

## SB2228 Energy and Natural Resources Committee Testimony (In Favor of)

Kurt Swenson, Oliver/Mercer County ND Landowner

---

Mr. Chairman and members of the committee, my name is Kurt Swenson, I live in Oliver County with my wife FayE and next door to my mother-in-law Donna. We own land in Oliver and Mercer Counties, some of which has been in my wife's family for over 112 years.

To be clear, we welcome the burgeoning industry of carbon dioxide disposal with the possibilities for enhanced oil recovery in the future, we see the potential benefits to North Dakota's in-state industries, their customers, investors, communities, neighbors, suppliers, and employees. We are not here to oppose a pipeline or the development of our property for CO2 disposal purposes. We are here simply to correct a misdeed the legislature did in 2009 by stripping away constitutionally protected private property rights.

### **One-Sided Lease Agreements**

---

The bill before you today came about because of our personal experience with an out of state carbon dioxide disposal facility developer and their one-sided pore space lease agreement. We worked with our neighbors in Oliver, Morton, and Mercer Counties, 3 independent attorneys, and dedicated untold hours with significant dollars to modify the developers' one-sided agreement to be a model agreement that most any North Dakota landowner would sign, submitting it to the developer on January 25<sup>th</sup>, 2022, attached hereto. Despite all our efforts to negotiate, we did not receive any formal written offers to modify their one-sided lease terms and conditions until this bill before you was circulated. You see, with the ability of the developer to use a bureaucratic process to **TAKE** our land without **DUE PROCESS** was being threatened and it brought them to the table on at least one of our issues.

The lease agreements being used by this developer are akin to the early coal leases that still plague Oliver and Mercer County ranchers, farmers and landowners today, unnecessarily burdening their property deeds. They also remind us of the oil and gas leases signed in the early stages of that resource development. No one would ever sign one of these early coal or oil and gas leases today with what we have learned in the last 60 years.

I have yet to find **ONE** North Dakota attorney representing a landowner that has recommended signing the pore space lease as written.

### **Amalgamation is TAKING without DUE PROCESS**

---

I learned that in 2009, the legislature adopted a clause in century code that allows the developer to petition the North Dakota Industrial Commission to **TAKE** our constitutionally protected private property and give it to a private developer without our consent **AND** without eminent domain **DUE PROCESS**, thereby stripping away our constitutional rights – this is otherwise known as Amalgamation. By using the HEAVY HAND OF GOVERNMENT to

unconstitutionally **TAKE** up to 40% of non-consenting landowner pore space and authorize a **PHYSICAL INVASION** of our protected private property, we are being put in a second-tier position to negotiate surface use and access, reclamation, risk allocation and compensation.

One may argue that certain CO2 disposal developments meet the required public use threshold of a direct and substantial benefit to North Dakota citizens for eminent domain. If we can't come to an amicable agreement with a developer, current legislation strips the landowner of their right to **DUE PROCESS** of a judicial hearing to determine if the public use threshold is met and a trial with a jury of our peers to set JUST compensation. Unlike the misleading information presented to you on Friday 1/13 by Lynn Helms – the term Equitable Compensation as referenced in current century code is not JUST Compensation - which certainly cannot be determined by the DMR Director, governor, attorney general and ag commissioner who are all charged with promoting industry.

---

### Common Law supports SB2228

---

We also learned that both the U.S. and North Dakota Supreme courts have validated that pore space landowners constitutionally protected private property rights DO include:

- The right to exclude others from our property, whether temporary or permanent.
- That government granting others the right to **PHYSICALLY INVADE** our pore space is a per-se physical **TAKING** which has strict limitations in our constitutions, AND
- That pore space is and always has been constitutionally protected private property of the surface landowner.

I'm confident that you have heard about that one lone standout landowner who won't negotiate – we ask that you remember one landowners' constitutional rights are equal to the next and my neighbors rights certainly don't include **PHYSICALLY INVADING** my property without my consent and without **DUE PROCESS**.

---

### Red Herrings

---

You may hear that one of these developers is saving the ethanol industry by their large pipeline bringing in out of state ethanol plant carbon dioxide for disposal. The reality is this pipeline will further drive down the value of Low Carbon Fuel Standard (LCFS) Credits currently trading at only 40% of their value from one year ago by oversupplying these markets with ethanol from 31 plants in Iowa, Nebraska, South Dakota, and Minnesota, thereby hurting our North Dakota ethanol plants that are already pursuing this on their own to penetrate the LCFS markets.

You have also heard that this disposal technology and pipeline will lay the infrastructure to unlock billions of barrels of oil in the future – which it might – and we welcome that. But don't take away our right to monetize our private property in helping unlock those barrels of oil for the right of others to monetize their minerals in a different part of the state. Once our pore space is used, it is irreparably damaged and cannot be used again in the future when markets

may reward a higher value than the Industrial Commission determines in their charter of industry promotion with no charter to protect us as landowners.

Don't let these red herrings convince you to continue the unconstitutional **TAKING** of our private property without **DUE PROCESS**.

### **In Summary**

---

This bill before you today restores private property rights we have been granted in our constitutions and affirmed by both US and North Dakota Supreme Court rulings, nothing more. By requiring a higher % of private treaty negotiations such as Minnkota Power's nearly 90% they achieved per testimony and Dakota Gasifications' 96% according to state records, it puts the developer and landowner on a more equal footing in the negotiation and allows for private treaties to prosper less afflicted by governmental interference. We support the right for developers and landowners to collaborate on this new and burgeoning industry of carbon dioxide disposal. We don't support the HEAVY HAND OF GOVERNMENT tipping the scale in favor of the developer and stripping landowners of their rights to negotiate or **TAKING** our property without **DUE PROCESS**.

You can confirm today that the North Dakota legislature stands for private property rights that are protected under the North Dakota and US Constitutions along with supporting Industry. You also have a choice to see this industry move forward without having to waste North Dakota taxpayer money on defending this 2009 legislation in court, as it most certainly will end up there without passing this legislation, thereby delaying the entire industry moving forward in a timely matter.

Help us honor those that came before us who passed this unique legacy and heritage of private property ownership on to us with the hope that we would be able pass it on to our children.

Thank you for your consideration of this bill and I encourage a "DO PASS".

Respectfully submitted,

Kurt Swenson, Beulah, ND

**EXCLUSIVE OPTION TO LEASE PORE SPACE**

THIS EXCLUSIVE OPTION TO LEASE PORE SPACE (this "Agreement") is made and entered into this        day, 2021 of       , 2022 ("Effective Date"), by and between        ~~husband and wife~~, as ~~joint tenants~~, whose address is, Beulah, ND 58523, (whether one or more, "Lessor"), and Summit Carbon Solutions, LLC, an Iowa limited liability company, whose address is, 2321 N. Loop Dr., 1805 Collaboration Place, Suite 221200, Ames, IA 50010 ("Lessee"). Lessor and Lessee may be individually referred to herein as a "Party" and collectively as the "Parties".

