OIL AND GAS LEASE

This Oil and Gas Lease ("Lease") is made this _8th_ day of _September_, _2015_, by and between _Grant Myers, Trustee and his Successors in Trust under the Grant G Myers Revocable Trust, dated June 24, 2015_ whose address is _1314 N. 162 St., Omaha, NE 68118, ("Lessor, whether one or more) and _Morning Gun Exploration LLC_ whose address is _1601 Arapahoe Street, Box 1 - 16th Floor, Denver CO, 80202_ ("Lessee").

WITNESSETH, That the Lessor, for and in consideration of ten and more dollars (\$10.00+) cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for surveying and re-surveying, constructing, laying, repairing, replacing, upgrading and removing in whole or in part, pipelines and related equipment including, without limitation, gauges, metering and communication equipment and valve sets, and access over and across the lands described for said purposes, laying pipelines, and erection of any other structures thereon necessary or convenient to produce, save and take care of said products, all that certain tract of land situated in the County of Weld, State of Colorado, described as follows, to-wit:

Township 7 north, Range 63 West 6th P.M.fd Section 3: SW/4

and containing 160.00 acres, more or less (including any interests therein which Lessor may hereinafter acquire by reversion, prescription or otherwise)(the "Premises"). In addition to the above described land, this lease and the term "Premises" also covers accretions and any small strips or parcels of land now or heareafter owned by Lessor which are contiguous or adjacent to the above-mentioned land, and in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.

- 1. It is agreed that this lease shall remain in force for a term of <u>five (5)</u> years from this date, and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.
- 2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.
 - 3. Lessee covenants and agrees to pay royalty to Lessor as follows:
- (a) On oil, to deliver to the credit of Lessor, free of cost in the pipeline to which Lessee may connect wells on the Premises, the equal three-twentieths (15.00%) part of all oil produced and saved from the Premises.
- (b) On gas of whatsoever nature or kind, liquid hydrocarbons and their respective constituent elements, casinghead gas or other gaseous substances, produced from the Premises ("Gas") Lessee shall pay, as royalty, three-twentieths (15.00%) of the net proceeds realized by Lessee from the sale at the well. Lessee however shall deduct the costs of treatment, compression, sales and marketing before the calculation and payment of such royalty.
- (c) On other produced from the Premises Lessee shall pay, as royalty, three-twentieths (15.00%) of the net proceeds realized by Lessee from the sale at the well.
- 4. Where Gas from a well capable of producing Gas only, is not sold or used after the expiration of the Primary Term, Lessee shall pay or tender as royalty to Lessor at the address set forth above One Dollar (\$1.00) per year per net mineral acre, such payment or tender to be made on or before the anniversary date of this Lease next ensuing after the expiration of one hundred twenty (120) days from the date such well is shut in or dewatering operations are commenced and thereafter on or before the anniversary date of this Lease.
- 5. If said Lessor owns a less interest in the above-described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.
- 6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.
 - 7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.
 - 8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.
 - 9. Lessee shall pay for damages caused by Lessee's operations to growing crops and damage to land and improvements on said land.
 - 10. Lessee shall have the right at any time to remove all machinery and fixtures (including casing) Lessee has placed on the Premises.
- 11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.
- 12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude

such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit.

- 13. In the interest of conservation, the protection of reservoir pressures and the recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the Premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon the Premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefiting the Premises.
- All express or implied covenants of this Lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this Lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation. Any delay or interruption caused by storm, flood, act of God or other event of force majeure shall not be counted against Lessee. If, due to the above causes or any cause whatsoever beyond the control of Lessee, Lessee is prevented from conducting operations hereunder, such time shall not be counted against Lessee, and this Lease shall be extended for a period of time equal to the time Lessee was so prevented, anything in this Lease to the contrary notwithstanding. If, due to the above causes or any cause whatsoever (other than lack of sufficient capital/funds) beyond the control of Lessee, Lessee is prevented from conducting operations hereunder, such time shall not be counted against Lessee, and this Lease shall be extended for a period of time equal to the time Lessee was so prevented, anything in this Lease to the contrary notwithstanding.
- 15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after the service of such notice on lessee. Neither the service of such notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or cancelled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions or stipulations.
- Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, by, through, and under Lessor, but not otherwise and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above-described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.
- 17. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall inure to the benefit of and be binding on the personal representatives, heirs, successors and assigns of Lessor and Lessee.
- 18. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right, but not the obligation to extend the Primary Term of this lease on all or any part of the lands herein described for five (5) additional years by tendering to Lessor at the address listed on this lease, on or before the end of this Primary Term, a bonus consideration of 150% of the original lease bonus paid for those lands so extended, which payment shall represent payment in full of consideration for this extension.

Commission Expires:

Print Name