550,000.00	
ICC	17007600	PERFORATING SERVICES, LOGGING, AND WIRELINE SERVICES	\$ 275,000.00	
ICC	17008800	COMPOSITE BRIDGE PLUGS PLUS PUMPING	\$ 45,000.00	
ICC	17003400	WELL TESTING AND FLOWBACK	\$ 50,000.00	
ICC	17002400	SALTWATER DISPOSAL	\$ 200,000.00	
ICC	17004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 15,000.00	
ICC	17007800	TRASH AND SOLIDS DISPOSAL	\$ 17,750.00	
ICC	17009600	SAFETY & ENVIRONMENTAL	\$ 10,000.00	
ICC	17002200	TRUCKING	\$ 30,000.00	
ICC	17001000	WELL REMEDIATION (4 vertical wells)	\$ 100,000.00	
ICC	17005400	ENGINEERING CONSULTANTS	\$ 42,500.00	
			<b>TOTAL INTANGIBLE COMPLETION COSTS \$ 3,230,500.00</b>	
TCC	17100800	TUBING	\$ 45,375.00	
TCC	17101405	WELLHEAD - TREE	\$ 60,000.00	
TCC	17200600	ARTIFICIAL LIFT SYSTEMS	\$ 25,000.00	
TCC	17101601	MISC. TANGIBLE COMPLETION COSTS	\$ 10,000.00	
			<b>TOTAL TANGIBLE COMPLETION COSTS \$ 140,375.00</b>	
<b>DRILLING &amp; COMPLETION TOTAL COSTS</b>				
TOTAL INTANGIBLE COSTS		DRILLING	COMPLETION	TOTAL
		\$ 1,312,883.33	\$ 3,230,500.00	\$ 4,543,383.33
TOTAL TANGIBLE COSTS		\$ 461,387.50	\$ 140,375.00	\$ 601,762.50
CONTINGENCY 10%		\$ 177,427.08	\$ 337,087.50	\$ 514,514.58
<b>TOTAL DRILLING AND COMPLETIONS AFE COSTS</b>		<b>\$ 1,951,697.91</b>	<b>\$ 3,707,962.50</b>	<b>\$ 5,659,660.41</b>

TOTAL PROJECT COSTS	LOC/FACILITY	DRILLING	COMPLETION	TOTAL
TOTAL DRILLING AND COMPLETIONS AFE COSTS		\$ 1,951,697.91	\$ 3,707,962.50	\$ 5,659,660.41
<b>TOTAL PROJECT COSTS</b>	\$ -	<b>\$ 1,951,697.91</b>	<b>\$ 3,707,962.50</b>	<b>\$ 5,659,660.41</b>

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VP Operations

Approved By:

*S.M. Anwar*

Date:

6/26/24

**Approval For Expenditure**

Pre - Drill: SecretStash Spacing Unit (2 DSU's)  
 Prepared By: GMT Exploration Company LLC  
 DSU/Lease: SecretStash  
 Well Name: Secret 6-65 3-4 5HN



AFE #: \_\_\_\_\_ (to be assigned)

**DRILLING AND COMPLETION COST**

TYPE	Accounting Code	Description	Gross Est (\$/well)
IDC	15300022	GEOLOGICAL, SEISMIC ACQUISITION AND PROCESSING	\$ 5,000.00
IDC	16000201	PERMITS/SURVEY WORK/PLATS/ STAKE	\$ 16,666.67
IDC	16000203	TITLE/ABSTRACTS	\$ 8,333.33
IDC	16000205	RIGHTS OF WAY/SPACING & LEGAL	\$ 4,166.67
IDC	16000200	LOCATION CONSTRUCTION	\$ 100,000.00
IDC	16005600	INSURANCE/BOND	\$ -
IDC	16000300	DAMAGES	\$ 12,500.00
IDC	16000400	MOB/DEMOB	\$ 50,000.00
IDC	16001000	RIG (Turnkey tophole rig, Dayrate mainhole rig)	\$ 199,500.00
IDC	16001800	FUEL	\$ 61,250.00
IDC	16001400	BITS	\$ -
IDC	16001600	MUD COST (mud and base oil, closed loop system, equipment)	\$ 180,000.00
IDC	16001601	FLUID COST (WATER)	\$ 10,000.00
IDC	16001607	STORAGE/MUD TRANSFER/DISPOSAL	\$ 40,000.00
IDC	16001229	TRAILERS, COMMUNICATION EQUIPMENT, FORKLIFT, LIGHT PLANT, VACCUUM UNIT	\$ 97,750.00
IDC	16002805	CEMENTING CONDUCTOR AND SURFACE	\$ 40,000.00
IDC	16002809	CEMENTING PRODUCTION CASING	\$ 95,000.00
IDC	16002400	MUDLOGGING	\$ 10,000.00
IDC	16002600	ELECTRIC LOGGING	\$ 2,833.33
IDC	16003001	DIRECTIONAL SURVEYS AND SERVICES MWD/LWD	\$ 182,000.00
IDC	16004600	CASING CREW CASING INSPECTION/TESTING/WELDING	\$ 37,750.00
IDC	16004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 30,000.00
IDC	16007800	TRASH AND DISPOSAL	\$ 60,000.00
IDC	16009600	SAFETY & ENVIRONMENTAL (liners)	\$ 25,833.33
IDC	16002200	TRUCKING	\$ 15,000.00
IDC	16005400	SUPERVION AND ENGINEERING CONSULTANTS	\$ 29,300.00
			<b>TOTAL INTANGIBLE DRILLING COSTS \$ 1,312,883.33</b>
TDC	16100600	CONDUCTOR AND SURFACE	\$ 88,207.50
TDC	16101200	PRODUCTION CASING	\$ 333,180.00
TDC	16100801	CASING HEAD AND HANGERS	\$ 25,000.00
TDC	16101000	MISC. TANGIBLE DRILLING COSTS	\$ 15,000.00
			<b>TOTAL TANGIBLE DRILLING COSTS \$ 461,387.50</b>
ICC	17001000	WORKOVER RIG	\$ 60,000.00
ICC	17001201	BLOWOUT PREVENTION AND WELL CONTROL/FRAC TREE	\$ 37,750.00
ICC	17001800	FUEL (including frac crew)	\$ 275,000.00
ICC	17004000	COIL TUBING UNIT, SNUBBING UNIT	\$ 20,000.00
ICC	17001601	FLUID COST (WATER AND CHEMICALS)	\$ 450,000.00
ICC	17001205	RENTAL - DOWNHOLE	\$ 40,000.00
ICC	17001233	CRANE, FORKLIFT, LIGHT PLANT, PUMPS, VACCUUM UNIT	\$ 12,500.00
ICC	17004200	FRACTURING SERVICES	\$ 1,550,000.00
ICC	17007600	PERFORATING SERVICES, LOGGING, AND WIRELINE SERVICES	\$ 275,000.00
ICC	17008800	COMPOSITE BRIDGE PLUGS PLUS PUMPING	\$ 45,000.00
ICC	17003400	WELL TESTING AND FLOWBACK	\$ 50,000.00
ICC	17002400	SALTWATER DISPOSAL	\$ 200,000.00
ICC	17004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 15,000.00
ICC	17007800	TRASH AND SOLIDS DISPOSAL	\$ 17,750.00
ICC	17009600	SAFETY & ENVIRONMENTAL	\$ 10,000.00
ICC	17002200	TRUCKING	\$ 30,000.00
ICC	17001000	WELL REMEDIATION (4 vertical wells)	\$ 100,000.00
ICC	17005400	ENGINEERING CONSULTANTS	\$ 42,500.00
			<b>TOTAL INTANGIBLE COMPLETION COSTS \$ 3,230,500.00</b>
TCC	17100800	TUBING	\$ 45,375.00
TCC	17101405	WELLHEAD - TREE	\$ 60,000.00
TCC	17200600	ARTIFICIAL LIFT SYSTEMS	\$ 25,000.00
TCC	17101601	MISC. TANGIBLE COMPLETION COSTS	\$ 10,000.00
			<b>TOTAL TANGIBLE COMPLETION COSTS \$ 140,375.00</b>
<b>DRILLING &amp; COMPLETION TOTAL COSTS</b>			
<b>TOTAL INTANGIBLE COSTS</b>			
<b>TOTAL TANGIBLE COSTS</b>			
<b>CONTINGENCY 10%</b>			
<b>TOTAL DRILLING AND COMPLETIONS AFE COSTS</b>			

TOTAL PROJECT COSTS	LOC/FACILITY	DRILLING	COMPLETION	TOTAL
TOTAL DRILLING AND COMPLETIONS AFE COSTS		\$ 1,951,697.91	\$ 3,707,962.50	\$ 5,659,660.41
<b>TOTAL PROJECT COSTS</b>	\$ -	<b>\$ 1,951,697.91</b>	<b>\$ 3,707,962.50</b>	<b>\$ 5,659,660.41</b>

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VP Operations

Approved By:

*D. M. Snow*

Date:

6/26/24

**Approval For Expenditure**

Pre - Drill: SecretStash Spacing Unit (2 DSU's)  
 Prepared By: GMT Exploration Company LLC  
 DSU/Lease: SecretStash  
 Well Name: Secret 6-6S 3-4 6HN



AFE #: \_\_\_\_\_ (to be assigned)

**DRILLING AND COMPLETION COST**

TYPE	Accounting Code	Description	Gross Est (\$/well)
IDC	15300022	GEOLOGICAL, SEISMIC ACQUISITION AND PROCESSING	\$ 5,000.00
IDC	16000201	PERMITS/SURVEY WORK/PLATS/ STAKE	\$ 16,666.67
IDC	16000203	TITLE/ABSTRACTS	\$ 8,333.33
IDC	16000205	RIGHTS OF WAY/SPACING & LEGAL	\$ 4,166.67
IDC	15000200	LOCATION CONSTRUCTION	\$ 100,000.00
IDC	16005600	INSURANCE/BOND	\$ -
IDC	16000300	DAMAGES	\$ 12,500.00
IDC	16000400	MOB/DEMOB	\$ 50,000.00
IDC	16001000	RIG (Turnkey tophole rig, Dayrate mainhole rig)	\$ 199,500.00
IDC	16001800	FUEL	\$ 61,250.00
IDC	16001400	BITS	\$ -
IDC	16001600	MUD COST (mud and base oil, closed loop system, equipment)	\$ 180,000.00
IDC	16001601	FLUID COST (WATER)	\$ 10,000.00
IDC	16001607	STORAGE/MUD TRANSFER/DISPOSAL	\$ 40,000.00
IDC	16001229	TRAILERS, COMMUNICATION EQUIPMENT, FORKLIFT, LIGHT PLANT, VACCUUM UNIT	\$ 97,750.00
IDC	16002805	CEMENTING CONDUCTOR AND SURFACE	\$ 40,000.00
IDC	16002809	CEMENTING PRODUCTION CASING	\$ 95,000.00
IDC	16002400	MUDLOGGING	\$ 10,000.00
IDC	16002600	ELECTRIC LOGGING	\$ 2,833.33
IDC	16003001	DIRECTIONAL SURVEYS AND SERVICES MWD/LWD	\$ 182,000.00
IDC	16004600	CASING CREW CASING INSPECTION/TESTING/WELDING	\$ 37,750.00
IDC	16004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 30,000.00
IDC	16007800	TRASH AND DISPOSAL	\$ 60,000.00
IDC	16009600	SAFETY & ENVIRONMENTAL (liners)	\$ 25,833.33
IDC	16002200	TRUCKING	\$ 15,000.00
IDC	16005400	SUPERVION AND ENGINEERING CONSULTANTS	\$ 29,300.00
<b>TOTAL INTANGIBLE DRILLING COSTS</b>			<b>\$ 1,312,883.33</b>
TDC	16100600	CONDUCTOR AND SURFACE	\$ 88,207.50
TDC	16101200	PRODUCTION CASING	\$ 333,180.00
TDC	16100801	CASING HEAD AND HANGERS	\$ 25,000.00
TDC	16101000	MISC. TANGIBLE DRILLING COSTS	\$ 15,000.00
<b>TOTAL TANGIBLE DRILLING COSTS</b>			<b>\$ 461,387.50</b>
ICC	17001000	WORKOVER RIG	\$ 60,000.00
ICC	17001201	BLOWOUT PREVENTION AND WELL CONTROL/Frac TREE	\$ 37,750.00
ICC	17001800	FUEL (including frac crew)	\$ 275,000.00
ICC	17004000	COIL TUBING UNIT, SNUBBING UNIT	\$ 20,000.00
ICC	17001601	FLUID COST (WATER AND CHEMICALS)	\$ 450,000.00
ICC	17001205	RENTAL - DOWNHOLE	\$ 40,000.00
ICC	17001233	CRANE, FORKLIFT, LIGHT PLANT, PUMPS, VACCUUM UNIT	\$ 12,500.00
ICC	17004200	FRACTURING SERVICES	\$ 1,550,000.00
ICC	17007600	PERFORATING SERVICES, LOGGING, AND WIRELINE SERVICES	\$ 275,000.00
ICC	17008800	COMPOSITE BRIDGE PLUGS PLUS PUMPING	\$ 45,000.00
ICC	17003400	WELL TESTING AND FLOWBACK	\$ 50,000.00
ICC	17002400	SALTWATER DISPOSAL	\$ 200,000.00
ICC	17004800	ROUSTABOUT SERVICES AND CONTRACT LABOR	\$ 15,000.00
ICC	17007800	TRASH AND SOLIDS DISPOSAL	\$ 17,750.00
ICC	17009600	SAFETY & ENVIRONMENTAL	\$ 10,000.00
ICC	17002200	TRUCKING	\$ 30,000.00
ICC	17001000	WELL REMEDIATION (4 vertical wells)	\$ 100,000.00
ICC	17005400	ENGINEERING CONSULTANTS	\$ 42,500.00
<b>TOTAL INTANGIBLE COMPLETION COSTS</b>			<b>\$ 3,230,500.00</b>
TCC	17100800	TUBING	\$ 45,375.00
TCC	17101405	WELLHEAD - TREE	\$ 60,000.00
TCC	17200600	ARTIFICIAL LIFT SYSTEMS	\$ 25,000.00
TCC	17101601	MISC. TANGIBLE COMPLETION COSTS	\$ 10,000.00
<b>TOTAL TANGIBLE COMPLETION COSTS</b>			<b>\$ 140,375.00</b>

**DRILLING & COMPLETION TOTAL COSTS**

	DRILLING	COMPLETION	TOTAL
TOTAL INTANGIBLE COSTS	\$ 1,312,883.33	\$ 3,230,500.00	\$ 4,543,383.33
TOTAL TANGIBLE COSTS	\$ 461,387.50	\$ 140,375.00	\$ 601,762.50
CONTINGENCY 10%	\$ 177,427.08	\$ 337,087.50	\$ 514,514.58
<b>TOTAL DRILLING AND COMPLETIONS AFE COSTS</b>	<b>\$ 1,951,697.91</b>	<b>\$ 3,707,962.50</b>	<b>\$ 5,659,660.41</b>

**TOTAL PROJECT COSTS**

LOC/FACILITY	DRILLING	COMPLETION	TOTAL
TOTAL DRILLING AND COMPLETIONS AFE COSTS	\$ 1,951,697.91	\$ 3,707,962.50	\$ 5,659,660.41
<b>TOTAL PROJECT COSTS</b>	<b>\$ 1,951,697.91</b>	<b>\$ 3,707,962.50</b>	<b>\$ 5,659,660.41</b>

**DISCLAIMER:** The information on this AFE is only an estimate which may or may not be based on any actual contracts or bids.

