

SURFACE USE AND DAMAGE AGREEMENT

This Agreement is made and entered into effective this 26th day of October, 2017, by and between the Office of Navajo and Hopi Indian Relocation ("ONHIR"), an independent agency in the Executive Branch of the United States Government as Federal Land Administrator of the lands subject to this Agreement which are lands held by the United States in trust for the Navajo Nation and whose address is P.O. Box KK, Flagstaff, AZ 86002, the Navajo Nation, whose address is P.O. Box 7440, Window Rock, AZ 86515, and Ranger Development LLC, whose address is 5001 LBJ Freeway, Suite 300, Dallas, TX 75244 (hereinafter referred to as "Operator") with the concurrence of the Nahata Dził Commission Governance ("NDCG"), P.O. Box 400, Sanders, AZ 86512.

WITNESSETH:

WHEREAS, ONHIR administers the lands described on Exhibit "A" attached hereto which are subject to a mineral reservation in favor of the Burlington Northern Santa Fe Corporation (the "Estate"); and

WHEREAS, Operator holds one or more valid helium leases from third parties covering all or portions of the mineral reservation on the Estate; and

WHEREAS, the parties wish to enter into an agreement respecting the use by Operator of portions of the Estate, as set forth on Exhibit "B" attached hereto (such portions of the Estate being the "Lands") for the purposes of drilling, completing, equipping and operating one or more helium wells, and installing and operating equipment and facilities incidental thereto, on the Lands.

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

1. **Right of Use.** ONHIR hereby gives and grants to Operator, its agents, employees, drilling contractors, and related service companies, subject to the terms of this Agreement, the non-exclusive right to enter upon and use the Lands for the purpose of drilling, completing, equipping and producing one or more helium wells at legal locations or at such exception locations as are approved by the appropriate tribal or federal agency, or, in the absence of such agency, the Arizona Oil & Gas Conservation Commission ("AOGCC"), together with the right of ingress and egress and the right for Operator to use necessary Lands to construct and maintain one or more access roads, well sites, tank batteries, well site compression, and gas gathering and transportation pipelines in connection with the helium well(s) to be drilled by Operator upon the Lands, pursuant to the survey contained within Exhibit "B" attached hereto. For the purposes of this Agreement, it is expressly understood by the parties that the approved application for permit to drill ("APD") issued by the AOGCC and attached hereto as Exhibit "D" is accepted and sufficient for Operator to conduct drilling operations for its "NS 28-1" well, as set forth in said APD and subject to the terms of this Agreement.
2. **Notification and Consultation.** Prior to initiating the drilling of any well, Operator shall notify ONHIR, the Navajo Nation, and NDCG prior to entry upon the Estate and shall consult with ONHIR and NDCG as to the location of each well, road, pipeline, power line, tank battery, or other facility to be placed upon the Lands.
3. **Compensation.** As compensation for surface damages and as rental for use of the Trust surface estate, Operator shall pay to NDCG the following:
 - (a) The sum of Three-Thousand Dollars (\$3,000.00), payable upon execution of this Agreement, for the drilling of one well upon the Lands and the sum of Three-Thousand Dollars (\$3,000.00) per acre for any anticipated surface disturbance to the Lands (including, but not limited to, the construction of any road or gas gathering and transportation pipeline pursuant to this Agreement), payable prior to commencement of such surface disturbing activities. Should Operator drill

more than one well upon the Lands, Operator shall pay to NDCG an additional sum of Three-Thousand Dollars (\$3,000.00) for each well drilled, with said sum being payable to NDCG prior to Operator spudding any well. In the event that any well drilled upon the Lands is completed as a producing helium well, Operator shall pay NDCG the sum of Two-Thousand-Five-Hundred Dollars (\$2,500.00) per well per year. The annual payment described herein shall commence one year from the date of the spudding of any well, and shall allow Operator the rights for Operator, its agents, employees, service contractors, and successors in interest access to its well site, and facilities incidental thereto, as long as the annual payments are made and until such well has been plugged, but for a period not to exceed the term of this agreement.

- (b) On the first anniversary of this Agreement, and every year thereafter, future payments provided for in this Agreement shall be increased by a percentage equal to the increase in the Urban Consumer Price Index as published by the United States Department of Commerce for the preceding one-year period.

- a. If the Consumer Price Index decreases during any one-year period, the payments shall remain at the then existing level for the next year.

4. **Road Construction and Use.** Subject to the conditions set forth in this Agreement, Operator shall have the rights of ingress, egress and use of existing roads contained within the Estate. Any roads constructed or used by Operator on the Estate shall be constructed or used in accordance with the following specifications or restrictions:

- (a) The access road to the well site will be constructed along a route as set forth in Exhibit "B" attached hereto, and constructed to specifications as set forth in Exhibit "C" attached hereto.

- (b) The surface of all constructed roads shall not exceed 20 feet in width for traveled surface.

- (c) If requested by ONHIR or NDCG, access to the Lands from any public road shall be controlled by a swinging locking metal gate in addition to a cattle guard, which gate and cattle guard Operator shall construct in accord with ONHIR's reasonable specifications.

- (d) For roads constructed by Operator, culverts shall be placed in low areas for proper drainage.

- (e) No off-road travel is permitted.

- (f) The use and construction of roads by Operator on the Estate is a non-exclusive use, and ONHIR may allow other parties to use said roads.

- (g) Operator agrees, if requested by ONHIR or NDCG, to place an appropriate sign or signs on any road designating them as "private roads". The size and color of such signs shall be subject to ONHIR's approval.

- (h) ONHIR may lock gates across its private roads that Operator uses for access to roads constructed by Operator, provided that Operator shall have the right to place its own locks on such gates. The parties shall exchange keys to all locks.

- (i) Operator shall maintain newly constructed roads used by Operator to the reasonable satisfaction of ONHIR.

(j) To the extent Operator reasonably determines that existing roads within the Estate require maintenance or repair, such maintenance work shall be coordinated by Operator and ONHIR (or NDCG) and done at reasonable times.

(k) No roads on the Estate shall be constructed or used by Operator for access to lands not subject to this agreement without a separately negotiated agreement.

(l) Upon expiration of this agreement, Operator shall reclaim or transfer control of any roads it constructed during the term of this agreement to ONHIR or its designee.

5. **Well Sites.** Well sites located on the Lands shall be limited to no more than two (2) acres in size during drilling, completion, and reworking activities, and no more than two (2) acres in size for producing well sites, including any tank batteries and/or well site compression constructed by Operator. Operator agrees to fence the pits and other dangerous areas and at all times keep its well sites in good order and free of litter, debris, trash, or spilled hydrocarbons. In the event Operator does not encounter commercial quantities of helium at any well location and determines the location to be a "dry hole," or upon cessation of production, Operator shall give ONHIR thirty (30) days written notice of the opportunity to take over any abandoned well and convert the same to a water well, without any obligation to reimburse the Operator or its drilling contractor the cost of drilling the well or casing such well. No covenant or warranty of title is made by Operator with regard to any water rights associated with any such well. If ONHIR elects in writing to take over the abandoned well and convert the same to a water well, then ONHIR shall be responsible for the operation and maintenance of the well and shall assume all liability associated therewith. If ONHIR does not elect to take over the well and convert it to a water well, Operator shall plug and abandon the well and the well site, and reclaim the surface of the well site to the satisfaction of the Navajo Nation and in accordance with applicable law. All cleanup and restoration activities shall be completed by Operator as soon as the reserve pit has been allowed to dry so that proper backfilling can be accomplished. In the event that any well drilled upon the Lands is completed as a commercial producer of helium, Operator shall clean up the well site location and use only so much of the area as is reasonably necessary for its operations, and Operator shall restore such well location, reseeding the same with a seed mix specified by ONHIR, and Operator shall keep all well site locations neat, orderly, and clean at all times.

6. **Gas Gathering Pipelines.** In the event that any well drilled upon the Lands is completed as a commercial producer of helium, subject to the per acre compensation set forth in section 3 of this Agreement, ONHIR hereby gives Operator the right to construct, maintain, inspect, operate, protect, repair, alter, replace, and remove a gas gathering and transportation pipeline, together with necessary valves, cathodic protection equipment, and appurtenances useful and incident to the operation and protection thereof, for the transportation of helium bearing gas from the well(s) located on the Lands and subject to this Agreement. Any pipeline shall be constructed across the traverse indicated in Exhibit "B" attached hereto. Unless otherwise agreed to by ONHIR and Operator in writing, any pipelines constructed by Operator on the Lands shall be constructed and maintained to the following specifications:

(a) The top of any pipeline shall be buried at least 36 inches below the surface of the ground.