**RECITALS**

- A. Lessor is the owner of the surface estate of the lands described and incorporated herein by reference in Exhibit C ~~attached~~ (the "Property").
- B. Lessee desires to purchase an exclusive option to acquire a lease of the Property for geologic storage operations Carbon Dioxide Geologic Storage Operations.
- C. Lessor is willing to grant/convey an exclusive option to Lessee to acquire a lease of the Property for such purposes, subject to the terms and conditions of this Agreement.

**DEFINITION**

Carbon Dioxide, for the purposes of this Agreement and subsequent Pore Space Lease and any Easements, is defined as 99.9% or higher concentration of carbon dioxide molecules produced from ethanol plant fermentation processes. For the avoidance of doubt, no other substances are permitted to be injected into the pore space.

Carbon Dioxide Geologic Storage Operations, for the purposes of this Agreement and subsequent Pore Space Lease and any Easements is defined as operations necessary for permanent sequestration of Carbon Dioxide. For the avoidance of doubt, operations necessary for removal of Carbon Dioxide for enhanced oil recovery and other purposes, Carbon Dioxide Plume Geothermal electricity production and any other purpose ARE NOT ALLOWED.

**AGREEMENT**

NOW THEREFORE, in consideration of the mutual covenants and terms set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

- 1. Grant/Conveyance of Option - Memorandum of Pore Space Lease. Lessor, in consideration of TWENTY-FIVE ONE HUNDRED and NO/100 DOLLARS (\$25100.00) per acre (the "Option Fee") and other good and valuable consideration paid by Lessee to Lessor, receipt of which is hereby acknowledged by Lessor, grants a condition precedent to this conveyance,

Formatted: Header

Style Definition: Heading 1: Left, Indent: Left: 0.08", Space Before: 3.05 pt

Style Definition: List Paragraph: Right: 0.08"

Formatted: Centered, Indent: Left: 0", Space Before: 0 pt

Formatted: Font: 12 pt

Formatted: Space Before: 0.2 pt

Formatted ... [1]

Formatted: Indent: Left: 0", Right: 0", Line spacing: Multiple 1.15 li, Tab stops: Not at 3.08"

Formatted: Font: 12 pt, Bold

Formatted: Normal, Centered, Space Before: 0 pt

Formatted: Normal, Centered, Indent: Left: 0", Right: 0"

Formatted ... [2]

Formatted: Indent: Left: 0", Right: 0", Space Before: 11.6 pt, Line spacing: Multiple 1.03 li, Numbered + Level: 1 + Numbering Style: A, B, C, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"

Formatted: Indent: Left: 0", Right: 0.08", Space Before: 11.2 pt, Line spacing: Multiple 1.03 li, Numbered + Level: 1 + Numbering Style: A, B, C, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"

Formatted: Indent: Left: 0", Space Before: 11.15 pt, Numbered + Level: 1 + Numbering Style: A, B, C, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"

Formatted: Not Expanded by / Condensed by

Formatted: Font: 12 pt

Formatted: Normal, Justified, Space Before: 0 pt

Formatted: Font: 12 pt, Bold

Formatted: Normal, Centered, Indent: Left: 0", Right: 0"

Formatted: Font: 12 pt

Formatted: Space Before: 0.35 pt

Formatted: Indent: Left: 0", Right: 0.08", Line spacing: Multiple 1.01 li

Formatted ... [3]

Formatted ... [4]

Formatted: Footer

~~conveys~~ to Lessee, the exclusive ~~right and~~ option to ~~acquire a lease of the Property for geologic storage operations~~Carbon Dioxide Geologic Storage Operations within the Inyan Kara formation, defined as ~~[insert specific definition]~~, (“Option”). The Option Fee shall be paid to Lessor by Lessee within 5 business days of the Effective Date and prior to Access to Property as described in Section 6. Contemporaneously with the execution of this Agreement, Lessor shall sign the pore space lease attached ~~hereto as Exhibit A and made part hereof~~ (the “Pore Space Lease”); *provided, however*, that the Pore Space lease shall not become effective unless and until Lessee exercises the Option in accordance with Section 3-0. Lessee shall retain the original copy of the Pore Space Lease executed by Lessor and provide Lessor with a copy. In the event Lessee exercises the Option ~~prior to the expiration of the Option Period~~, Lessee shall sign and date the Pore Space Lease effective as of the date Lessee ~~exereised~~exercises the Option and provide a copy of the fully executed Pore Space Lease to Lessor. Lessee shall cause a memorandum of the Pore Space Lease to be recorded in the real property records. ~~The purpose of the memorandum shall be limited to giving notice to the public of the existence of the Pore Space Lease. All references in the memorandum to the Pore Space Lease must be accurate and merely restate terms without characterization or commentary. Under no circumstances may the memorandum contain anything, or be relied on in any way, that is contrary to or inconsistent with the Pore Space Lease. Lessee shall provide Lessor a copy the memorandum Lessee records.~~ In the event Lessee does not exercise the Option prior to expiration of the Option Period, the Pore Space lease shall be cancelled and void.

Formatted: Header

Formatted ... [5]

Formatted ... [6]

2. Option Period. The term of this Option shall commence on the Effective Date and shall continue until 11:59 p.m. central time on the date that is five (5) years from the Effective Date (the “Option Period”).

Formatted: Font: 12 pt

Formatted: Space Before: 0.05 pt

Formatted: Indent: Left: 0", Line spacing: Multiple 1.01 li, Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"

Formatted: Not Expanded by / Condensed by

Formatted: Font: 12 pt

Agreement #21-0283

Formatted: Footer

3. Exercise of Option. Lessee may exercise this Option by signing the "Exercise of Option" attached as Exhibit B to this Agreement, and delivering a copy to Lessor which is postmarked prior to the expiration of the Option Period atmailed to the address of Lessor stated above. If the Option is exercised, the Parties shall there forthhereafter be bound by the terms and conditions of the Pore Space Lease.

Formatted: Header

Formatted: Indent: Left: 0", Right: 0.08", Space Before: 3.8 pt, Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"

Formatted ... [7]

4. Application of Option Fee. ~~In the event Lessee does not exercise this Option prior to the expiration of the Option Period,~~ Lessor shall retain the Option Fee as consideration for this Option: regardless of whether Lessee exercises the Option.