VP Operations

Approved By:

*D. M. Snow*

Date:

6/26/24



**Approval For Expenditure**

Pre - Drill: Secret Stash Spacing Unit (2 DSU's)  
 Prepared By: GMT Exploration Company LLC  
 DSU/Lease: Secret and Stash  
 Well Name: Facility



AFE #: \_\_\_\_\_ (to be assigned)

**LOCATION BUILD AND FACILITY COST**

TYPE	Accounting Code	Description	Gross Est (\$)
IFC	17007100	ELECTRIC POWER/AUTOMATION	\$ 750,000.00
IFC	17202000	LABOR/WELDING/ROUSTABOUT SERVICES	\$ 650,000.00
IFC	17202600	SUPERVISION	\$ 45,000.00
IFC	17007800	TRASH AND SOLIDS DISPOSAL	\$ 10,000.00
IFC	17002200	TRUCKING	\$ 10,000.00
IFC	16009600	SAFETY & ENVIRONMENTAL	\$ 10,000.00
IFC	17005400	ENGINEERING CONSULTANTS	\$ -
<b>TOTAL INTANGIBLE LOCATION AND FACILITY COSTS</b>			<b>\$ 1,475,000.00</b>
TFC	17201000	TANKS	\$ 371,000.00
TFC	17201200	FLOWLINES	\$ 456,000.00
TFC	17200200	HEATERS/TREATERS/ECD'S	\$ 100,450.00
TFC	17201400	GLYCOL SYSTEMS and ELECTRIC/AUTOMATION/SCADA/LIGHTING	\$ -
TFC	17200400	SEPARATORS/VRT	\$ 760,700.00
TFC	17202200	VALVES & FITTINGS	\$ 250,000.00
TFC	17200800	COMPRESSOR/SCRUBBER/VRU	\$ 100,000.00
TFC	17202800	LINE TAP & METERING	\$ 290,300.00
TFC	17201800	MISCELLANEOUS-LEASE EQUIPMENT	\$ 264,500.00
<b>TOTAL TANGIBLE LOCATION AND FACILITY COSTS</b>			<b>\$ 2,592,950.00</b>

LOCATION BUILD & FACILITY TOTAL COSTS		TOTAL
TOTAL INTANGIBLE COSTS		\$ 1,475,000.00
TOTAL TANGIBLE COSTS		\$ 2,592,950.00
CONTINGENCY	10%	\$ 406,795.00
<b>TOTAL LOCATION BUILD &amp; FACILITY AFE COSTS</b>		<b>\$ 4,474,745.00</b>

**DISCLAIMER:** The information on this AFE is only an estimate which may or may not be based on any actual contracts or bids.

VP Operations

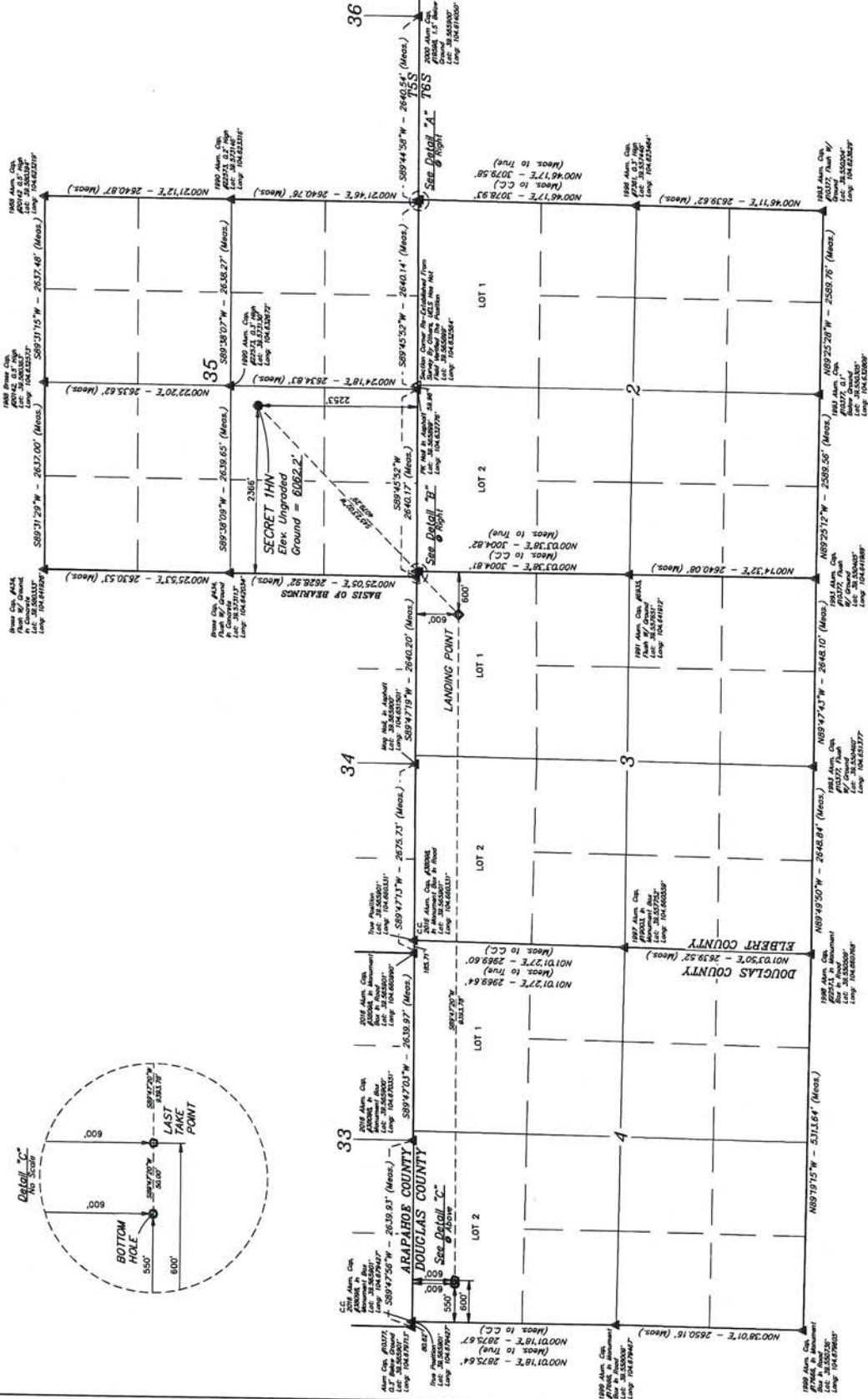
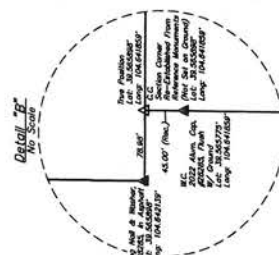
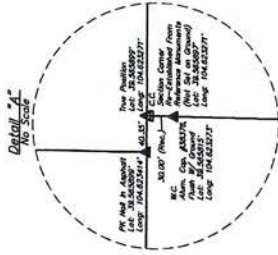
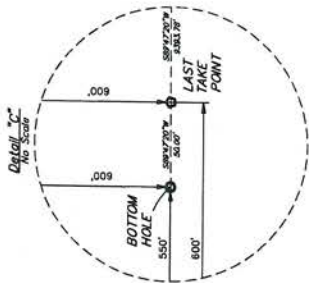
Approved By:

Date:

6/26/24

T5S, R65W, 6th P.M.

UNITED STATES OF AMERICA  
 BASIS OF REVISION  
 OPUS SOLUTION GENERATED NAVD 83



THIS IS TO CERTIFY THAT THE ABOVE DESCRIBED PLAT IS A TRUE AND CORRECT REPRESENTATION OF THE ACTUAL SURFACE AS THE SAME APPEARS TO THE SURVEYOR AT THE TIME OF SURVEY AND THAT THE SAME HAS BEEN RECORDED IN THE PUBLIC RECORDS OF THE STATE OF COLORADO IN ACCORDANCE WITH THE PROVISIONS OF THE LAND SURVEYING ACT, CHAPTER 40, STATUTES OF THE STATE OF COLORADO, AND THE PUBLIC RECORDS ACT, CHAPTER 40, STATUTES OF THE STATE OF COLORADO.

REV. 1 06-27-24 T.L.L. (NAME, SH, LP, LIT, & BH CHANGES)

UELS, LLC  
 Corporate Office - 45 South 200 East  
 Vernal, UT 84078 - (435) 796-1017

UJSTAH  
 SURVEYED BY: ORSON RICE, L.S.  
 DRAWN BY: JACOB JACOBI, L.S.  
 DATE: 06-27-24  
 SCALE: AS SHOWN  
 PROJECT: T5S, R65W, 6th P.M.

PROF - 1.4

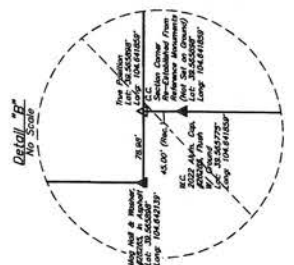
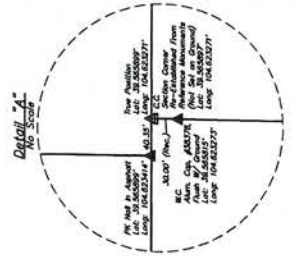
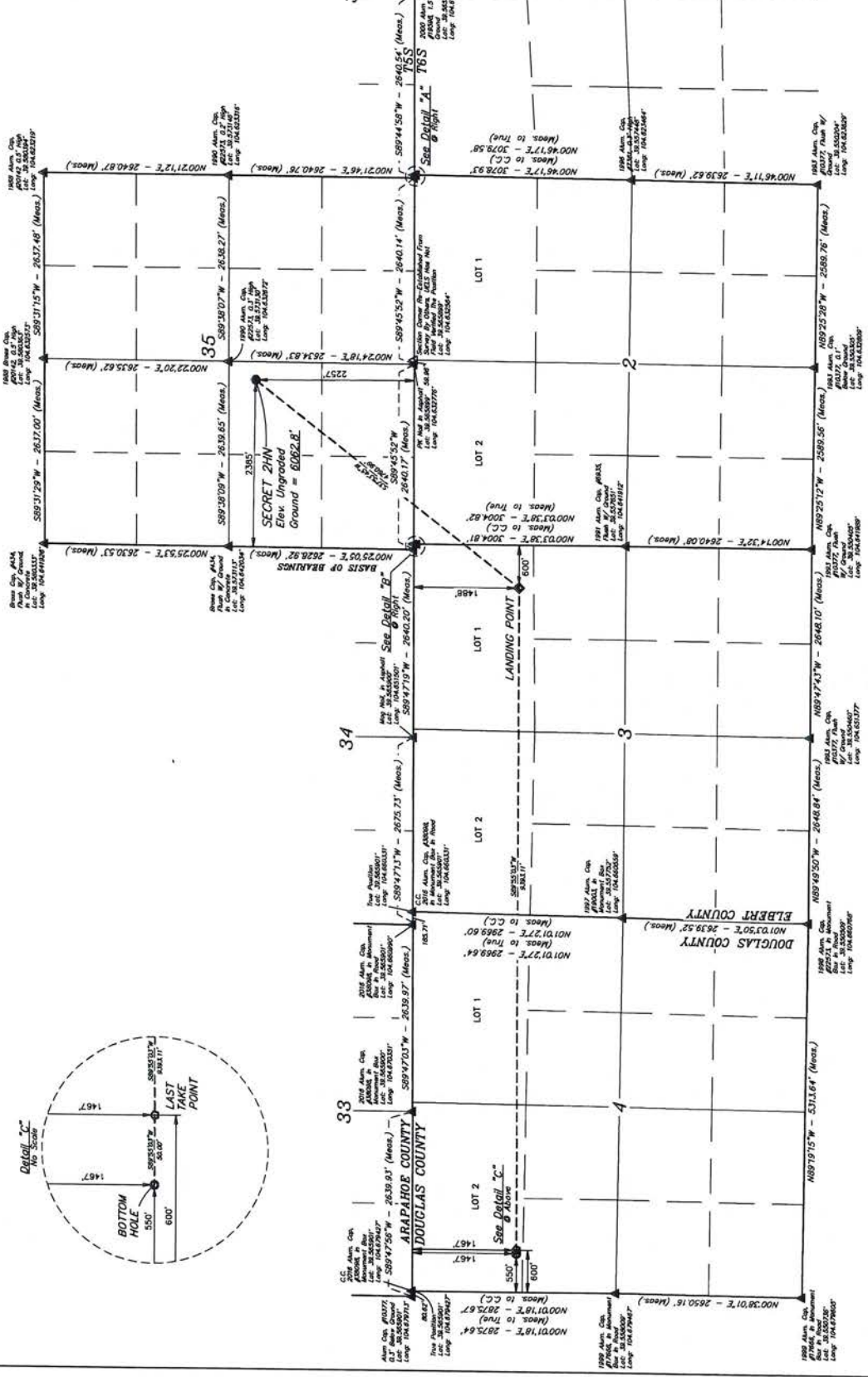
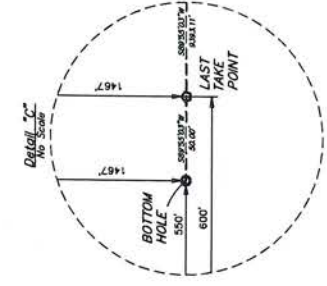
NAD 83 (BORDER) LOCATION LATITUDE = 39°19'52" N (370849) LONGITUDE = -106°29'31" W (646027)	NAD 83 (LANDING POINT) LATITUDE = 39°19'51" N (370837) LONGITUDE = -106°29'31" W (646027)	NAD 83 (LAST TAKE POINT) LATITUDE = 39°19'51" N (370837) LONGITUDE = -106°29'31" W (646027)	NAD 83 (BOTTOM HOLE) LATITUDE = 39°19'51" N (370837) LONGITUDE = -106°29'31" W (646027)
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NOTE:  
 DIMENSIONS REFERENCED  
 ON PLAT TO SECTION LINES  
 ARE PERPENDICULAR.