(b) Operator shall comply with the applicable regulations of the appropriate tribal or federal agency, or, in the absence of such agency, the AOGCC and be responsible for backfilling, repacking, reseeding, and recontouring the surface so as not to interfere with agricultural operations occurring within the Estate. If pipeline trenches settle so as to interfere with irrigation or ranching activities occurring within the Estate, upon request by ONHIR, Operator shall fill in, repack, and level such trenches.

(c) Operator shall provide ONHIR with a plat showing the "as built" length and location of all pipelines promptly after their installation.

(d) NDCG reserves the right to occupy, use and cultivate the lands affected by such pipeline, and to grant such rights to others, so long as such use does not interfere with Operator's operations.

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

7. **Power Lines.** Any buried or overhead power lines constructed on the Lands shall be constructed and maintained to the following specifications:

(a) Operator will consult with ONHIR and with the independent power company supplying power to Operator with respect to the location of overhead power lines prior to construction. Overhead power lines will be constructed so as to cause the least possible interference with the visual landscape of the Estate and existing and future ranching operations upon the Estate, and, to the maximum extent possible, overhead power lines will be constructed along fence lines or property lines. All overhead power lines will be located in a manner to minimize or avoid interference with agricultural operations occurring within the Estate. No overhead power line will be located where it will interfere with existing irrigation systems or any future irrigation systems on the Estate which are planned by ONHIR or NDCG at the time of construction of overhead power lines. NDCG shall be entitled to receive payment from Operator or Operator's electricity provider for any right-of-way needed for overhead power lines.

(b) Within a reasonable period of time after a well has been placed in production, all power lines constructed by or for Operator downstream of the independent power company's meters shall be buried, and all power line trenches shall be fully reclaimed and reseeded to the reasonable satisfaction of ONHIR. Buried power lines shall be installed pursuant to the regulations of the appropriate tribal or federal agency, or, in the absence of such agency, the AOGCC.

(c) Operator agrees that it will not construct overhead power lines in those portions of the Estate which are being irrigated or cultivated or which may, in the future, be irrigated or cultivated or which are fallow as part of a crop rotation or range management program.

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

(a) Operator shall at all times keep its well sites and roads safe and in good order, free of noxious weeds, litter and debris, and shall spray for noxious weeds upon reasonable demand by ONHIR or NDCG.

(b) Operator shall rehabilitate, restore, reclaim, and reseed all disturbed areas caused by Operator's operations within twelve (12) months after termination of construction activities on such sites.

(c) All cattle guards and fences installed by Operator shall be kept clean and in good repair and will become the property of ONHIR when Operator ceases ownership of its helium lease covering that portion of the Estate.

(d) Operator shall not permit the release or discharge of any toxic or hazardous chemicals or wastes on the Estate. Any spill of oil, grease, solvents, chemicals, or hazardous

substances on the Estate which are reportable to regulatory authorities under applicable law or regulations shall be immediately (within 24 hours) reported to the Navajo Environmental Protection Agency, ONHIR and NDCG by telephone, fax, or e-mail, to be followed by copies of written notices which Operator has filed with regulatory authorities within five (5) business days after such filing.

(e) Operator shall remove only the minimum amount of vegetation necessary for the construction of roads, well locations, and other facilities. Topsoil shall be conserved during excavation, stockpiled and reused as cover on disturbed areas to facilitate regrowth of vegetation.

(f) All surface facilities not subject to safety requirements shall be painted to blend with the natural color of the landscape.

(g) No living quarters shall be constructed upon the Estate, except that drilling crews and geologists or service personnel may use housing trailers for the benefit of the Operator during drilling, completion, or reworking activities and any other temporary activities of the Operator on the Lands, provided that such activities do not exceed sixty (60) days. Should any such activities exceed said sixty (60) day period, Operator shall provide notice to ONHIR.

(h) Operator shall not fence any access roads without the prior consent of ONHIR.

(i) Operator shall construct and maintain stock-tight fences for both sheep and cattle around any dangerous areas, including any pits where Operator drills wells.

(j) Operator and its employees, agents, and contractors shall leave all gates located on the Estate as they found them; gates found closed are to be closed; gates found open are to be left open.

(k) None of Operator's employees, agents, or contractors, or any other person under the direction or control of Operator shall be permitted to carry firearms or any other weapons on the lands and such persons shall not hunt, fish, or engage in recreational activities on the Estate. No dogs will be permitted on the Estate at any time. Operator will notify all of its contractors, agents, and employees that no dogs, firearms, weapons, hunting, fishing, or recreational activities will be allowed on the Estate. None of Operator's employees, agents, or contractors, or any other persons under the direction or control of Operator, shall possess or be under the influence of alcohol or illegal drugs while on the Estate.

(l) Operator shall conduct operations and activities on the Estate in accordance with all existing Navajo Nation and federal laws, rules, and regulations.

(m) No open fires shall be permitted on the Estate. Operator shall take all reasonable steps to prevent fire and to promptly extinguish any fire, including, but not limited to, maintaining a fire extinguisher, shovel, and bucket in each service vehicle entering upon the Estate. Operator shall fully and promptly compensate ONHIR (or its designee) for all damages caused by fire arising out of Operator's operations, including, without limitation, any charges incurred by ONHIR for fire suppression and the replacement of fences and other property damaged or destroyed by fire and any damage caused by Operator's employees, agents or contractors.

9. **Produced Water.** With respect to any water produced from wells drilled on the Lands in connection with the production of helium, Operator agrees to test such water to determine if such water is fit for consumption by livestock and report the results of such tests to ONHIR and NDCG.

(a) If the water is not fit for consumption by livestock, then the Operator at its option shall either cap the well or shall haul the same away from the Lands and properly

dispose of such produced water off the Estate pursuant to the appropriate tribal or federal agency, or, in the absence of such agency, the AOGCC rules and regulations.

- (b) If the water is fit for consumption by livestock the Operator, ONHIR and NDCG shall work collaboratively to pipe or otherwise transport such water to a location off the Lands where the water may be used for livestock purposes, provided, however, that this provision 9(b) shall not obligate Operator to pay any capital or operating expenses beyond what Operator would have paid if it capped the well.

10. **Extraordinary Damages.** The compensation provided for herein is acknowledged by ONHIR as sufficient and in full satisfaction for the use of the Lands or caused or created by the reasonable and customary entry, egress, and operation and use of roads, well sites, pipelines, and facilities incidental thereto, but does not include damage to livestock, buildings, or improvements, or injuries to persons. This Agreement does not relieve Operator from liability due to Operator's negligence or due to spills or discharges of any hydrocarbon or toxic substance or hazardous chemicals or wastes, or from leaks or breaks in Operator's pipelines. Damage to or loss of livestock, caused by Operator, shall be paid for by Operator at the higher of market value or replacement cost.

With respect to any damages occurring within the Estate as a result of Operator's activities, Operator shall be responsible for any acts or omissions of its employees, agents or contractors.

11. **Reclamation and Reseeding.** Unless ONHIR otherwise agrees in writing, within one (1) year after termination of any of Operator's operations on the Lands, Operator shall fully restore and level the surface of the lands affected by such terminated operations as near as possible to the contours which existed prior to such operations. Operator shall use water bars and other measures as appropriate to prevent erosion and non-source pollution. Prior to commencement of surface disturbing activities pursuant to this Agreement, Operator shall post a bond in the amount of \$25,000.00 for surface reclamation.

12. **Indemnification.** To the maximum extent permitted by law, Operator will indemnify, defend, and hold ONHIR, the Navajo Nation, the United States and NDCG and their employees harmless from any and all claims, liabilities, demands, suits, losses, damages, and costs, including, without limitation, any attorneys' fees which may arise out of or be related to Operator's activities on the Estate.