Formatted: Font: 12 pt

Formatted: Indent: Left: 0.5", Space Before: 0.4 pt, Tab stops: 0.5", Left

5. Representations and Warranties and Covenants by Lessor. Lessor represents that, to the best of its knowledge and belief, ~~and warrants that~~ there are no unrecorded leases, options, or other agreements affecting the Property that have not been provided or otherwise disclosed to Lessee. Lessor shall not enter into any new agreements that affect the pore space without Lessee's written consent. Lessor represents, to the best of its knowledge and belief, ~~and warrants to Lessee that~~ (i) the Property has not been used for generating, transporting, storing, treating or disposing of "hazardous substances" (as that term is defined under applicable federal, state and local laws), (ii) the Property has not been used for disposal of waste or hazardous substances including agricultural chemicals such as fertilizers, herbicides or pesticides, and (iii) no underground storage tanks are presently or have been located on the Property. Lessor shall be responsible for removing any such waste or hazardous substances (including any such agricultural chemicals) at its own cost upon Lessee's exercise of the Option. Lessor further represents and warrants to Lessee that there exists no judgment, suit, action or legal, administrative legally restrict or convey any rights conveyed to Lessee through this Option or Pore Space Lease without Lessee's written consent. Lessor further represents to Lessee that there exists no judgment, suit, action, arbitration or other proceeding affecting the Property or that would prevent or limit Lessor from performing his obligations under this Agreement or the Pore Space Lease. During the Option Period, Lessor agrees to cooperate in good faith in connection with Lessee's Due Diligence Activities, (as defined below) or inspection of the Property. During the Option Period, Lessor shall, ~~subject to casualty and force majeure to the extent reasonably practicable,~~ maintain the existing condition of the Property and not take any action or fail to take any action that ~~results in damage to the Property, unreasonably interferes with Lessee's rights hereunder.~~

Formatted: Indent: Left: 0", Right: 0.08", Line spacing: Multiple 1.01 li, Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"

Formatted ... [8]

Formatted: Font: 12 pt

Formatted: Indent: Left: 0.5", Space Before: 0.2 pt, Tab stops: 0.5", Left

Formatted: Indent: Left: 0", Right: 0.08", Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"

Formatted ... [9]

6. Access to Property. Upon execution of this Agreement, Lessor agrees to provide Lessee, its agents and representatives, access to the Property as may be reasonably requested with a minimum of 7 days advance notice to Lessor by Lessee for the purposes of doing those things reasonably ~~convenient or necessary~~ to study, survey, test and plan for the development of its geologic storage operations ~~Carbon Dioxide Geologic Storage Operations~~, including but not limited to: ~~drilling and installing test wells and monitoring wells;~~ performing seismic testing and other similar activities; establishing ground and aerial survey control points and section corners; conducting a feasibility study, which may cover subjects such as soil conditions, geological tests, engineering reports, topographic studies, flood protection, and environmental impact reports, ~~zoning and planning regulations and any other tests and studies the Lessee may elect to perform on the Property~~ (collectively, "Due Diligence Activities"); all at the sole discretion and expense of the Lessee. ~~In the event Lessee~~

Formatted: Font: 12 pt

Formatted: Indent: Left: 0.5", Space Before: 0.55 pt, Tab stops: 0.5", Left

Formatted: Indent: Left: 0", Right: 0", Space Before: 0 pt, Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"

Formatted ... [10]

~~constructs and installs any Facilities (as such term is defined in Section 5) In this Agreement Lessor is not authorizing development of the Pore Space Lease) on the Property, Lessee agrees to compensate Lessor Property for the installation Lessee's proposed Carbon Dioxide Geologic Storage Operations, which will require Lessee to sign the "Exercise of any such Facilities in the same manner set forth in Section 5 of the Pore Space Lease Option," attached hereto as Exhibit B. Lessee, and pay the associated consideration as a condition precedent to such development. Due Diligence Activities shall defend, indemnify and hold only be performed between the hours of 7:00 a.m. and 7:00 p.m. Any vehicle traffic will be limited to existing roads and two track trails without separate written permission from Lessor harmless from any costs. Off-road/trail access is to be performed only by foot or light UTV (10 psi or less ground pressure) access. If geophysical exploration activities (similar to those referenced within N.D.A.C. ch. 43-02-12, whether regulated thereby or not) are conducted in or on the Property or any property within 1,000 feet of the Property:~~

Formatted: Header

Formatted: Not Expanded by / Condensed by

Formatted: No underline

Formatted: Not Expanded by / Condensed by

Formatted: Header

~~expenses incurred in connection with Lessee's access to the Property and its Due Diligence Activities and shall restore the Property to its condition immediately preceding such access.~~

- ~~• Lessee shall conduct pre-construction and postconstruction certified water quality testing for standard nutrients, anions, and other analytes such as inorganic, synthetic, and organic chemicals, and, at Lessor's reasonable request, any other potential contaminants (hereafter "water quality testing"), and water yield, quantity, and/or flow testing (hereafter collectively "water quantity testing") of any water well registered with the North Dakota State Engineer or any other water well within three thousand (3,000) feet of any geophysical exploration activities. Lessee shall also conduct reasonable water quality testing and water quantity testing on any other surface waters such as springs, artesian wells, dugouts, stockponds, reservoirs, and creeks identified by Lessor and located within one thousand (1,000) feet of any geophysical exploration activity. If any water source or resources are damaged by Lessee's activities on or off the Property, Lessee shall analyze any damaged well or water supply system or surface water and perform necessary repairs and/or modifications to return it to its former capacity and quality. If a private well or water supply system or surface water is damaged beyond repair due to Lessee's activities, Lessee shall provide a temporary water source of similar quality and quantity and shall also replace the well or water source with one of equal or greater quality and quantity (and flow rate as applicable). The results of water quality and water quantity testing shall be provided to Lessor free of charge. Lessee will be strictly liable for any damage to groundwater caused by its geophysical exploration activities.~~
- ~~• Seismic shot hole operations shall be conducted at least one thousand eight hundred feet from water wells, artesian wells, buildings, underground cisterns, pipelines, and flowing springs.~~
- ~~• Nonexplosive exploration methods shall be conducted at least nine hundred feet from water wells, artesian wells, buildings, underground cisterns, pipelines, and flowing springs.~~
- ~~• Variances may be granted in writing by Lessor with specific reference to the water wells, artesian wells, buildings, underground cisterns, pipelines, and flowing springs that are the subject of the variance.~~

~~7. INDEMNIFICATION. Lessee shall defend, indemnify, and hold harmless Lessor, its family members, corporate members, shareholders, directors, managers, partners, officers, employees, agents and contractors (the Indemnified Parties) from and against, and shall promptly reimburse each Indemnified Party with respect to any claim, investigation, demand, administrative or court proceeding, or cause of action, including any actual loss, cost, expense, liability, fine, penalty, fee, or damage incurred or suffered by the Indemnified Party (including reasonable fees and expenses of attorneys, technical experts and expert witnesses, court costs and other out-of-pocket expenses) and resulting from Lessee's breach of this Agreement; Lessee's violation of any law, rule, or regulation; Lessee's negligence or willful misconduct; or any act of Lessee causing a loss to Lessor and arising out of or related to Lessee's operations on or near the Property. Neither the coverage nor the limits of insurance required by this Agreement shall in any way restrict the foregoing indemnity obligation.~~