LEGEND:  
 ● = IMPROVED WELLHEAD  
 ○ = LANDING POINT  
 ○ = LAST TAKE POINT  
 ○ = BOTTOM HOLE  
 ▲ = SECTION CORNER LOCATED (AND IS)  
 LOCATED ON SECTION BOUNDARY  
 (AND IS ON SECTION BOUNDARY)

T5S, R65W, 6th P.M.

OPUS SOLUTION GENERATED NAVD 84



THIS IS TO CERTIFY THAT THE SURVEY MADE BY THE ABOVE NAMED SURVEYOR HAS BEEN MADE IN ACCORDANCE WITH THE RULES AND REGULATIONS OF THE BOARD OF SURVEYING AND MAPPING, STATE OF COLORADO.

REV: 1 06-27-24 T.L.L. (NAME, SR, LP, LIT & BH CHANGES)  
UUELS, LLC  
Corner of  
Verona, UT 84078 • (435) 784-1077  
JUSTIN J. UUELS  
ORIENT, UT 84078 • (435) 784-1077  
DANA M. DAVIS  
ORIENT, UT 84078 • (435) 784-1077  
WELL LOCATION PLAT

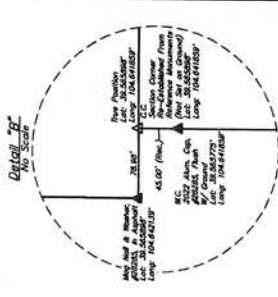
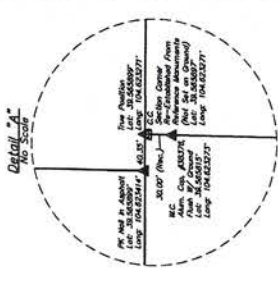
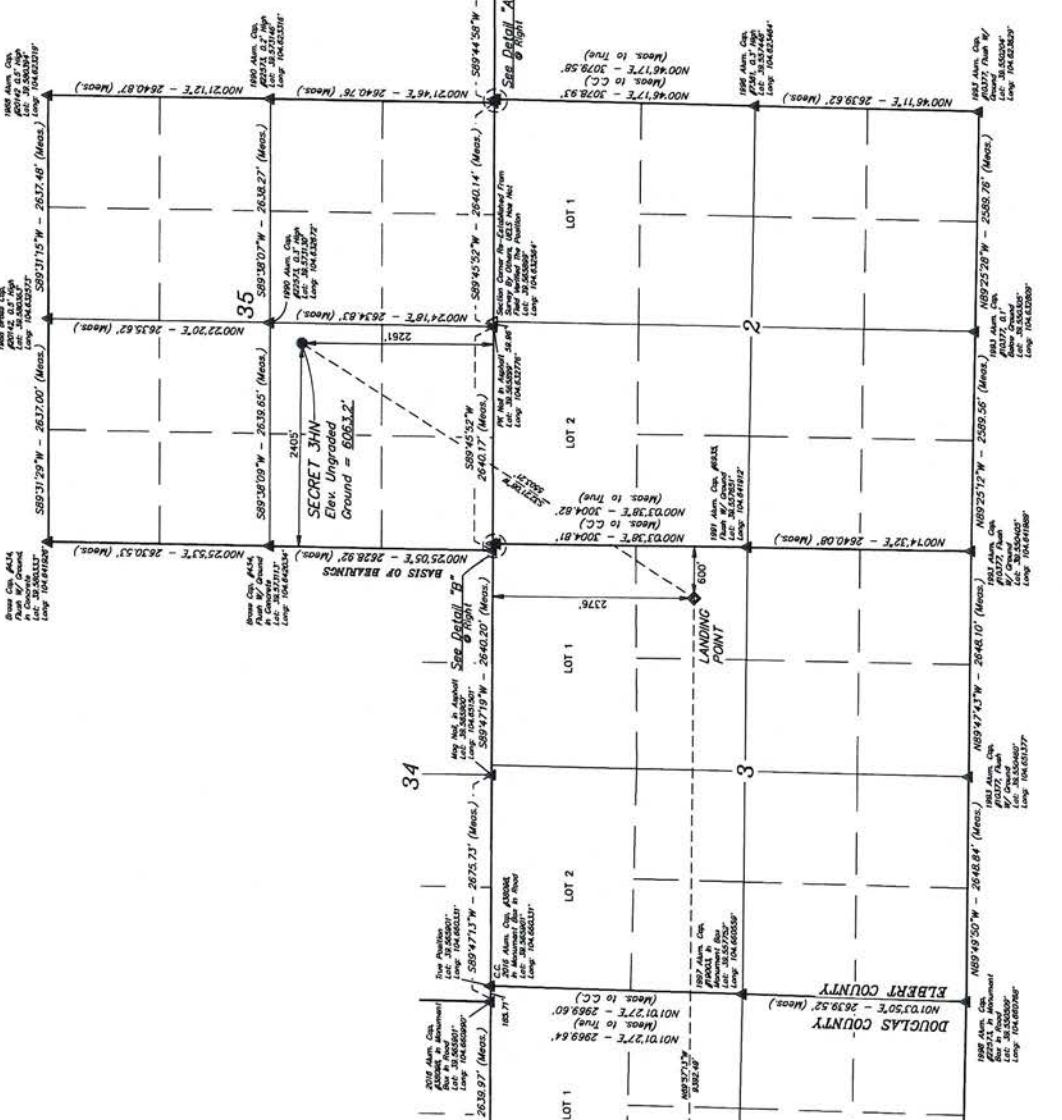
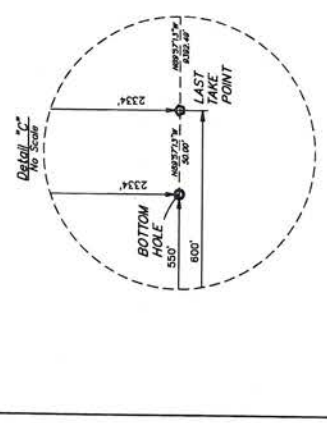
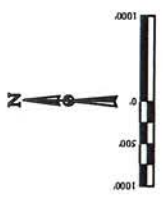
PROJ - 13	NAD 83 (LANTERN POINT)	NAD 83 (BOTTOM TAKE POINT)
NAD 83 (LANTERN POINT)	LONGITUDE = 108°25'52.72\"	LONGITUDE = 108°25'52.72\"
NAD 83 (LANTERN POINT)	LATITUDE = 39°02'10.50\"	LATITUDE = 39°02'10.50\"
NAD 83 (LANTERN POINT)	ELEVATION = 8222.42' (Meters)	ELEVATION = 8222.42' (Meters)

NOTE:  
- UNGRADED SURFACE  
- LANDING POINT  
- LAST TAKE POINT  
- BOTTOM HOLE  
- SECTION CORNERS LOCATED (NAD 83)  
- SECTION CORNERS NOT LOCATED (NAD 83)

LEGEND:  
- UNGRADED SURFACE  
- LANDING POINT  
- LAST TAKE POINT  
- BOTTOM HOLE  
- SECTION CORNERS LOCATED (NAD 83)  
- SECTION CORNERS NOT LOCATED (NAD 83)

OPUS SOLUTION GENERATED NAVD 83

T5S, R65W, 6th P.M.



REV: 1 06-27-24 T.L.L. (NAME, S.I.L.L.P. & B.H. CHANGES)

**UINTEAH**  
 UELS, LLC  
 Corporate Office • 85 South 200 East  
 Verona, UT 84078 • (801) 786-1817

UINTEAH  
 SURVEYED BY: OREN RUCK, L.W. 02-16-23 SCALE  
 DRAWN BY: JESSICA L. HARRIS 02-16-23 1" = 100'

CERTIFIED AND REGISTERED  
 THIS IS TO CERTIFY THAT THE SURVEY WAS CONDUCTED IN ACCORDANCE WITH THE RULES AND REGULATIONS OF THE BOARD OF SURVEYING AND MAPPING, ARAPAHOE COUNTY, COLORADO, AND THAT THE NAME AND TITLE OF THE SURVEYOR ARE CORRECTLY PRINTED HEREON.  
 OREN RUCK, L.W. STATE OF COLORADO  
 No. 100270  
 EXPIRES 06/30/2028

PLAT NO. 100270  
 SECTION 35, T5S, R65W, 6th P.M.  
 ARAPAHOE COUNTY, COLORADO

PROJ = 13

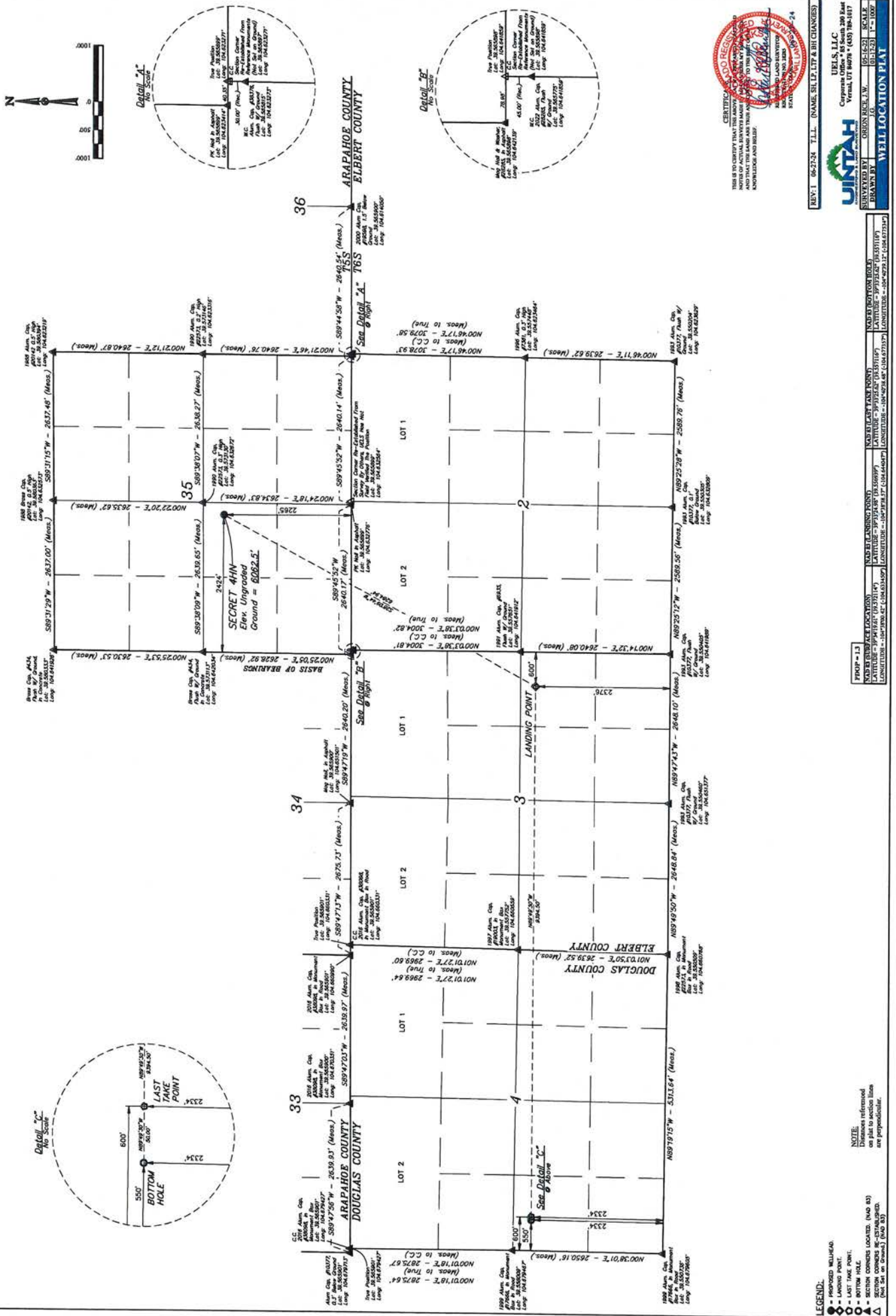
NAD 83 (FACE LOCATION)	NAD 83 (LANDING POINT)	NAD 83 (BOTTOM POINT)
EASTING = 394918.37 (15.315064)	EASTING = 393333.39 (15.330177)	EASTING = 393333.39 (15.330177)
NORTHING = 5422828.27 (45.633127)	NORTHING = 5422828.27 (45.633127)	NORTHING = 5422828.27 (45.633127)
LONGITUDE = 104.823219	LONGITUDE = 104.823219	LONGITUDE = 104.823219
NAD 83 (LAST TAKE POINT)	NAD 83 (BOTTOM POINT)	
EASTING = 394918.37 (15.315064)	EASTING = 393333.39 (15.330177)	
NORTHING = 5422828.27 (45.633127)	NORTHING = 5422828.27 (45.633127)	
LONGITUDE = 104.823219	LONGITUDE = 104.823219	

LEGEND:  
 ○ = RECORDED MARKING  
 ● = LANDING POINT  
 ○ = LAST TAKE POINT  
 ○ = BOTTOM HOLE  
 ○ = SECTION CORNERS LOCATED (NAD 83)  
 △ = SECTION CORNERS NOT COLLABORATED (NAD 83)  
 △ = SECTION CORNERS NOT COLLABORATED (NAD 83)

NOTE:  
 All bearings referenced on plat to section line are perpendicular.

T8S, R65W, 6th P.M.

OPUS SOLUTION GENERATED 10/10/18



THIS IS TO CERTIFY THAT THE ABOVE  
 NOTES OF ACTUAL SURVEY MADE  
 BY THE ENGINEER ARE TRUE AND  
 CORRECT TO THE BEST OF HIS  
 KNOWLEDGE AND BELIEF.