13. **Designated Contact Person.** Operator, Navajo Nation, NDCG and ONHIR will each from time to time designate an individual, with appropriate 24-hour telephone and fax numbers, who is to be the primary contact person for discussions and decisions concerning matters related to this Agreement. Current contact information is as follows:

For Operator:

Jeremy Jordan
5001 LBJ Fwy, Ste 300
Dallas, TX 75244
(972) 960-3212
jeremyjordan@iacx.com

For ONHIR:

Scott Kuhr
Land Management Specialist
ONHIR
P.O. Box KK
Flagstaff, AZ 86002
skuhr@onhir.gob

and

Mae Salago-King
New Lands Program Operations Specialist
ONHIR
P.O. Box 130
Sanders, AZ 86512

For the Navajo Nation:

Mike Halona
Navajo Nation Land Department
P.O. Box 2249
Window Rock, Arizona 86515
m_halona@frontiernet.net

and

Office of the President and Vice President
P.O. Box 7440
Window Rock, Arizona 86515

For NDCG:

Administrative Assistant
Nahata Dził Commission Governance
P.O. Box 400
Sanders, AZ 86512

14. **Assignment.** This Agreement shall run with the Estate and shall be assigned by Operator in connection with any assignment of Operator's leasehold rights under all or a portion of the Estate described in Exhibit "A".

- (a) Operator shall give ONHIR, the Navajo Nation, and NDCG notice of any proposed Assignment by Operator. Within 45 days of receipt of such Notice ONHIR shall either consent to the Assignment or provide Operator in writing the grounds for its declining to so consent, provided that such consent will not be unreasonably withheld by ONHIR. If no timely response is provided by ONHIR, the assignment shall be deemed approved.
- (b) In the event of an Assignment, ONHIR reserves the right to require a bond or other financial assurance that the successor Operator will fulfill the obligations of this Agreement.

15. **Successor Agency.** In the event that ONHIR is closed, all rights and duties under this Agreement will pass to ONHIR's designated successor agency or the Navajo Nation.

16. **Binding Effect.** This Agreement is binding upon and shall inure to the benefit of the successors and assigns of the parties. NDCG agrees to contact any tenant or grazing lessee of the surface estate described on Exhibit "A", or any other third parties utilizing the surface of the Estate, that may be affected by Operator's activities on the Lands. It shall be NDCG's sole responsibility to advise such third parties of the existence of this Agreement and Operator's right to utilize the surface of the Lands pursuant the terms hereof.

17. **Applicable Law.** This Agreement shall be construed and governed by applicable federal law and the laws of the Navajo Nation including but not limited to the Navajo Preference in Employment Act and the Navajo Nation Business Opportunity Act.

18. **Default and Right to Cure.** In the event of alleged default by Operator in the payment of any of the sums hereinabove provided to be made, in obligations to be performed, or any other terms, conditions or covenants of this Agreement, ONHIR will notify Operator, by certified mail, return receipt requested, of the alleged default. Operator shall have thirty (30) days from receipt of the written notification in which to cure the alleged default or otherwise appropriately respond to the notification in a manner assuring ONHIR and NDCG that the default will be cured on a timely basis.

19. **Limited Term.** Notwithstanding anything herein to the contrary, this Agreement shall have an effective term no greater than twenty (20) years from the effective date of this Agreement.

20. **Execution in Counterparts.** This Agreement may be executed in any number of counterparts, each of which (whether by email, facsimile, or other electronic means) shall be deemed to be an original, and all of such counterparts shall constitute one Agreement.

[Signature page to follow.]



[Signature page to Surface Use and Damage Agreement.]

DATED as of the year and date first above written.

ONHIR:

Christopher J. Bavasi, Executive Director

THE NAVAJO NATION:

Russell Begaye, Navajo Nation President

OPERATOR: RANGER DEVELOPMENT LLC



By: Jeremy Jordan
Title: Manager

CONCURRENCE: NDCG

Darrell Tso
President, Nahata Dził Commission Governance

[Signature page to Surface Use and Damage Agreement.]


DATED as of the year and date first above written.

ONHIR:



Christopher J. Bavasi, Executive Director

THE NAVAJO NATION:



Russell Begaye, Navajo Nation President

OPERATOR: RANGER DEVELOPMENT LLC

By: Jeremy Jordan
Title: Manager

CONCURRENCE: NDCG



Darrell Tso
President, Nahata Dziil Commission Governance

[Signature page to Surface Use and Damage Agreement.]

DATED as of the year and date first above written.

ONHIR:



Christopher J. Bavasi, Executive Director

THE NAVAJO NATION:



Russell Begaye, Navajo Nation President

OPERATOR: RANGER DEVELOPMENT LLC

By: Jeremy Jordan
Title: Manager

CONCURRENCE: NDCG



Darrell Tso
President, Nahata Dziil Commission Governance

EXHIBIT "A"

to Surface Use and Damage Agreement dated October 26, 2017 by and between
ONHIR, the Navajo Nation, Ranger Development LLC and NDCG

LEGAL DESCRIPTION of THE ESTATE SUBJECT to THIS AGREEMENT:

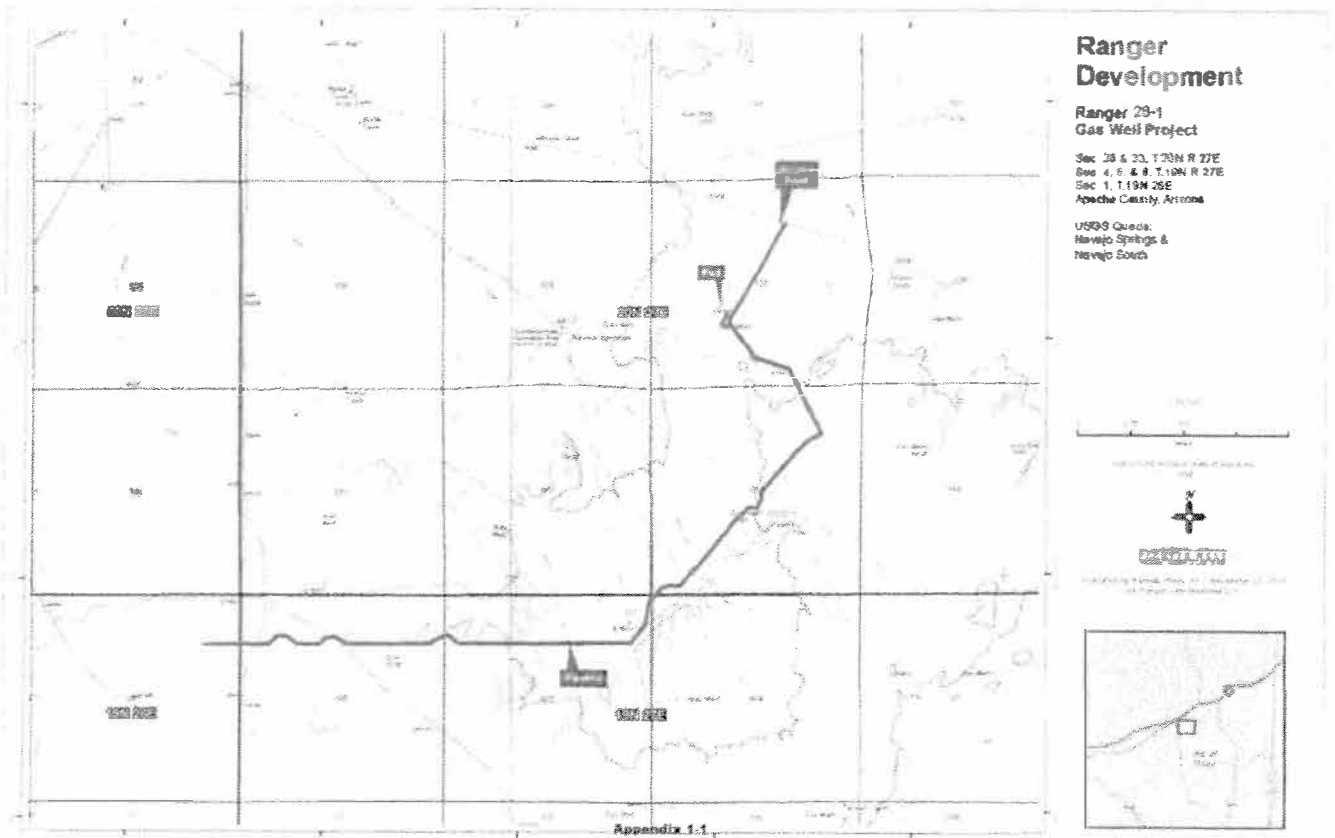
Sections 4, 5, and 6, Township 19 North, Range 27 East (Secs. 4, 5 & 6, T19N-R27E), and
Sections 19, 20, 21, 28 and 33, Township 20 North, Range 27 East (Secs. 19, 20, 21, 28 & 33, T20N-R27E),
Gila and Salt River Meridian, Apache County, Arizona.