Formatted: Header

8. PROPERTY RESTORATION. For any disturbance of the soil by Lessee during any survey operations authorized hereunder and for any unauthorized soil disturbance, Lessee shall restore soil productivity levels within six months of disturbance. Soil productivity levels will be measured with reference to re-vegetation success. Re-vegetation on hay land, pastureland, and native prairie shall be considered successful if the density and cover of non-nuisance, desirable plant species is equal to or greater than adjacent undisturbed portions of the same field. On cropland, re-vegetation shall be considered successful if crop yields are equal to adjacent undisturbed portions of the same field grown under the same conditions. On hay land, the land will be re-vegetated with a local adapted variety of alfalfa at the rate of 5.5 PLS lb./acre, and a cover crop such as oats will be used as necessary to establish the alfalfa on the hay land, or as otherwise agreed to by Lessor. On native prairie and pasture land, the land will be re-vegetated pursuant to the specifications contained in the Exhibit C to the attached Exhibit D (“Easement: Carbon Dioxide Linear”). Lessee will also be responsible for reasonable driveway and farm road maintenance on any roads it uses, and responsible for removing and regrading as necessary all compaction, depressions, imprints and tracks from overland travel and vibroseis truck plates, and weed control for as long as it takes to complete restoration activities. Lessee will be responsible for permanent eradication from the Property of any noxious or nuisance weeds it introduces to the Property and not present prior to its entrance onto the property. Lessee will pay damages for lost or damaged crop yields or damage to hayland production it causes based on lost yield or forage production and price information from local markets.
9. PERFORMANCE AND PAYMENT BONDS. Lessee shall furnish to Lessor security covering the faithful performance of the property restoration requirements contained in Section 8 and other obligations arising under this Agreement, and Lessor’s payment obligations to Lessor, in the form of separate performance and payment bonds, each with a penal sum equal to TWO HUNDRED and NO/100 DOLLARS (\$200.00) per acre covered by this Agreement (Performance and Payment Bonds). The Performance and Payment Bonds must be obtained from a guaranty or surety company authorized to conduct business in North Dakota. Lessor shall deliver the security required by this Section 9 within 5 business days of the Effective Date and shall maintain the security in full force and effect until the end of the Option Period.
10. INSURANCE REQUIREMENTS
- Prior to access on the Property, Lessee shall secure and maintain all insurance required by this Section 10.
  - Lessee shall maintain in effect at all times during the Option Period insurance in accordance with the applicable laws relating to workers’ compensation and employers’ liability insurance, regardless of whether such coverage or insurance is mandatory or merely elective under the law.
  - The failure to secure and provide proof of insurance as required in this Lease shall constitute a material breach of this Agreement entitling Lessor to immediate unilateral termination of this Agreement.
  - Required insurance coverage is to be purchased at Lessee’s expense.
  - Lessee shall notify Lessor of any erosion of aggregate limits under any of the insurance policies, and if requested, purchase additional limits of coverage as may

be deemed by the Lessor to satisfy Lessee’s coverage obligations. Without limiting the foregoing, Lessee will notify Lessor of any claim on the insurance policies, and also when any reservation is placed on the policy limit, or the policy is subject to a claim in litigation.

- All insurance policies required by this Section 10 must include a waiver of the insurer’s right of subrogation against Lessor. Lessee also hereby waives all rights of subrogation against Lessor.
- Lessee shall notify Lessor in writing at least thirty (30) days before cancelling any insurance policies required by this Section 10, or reducing or restricting the limits or coverage of any such policies. Failure to provide this notice shall constitute a material breach of this Agreement entitling Lessor to immediate unilateral termination of this Agreement.
- Lessor will look to Lessee’s insurer for coverage for claims arising from the acts or omissions of Lessee and Lessee’s agents and subcontractors.
- Insurance coverages, with the exception of workers’ compensation and employers’ liability, shall be endorsed to name Lessor as an additional insured with respect to any liabilities assumed under this Agreement; and apply severally and not collectively to each insured against whom claim is made or suit is brought.
- Upon execution of this Agreement and prior to January 1<sup>st</sup> of each year, Lessee shall instruct and require its insurance agent/broker to complete and return an insurance certificate, in an ACORD form, as evidence that insurance policies providing the required coverage, limits and additional insured provisions as outlined in this Section 10 are in full force and effect. Lessee shall be fully responsible for all deductibles and self-insured retentions related to insurance provided herein. The insurance certificate shall be provided to Lessee prior to Access to Property as defined in Section 6.
- Minimum General Requirements.

- \$5,000,000 General Liability
- \$1,000,000 Automobile Liability
- Statutory Workers’ Compensation
- Employers’ Liability - \$1,000,000 each accident; \$1,000,000 disease – policy limit; and \$1,000,000 disease – each employee.
- \$10,000,000 Excess Liability
- \$5,000,000 Pollution Liability

7.11. Permits, Applications and Studies. During the Option Period, Lessee, its agents, affiliates, servants, employees, nominees and licensees shall be entitled to: (A) apply for and obtain any necessary permits, approvals and other governmental authorizations (collectively called “Governmental Authorizations”) required for the development, construction, operation and maintenance of the Lessee’s ~~geologic storage operations~~Carbon Dioxide Geologic Storage Operations and Lessor agrees to co-operate, execute, obtain, or join with Lessee in any applications or proceedings relating to the Governmental Authorizations upon Lessee’s written request and at Lessee’s reasonable direction, cost and expense; and (B) apply for any approvals and permits ~~and any zoning amendment of any area of the Property~~ required in connection with the Lessee’s ~~geologic storage operations~~Carbon Dioxide Geologic Storage Operations, and Lessor agrees to co-operate, execute, obtain, or join with Lessee in any

Formatted: Header

Formatted: Font: 12 pt

Formatted: Normal, Space Before: 0 pt, Tab stops: 0.58", Left

Formatted: Indent: Left: 0", Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"

Formatted: Not Expanded by / Condensed by

applications or proceedings relating to such approvals, ~~permits and zoning amendments~~ upon Lessee's written request and at Lessee's ~~direction, cost and expense, and reasonable direction~~. Lessor's cooperation under this section is under the terms and conditions of this Option specifically and Lessor will not make any representations that the Property is leased ~~without first having exercised the Option~~.

Formatted: Header

Formatted: Not Expanded by / Condensed by

Formatted: Font: 12 pt

Formatted: Indent: Left: 0", Right: 0.08", Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: Not at 0.58"

Formatted ... [11]

Formatted: Font: 12 pt

Formatted: Space Before: 0.05 pt

Formatted: Not Expanded by / Condensed by

Formatted: Indent: Left: 0", Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58" + 0.58"

Formatted: Font: 12 pt

Formatted: Indent: Left: 0.5", Space Before: 0.4 pt, Tab stops: 0.5", Left

Formatted: Indent: Left: 0", Right: 0", Line spacing: Multiple 1.01 li, Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"

Formatted: Not Expanded by / Condensed by

Formatted: Font: 12 pt

Formatted: Indent: Left: 0.5", Space Before: 0.2 pt, Tab stops: 0.5", Left

Formatted ... [12]

Formatted: Indent: Left: 0", Right: 0.08", Space Before: 0.05 pt, Line spacing: Multiple 1.01 li, Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"

Formatted: Indent: Left: 0", Right: 0", Space Before: 11.45 pt, Line spacing: Multiple 1.01 li, Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"

Formatted: Not Expanded by / Condensed by

Formatted ... [13]

Formatted: Font: 12 pt

Formatted: Space Before: 0.05 pt

Formatted ... [15]

Formatted ... [14]

8.12. Entire Agreement. This Agreement, and its exhibits, constitute the entire agreement between the Parties and supersedes any and all previous agreements or understandings between the Parties concerning the subject matter hereof, and all prior agreements are deemed merged herein. ~~No Party makes any representation or warranties to the other Party, unless expressly set forth in this Agreement.~~

9.13. Time of Essence. Time is of the essence to each and every aspect of this Agreement.

10.14. Successors and Assigns. All of the terms and conditions of this Agreement are hereby made binding on the successors and permitted assigns of the respective Parties.