REV: 1 - 06/25/24 - T.I.L. (NAME, S.I.D., L.P. & BIT CHANGES)

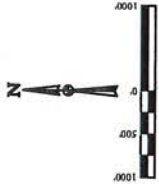
UJINTAH	UJINTAH	UJINTAH	UJINTAH
Corporate Office - 45 South 200 East Vernal, UT 84078 • (435) 784-1817	Corporate Office - 1000 N. 10th St. Denver, CO 80202 • (303) 733-1111	Corporate Office - 1000 N. 10th St. Denver, CO 80202 • (303) 733-1111	Corporate Office - 1000 N. 10th St. Denver, CO 80202 • (303) 733-1111
DRAWN BY: GREEN, RICH, J.W.	DATE: 05/16/23	SCALE: 1" = 100'	PROJECT: T8S, R65W, 6th P.M.
DATE: 10/10/18	DATE: 10/10/18	DATE: 10/10/18	DATE: 10/10/18

PROJ: 1-13  
 UJINTAH  
 1000 N. 10th St., Suite 1000  
 Denver, CO 80202  
 (303) 733-1111  
 www.ujintah.com

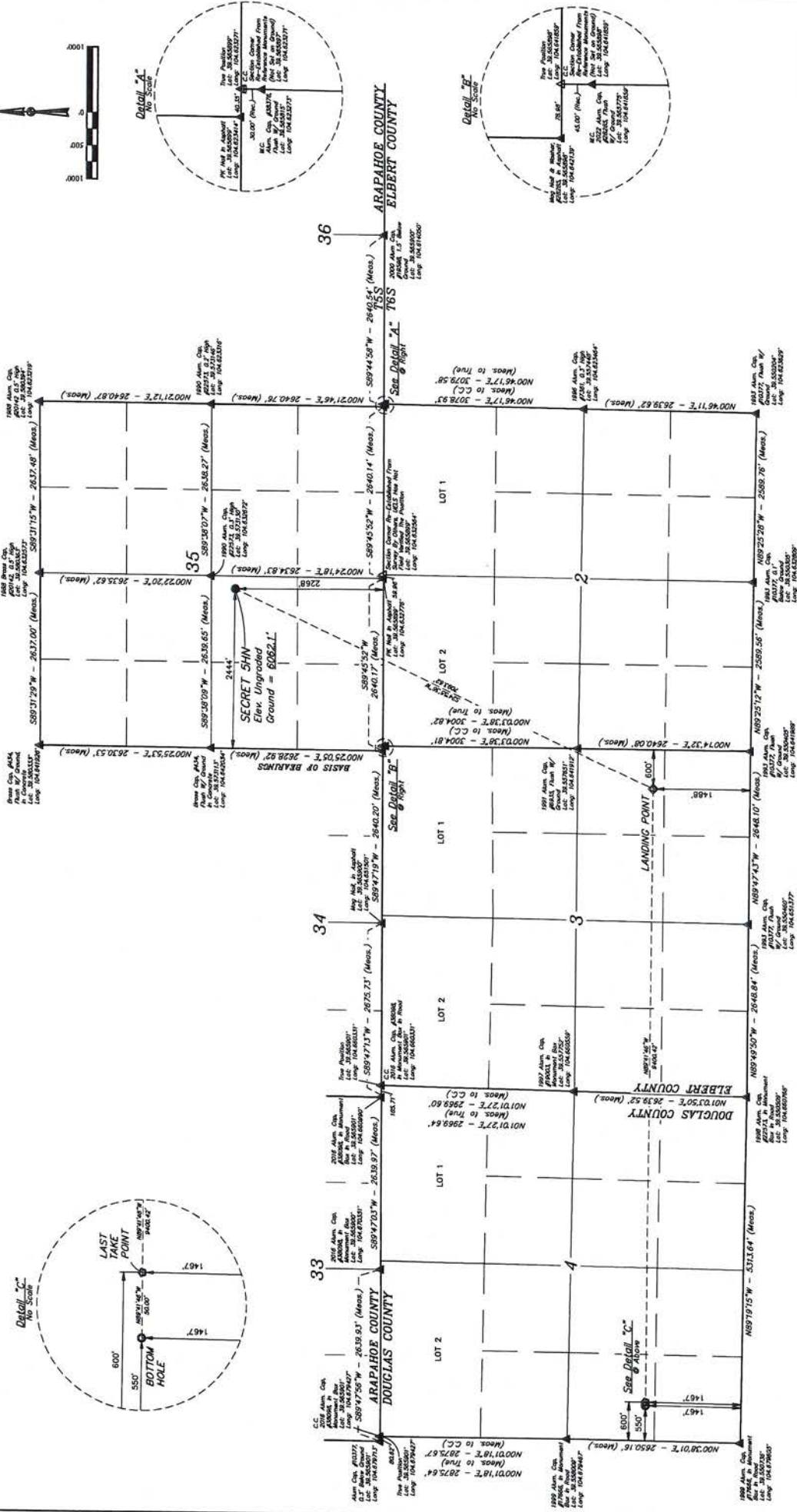
LEGEND:  
 ○ PROPOSED WELLHEAD  
 ● LANDING POINT  
 ○ LAST TAKE POINT  
 ○ BOTTOM HOLE  
 ▲ SECTION CORNER (NAD 83)  
 ▲ SECTION CORNER (NAD 83)  
 ▲ SECTION CORNER (NAD 83)

NOTES:  
 Distances referenced  
 on plat to section lines  
 are perpendicular.

PLAN OF ELEVATION  
OPTS SOLUTION GENERATED NAD 83



T5S, R65W, 6th P.M.



REV. 1 06-27-24 T.L.L. (NAME, S.I.L.P.T.F. & B.T. CHANGES)  
 UELS, LLC  
 Company  
 Vertical, UT 8078 \* (405) 794-8817



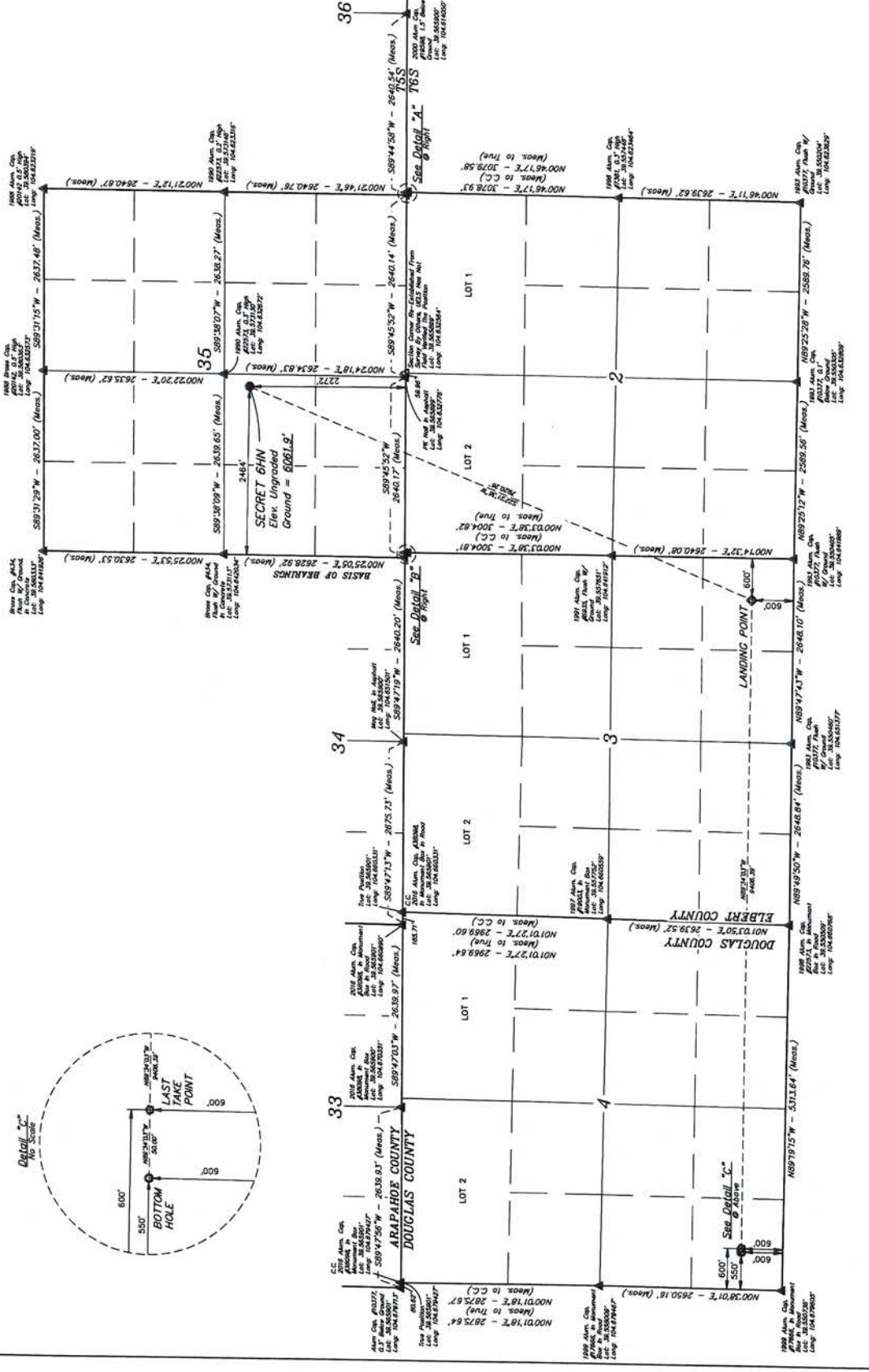
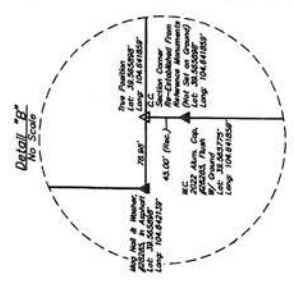
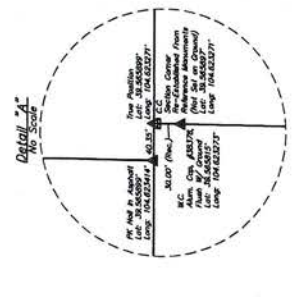
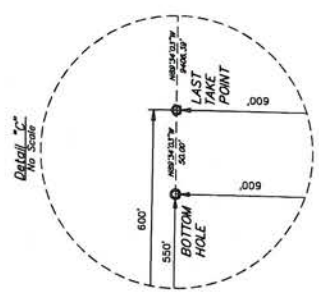
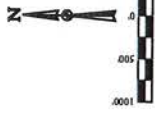
PROJ = 13  
 NAD 83 (SHIN) FACE LOCATION: LATITUDE = 39.393767 (615K937) LONGITUDE = 104.620000 (615K937)  
 NAD 83 (LAST PLANE POINT): LATITUDE = 39.393767 (615K937) LONGITUDE = 104.620000 (615K937)  
 NAD 83 (BOTTOM POINT): LATITUDE = 39.393767 (615K937) LONGITUDE = 104.620000 (615K937)

NOTES:  
 Distances referenced on plan to section lines are perpendicular.  
 (NAD 83)  
 (NAD 83)  
 (NAD 83)

- LEGEND:
- PROPOSED WELLHEAD
  - LANDING POINT
  - LAST TAKE POINT
  - BOTTOM HOLE
  - SECTION CORNER LOCATED (NAD 83)
  - SECTION CORNER LOCATED (NAD 83)
  - SECTION CORNER LOCATED (NAD 83)

T5S, R65W, 6th P.M.

BASE OF ELEVATION  
 OPTS SOLUTION GENERATED NAD83 88



REV: 11-06-27-24 T.E.L. (NAME, S.H.L.P.T. & B.H. CHANGES)

UVELL, LLC  
 Corporate Office: #8 South 200 East  
 Verde, UT 84409 (435) 780-8181

UVELL  
 SURVEYED BY: GORDON RICK, L.W. 0516233 SCALE:  
 1" = 200' DATE: 11-06-27-24

CERTIFIED AND RECORDED  
 THIS IS TO CERTIFY THAT THE SURVEY WAS CONDUCTED BY THE SURVEYOR AND THAT THE LAND ARE THEREIN ACCORDING TO THE INSTRUMENTS AND BEING RECORDED AS SHOWN.

STATE OF UTAH  
 COUNTY OF GARFIELD  
 SURVEYOR: GORDON RICK, L.W. 0516233

PROF = 1:3

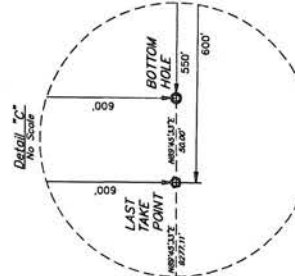
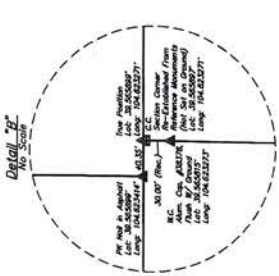
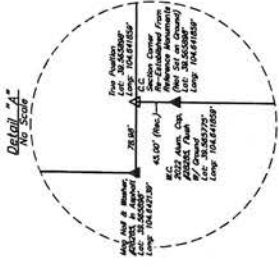
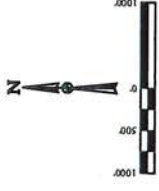
DATE OF SURVEY: 11-06-27-24  
 DATE OF LAST TAKE POINT: 11-06-27-24  
 DATE OF PLAN POINT: 11-06-27-24  
 DATE OF SECTION POINT: 11-06-27-24

NOTE:  
 Distances referenced on plan to section lines are perpendicular.