EXHIBIT "B"

to Surface Use and Damage Agreement dated October 26, 2017 by and between
ONHIR, the Navajo Nation, Ranger Development LLC and NDCG

DEPICTION and SURVEY of the LANDS SUBJECT to THIS AGREEMENT:

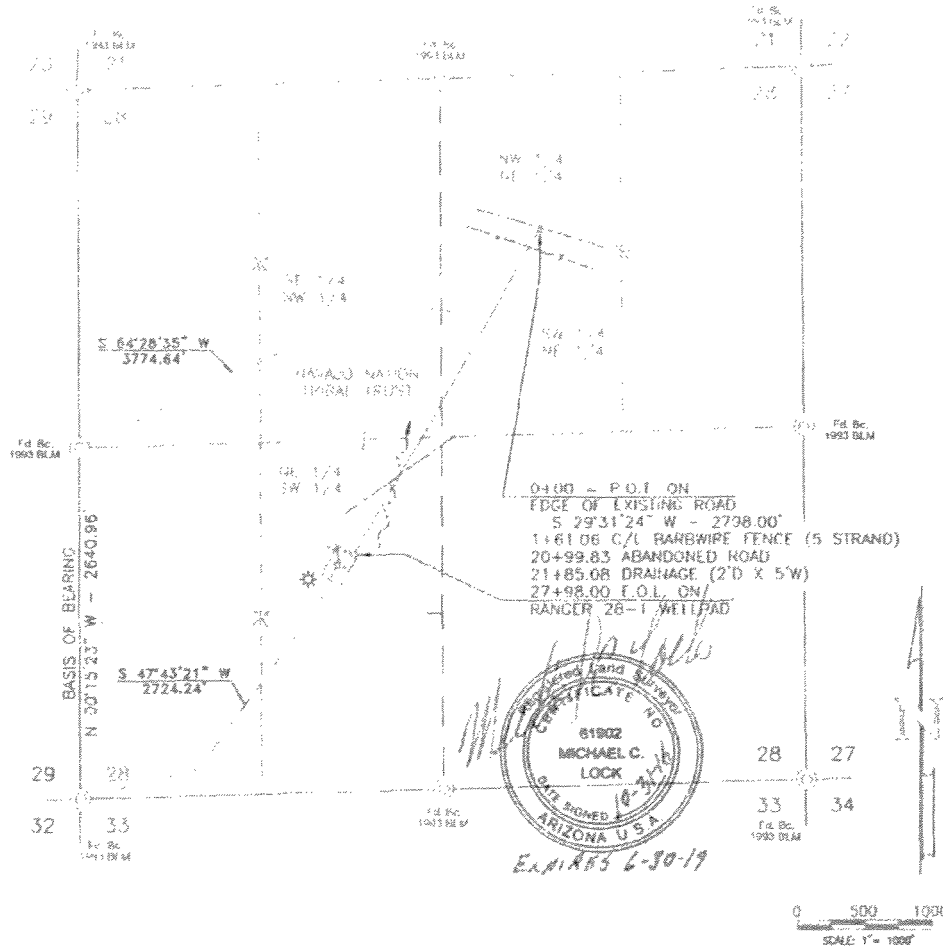


ff

Ranger Development, LLC

ACCESS ROAD

GILA AND SALT RIVER MERIDIAN, APACHE COUNTY, ARIZONA



1. BASIS OF BEARING: MONUMENTED WEST LINE OF THE SW 1/4 OF SECTION 28, T-28-N, R-27-E, GILA AND SALT RIVER MERIDIAN, APACHE COUNTY, ARIZONA. BEARS N 01°15'25\"
2. ALL BEARINGS & DISTANCES SHOWN ARE BASED UPON THE ARIZONA COORDINATE SYSTEM, EAST ZONE, AND 83, IN INTERNATIONAL FEET.

SURVEYOR'S CERTIFICATION

I HEREBY CERTIFY THAT THIS PLAT REPRESENTS A SURVEY PERFORMED BY ME OR UNDER MY SUPERVISION AND THAT IT ACCURATELY REPRESENTS SAID SURVEY TO THE BEST OF MY KNOWLEDGE AND BELIEF

Michael C. Lock
MICHAEL C. LOCK, R.L.S. #61952 DATE 10-11-16

OWNER	STATION	FEET/RODS
NAVAJO NATION TRIBAL TRUST	0+00 TO 27+98.00	2798.00 / 169.576

Ranger Development, LLC

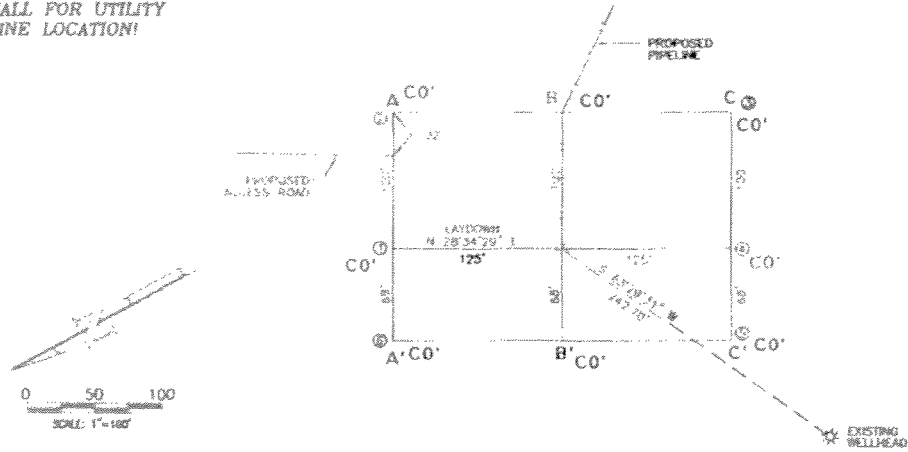
SURVEYED: 10/14/16	REV. DATE:	APP. BY: M.C.L.
DRAWN BY: C.B.	DATE DRAWN: 10/19/16	FILE NAME: 1110.SAD1

UNITED
FIELD SERVICES INC.

P.O. BOX 3451
FARMINGTON, NM 87409
OFFICE: (505) 334-0408

RANGER 28-1 WELL PAD

BEFORE DIGGING
CALL FOR UTILITY
LINE LOCATION!



ELEVATION A-A'

5780				
5770				
5760				
5750				
5740				

B-B'

5780				
5770				
5760				
5750				
5740				

C-C'

5780				
5770				
5760				
5750				
5740				

CROSS SECTIONS

HORIZONTAL: 1"=100'
VERTICAL: 1"=50'

LEASE: RANGER 28-1

FOOTAGES: 1703' FSL. 1904' FWL

SEC. 28 TWN. 20 N RNG. 27 E

LAT: 35.1012650° N LONG: 109.4822760° W(NAD83)

ELEVATION: 5762

Ranger Development, LLC

SURVEYED: 10/14/16

REV. DATE:

APP. BY: M.C.L.

DRAWN BY: C.B.