11.15. Headings. The captions used in connection with the ~~articles and~~ sections of this Agreement are for convenience only and shall not be deemed to construe or limit the meaning of the language of this Agreement.

12.16. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of North Dakota without giving effect to principles of conflicts of laws. An action to enforce ~~the terms of~~ this Agreement shall be brought in a court of competent jurisdiction located in ~~the state of~~ North Dakota.

13.17. Attorneys' Fees. ~~The Parties~~ Lessee shall be responsible pay for their own attorneys' fees incurred ~~Lessor's attorney's expense~~ in negotiating ~~connection with review and drafting~~ negotiation of this Agreement and any ancillary documents. ~~In~~ within 5 business days of the event that legal action-Effective Date. If Lessor is required to bring a legal action to enforce the terms of this Agreement, ~~the prevailing Party and Lessor prevails~~, Lessee shall be entitled to collect ~~reimburse~~ Lessor for its costs of court, including reasonable attorneys' fees, ~~from the non-prevailing Party~~ expert and consultant fees, court costs, and related expenses.

14.18. Interpretation. ~~The Parties acknowledge that each Party and its counsel have~~ Each Party has reviewed this Agreement with their respective counsel and agree that this Agreement has been fairly negotiated at arm's length. This Agreement shall not be construed against either Party and the principle of contract construction to the effect that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

Formatted: Header

15.19. Severability. If any provision(s) of this Agreement are held to be illegal, invalid or unenforceable under present or future laws, such provision(s) shall be fully severable, and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision(s) had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement, provided that both Parties may still effectively realize the complete benefit of the transaction contemplated hereby.

Formatted: Indent: Left: 0", Space Before: 3.8 pt, Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"  
Formatted [16]

16.20. Amendments. No modification or amendment of this Agreement shall be effective unless made in writing and executed by both Lessor and Lessee. In the event any approval or consent is required pursuant to any provision of this Agreement, such approval or consent shall be deemed given only if it is in writing, executed by the party whose approval or consent is required.

Formatted: Font: 12 pt  
Formatted: Indent: Left: 0", Right: 0.08", Space Before: 0.05 pt, Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"  
Formatted: Not Expanded by / Condensed by

17.21. Authority. Lessor and Lessee each have the right, power, legal capacity and authority to enter into, and no approvals or consents of any other person(s) other than Lessor or Lessee are required in connection with, this Agreement. The execution of this Agreement and consummation of the transactions contemplated hereby will not result in, or constitute, any default or event that with notice or lapse of time, or both, would be, a default, breach or violation of any lease, license, promissory note, conditional sales contract, commitment, indenture, mortgage, deed of trust or other agreement, instrument or arrangement to which Lessor or Lessee is a party or by which Lessor or Lessee is bound.

Formatted: Font: 12 pt  
Formatted: Space Before: 0.35 pt  
Formatted: Indent: Left: 0", Right: 0.08", Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"  
Formatted [17]

18. ~~Further Assurances. The Parties hereto agree to execute any and all additional documents or instruments which may be necessary to fully carry out or perform the intended purpose of this Agreement.~~

Formatted: Font: 12 pt  
Formatted: Indent: Left: 0.5", Space Before: 0.2 pt, Tab stops: 0.5", Left

19.22. Notice of Option. This Option shall not be recorded in the real property records. Lessor authorizes Lessee to record a Notice of Option to Lease in the real property records that reflects the basic terms of this Agreement and the Option. Lessee shall provide to Lessor a copy of any Notice of Option to Lease it records.

Formatted: Indent: Left: 0", Line spacing: Multiple 1.01 li, Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"  
Formatted: Not Expanded by / Condensed by

20. ~~Confidentiality. Lessor shall maintain in the strictest confidence, for the benefit of Lessee, all information pertaining to the compensation paid under this Agreement, any information regarding Lessee, its business or operations on the Property or on any other lands, and any other information that is deemed proprietary or that Lessee requests or identifies to be held confidential, in each such case whether disclosed by Lessee or discovered by Lessor.~~

Formatted: Font: 12 pt  
Formatted: Indent: Left: 0.5", Space Before: 0.05 pt, Tab stops: 0.5", Left  
Formatted [18]

21.23. Counterparts. This Agreement may be executed in any number of counterparts and when so executed, all such counterparts together shall constitute a single instrument binding upon all parties hereto.

Formatted: Indent: Left: 0", Right: 0", Line spacing: Multiple 1.01 li, Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"  
Formatted [19]

22.24. Binding Agreement. This Agreement and, if the Option is exercised by Lessee, the attached Pore Space Lease, shall be binding upon and shall inure to the benefit of the Parties and their respective heirs, successors, or assigns.

Formatted: Indent: Left: 0", Right: 0.08", Space Before: 11.5 pt, Line spacing: Multiple 1.01 li, Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.58", Tab stops: 0.5", Left + Not at 0.58"

23. Electronic Signatures. This Lease, and any amendments hereto, to the extent signed and delivered by means of electronic transmission in portable document format (pdf) or by

Formatted: Header

Formatted: Font: 12 pt

Formatted: Indent: Left: 0.5", Space Before: 0.3 pt, Tab stops: 0.5", Left

Formatted: Not Expanded by / Condensed by

Formatted: Header

DocuSign or similar electronic signature process, shall be treated in all manner and respects as an original contract and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

Formatted

... [20]

Formatted: Normal, Left, Indent: Left: 0", Right: 0", Space Before: 0 pt

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the Effective Date.