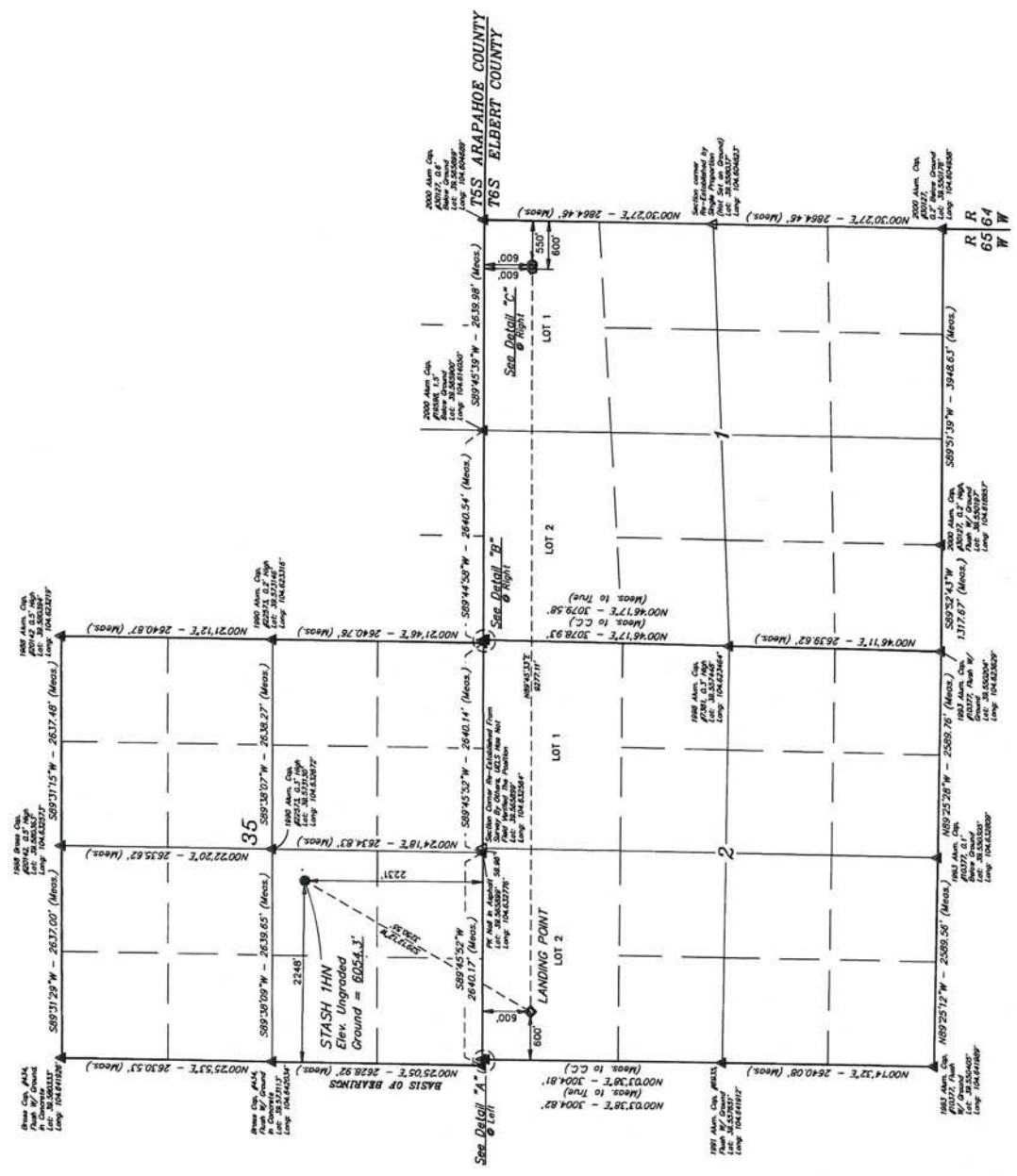
LEGEND:  
 ○ PROPOSED WELLHEAD  
 ● LANDING POINT  
 ○ LAST TAKE POINT  
 ○ BOTTOM HOLE  
 △ SECTION CORNER LOCATED (4th B) (Not Shown on Ground) (4th B)

GMT EXPLORATION COMPANY, LLC  
 STASH 1HN  
 NE 1/4 SW 1/4 SECTION 35, T5S, R65W, 6th P.M.  
 ARAPAHOE COUNTY, COLORADO

BASIS OF PLAN  
 OFUS SOLUTION GENERATED NVD 18



T5S, R65W, 6th P.M.



UNITAH  
 CONSULTING ENGINEERS  
 1000 E. WYOMING ST. SUITE 200  
 DENVER, CO 80202  
 PH: 303.733.1000  
 FAX: 303.733.1001  
 www.unitah.com

URUS, LLC  
 Company No. 2008  
 Virtual UT 8078 • ASB 789-1017

PROJ = 14	DATE	BY	CHK'D	APP'D
DATE OF SURFACE LOCATION	10/24/2018			
DATE OF LAST TAKE POINT	10/24/2018			
DATE OF LANDING POINT	10/24/2018			
DATE OF BOTTOM HOLE	10/24/2018			
NAD 83 (EAST TAKE POINT)	1004617.7E - 3078.58N			
NAD 83 (LANDING POINT)	1004617.7E - 3078.58N			
NAD 83 (BOTTOM HOLE)	1004617.7E - 3078.58N			
NAD 83 (LAST TAKE POINT)	1004617.7E - 3078.58N			
LONGITUDE	-106.248258E			
LONGITUDE	-106.248258E			
LONGITUDE	-106.248258E			
LONGITUDE	-106.248258E			
LONGITUDE	-106.248258E			
LONGITUDE	-106.248258E			
LONGITUDE	-106.248258E			
LONGITUDE	-106.248258E			
LONGITUDE	-106.248258E			
LONGITUDE	-106.248258E			

NOTE:  
 DIMENSIONS REFERENCED  
 ON PLAN TO SECTION LINES  
 ARE PERPENDICULAR.

LEGEND:  
 ○ - PROPOSED WELLHEAD  
 ● - LANDING POINT  
 ○ - LAST TAKE POINT  
 ○ - BOTTOM HOLE  
 ▲ - SECTION CORNER LOCATED (NAD 83)  
 ▲ - SECTION CORNER UNGRADED GROUND (NAD 83)

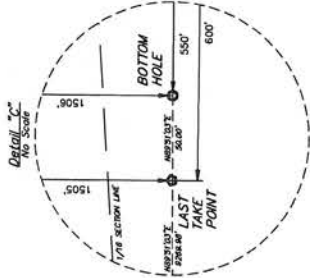
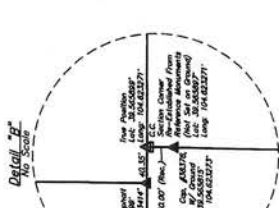
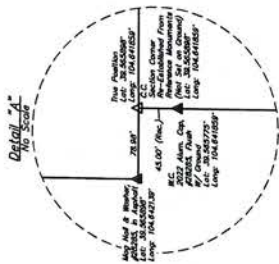
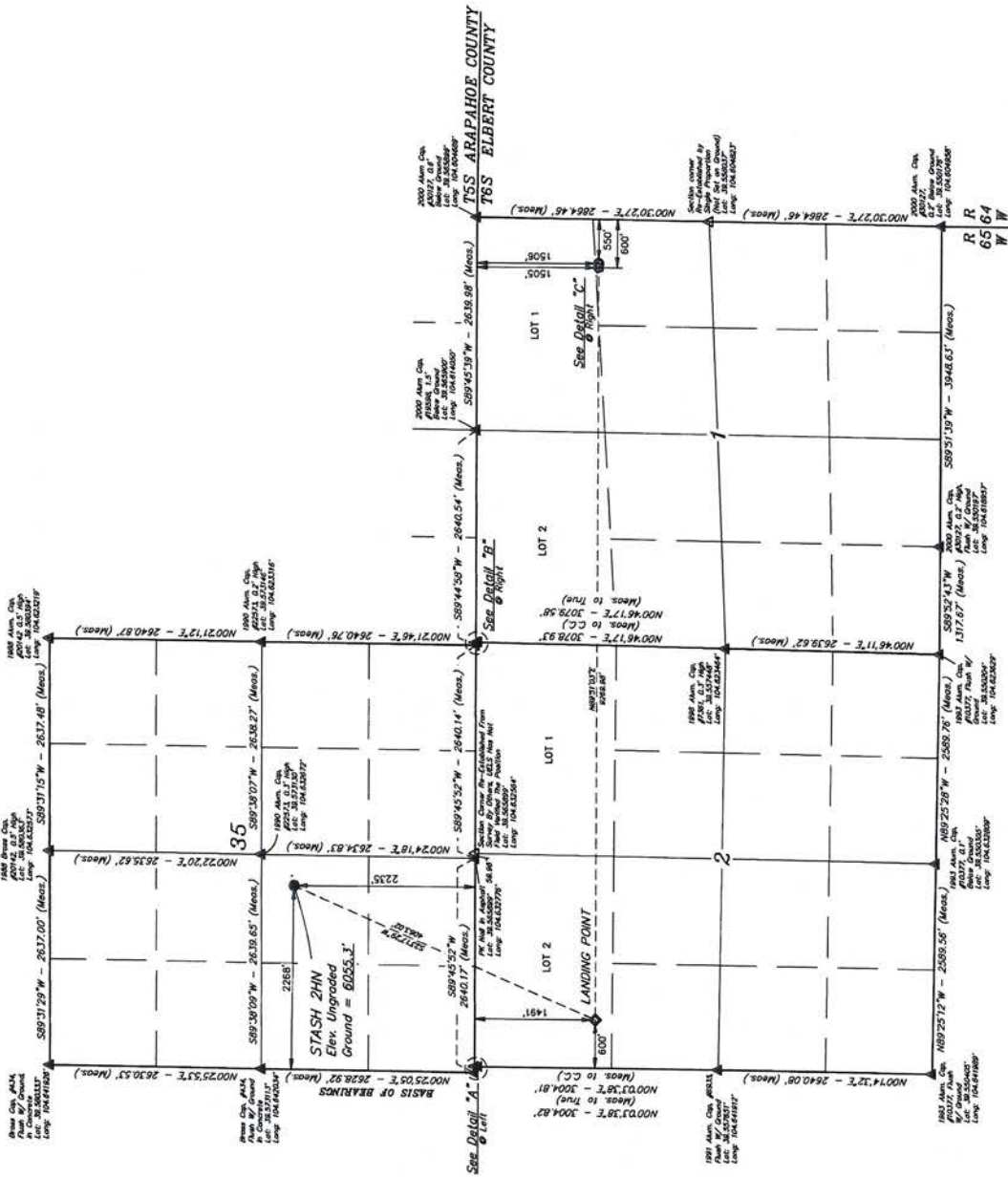
REV: 2 06-27-24 T.L.L. (NAME, S.I.P. & B.H. CHANGES)  
 CERTIFIED AND REGISTERED  
 PROFESSIONAL ENGINEER  
 STATE OF COLORADO  
 No. 11592  
 EXPIRES 12/31/24



MAINS OF BEARINGS  
 OPUS SOLUTION GENERATED NAVD 83



T5S, R65W, 6th P.M.



SECTION 35  
 UELS, LLC  
 Company  
 Vernal, UT 84078 • (435) 798-8117

UNSTAH  
 UELS, LLC  
 Company  
 Vernal, UT 84078 • (435) 798-8117

PROJ - 14	PLAT NO.	DATE	BY	CHECKED BY	SCALE
PROJ - 14	14-001	06-27-24	J. L. LIT	B. H. CHANGES	AS SHOWN

NOTE:  
 Dimensions referenced  
 on plat to section lines  
 are perpendicular.

- LEGEND:
- = PROPOSED WELL/EA
  - = LANDING POINT
  - = LAST TRUE POINT
  - = BOTTOM HOLE
  - = SECTION CORNER LOCATED (MAG 83)
  - = SECTION CORNER NOT LOCATED (MAG 83)
  - = SECTION CORNER NOT LOCATED (MAG 83)

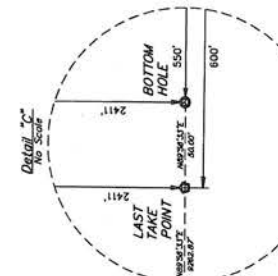
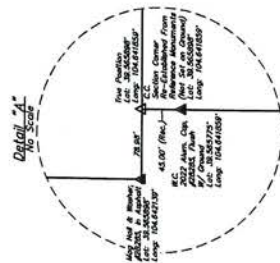
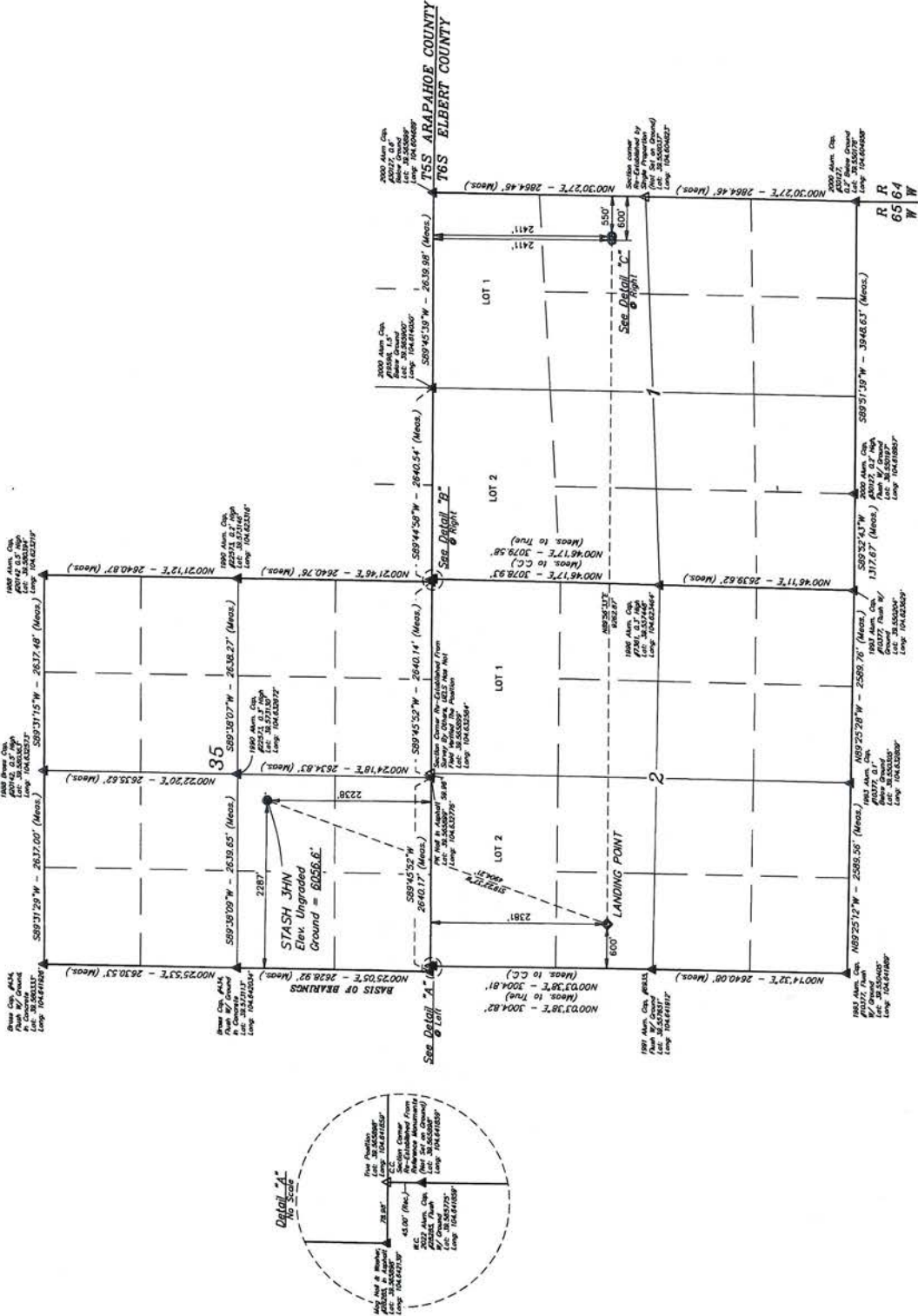
**CMT EXPLORATION COMPANY, LLC**

STASH JHN  
NE 1/4 SW 1/4, SECTION 35, T5S, R65W, 6th P.M.  
ARAPAHOE COUNTY, COLORADO

OPUS SOLUTION GENERATED NAVD 83



T5S, R65W, 6th P.M.