DATE DRAWN: 10/19/16

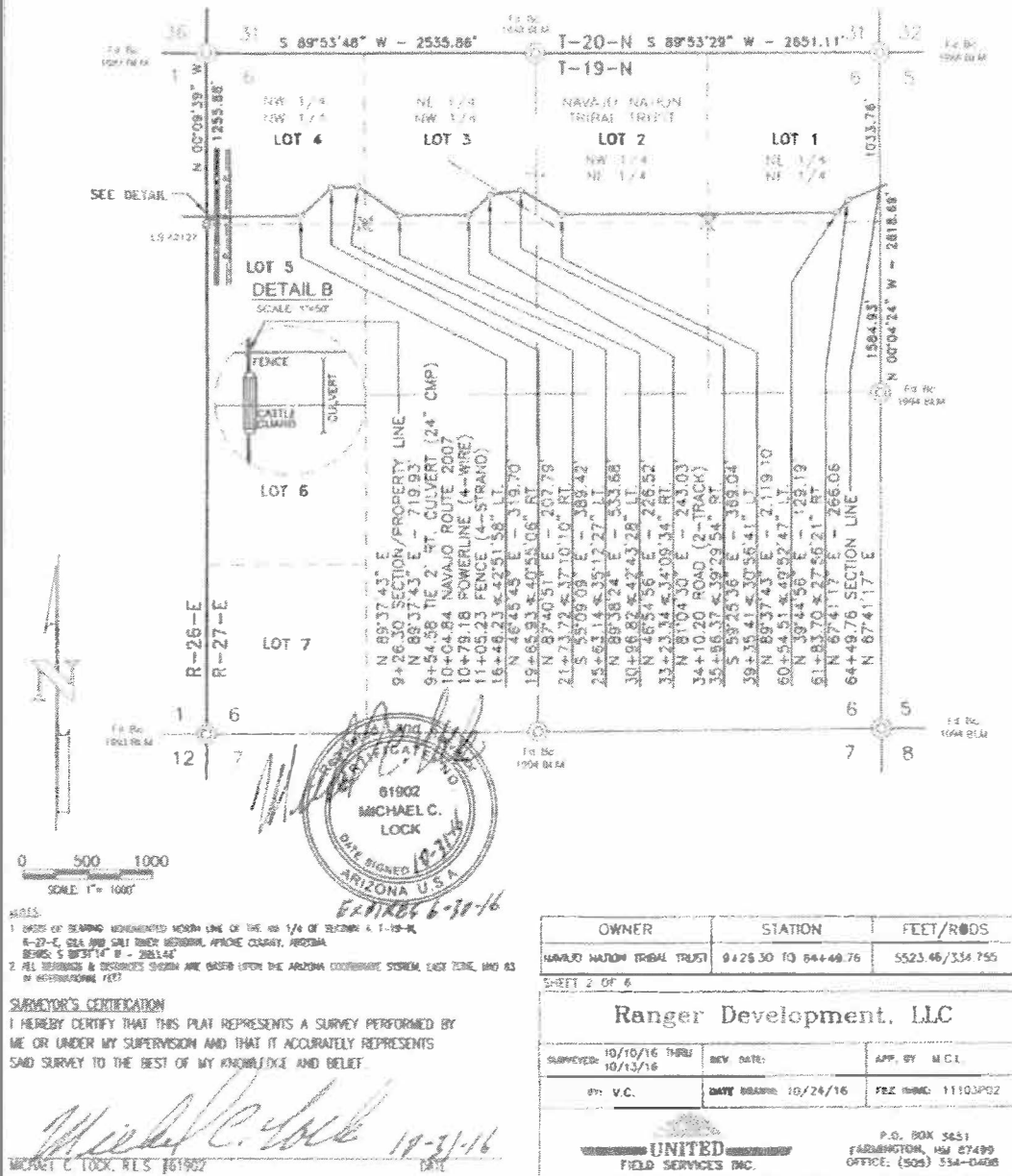
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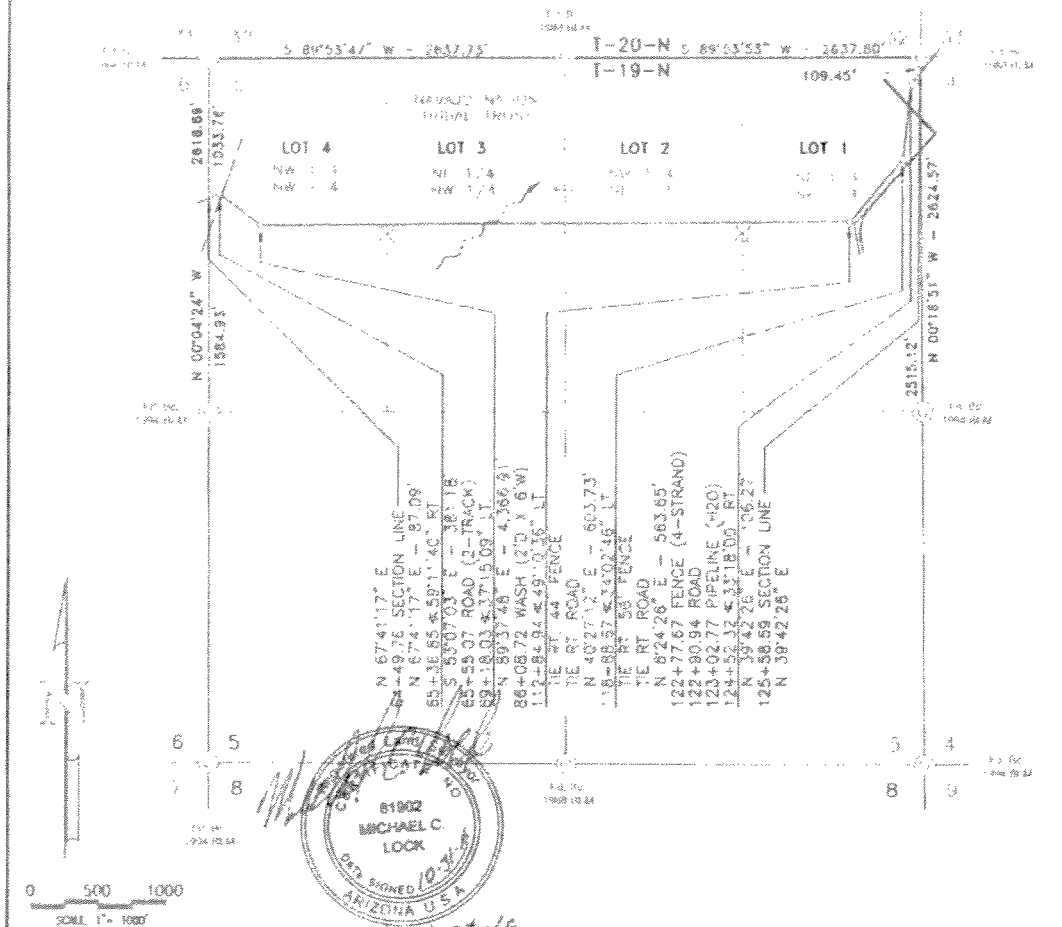
P.O. BOX 3651
TARRANTIA, MO 67489
OFFICE: (503) 334-0408

Handwritten signature or initials.

Ranger Development, LLC
PIPELINE ROUTE
SECTION 6, T-19-N, R-27-E,
GILA AND SALT RIVER MERIDIAN, APACHE COUNTY, ARIZONA



Ranger Development, LLC
PIPELINE ROUTE
SECTION 5, T-19-N, R-27-E,
GILA AND SALT RIVER MERIDIAN, APACHE COUNTY, ARIZONA



- NOTES**
1. CORNER OF BEARING-BEARING-BEARING MEASURED LINE OF THE NW 1/4 OF SECTION 4, T-19-N, R-27-E, GILA AND SALT RIVER MERIDIAN, APACHE COUNTY, ARIZONA. BEARS: S 89°11'14" W - 2553.44'
 2. ALL BEARINGS & DISTANCES SHOWN ARE BASED UPON THE ARIZONA COORDINATE SYSTEM (AZ 83), AND AS IN INTERNATIONAL 1971.

SURVEYOR'S CERTIFICATION
 I HEREBY CERTIFY THAT THIS PLAN REPRESENTS A SURVEY PERFORMED BY ME OR UNDER MY SUPERVISION AND THAT IT ACCURATELY REPRESENTS SAID SURVEY TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Michael C. Lock
 MICHAEL C. LOCK R.T. 81902
 DATE 10-24-16