**LESSOR:**

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

Print: \_\_\_\_\_

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

Print: \_\_\_\_\_

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

Print: \_\_\_\_\_

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

Print: \_\_\_\_\_

Formatted: Header

Formatted: Indent: Left: 0", Space Before: 7.5 pt

Formatted: Font: 12 pt

Formatted: Space Before: 0.45 pt

Formatted: Font: Bold

Formatted: Body Text, Right: 0"

Formatted: Font: 12 pt

Formatted: Space Before: 0.05 pt

Formatted: Space Before: 0.05 pt

**LESSEE:**

SUMMIT CARBON SOLUTIONS, LLC

By: \_\_\_\_\_ Print: ~~Wade Boeshans~~ Its: ~~Executive Vice~~  
~~President~~

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

Formatted: Header

Formatted: Font: Bold

Formatted: Body Text, Space Before: 0 pt

Formatted: Font: 12 pt

Formatted: Indent: Left: 0"

Formatted: Font: 12 pt

Formatted: Space Before: 0.05 pt

Formatted: Font: 12 pt

Formatted: Left, Line spacing: single

Formatted: Font: 12 pt, Bold

Formatted: Footer, Right

**EXHIBIT A**

**PORE SPACE LEASE**

**ATTACHED**

**Formatted:** Header

**Formatted:** Font: 12 pt, Bold, No underline

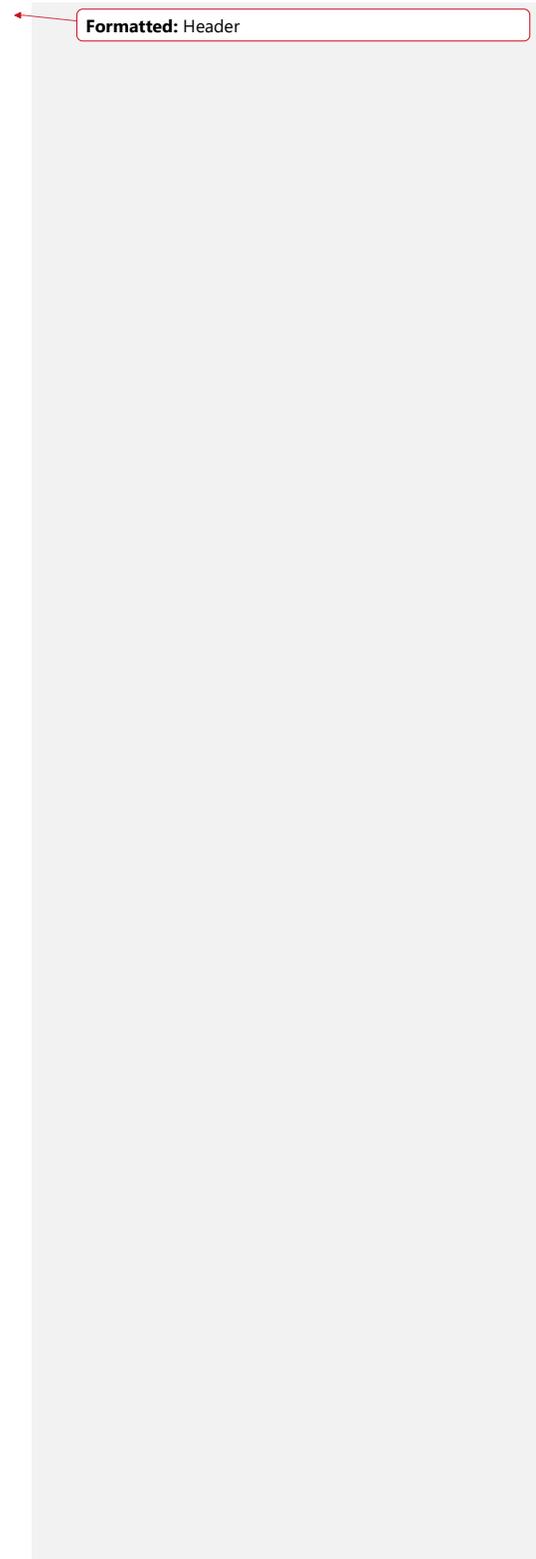
**Formatted:** Normal, Centered, Indent: Left: 0", Right: 0", Space Before: 0 pt

**Formatted:** Font: 12 pt

**Formatted:** Indent: Left: 2.22", Right: 2.21"

|

|



Formatted: Header

**PORE SPACE LEASE**

THIS PORE SPACE LEASE (this "Lease") is made effective as of the Effective Date (as defined below) by and between, ~~husband and wife, as joint tenants,~~ whose address is, ~~Beulah, ND 58523,~~ (whether one or more, "Lessor"), and Summit Carbon Solutions, LLC, an Iowa limited liability company, whose address is ~~2321 N. Loop Dr., Suite 221, Ames~~ 1805 COLLABORATION PLACE, SUITE 1200, AMES, IA 50010 (whether one or more, "Lessee"). Lessor and Lessee may be individually referred to herein as a "Party" and collectively as the "Parties".

Formatted: Header

Formatted: Centered, Indent: Left: 0", Space Before: 0 pt

Formatted: Font: 12 pt

Formatted: Space Before: 0.25 pt

Formatted: ... [21]

Formatted: Normal, Indent: Left: 0", Right: 0.08", Line spacing: Multiple 1.15 li

Formatted: Font: 12 pt

**DEFINITION**

**Carbon Dioxide ("CO2")**, for the purposes of this Pore Space Lease and any Easements, is defined as 99.9% or higher concentration of carbon dioxide molecules produced from ethanol plant fermentation processes. For the avoidance of doubt, no other substances are permitted to be injected into the pore space.

**Carbon Dioxide Geologic Storage Operations**, for the purposes of this Pore Space Lease and any Easements is defined as operations necessary for permanent sequestration of Carbon Dioxide. For the avoidance of doubt, operations necessary for removal of Carbon Dioxide for enhanced oil recovery and other purposes, Carbon Dioxide Plume Geothermal electricity production and any other purpose ARE NOT ALLOWED.

1. **Leased Premises.** Lessor, ~~for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged,~~ does hereby ~~grant convey,~~ demise, lease and let unto Lessee for Lessee's ~~geologic storage operations~~ Carbon Dioxide Geologic Storage Operations within the Inyan Kara formation, defined as [insert specific definition] and other purposes set forth herein, the lands described and incorporated herein by reference in Exhibit C attached (the "Leased Premises"). ~~This Lease in no way conveys the right to Lessee for storage or facility developments for any other purpose than Carbon Dioxide sequestration. No facilities constructed as part of this Lease or associated agreements may be constructed, installed, utilized, or converted for any other purpose than Carbon Dioxide sequestration.~~

Formatted: Indent: Left: 0", Hanging: 0.25", Right: 0", Space Before: 11.7 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08", Tab stops: Not at 0.31"

Formatted: Not Expanded by / Condensed by

2. **Term.**

Formatted: Font: 12 pt

Formatted: Space Before: 0.15 pt

Formatted: Indent: Left: 0", Hanging: 0.25", Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08", Tab stops: Not at 0.29"

Formatted: ... [22]

(a) **Initial and Primary Term.** This Lease shall commence on the date Lessee executes this Lease ("Effective Date") and continue for an initial term of twenty (20) years ("Initial Term") unless sooner terminated in accordance with the terms of this Lease. As consideration for the Initial Term, Lessee shall pay to Lessor ~~TWENTY-FIVETWO HUNDRED and NO/100 DOLLARS (\$25200.00)~~ per acre as a single one-time bonus payment ~~within 5 business days of the Effective Date,~~ and an annual rental of ~~Four Ten and No/100 Dollars (\$410.00)~~ per acre on or before January 1 of each year of the Initial Term. The annual rental shall increase by TWO percent (2.0%) commencing on January 1, 2026 and on January 1 each year thereafter. ~~The first year's rental has been paid in full, the receipt and sufficiency of which is hereby acknowledged by Lessor.~~ Lessee may, at any time prior to the expiration of the Initial Term, elect to extend the Initial Term for up to an additional twenty (20) years by providing written notice to Lessor ~~and payment of One Hundred and No/100 Dollars (\$100.00) per acre~~ (the Initial Term, together with