THIS IS TO CERTIFY THAT THE ABOVE MAP WAS PREPARED BY THE UNDERSIGNED AND THAT THE UNDERSIGNED IS A LICENSED PROFESSIONAL SURVEYOR AND ENGINEER.

**UELS, LLC**  
 Colorado  
 Vertical, UT 84078 # (438) 784-1817

CREATED BY: **ORIN DE VRIES** (Lic. 19889)  
 DRAWN BY: **ORIN DE VRIES** (Lic. 19889)

REV. 1 06-27-24 T.L.L. (NAME, SH. LP, LTP & BH CHANGES)

PROF = 1-4

NAD 83 (PLANNING POINT) NAD 83 (EAST PARK POINT)  
 NAD 83 (SURFACE LOCATION) NAD 83 (LAST TAKE POINT)  
 CONSTRUCTION = 10+3420.00' L.C. (10+6379.97') CONSTRUCTION = 10+3420.00' L.C. (10+6379.97')

**LEGEND:**

- = PROPOSED WELLHEAD
- = LANDING POINT
- = LAST TAKE POINT
- = BOTTOM HOLE
- ▲ = SECTION CORNER LOCATED (MWD 83)
- ▲ = SECTION CORNER LOCATED (MWD 83)
- ▲ = SECTION CORNER LOCATED (MWD 83)

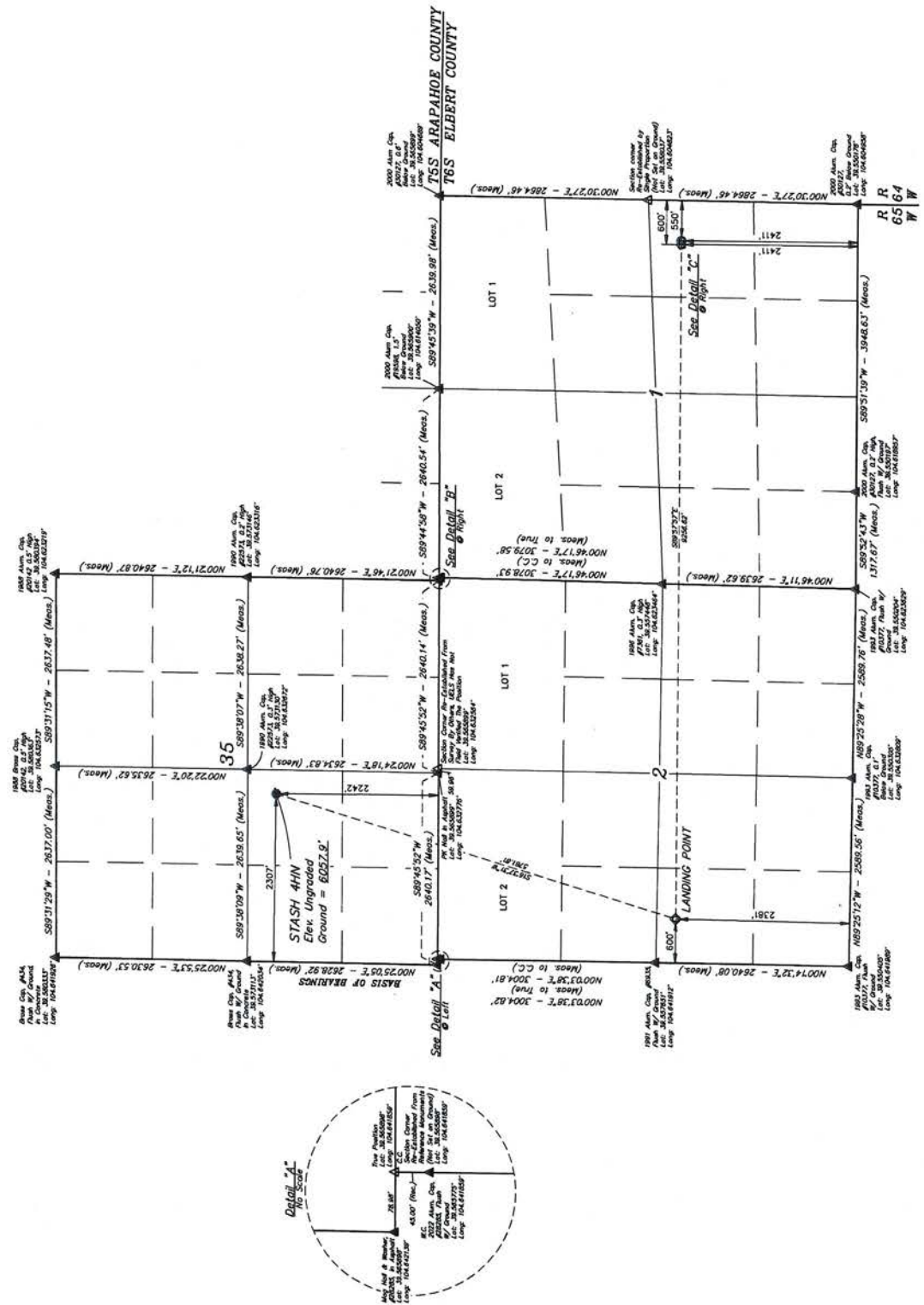
**NOTE:**  
 Distances referenced on plat to section lines are perpendicular.

**LEGEND:**  
 ● = PROPOSED WELLHEAD  
 ○ = LANDING POINT  
 ○ = LAST TAKE POINT  
 ○ = BOTTOM HOLE  
 ▲ = SECTION CORNER LOCATED (MWD 83)  
 ▲ = SECTION CORNER LOCATED (MWD 83)  
 ▲ = SECTION CORNER LOCATED (MWD 83)

OPUS SOLUTION GENERATED NAVD83



T5S, R65W, 6th P.M.



REV. 1 06-27-24 T.L.L. (NAME, SH, LP, LIT & BH CHANGES)  
 UELS, LLC  
 Corporation with offices in  
 Utah, UT 84078 (435) 784-4147  
 SURVEYED BY: UELS, LLC  
 06-16-2021 SCALE  
 DRAWN BY: UELS, LLC  
 06-16-2021 SCALE  
 STATE OF COLORADO  
 REGISTRATION NO. 20077  
 EXPIRES 06-16-2024

POINT #	NAD 83 (EASTING POINT)	NAD 83 (NORTHING POINT)	NAD 83 (EASTING POINT)	NAD 83 (NORTHING POINT)
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3	509451.59 W	39446.61 N	509451.59 W	39446.61 N
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5	509451.59 W	39446.61 N	509451.59 W	39446.61 N
6	509451.59 W	39446.61 N	509451.59 W	39446.61 N
7	509451.59 W	39446.61 N	509451.59 W	39446.61 N
8	509451.59 W	39446.61 N	509451.59 W	39446.61 N
9	509451.59 W	39446.61 N	509451.59 W	39446.61 N
10	509451.59 W	39446.61 N	509451.59 W	39446.61 N
11	509451.59 W	39446.61 N	509451.59 W	39446.61 N
12	509451.59 W	39446.61 N	509451.59 W	39446.61 N
13	509451.59 W	39446.61 N	509451.59 W	39446.61 N
14	509451.59 W	39446.61 N	509451.59 W	39446.61 N
15	509451.59 W	39446.61 N	509451.59 W	39446.61 N
16	509451.59 W	39446.61 N	509451.59 W	39446.61 N
17	509451.59 W	39446.61 N	509451.59 W	39446.61 N
18	509451.59 W	39446.61 N	509451.59 W	39446.61 N
19	509451.59 W	39446.61 N	509451.59 W	39446.61 N
20	509451.59 W	39446.61 N	509451.59 W	39446.61 N
21	509451.59 W	39446.61 N	509451.59 W	39446.61 N
22	509451.59 W	39446.61 N	509451.59 W	39446.61 N
23	509451.59 W	39446.61 N	509451.59 W	39446.61 N
24	509451.59 W	39446.61 N	509451.59 W	39446.61 N
25	509451.59 W	39446.61 N	509451.59 W	39446.61 N
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27	509451.59 W	39446.61 N	509451.59 W	39446.61 N
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47	509451.59 W	39446.61 N	509451.59 W	39446.61 N
48	509451.59 W	39446.61 N	509451.59 W	39446.61 N
49	509451.59 W	39446.61 N	509451.59 W	39446.61 N
50	509451.59 W	39446.61 N	509451.59 W	39446.61 N

NOTE:  
 Distances referenced  
 on plat to section lines  
 are perpendicular.

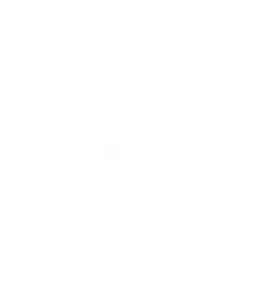
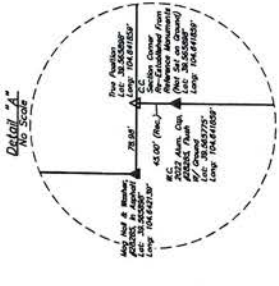
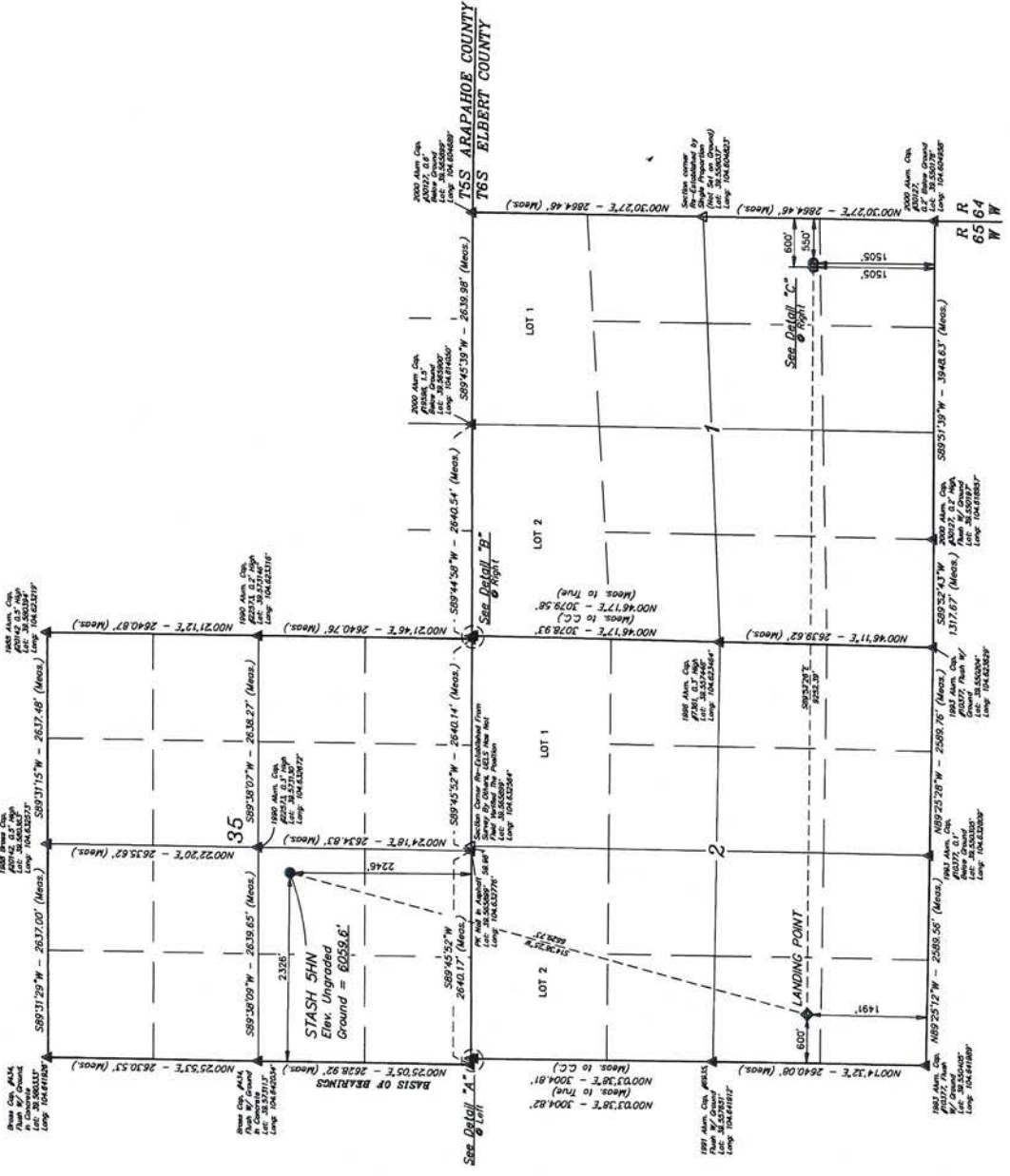
LEGEND:  
 ○ PROPOSED WELLHEAD  
 ● LANDING POINT  
 ○ LAST TAKE POINT  
 ○ BOTTOM HOLE  
 ▲ SECTION CORNERS LOCATED (AND #3)  
 ○ SECTION CORNERS LOCATED (AND #3)  
 ○ SECTION CORNERS LOCATED (AND #3)

PROF # 14  
 NAD 83 (EASTING POINT)  
 NAD 83 (NORTHING POINT)  
 NAD 83 (EASTING POINT)  
 NAD 83 (NORTHING POINT)

BASIS OF ELEVATION  
 OPUS SOLUTION GENERATED MAY 19 18



T5S, R65W, 6th P.M.



- LEGEND:
- PROPOSED WELLHEAD
  - LANDING POINT
  - LAST TAKE POINT
  - BOTTOM HOLE
  - SECTION CORNER LOCATED (MAD IS THE SAME AS CORNER BY OLD SURVEY)
  - SECTION CORNER LOCATED (MAD IS THE SAME AS CORNER BY OLD SURVEY)

NOTE:  
 THIS PLAT IS REFERENCED  
 ON PLAT TO SECTION LINES  
 ARE PERPENDICULAR.