OWNER	STATION	FEET/HOCS
NAVAJO NATION TRIBAL TRUST	64+49.76 TO 125+58.50	6108.83/370.232

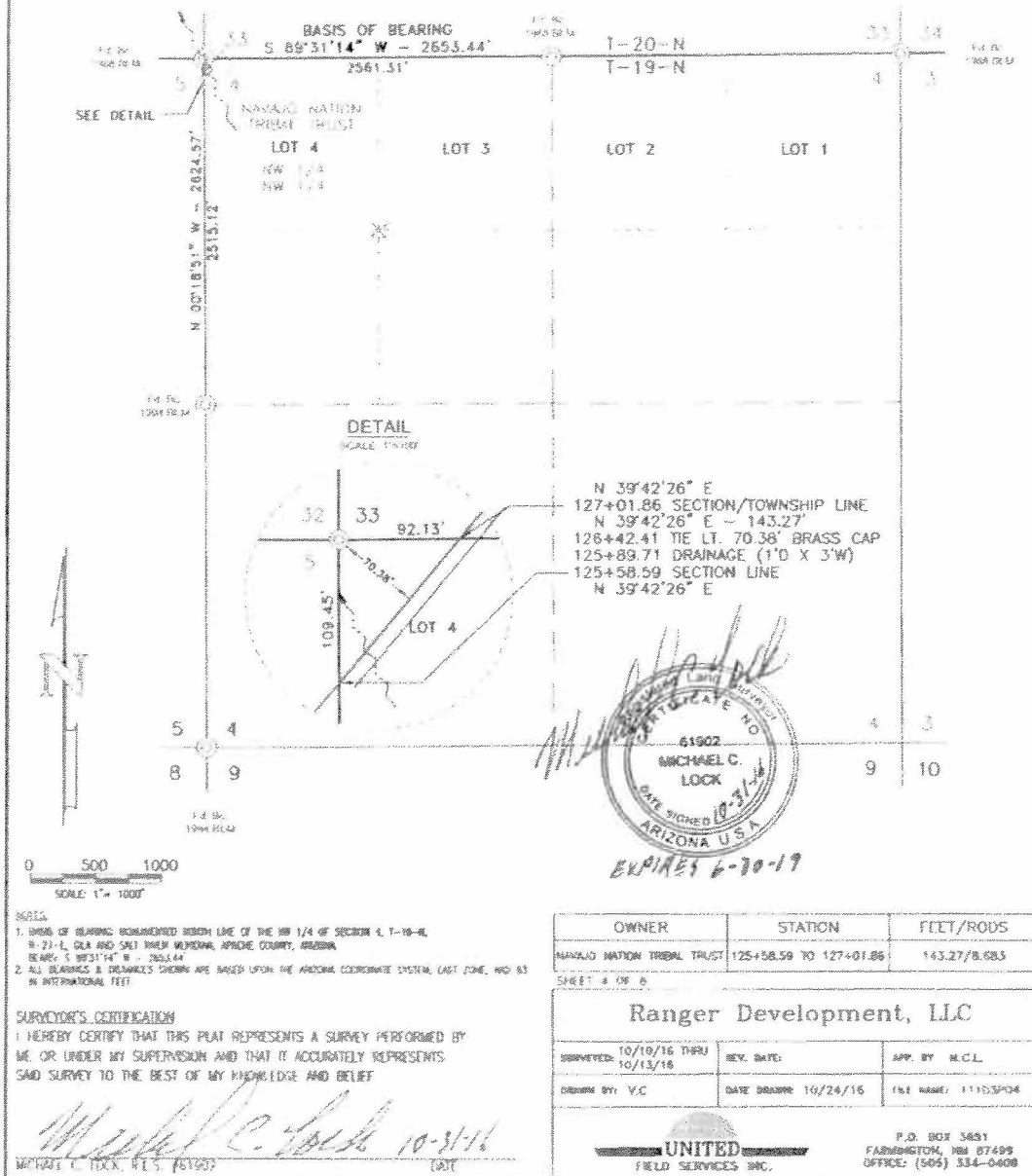
SHEET 5 OF 8		
Ranger Development, LLC		
SURVEYED: 10/10/16 THRU 10/13/16	REV. DATE:	APP. BY: M.C.L.
DRAWN BY: V.C.	DATE DRAWN: 10/24/16	FILE NUMBER: 11103403

UNITED
 FIELD SERVICES INC.

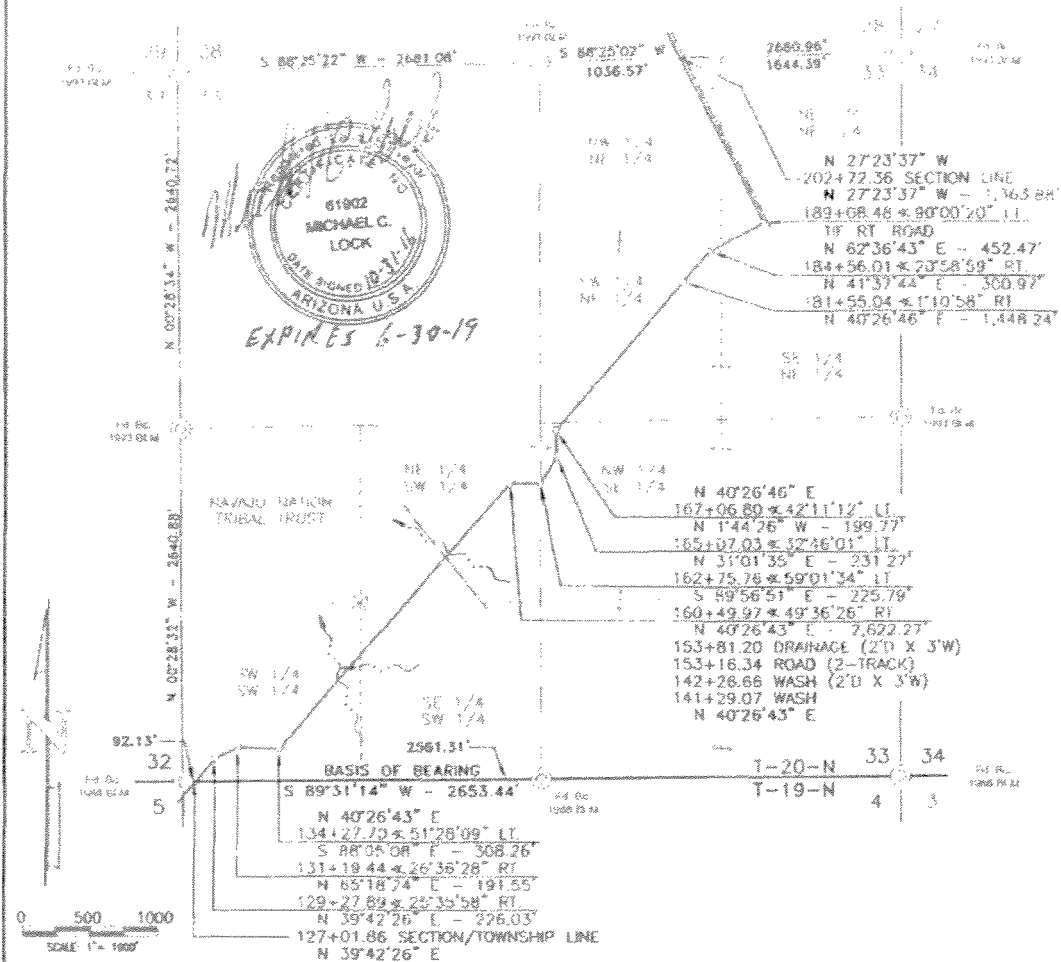
P.O. BOX 3631
 FAIRMINGTON, NM 87409
 OFFICE: (505) 354-0408

Handwritten signature

Ranger Development, LLC
PIPELINE ROUTE
SECTION 4, T-19-N, R-2/-E,
GILA AND SALT RIVER MERIDIAN, APACHE COUNTY, ARIZONA



Ranger Development, LLC
PIPELINE ROUTE
SECTION 33, T-20-N, R-27-E,
GILA AND SALT RIVER MERIDIAN, APACHE COUNTY, ARIZONA



10/23
 1. BASIS OF BEARING: MONUMENTED NORTH LINE OF THE NW 1/4 OF SECTION 4, T-18-N, R-27-E, GILA AND SALT RIVER MERIDIAN, APACHE COUNTY, ARIZONA BEARS S 89°31'14" W - 2653.44'
 2. ALL BEARINGS & DISTANCES SHOWN ARE BASED UPON THE ARIZONA COORDINATE SYSTEM, EAST ZONE, NAD 83 BY INTERNATIONAL 1983

SURVEYOR'S CERTIFICATION
 I HEREBY CERTIFY THAT THIS PLAT REPRESENTS A SURVEY PERFORMED BY ME OR UNDER MY SUPERVISION AND THAT IT ACCURATELY REPRESENTS SAID SURVEY TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Michael C. Lock 10-31-16
 MICHAEL C. LOCK, R.E.S. #61802 DATE