Formatted: Indent: Left: 0.5", Hanging: 0.25", Right: 0.08", Space Before: 11.65 pt, Numbered + Level: 2 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: -0.42" + Indent at: 0.08", Tab stops: Not at 1.08"

all extensions shall be referred to herein as the "Primary Term"). ~~Upon Notice by Lessee to Lessor of the extension of Initial Term, Lessee shall pay Lessor an additional bonus payment within 5 days of said notice in an amount to be negotiated at the time of extension based on current market rates for such purposes, but in no case less than TWO HUNDRED and NO/100 DOLLARS (\$200.00) per acre.~~ For the avoidance of doubt, Lessor's consent to any such extension will not be required ~~provided that the foregoing payment is tendered to Lessor prior to the expiration of the Initial Term.~~ Lessee shall pay to Lessor the annual rentals when due throughout the Primary Term; ~~provided, however, Lessee shall.~~ When the Initial Term ends and is not be liable to Lessor for annual rentals with respect to any portion of extended by the Lessee, and when the Primary Term ends, Lessee may no longer bring CO2 onto the Leased Premises, ~~which are for any purpose and may no longer use the Leased Premises to inject or become subject to Permit as set forth in Section 2(b), below.~~ place CO2 under or into the Leased Premises.

(b) ~~Operational~~ Secondary Term. This Lease shall continue beyond the Primary Term for so long as any portion of the Leased Premises or Lessee's storage facilities located in, on or under the Leased Premises ~~(including without limitation, are utilized for the storage of Carbon Dioxide (the "Secondary Term").~~ During the Secondary Term, Lessee may not bring CO2 onto the Leased Premises for any ~~Reservoirs) are subject purpose and may not use the Leased Premises to a permit issued by the North Dakota Industrial Commission (the "Commission") (a "Permit") inject or place CO2 under the ownership or control of the State of North Dakota; provided, however, that all of Lessee's obligations under this Lease shall terminate upon issuance of a certificate of project completion pursuant to Chapter 38-22 of the North Dakota Century Code (into the "Operational Term").~~ Leased Premises. If the Primary Term expires and no portion of the Leased Premises ~~or Lessee's storage facilities located in, on or under the Leased Premises is subject to a Permit~~ has been utilized for storage of Carbon Dioxide, this Lease shall terminate, and Lessee shall execute a document evidencing termination of this Lease in recordable form and shall record it in the official records of the county in which the Leased Premises is located. As necessary and material consideration for the ~~Operational~~ Secondary Term and in addition to the annual rent, Lessee shall pay to Lessor the royalty set forth in Section 3-3, below. The obligations to remove facilities, restore and remediate the property, make annual rental payments under Section 2(a) until restoration is complete, maintain insurance, comply with the law, and indemnify Lessor survive all terms of this Lease and termination of this Lease, and Lessee hereby ratifies and explicitly agrees to comply with these provisions at all times.

Formatted: Header

Formatted: Not Expanded by / Condensed by

Formatted: Font: 12 pt

Formatted: Space Before: 0.05 pt

Formatted ... [23]

Formatted ... [24]

Formatted ... [25]

Formatted ... [26]

Formatted ... [27]

Formatted ... [28]

Formatted ... [29]

Formatted ... [30]

Formatted ... [31]

Formatted ... [32]

Formatted ... [33]

Formatted ... [34]

Formatted ... [35]

Formatted ... [36]

Formatted ... [37]

Formatted ... [38]

Formatted ... [39]

Formatted ... [40]

Formatted ... [41]

Formatted ... [42]

3. Royalty. Lessee shall pay to Lessor ~~its, Lessor's~~ proportionate share of ~~TWENTY-FIVE cents (\$0.25) per metric ton~~~~three-sixteenths (3/16<sup>ths</sup>)~~ of ~~carbon dioxide (CO<sub>2</sub>) injected into the~~ reservoirs and subsurface pore spaces (as used herein, such terms shall have the meanings set forth in Chapter 38-22 and Chapter 47-31 of the North Dakota Century Code), stratum or strata underlying the Leased Premises (collectively, "Reservoirs"), or reservoirs and subsurface pore spaces, stratum or strata unitized or amalgamated therewith. The royalty shall increase TEN percent (10.0%) on January 1, 2026 and an additional TEN percent (10.0%) every five years thereafter, as outlined on attached Exhibit D; *provided, however*, that if at any time Lessee is entitled to and receives a Tax Credit (as defined below) of Eighty-Five and No/100 Dollars (\$85.00) or more per metric ton of carbon dioxide injected into the Reservoirs (the "Qualifying Tax Credit"), then, in the event the current royalty being paid to Lessor is less than FIFTY cents (\$0.50) per metric ton of carbon dioxide injected into the Reservoirs, the royalty paid to Lessor shall automatically increase to FIFTY cents (\$0.50) per metric ton of carbon dioxide injected into the Reservoirs commencing on January 1<sup>st</sup> of the calendar year immediately following the first year in which Lessee is entitled to and receives the Qualifying Tax Credit. For avoidance of doubt, the scheduled TEN percent (10.0%) royalty increases shall continue upon a Qualifying Tax Credit royalty increase. The quantity of CO<sub>2</sub> so injected shall be measured by meters installed by Lessee. Lessee's Gross Profits including any Credits realized by or apportioned to Lessee for use of the subsurface pore space for carbon sequestration and any use permitted by the Pore Space Lease. Gross Profits shall be Lessee's revenues including income from offtake agreements and carbon offset payments plus Credits (or the value of any Credits, whichever is greater), less the cost of capturing, processing, compressing, transporting and sequestering Carbon Dioxide. For the avoidance of doubt, any revenues, income, payments, or Credits sheltered in related party or affiliated companies will be included in the Gross Profit Calculation. In calculating Gross Profits for purposes of payments hereunder, Lessee's General and Administrative Costs such as payroll and payroll taxes, employee benefits (including pensions), sales and marketing expenses, and payments for purchase, rental, use, or other acquisitions of real property rights, will not be used as a debit to Gross Profits or to reduce the calculated Gross Profit or payment hereunder in any way. Credits shall include, but are not limited to, 45Q federal tax credits (26 U.S.C. § 45Q (see IRS Notice 2009-83)), low carbon fuel standard credits, and any other benefits, rebates, subsidies, payments, emissions reductions, offsets, investment tax credits, production tax credits, allowances or other incentives Lessee obtains through sequestration of Carbon Dioxide on the Leased Premises. Subject to Lessor's Right to Audit as defined in Section 32, Lessor's "proportionate share" shall be determined on a net surface acre basis and the Parties hereby stipulate that the acreage set forth in Section 41 shall be used to calculate Lessor's proportionate share. The quantity of ~~carbon dioxide~~Carbon Dioxide injected into the ~~Reservoirs~~Leased Premises or any ~~reservoirs or subsurface pore spaces, stratum or strata unitized or properties~~ amalgamated therewith shall be determined through the use of metering equipment installed and operated by Lessee at ~~the~~each injection site. All royalties due hereunder for ~~carbon dioxide~~Carbon Dioxide injected into the ~~Reservoirs~~Leased premises or any ~~reservoirs or subsurface pore spaces, stratum or strata unitized or properties~~ amalgamated therewith during any calendar month shall be paid to Lessor ~~annually on or before March 31<sup>st</sup> for the prior year's injection volumes. Lessor and Lessee agree that quarterly, and one annual payment to adjust and account for tax credits will be allowed when reasonably necessary. Each measuring station for CO<sub>2</sub> delivered or injected pursuant to this Lease shall continue as specified herein even in the absence of injection operations and the payment of royalties~~be equipped in accordance with at

