**SURFACE LEASE SPECIAL CONDITIONS ADDENDUM**

**Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**These special conditions are attached to and form part of the surface lease agreement on the titled property known as the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. If there is any conflict between these special conditions and any conditions or terms on the attached surface lease agreement, these special conditions shall prevail. The term “Lessee” on this addendum shall include joint and several all agents, landmen, contractors, subcontractors, operators, consultants, surveyors, employees, personnel and or successor’s and assign’s of the Lessee.**

1. **This surface lease is for the drilling of only one (1) oil or gas well and not for any future gas processing plant, compressor, battery or other facility.**
2. **The Lessee shall conduct a pre-site assessment with proper soil sampling and analysis and provide the Lessor with a certified copy of the assessment prior to lease site and access construction. The Lessee shall conserve all topsoil in a good workman like manner, having regard to good soil conservation practices and any other reasonable request and or direction of the Lessor in connection therewith. All topsoil shall be conserved by the Lessee and stored on the demised premises in such manner as to prevent any erosion and or contamination or pollution of the topsoil.**
3. **The Lessee shall contain its operations to the area within the surveyed demised premises as approved by the Lessor, including the travel and movement of personnel, vehicles, equipment, etc.**
4. **The Lessee shall not obstruct or impede the natural drainage of the remainder of the land adjacent to the demised premises, and to that end shall construct and or install adequate culverts and or other works as the Lessor may require.**
5. **The Lessee shall construct and maintain such fences, locking gates, adequate approaches and crossing with adequate gates, and other works, to such standard as the Lessor and the occupant may require for wide equipment crossing and to ensure the safety and prevent the straying of livestock and to prevent trespass onto and adjoining the demised premises. Such fences and gates shall be constructed by the Lessee prior to the construction of the access road and or lease site.**
6. **The Lessee shall prevent the noxious, nuisance and restricted weeds from growing on the demised premises. The Lessee shall not move any machinery, equipment or vehicles onto the demised premises if such movement is likely to cause the spread of a noxious , nuisance or restricted weed. The Lessee shall wash and clean all machinery, equipment and vehicles immediately prior to entry onto the demised premises to prevent the spread of weed seeds, introduction of soil born disease and or any other polluting substance and or material. The Lessee shall have the Lessor inspect the equipment for cleanliness prior to entry onto the demised premises.**
7. **The Lessee shall compensate the Lessor for all crop loss, adverse effect, inconvenience, nuisance and any other damages suffered as a result of the Lessee’s operations on or near the demised premises. Any crop loss and or loss of use shall be valued at a minimum of $\_\_\_\_\_\_\_\_\_ per acre per year during the continuance of this surface lease. The Lessee will pay all legal and or consultation costs incurred by the Lessor, pertaining to the acquisition of and the continuance of this surface lease. The Lessor’s time in respect to matters concerning this surface lease shall be valued at a minimum of Fifty ($50.00) Dollars per hour and such costs shall be borne by the Lessee and shall be paid in full to the Lessor within Thirty (30) days of invoicing. An interest rate of three (3%) percent per month (36% per year) will be levied against any amount outstanding and will be compounded monthly.**
8. **The Lessee shall not engage in the wanton discharge of firearms on or adjoining the demised premises, nor shall any domestic animals in keeping of the Lessee be allowed to roam at large in the area.**
9. **The Lessee shall not drill any water well on the demised premises without the Lessor’s written consent. Prior to any exploration on the demised premises, the Lessee shall, after consultation with the Lessor, properly sample, test, measure, record, analyze thoroughly by an accredited laboratory and present the Lessor with a certified analysis of all water wells and or water bodies tested on or near the titled property where the exploration is to occur. The Lessee shall conduct a duplicate certified thorough water analysis after drilling operations have been completed and after any future fracturing operations and provide the Lessor with the certified results. All testing and analysis costs will be borne by the Lessee.**