OWNER	STATION	FEET/RODS
NAVAJO NATION TRIBAL TRUST	127+01.86 TO 202+72.36	7570.50/458.618

54115 OF 6

Ranger Development, LLC

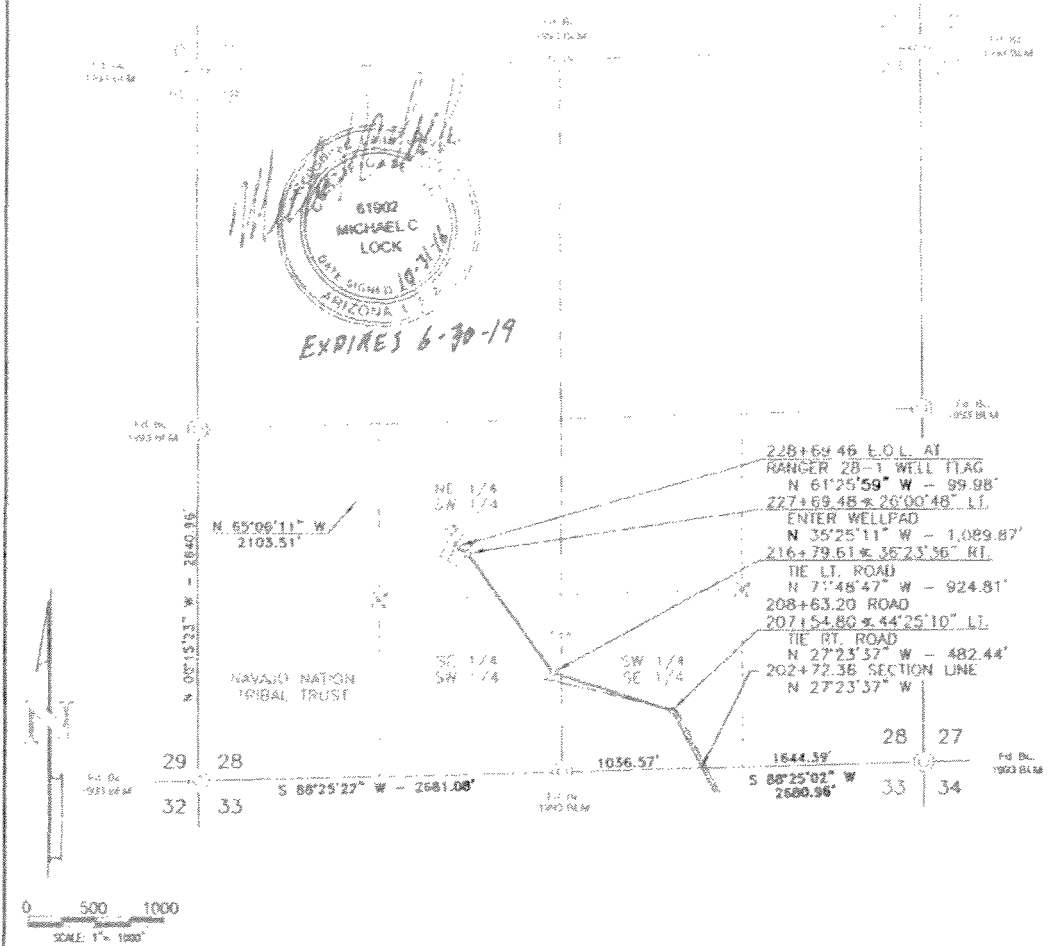
SURVEYED: 10/10/16 T&M	REV. DATE:	APP. BY: M.C.L.
DRAWN BY: V.C.	DATE DRAWN: 10/24/16	FILE NAME: 11163-100

UNITED FIELD SERVICES INC.

P.O. BOX 3851
 FARMINGTON, NM 87409
 OFFICE: (505) 334-0408

Handwritten signature/initials

Ranger Development, LLC
PIPELINE ROUTE
SECTION 28, T-20-N, R-27-E,
GILA AND SALT RIVER MERIDIAN, APACHE COUNTY, ARIZONA



1. BEARS OF BEARING: MEASURED NORTH LINE OF THE NW 1/4 OF SECTION 4, T-18-N, R-27-E, GILA AND SALT RIVER MERIDIAN, APACHE COUNTY, ARIZONA.
 BEARS: 3 89°31'14" W - 2651.44'
2. ALL BEARINGS & DISTANCES SHOWN ARE BASED UPON THE ARIZONA COORDINATE SYSTEM, LAST ZONE, AND IS IN HORIZONTAL FEET.

SURVEYOR'S CERTIFICATION

I HEREBY CERTIFY THAT THIS PLAT REPRESENTS A SURVEY PERFORMED BY ME OR UNDER MY SUPERVISION AND THAT IT ACCURATELY REPRESENTS SAID SURVEY TO THE BEST OF MY KNOWLEDGE AND BELIEF

Michael C. Lock 10-31-16
 MICHAEL C. LOCK R/S 61902 DATE

OWNER	STATION	FEET/RODS
NAVAJO NATION TRIBAL TRUST	202+72.36 TO 228+69.46	2597.10/157.400

SHEET 6 OF 6

Ranger Development, LLC

SURVEYED: 10/10/16 HRSU 10/13/16	REV. DATE:	APP. BY: M.C.L.
DESIGN BY: V.C.	DATE DESIGN: 10/24/16	FIG. NAME: 11105P06



P.O. BOX 3651
 FARMINGTON, NM 87499
 OFFICE: (505) 354-0408

JP

EXHIBIT "C"

to Surface Use and Damage Agreement dated October 26, 2017 by and between
ONHIR, the Navajo Nation, Ranger Development LLC and NDCG

Excerpts from Environmental Assessment Illustrating (A) Total Surface Disturbance for (i) Well Pad Location, (ii) Pipeline Route and (iii) New Access Road, and (B) Certain Construction Specifications:

2.2 Alternative B - Proposed Action

The Proposed Action involves drilling the Ranger 28-1 well, constructing a road and well pad and an associated pipeline. The Proposed Action is located approximately eight miles southwest of Chambers, Arizona as indicated in Table 2.1 and shown in the vicinity map attached as Appendix 1. A summary of land use is given in Table 2.2. The estimated duration of the project is six weeks.

Table 2.1 Well Location (LAT: 35.0866379° N, LONG: 109.5163463° W, NAD 83)

Well Name	#	Surface Position	T.	R.	S.	County	Gas Lease	Quad Map
Ranger 28	1	1904' FWL & 1703' FSL	20N	27E	28	Apache	Private	Navajo Springs, AZ

Table 2.2 Land Use Summary

Surface Ownership	28-1 Well Pad			Access Road			Pipeline			Land Use (Acres)
	Length (ft.)	Width (ft.)	Acres	Length (ft.)	Width (ft.)	Acres	Length (ft.)	Width (ft.)	Acres	-
Navajo Nation	250	168	0.964	2798.00	20	1.285	21,016.86	30	14.474	16.723
Private	0	0	0	0	0	0	926.30	30	0.638	0.638
Project Total										17.361

2.2.1 Well Drilling and Well Pad Construction

Ranger will drill the well to extract helium gas from the Coconino and Shinarump sandstone. The well pad will be 250 feet by 168 feet. The top six inches of soil and brush will be stripped and stockpiled south of the pad and kept separate from the pit subsoil. The soil pile will be maintained for use in reclamation. Slopes will be no steeper than three to one.

2.2.2 Pipeline and Road Construction

A 21,943.16-foot, 6-inch O.D. poly pipeline will be buried 36 inches deep from the proposed Ranger 28-1 well site to Ranger's Apache gas plant in Section 1, T. 19N, R. 26E. The pipeline corridor width will be 30 feet. The 2,798 feet of new road will be built to BLM Gold Book Standards. The road will have an approximate 14-foot wide running surface and will be rocked as needed. Maximum disturbed width will be 20 feet. Maximum cut or fill will be 3 feet. Maximum grade will be 10%. The location of the route is shown in the map attached as Appendix 1.

EXHIBIT "D"

to Surface Use and Damage Agreement dated October 26, 2017 by and between
ONHIR, the Navajo Nation, Ranger Development LLC and NDCG

Approved Application for Permit to Drill and Related Correspondence Extending Such Approved Permit