PLAT #	NAD 83 SURFACE LOCATION	NAD 83 LAST TAKE POINT	NAD 83 BOTTOM HOLE
PROF - 14	SECTION CORNER - 104.618377' (MAD IS THE SAME AS CORNER BY OLD SURVEY)	SECTION CORNER - 104.618377' (MAD IS THE SAME AS CORNER BY OLD SURVEY)	SECTION CORNER - 104.618377' (MAD IS THE SAME AS CORNER BY OLD SURVEY)



REV: 1 06-27-24 T.L.L. (NAME, S.I.L.P.T.F. & B.I. CHANGES)

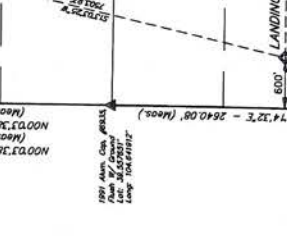
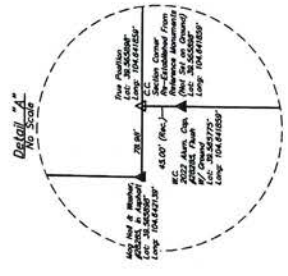
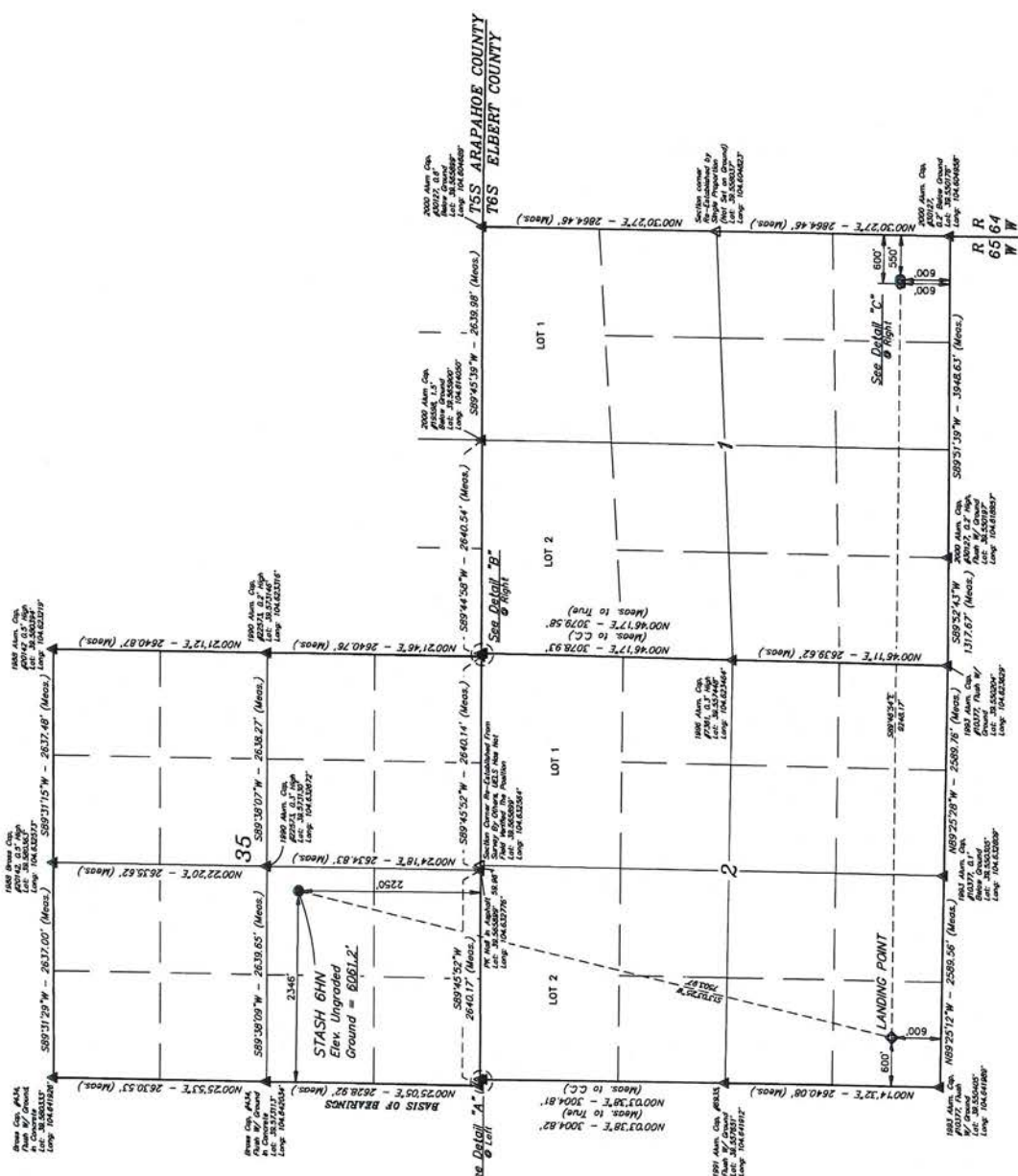
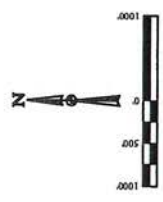
UELS, LLC  
 Company  
 Vermont, UT 84778 • (435) 784-1017

STATE OF UTAH  
 SURVEYOR  
 BRADLEY J. L. LUTZ  
 License No. 10462  
 Exp. 12/31/24

WELL LOCATION PLAT

T5S, R65W, 6th P.M.

OPUS SOLUTION GENERATED NAVD 83



- LEGEND:**
- = PROPOSED WELL/SLIT
  - = LANDING POINT
  - = LAST TIE POINT
  - = BOTTOM HOLE
  - = SECTION CORNER LOCATED (MAG 83)
  - = SECTION CORNER LOCATED (MAG 83) (Old Set on Ground)

**NOTE:**  
 Dimensions referenced on plat to section lines are perpendicular.

PROJ = 1-3

NAD 83 UTM ZONE LOCATION	NAD 83 LAST TIE POINT	NAD 83 BOTTOM HOLE
ZONE 18Q UTM EASTING: 659224.41 UTM NORTHING: 6952577.15	UTM EASTING: 659224.41 UTM NORTHING: 6952577.15	UTM EASTING: 659224.41 UTM NORTHING: 6952577.15



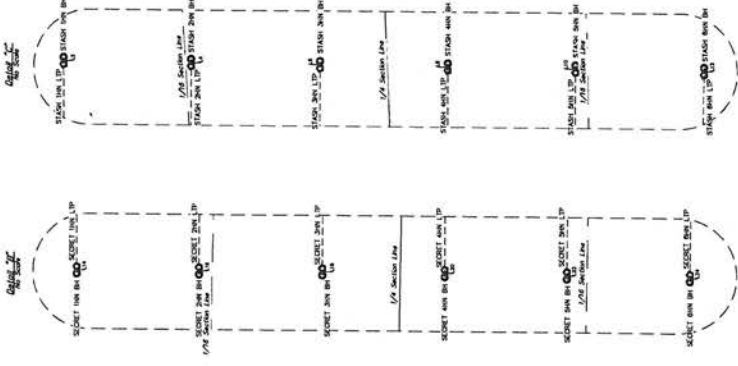
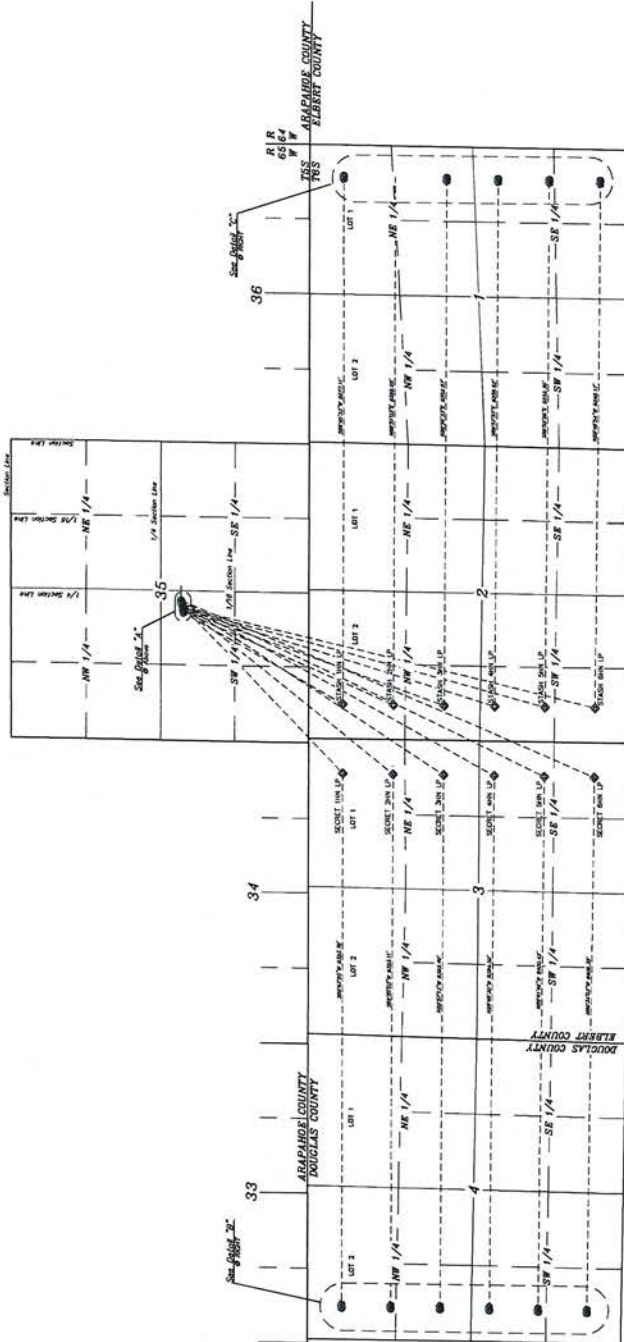
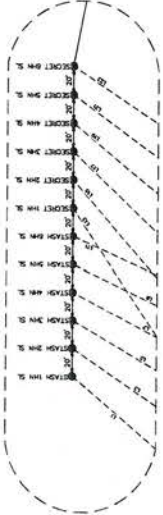
LEGEND:

- - WELLS
- - CENSUS
- - SECTION CORNER
- - QUARTER CORNER
- - SECTION CENTER
- - QUARTER CENTER
- - SECTION QUARTER CENTER
- - QUARTER QUARTER CENTER
- - SECTION QUARTER QUARTER CENTER



SECTION	TOTAL ACRES
1	159.66
2	159.66
3	159.66
4	159.66
TOTAL	638.64

LINE TABLE	
LINE NO.	DESCRIPTION
1	SECTION CORNER
2	SECTION CORNER
3	SECTION CORNER
4	SECTION CORNER
5	SECTION CORNER
6	SECTION CORNER
7	SECTION CORNER
8	SECTION CORNER
9	SECTION CORNER
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47	SECTION CORNER
48	SECTION CORNER
49	SECTION CORNER
50	SECTION CORNER





## FREQUENTLY ASKED QUESTIONS RELATED TO STATUTORY POOLING IN COLORADO

### **Why am I receiving this brochure?**

A review of public property records indicates you may own unleased minerals that an oil and gas operator has asked the Colorado Oil & Gas Conservation Commission (COGCC) to "pool." The COGCC prepared this brochure to help inform mineral owners about "pooling" of mineral interests in Colorado and the State's administrative process.

### **What is pooling, why pool minerals, and why does Colorado have a pooling law?**

Pooling is the joining together of various mineral interests into one large "drilling and spacing unit" in order to drill a single well to drain a large area of oil and gas, with each person who owns a mineral interest in the unit receiving a share of the proceeds.

In the early days of oil and gas production, before pooling laws, mineral owners were required to each drill a well to receive proceeds from the minerals they owned. Owners competed with their neighbors to pump as much oil as possible, as quickly as possible. Consequently, oil and gas operators drilled as many wells as they could on the properties they owned or leased to maximize production, which led to some areas with numerous wells scattered across neighborhoods. This resulted in unnecessary development of the surface land, many more wells than necessary, and wasted oil and gas resources.

Pooling provides controlled and far less disruptive drilling. Limiting the number of wells within a resource area reduces impacts on the environment and lowers costs, which boosts efficiency. Pooling allows each owner to proportionately share in the costs and proceeds from oil and gas development from a pooled unit, without requiring each mineral owner to drill his or her own well. And pooling ensures that a mineral owner who refuses to enter into a lease does not prevent the development and production of oil and gas minerals owned by others.

Colorado adopted its "pooling law" over fifty years ago in order to ensure each mineral interest owner pays his/her proportionate share of the costs of oil and gas development and receives a proportionate share of the revenues once production is established. The COGCC establishes "drilling and spacing units" determining the number of oil and gas wells that may be drilled in the unit to efficiently and effectively capture all available mineral resources.

After a drilling and spacing unit is established, any mineral owner in the unit can begin pooling the interests of mineral owners. The pooling process can be done voluntarily through private contract by those who own or lease minerals. Or it can be done through a COGCC administrative hearing process, often called "statutory pooling" or "forced pooling".

### **What is the process to pool minerals in Colorado?**

At least 90 days before a COGCC hearing, an owner takes two steps: (1) submitting an application to the COGCC requesting to pool the unit's mineral owners; and (2) sending all unleased mineral owners the pooling application, an offer to lease, and an offer to participate in the drilling, completion, and operation of the proposed wells. Each unleased mineral owner has 60 days to choose whether to lease, participate, or take no action. Regardless of your choice, you are not required to participate in the pooling hearing before the COGCC. As an unleased mineral owner, you may engage in the COGCC's pooling process by filing a formal protest prior to the hearing, or by submitting a public comment, which COGCC refers to as a "510 statement".

## What are my options?

With this brochure, you also should have received information from the oil and gas operator regarding leasing your minerals or participating in the well.

You have several options:

1. Lease your minerals to an oil and gas operator, pursuant to an Offer to Lease, which is a private agreement between you and the operator that generally entitles you to reasonable royalties on oil and gas production from the unit. You may lease your minerals to any person, not just the operator that sent you this information.
2. Elect to participate in the drilling, completion, and operation of the wells proposed by the operator. In this case, you will be expected to pay your proportionate share of the costs of drilling, completion, and operation; and will receive a greater, proportionate share of the proceeds.
3. Take no action. Your minerals will be pooled and you will be deemed a "nonconsenting party" through COGCC process and rules. As a nonconsenting party, Colorado statute dictates you will receive 12.5% of your proportionate proceeds from the unit. The remaining 87.5% of your proceeds will be applied to offset your share of 200% of the drilling costs and 100% of the surface costs. Once these costs are paid, you will receive 100% of your proceeds.

## What if I don't consent to development of my minerals?

If you do not sign a lease offer and do not elect to participate, the operator will ask the COGCC to deem you a "nonconsenting party" as part of the pooling process. As a nonconsenting party, you will be unable to participate as an owner in the drilling of the well and will not have an opportunity to negotiate a lease. Your minerals will then be pooled. As a nonconsenting owner, Colorado statute provides that you will receive 12.5% of your proportionate proceeds from the unit, based on your mineral acres compared to all mineral acres in the drilling unit.

The remaining 87.5% of your proceeds will reimburse those mineral owners who opted to participate in the well – providing 200% of drilling costs and 100% of surface equipment costs attributable to your mineral interest.