10. **The Lessee shall not construct any above ground powerlines on, over, across and or along the demised premises without the Lessor’s written consent.**
11. **The Lessee shall not construct any pipeline or flowline along, over or through the demised premises without the Lessor’s written consent.**
12. **The Lessee shall not apply any chemical, soil sterilizing material, pesticide and or herbicide onto the demised premises without the Lessor’s written consent.**
13. **The Lessee shall salvage all merchantable timber logs, posts and firewood on the demised premises in a manner agreeable to the Lessor for the Lessor’s use. The Lessee shall pay to the Lessor $\_\_\_\_\_\_\_\_ per tree if any trees are damaged that were designated as shelterbelt trees.**
14. **The Lessee shall not dispose of any sump fluids, toxic chemicals, hazardous substance, radioactive material, rocks and or garbage on the demised premises without the Lessor’s written consent.**
15. **The Lessee shall maintain aesthetics on the demised premises and prepare an adequate cultivated seed bed and plant a certified seed as requested by the Lessor to prevent soil erosion and pollution by the \_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20\_\_\_\_\_\_.**
16. **The Lessee shall permit the Lessor to use the lease road and cross over the demised premises to gain access to the remainder of the lands. The Lessee shall provide adequate approaches, fences, locking gates and other works as the Lessor may require for the movement of livestock and machinery, etc. across the demised premises.**
17. **The Lessee shall not apply any coarse gravel and or pit run rock onto the demised premises. The Lessee shall not move any topsoil, subsoil, clay or marl off and or on to the demised premises without the Lessor’s written consent.**
18. **The Lessee shall adequately berm the lease site, prior to the drilling operations to contain and to prevent the migration of hydrocarbons drilling fluids, dissolved chemicals and or any other polluting substances, which may contaminate the lands and or waterways and or water bodies near and or adjoining the demised premise. No topsoil shall be used to construct berms and or dikes on the demised premises.**
19. **The Lessee shall absolve the Lessor of any and all responsibility for damages, costs, claims, suits and or actions arising out of and or occurring from or because of the demised premises and or the Lessee’s activities on or near the demised premises.**
20. **The Lessee shall make payment in full to the Lessor, prior to entry onto the demised premises or if requested by the Lessor at the time of signing of this agreement.**
21. **The Lessee shall pay to the Lessor each year in advance, the full negotiated annual compensation and or rental, until the demised premise has been completely reclaimed and restored to the landowners satisfaction and the full annual compensation and or rental shall be paid each year in advance until the Lessee has reclaimed the demised premise to the landowner’s satisfaction and has obtained a reclamation certificate from the Department of Environment Reclamation Division and or other governing authority. There shall be no refund to the Lessee of any compensation or rental which may have been paid in advance.**
22. **The Lessee shall not assign this surface lease, nor any of the rights granted within this surface lease, to another operator without the Lessor’s written consent, which will not be unreasonably withheld.**
23. **If the Lessee for whatever reason, does not contain its operations to and within the surveyed area of the demised premises, then the Lessee shall pay to the Lessor, trespass fees plus damages based on at least the initial per acre land value, plus entry fee, in 5 meter width increments for the entire length of the access road and or well site, plus crop loss for a minimum of three (3) years.**
24. **The Lessee shall conduct a thorough multi phase environmental audit of the entire demised premise and provide the Lessor with a certified copy of such audit to certify and ensure that the entire area including the land, ground water and or water bodies near and or adjoining the demised premises is not polluted and or contaminated with any hydrocarbon materials, heavy metals, hazardous chemicals, drilling muds, radioactive materials, industrial wastes, metal debris and or migrating gases, prior to applying for a reclamation certificate.**
25. **The Lessee shall obtain, secure and annually maintain an adequate performance bond in favor of the Lessor, to ensure the Lessee’s compliance with all these conditions, including the timely satisfactory reclamation and restoration of the demised premise and or any adjacent lands damaged or disturbed by the Lessee.**
26. **Other.**

**LESSEE\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ LESSOR\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**and or agent of the Lessee. and or agent of the Lessor or Lessor’s.**