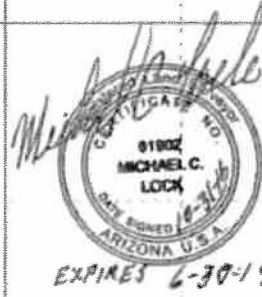
APPLICATION FOR PERMIT TO DRILL OR RE-ENTER			
APPLICATION TO DRILL <input checked="" type="checkbox"/>		RE-ENTER OLD WELL <input type="checkbox"/>	
NAME OF COMPANY OR OPERATOR RANGER DEVELOPMENT LLC 5400 LBJ Freeway, Suite 1020, Dallas TX 75240 (972) 950-3212			
Address	City	State	Phone Number
Drilling Contractor not known at this time			
Address			
DESCRIPTION OF WELL AND LEASE			
Fossil, State or Indian Lease Number, or if fee lease, name of lessor fee: Santa Fe Railroad		Well number NS 28-1	Elevation (ground) 902'
Nearest distance from proposed location to property or lease line 1703 feet		Distance from proposed location to nearest drilling, completed or proposed well on the same lease 243' ENE from P&A #0258	
Number of acres in lease 662.68 ACRES (per 1998 BLM survey)		Number of wells on lease, including this well, completed in or drilling to this reservoir 2 (this proposed gas well + 1 P&A)	
If lease purchased with one or more wells drilled, from whose purchased P&A well only @ purchase		Name Cimarex Energy, 1700 Lincoln St., Suite 3700, Denver CO 80203	
Well location (give section from section lines) 1703 FSL - 1904' FWL		Section - Township - Range or Block and Survey SEC. 28, T-20-N, R-27-E, G & SRM	Dedication per A.A.C. R12-7-104(A)(3) all 28-20n-27e
Field and reservoir (if wildcat, no state) Navajo Springs		County APACHE	
Distance in miles and direction from nearest town or post office S 66°W, 7 MILES FROM CHAMBERS, AZ			
Proposed depth 1100'	Rotary or cable tools Rotary	Approximate date work will start Upon Approval	
Bond status filed & \$25,000	Organization Report Attached	Filing Fee of \$25.00 Attached	
Remarks CUSTOMER 89492 API # 02-001-20504			
<p>CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: Consultant of the</p> <p>Ranger Development, LLC (company), and that I am authorized by said company to make this report, and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.</p> <p><i>Brian Wood</i> Signature 1-26-17 Date</p> <p>Brian Wood (505) 466-8120 brian@permitswest.com</p>			
<p>Permit Number / LTF 1214/65441</p> <p>Approval Date: 24 MARCH 2017</p> <p>Approved By: DLT</p> <p>NOTICE: Before sending in this form be sure that you have given all information requested. Much unnecessary time and money can be saved if this is avoided.</p>		<p>STATE OF ARIZONA</p> <p>OIL & GAS CONSERVATION COMMISSION</p> <p>Application to Drill or Re-enter</p> <p>File Two Copies</p>	

(Complete Reverse Side)

506

Handwritten signature

1. Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-7-107.
2. A registered surveyor shall show on the plat the location of the well and certify this information in the space provided.
3. ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION.
4. Is the operator the only owner in the dedicated acreage outlined on the plat below? YES ☒ NO ☐
5. If the answer to question four is no, have the interests of all owners been consolidated by communitization agreement or otherwise?
YES ☐ NO ☐ If answer is yes, give type of consolidation
6. If the answer to question four is no, list all the owners and their respective interests below:

Owner	Land Description
<div style="text-align: center;"> <p>SECTION 28, TOWNSHIP 20 NORTH RANGE 27 EAST GILA & SALT RIVER MERIDIAN</p> <p>NS 28 - 1 LAT: 35.1012650° N LONG: 109.4822760° W NAD 83</p> <p>1804'</p> <p>1703'</p> <p>S 88°06'17" W - 2677.65'</p> <p>S 88°06'21" W - 2677.76'</p> <p>S 88°25'22" W - 2681.06'</p> <p>S 88°25'02" W - 2680.95'</p> <p>N 00°19'31" W - 2640.72'</p> <p>N 00°19'23" W - 2640.95'</p> <p>N 00°20'01" W - 2654.93'</p> <p>N 00°20'01" W - 2655.23'</p> </div> <div style="text-align: center; margin-top: 20px;">  </div>	
<p style="text-align: center;">CERTIFICATION</p> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <p style="text-align: right;"><i>Brian Wood</i></p> <p>Name <u>Brian Wood</u></p> <p>Position <u>Consultant</u></p> <p>Company <u>Ranger Development, LLC</u></p> <p>Date <u>1-27-17</u></p> <p style="text-align: right;">(505) 466-8120</p> <p>I hereby certify that the well location shown on the plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>Date Surveyed <u>Oct 14, 2016</u></p> <p>Registered Land Surveyor <i>Michael C. Lock</i></p> <p>Certificate No. <u>61902</u></p>	

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
10.75" in 12.25"	cond.	pipe	GL	20'	GL - 20'	5 cu ft	ready mix
7.625" in 9.5"	23	J-55	GL	500'	GL - 500'	85 sx	prem. light
4.5" in 6.75"	15.5	J-55	GL	1050'	GL - 1050'	80 sx	prem. light
3.75" OH	N/A	N/A	1050'	1100'	N/A	N/A	N/A

8

[illegible][illegible]

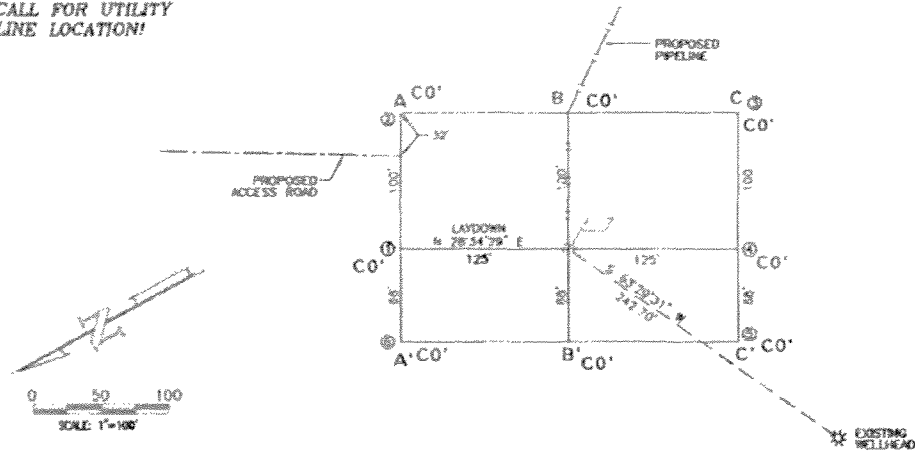
[Handwritten notes:]

1. The first part of the paper discusses the importance of understanding the underlying mechanisms of the system.

2. The second part describes the experimental setup and the results obtained from the simulations.

3. The third part presents the conclusions drawn from the study and suggests directions for future research.

BEFORE DIGGING
CALL FOR UTILITY
LINE LOCATION!



ELEVATION A-A'

5780				
5770				
5760				
5750				
5740				

B-B'

5780				
5770				
5760				
5750				
5740				

C-C'

5780				
5770				
5760				
5750				
5740				

CROSS SECTIONS

HORIZONTAL: 1"=100'

VERTICAL: 1"=50'

LEASE: RANGER 28-I

FOOTAGES: 1703' FSL, 1904' FWL

SEC. 28 TWN. 20 N RNG. 27 E

LAT: 35.1012650° N LONG: 109.4822760° W(NAD83)

ELEVATION: 5762

Ranger Development, LLC

SURVEYED: 10/14/16

REV. DATE:

APP. BY: M.C.L.

DRAWN BY: C.B.

DATE DRAWN: 10/19/16

FILE NAME: 11103001

UNITED
FIELD SERVICES INC.

P.O. BOX 3851
FARMINGTON, NM 87409
OFFICE: (505) 334-8408



Douglas A. Ducey
Governor

State of Arizona
Oil and Gas Conservation Commission
1110 W. Washington Street, Phoenix, AZ 85007
602-771-4581
www.azogcc.az.gov
Dennis L. Turner, Oil and Gas Administrator

Commissioners:
Frank Thorwald, Chair
Robert L. Wagner, Vice Chair
Stephen R. Cooper
William C. Feyersabend
J. Dale Nations, Ph.D.

VIA EMAIL

September 16, 2017

Mr. Tony Hines
Sr. Vice President of Operations
IACX Energy/ Ranger Development LLC
5400 LBJ Expressway, Suite 450
Dallas, TX 75240

RE: Permit expiration date extended: Fee Ranger 2B-1 NS, Permit No. 1214

Dear Mr. Hines:

The Arizona Oil and Gas Conservation Commission (OGCC) has extended the permit expiration date for the subject well to March 31, 2018, in accordance with Arizona Administrative Code (A.A.C.) R12-7-104(D).

Your blanket performance bond remains in effect. Restrictions as outlined in my permit to drill letter dated March 24, 2017 also remain in effect.

Please direct any questions to:

Dennis L. Turner
Oil & Gas Administrator
Arizona Oil & Gas Conservation Commission
c/o Arizona Department of Environmental Quality
1110 W. Washington Street
Phoenix, AZ 85007
ogcc@azdeq.gov

Sincerely,

Dennis L. Turner
Oil & Gas Program Administrator

cc: Frank Thorwald, Chairman, Arizona Oil and Gas Conservation Commission (email only)