You reimburse participating mineral owners 200% of your proportionate drilling costs, instead of 100%, as a "risk penalty" to compensate participating mineral owners for the risk they accepted as part of the agreement for drilling a well. Once your 87.5% of production revenue covers 200% of drilling costs and 100% of surface equipment costs, the well "pays out" and you will then receive 100% of your proportionate share of proceeds and also be responsible for your share of costs going forward.

If the operator files an application with the COGCC to deem you a nonconsenting party, you have the opportunity to protest that application. You must file that protest directly with the COGCC as required under COGCC Rule 509.

By law, nonconsenting parties are immune from liability for costs arising from spills, releases, damage, or injury resulting from oil and gas operations on a unit.

**For more information about the COGCC administrative hearing process and deadlines, please refer to the COGCC website at <http://cogcc.state.co.us>.**

**You may also contact the COGCC at [dnr.ogcc@state.co.us](mailto:dnr.ogcc@state.co.us) or 303-894-2100. Please note COGCC staff are not available to provide legal advice. COGCC recommends that you engage an attorney with knowledge of oil and gas matters to assist you with reviewing any offers you receive from an oil and gas operator or other person.**



## Agenda Item

**DATE:** JULY 29, 2024  
**TO:** DOUGLAS COUNTY BOARD OF COUNTY COMMISSIONERS  
**THROUGH:** DOUGLAS J. DEBORD, COUNTY MANAGER  
**FROM:** TERENCE T. QUINN, AICP, DIRECTOR OF COMMUNITY DEVELOPMENT TP  
**CC:** KIM SMITH, COMMUNITY RESOURCE PROGRAM COORDINATOR  
ALLISON CUTTING, COMMUNITY SERVICES SUPERVISOR  
JENNIFER L. EBY, AICP, ASSISTANT DIRECTOR OF COMMUNITY SERVICES  
**SUBJECT:** **DOUGLAS COUNTY CULTURAL COUNCIL RECOMMENDATIONS FOR 2024  
SCIENTIFIC AND CULTURAL FACILITIES DISTRICT GRANT FUNDS**

---

### SUMMARY

The Douglas County Cultural Council (DCCC) reviewed 61 applications requesting 2024 Scientific and Cultural Facilities District (SCFD) grant funds. The DCCC is recommending allocating the total 2024 grant award of \$1,302,123.82 for 10 General Operating Support (GOS) grants and 51 project-based grants.

### BACKGROUND

The Douglas County 2024 portion of SCFD grant funds is \$1,302,123.82. Douglas County received 61 applications from 55 different organizations requesting \$1,263,304.00. Of the applications received 10 were for GOS and 51 were project-based requests.

During April and May, the DCCC held four study sessions to review and discuss the applications received. DCCC members submitted their application scores based on a scoring rubric.

Staff met with the Board of County Commissioners (BCC) at a work session on May 13, 2024, to provide an update. Staff stated that if all grants were funded at 100 percent of their grant request, there would be an overage of \$38,819.82. The BCC recommended that the overage be distributed to Douglas County-based organizations for GOS grants.

### DISCUSSION

The DCCC convened at a public meeting on June 18, 2024. No public comments related to the funding allocation were received.

The DCCC utilized the scoring rubric to determine initial awards of \$597,098.04 for GOS and \$561,384.91 for projects. This left an overage of \$143,640.87. Based on the BCC's

recommendation, the DCCC distributed this overage to the 10 GOS applicants. This increased the GOS grants to \$740,738.91 for Douglas County-based organizations. The entire funding amount of \$1,302,123.82 is recommended for distribution.

**NEXT STEPS**

Staff is prepared to discuss the DCCC's proposed funding recommendations with the BCC. If the BCC is in agreement, they may move to certify the DCCC's recommendations.

**ATTACHMENTS**

Funding Plan for 2024 SCFD Grant Funds



## SCFD 2024 Tier III Funding Plan - Douglas County

From District Office	
2024 Funds Available	\$ 1,302,123.82
Uncommitted/Return Funds from Previous Year	\$ -
<b>Total Available from District Office</b>	<b>\$ 1,302,123.82</b>

Organization	General Operating Support	Eligible Amount Requested	Recommended Amount
Cherokee Ranch & Castle Foundation	General Operating Support	\$ 205,000.00	\$ 238,330.25
HawkQuest	General Operating Support	\$ 70,000.00	\$ 81,132.95
Highlands Ranch Concert Band	General Operating Support	\$ 7,964.96	\$ 8,102.46
Highlands Ranch Cultural Affairs Association	General Operating Support	\$ 100,094.00	\$ 105,724.53
Highlands Ranch Historical Society	General Operating Support	\$ 4,408.30	\$ 4,703.15
Lone Tree Symphony Orchestra	General Operating Support	\$ 42,624.53	\$ 44,065.42
Mountain Chamber Music Society	General Operating Support	\$ 4,011.00	\$ 4,208.20
Parker Symphony Orchestra	General Operating Support	\$ 12,870.00	\$ 14,369.46
Performing Arts Academy	General Operating Support	\$ 200,000.00	\$ 218,339.44
The Denver Concert Band	General Operating Support	\$ 20,000.00	\$ 21,763.05
<b>Total GOS</b>		<b>\$ 666,972.79</b>	<b>\$ 740,738.91</b>

Organization	Project	Eligible Amount Requested	Recommended Amount
A Child's Song	Reach & Teach (Inclusive Community-Based Music Education)	\$ 10,000.00	\$ 8,500.00
Arapahoe Philharmonic	Arapahoe Philharmonic Education & Outreach	\$ 7,015.08	\$ 6,664.33
Ballet Ariel	Cinderella and Tea Party	\$ 4,400.00	\$ 3,740.00
Baroque Chamber Orchestra of Colorado	Old Meets New	\$ 14,430.00	\$ 14,430.00
Boulder Ballet	Educational Outreach & Ballet in the Park	\$ 15,000.00	\$ 14,250.00
Boulder Museum of Contemporary Art	SPARK! Programs in Senior Living Facilities & Douglas County Libraries	\$ 11,850.00	\$ 11,257.50
Boulder Philharmonic Orchestra	Wallace and Gromit with the Boulder Phil at Lone Tree Arts Center	\$ 12,304.40	\$ 10,458.74
Centro Cultural Mexicano	Latin Beats: Sonidos de las Americas en las Escuelas	\$ 3,000.00	\$ 2,550.00
CMDance	School Dance and Music Programs and Community Events	\$ 10,200.00	\$ 9,690.00
Colorado Bach Ensemble	Bach's Christmas Oratorio	\$ 20,450.00	\$ 17,382.50
Colorado Fine Arts Association	Douglas County Celebrity Music Event	\$ 19,750.00	\$ 18,762.50
Colorado Jazz	PACE Main Stage and Schoolhouse	\$ 18,000.00	\$ 17,100.00
Colorado Quilting Council, Inc	Educational Lectures	\$ 3,360.00	\$ 3,192.00
Colorado Wind Ensemble	Douglas County Concert, and Continental League Honor Band	\$ 3,950.00	\$ 3,752.50
Control Group Productions	The Breathing Healing Bus	\$ 12,000.00	\$ 11,400.00
David Taylor's Zikr Dance Ensemble	Liturgies	\$ 19,384.00	\$ 18,414.80
Denver Audubon	Education and Action for Birds in Douglas County	\$ 17,782.00	\$ 17,782.00
Denver Young Artists Orchestra Association	Concert in Douglas County	\$ 6,800.00	\$ 6,800.00
Evergreen Jazz Festival	Evergreen Jazz Festivals Bands in Douglas County Schools	\$ 960.00	\$ 912.00

Organization	Project	Eligible Amount Requested	Recommended Amount
Feel the Beat Corp	Feel the Beat: Inclusive and Accessible Dance Classes in Douglas County	\$ 12,000.00	\$ 11,400.00
Fiesta Colorado	Es Una Fiesta ...Colorado	\$ 4,000.00	\$ 3,800.00
Flamenco Denver	Tablao Performance at The School House	\$ 2,360.00	\$ 2,242.00
Friends of Dinosaur Ridge	School/Organizational Guided Group Tours of Dinosaur Ridge	\$ 4,100.00	\$ 4,100.00
HawkQuest	Birds of Prey Lectures	\$ 8,250.00	\$ 8,250.00
Highlands Ranch Cultural Affairs Association	Art Encounters	\$ 13,628.00	\$ 12,946.60
Inside the Orchestra	Orchestra Concerts for Students and Families	\$ 21,000.00	\$ 19,950.00
Kim Robards Dance	Movement & Music - Tiny Tots	\$ 6,574.00	\$ 5,587.90
Lone Tree Symphony Orchestra	25th Season Celebrations	\$ 15,000.00	\$ 14,250.00
Mountain Chamber Music Society	CMSGD Concert Series and AIC Story Time Concerts	\$ 3,930.00	\$ 3,340.50
Mudra Dance Studio	UTSAV XVII...the Celebration Continues	\$ 21,000.00	\$ 19,950.00
Museo de las Americas	Exhibit & Education Programs	\$ 10,000.00	\$ 8,500.00
New Dance Theatre	Arts-in-Education	\$ 29,000.00	\$ 27,550.00
Ocean First Institute	Plastic Pollution Monitoring and Solutions Project	\$ 10,000.00	\$ 9,500.00
Parker Area Historical Society	DEI Programming	\$ 4,489.00	\$ 4,264.55
Performing Arts Academy	Outreach and Financial Aid	\$ 20,000.00	\$ 20,000.00
Platte Valley Players	TYA - Tomato Plant Girl	\$ 5,900.00	\$ 5,605.00
Pop Culture Classroom	Douglas County Mini-Con	\$ 13,600.00	\$ 11,560.00
Rocky Mountain Arts Association	The North Pole BriGAYde	\$ 7,200.00	\$ 6,840.00
Roxborough Arts Council	Art Encounters	\$ 15,600.00	\$ 14,820.00
Seriesfest	Mobile Cinema Lab	\$ 2,720.00	\$ 2,312.00
Skyline Chapter, Sweet Adelines International	2025 Fall Musical Show	\$ 7,980.00	\$ 7,581.00
St. Andrew Society of Colorado	Colorado Scottish Festival	\$ 50,000.00	\$ 47,500.00
St. Martin's Chamber Choir	SMCC Concerts & Student Choral Workshops	\$ 6,840.00	\$ 6,498.00
Tesoro Foundation	Public Education	\$ 13,000.00	\$ 12,350.00
The Denver Brass	Brass for All	\$ 17,000.00	\$ 16,150.00
The Denver Concert Band	Celebrating Diversity	\$ 5,000.00	\$ 4,750.00
Think 360 Arts for Learning	Arts for All: Schools, Communities, and Beyond	\$ 7,000.00	\$ 6,650.00
Tunas Mekar Inc	PACE Center Performance/Lecture/Workshop	\$ 4,560.00	\$ 4,332.00
Vintage Theatre Productions	Touring	\$ 11,684.73	\$ 11,100.49
Voices West	Cabaret Pops Concert & Fundraiser: Colors	\$ 4,280.00	\$ 4,066.00
Young Voices of Colorado	Douglas County Bundled Outreach	\$ 28,000.00	\$ 26,600.00
<b>Total Project Grants</b>		<b>\$ 596,331.21</b>	<b>\$ 561,384.91</b>

<b>Total Funds Available - \$1,302,123.82</b>	<b>Eligible Amount Requested</b>	<b>Recommended Amount</b>
<b>General Operating Support</b>	<b>\$ 666,972.79</b>	<b>\$ 740,738.91</b>
<b>Project</b>	<b>\$ 596,331.21</b>	<b>\$ 561,384.91</b>
<b>TOTAL</b>	<b>\$ 1,263,304.00</b>	<b>\$ 1,302,123.82</b>

## Agenda Item

**DATE:** JULY 29, 2024  
**TO:** DOUGLAS COUNTY BOARD OF COUNTY COMMISSIONERS  
**THROUGH:** DOUG DEBORD, COUNTY MANAGER  
**FROM:** MAUREEN WALLER  
**SUBJECT: OPIOID REGIONAL COUNCIL UPDATE**

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Since January 2023, the Douglas County Region 12 Opioid Abatement Council has been meeting to address the opioid epidemic in our community. The Council is made up of the following voting members:

- Abe Laydon: Douglas County
- Kevin Duffy: DCSO
- Mike Hill: Health Department
- Dan Makelky: Human Services
- Jim Tsurapas: Parker PD
- Lori Griffith: 23rd JD Probation
- Roger Hudson: Castle Pines Council
- Kirk Wilson: Lone Tree PD
- Tim Gorman: Castle Rock PD
- Ruben Medina: Aurora City Council
- Thomas Byrnes: 18th JD DA's Office
- Tarissa Vincent: South Metro Fire and Rescue

Additionally, fifteen to twenty advisory board members regularly attend the meetings, contributing subject matter expertise to the discussions.

In January, the Council released an RFQ to identify providers for various programs aimed at combating the opioid epidemic in Douglas County. The Council decided to allocate funds to the following seven programs:

- Withdrawal Management
- Medications for Opioid Use Disorder (MOUD)/Medically Assisted Treatment (MAT)
- Peer Support
- Expansion of the CRT and HEART programs
- Youth Prevention
- Transportation
- Case Management

The Council, including advisory members, formed small work groups to evaluate the RFQ responses. After several working meetings and consultations with the entire Council, it was determined that funds would not be awarded for Withdrawal Management or MOUD/MAT; the same provider responded to both, and the Council was not comfortable proceeding with them. The following providers and programs were awarded funding:

- **All Health Network:** \$72,817 for Case Management
- **Valley Hope of Parker:** \$65,000 for Case Management

- **Hard Beauty Foundation:** \$198,171 for Peer Support
- **Sky Ride Colorado:** \$99,901.95 for Transportation
- **Douglas County School District:** \$124,000 for Youth Prevention
- **CRT/HEART:** \$209,000

In addition, after several months of discussions and subcommittee work, the Council voted to engage **SE2** to implement youth and adult opioid behavior change campaigns. This contract is for \$360,000.

This first round of funding allocates \$1,128,889.95 to programs that aim to address the opioid epidemic in different ways, providing a comprehensive approach to the problem. The total funds available to Region 12 to date amount to \$3,957,211.35, so there is over \$2.8 million remaining in the current budget for future projects.

The statewide MOU that governs Colorado Opioids Settlements requires a local government to serve as fiscal agent for each of the 19 Regions in the state. Douglas County government serves as the fiscal agent for our region. As the fiscal agent for Region 12, the county will need to sign off on the award to CRT/HEART and on the contracts for the six external providers listed above. These contracts will be on the August 27 Business Meeting agenda for approval.