Formatted: Header

Formatted: Indent: Left: 0", Hanging: 0.25", Right: 0.08", Space Before: 3.8 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08", Tab stops: Not at 0.31"

Formatted: Not Raised by / Lowered by

Formatted: Not Raised by / Lowered by

Formatted: Not Expanded by / Condensed by

Formatted: Font color: Custom Color(RGB(31,31,30))

least the standards set forth in all applicable chapters of the American Petroleum Institute Manual of Petroleum Measurement Standards. Lessee shall submit to Lessor, at the same time that Royalty is paid, a report identifying the source(s) and quantity of CO2 that has been gathered and injected into the Leased Premises or other pore space amalgamated therewith during the period for which the Royalty is being paid.

Right

4. Rights to Pore Space/Storage for storage of Carbon Dioxide. Lessor grantsconveys to Lessee the exclusive right to inject and store carbon dioxide (CO<sub>2</sub>) and other incidental gaseous substances into the Reservoirs, together with the rightCarbon Dioxide into the Inyan Kara formation [insert specific description based on permit application or other source], and subject to appropriate Easements, the general authority to construct, replace, inspect, repair, monitor, maintain, relocate, change the size of such surface or subsurface facilities on the Leased Premises that Lessee determines necessary or desirable for Lessee's storage operations, including, but not limited to fences, pipelines, tanks, reservoirs, electric and communication lines, roadways, underground facilities and equipment, surface facilities and equipment, buildings, structures and other such facilities and appurtenances. Lessor shall not grant any other person the right to inject or store CO<sub>2</sub> or any other incidental substances.

5.4. Facility Right of Ways/Compensation. Lessor grants Lessee the right of reasonable use of the surface of the Leased Premises, including without limitation, the rights of ingress and egress over the Leased Premises together with the right of way over, under and across the Leased Premises and the right from time to time to construct, replace, inspect, repair, monitor, maintain, relocate, or change the size of such surface or subsurface facilities on the Leased Premises that Lessee determines necessary or desirablebeneficial for Lessee's storage operations, including, but not limited to fences, pipelines, tanks, reservoirs, electric transmission and communication lines, roadways, underground facilities and equipment, surface facilities and equipment, buildings, structures reasonably necessary for the Class VI injection wells, and other such facilities and appurtenances, (each a "Facility" and collectively the "Facilities"); provided, reasonably necessary for operation of the Carbon Dioxide storage reservoir ("Reservoir"). Lessor shall not convey to any other person the right to inject or store any substances in the formation leased herein. The rights referenced in this section are subject to the limitations contained in the remainder of this Lease and cannot be expanded in scope or application by any regulatory approvals or permits.

Formatted: Header

Formatted: Not Expanded by / Condensed by

Formatted: Not Raised by / Lowered by

Formatted: Not Expanded by / Condensed by , Not Raised by / Lowered by

Formatted: Not Raised by / Lowered by

Formatted: Not Expanded by / Condensed by , Not Raised by / Lowered by

Formatted: Not Raised by / Lowered by

Formatted: Not Expanded by / Condensed by , Not Raised by / Lowered by

Formatted: Indent: Left: 0", Hanging: 0.25", Right: 0.08", Space Before: 0 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08", Tab stops: Not at 0.3"

Formatted: Header

~~however, that (i) Lessee shall provide Lessor with notice of operations and an offer of damage, disruption and loss of production payments, as each may be applicable, prior to the installation of any such Facilities on the Leased Premises, and (ii) the agreed up terms, including the amount of damage payments to be paid to Lessor, shall be memorialized in an agreement separate from this Lease, such agreement to be consistent with the grant contained herein. Lessee shall be entitled to proceed with the installation of the Facilities while the separate agreement and amount of damage, disruption or loss is being agreed or determined. Lessee shall have the further right to fence the perimeter of any Facility on the Leased Premises and sufficiently illuminate the site for the safety and security of operations.~~

#### 5. Limitations on use of surface

- (a) Easements. If the surface of the Leased Premises is reasonably necessary for Lessee's Carbon Dioxide Geologic Storage Operations, prior to using the surface, Lessee shall obtain an easement from Lessor. The easement is governed by the following provisions as well as those in the easement document issued by Lessor to Lessee.
- i. For a non-linear facility site, including but not limited to a tank battery, CO2 injection well site, road, or building site, a Facility Easement in substantially the form attached as Exhibit D ("Easement: Carbon Dioxide Surface Facilities") will be executed. For linear facilities, including but not limited to electric and communication lines, fences, or pipelines, a Linear Easement in substantially the form attached as Exhibit E ("Easement: Carbon Dioxide Linear") will be used. If Lessee, in requesting an easement, asks that Exhibits D or E be revised, and if Lessor incurs attorney fees in responding to any such requested change, Lessee shall pay Lessor the reasonable atts Lessor incurs.
  - ii. Prior to submitting a proposed easement to Lessor, Lessee must notify Lessor of Lessee's intent to request an easement and must provide Lessor with a written description of the proposed facility's purpose and location, a general route map or proposed facility map, the estimated payment amount using the Exhibit G, and a reasonable date and time to meet on the Leased Premises with the Lessor to view the proposed location and map. Lessor hereby consents to easements in substantially the forms contained in Exhibit D and Exhibit E as indicated above, but the final location of any such easements requires Lessor's additional consent in writing through the written easement documents, and Lessor may deny any easement based on location if the location will have a negative impact on Lessor's property or operations. Lessor and Lessee shall work in good faith to find mutually acceptable locations for any easements reasonably necessary and requested under this Agreement.
  - iii. For each easement requested, a registered land surveyor hired by Lessee shall prepare a survey that depicts and describes the proposed location of the requested facility. The survey plat for a non-linear facility must describe the facility's location using a metes and bounds survey. The survey plat for a linear facility must describe the facility's location with a metes and bounds centerline survey. The survey plat must be accompanied by a written narrative describing the easement's location, boundary, or centerline description and the number of acres

Formatted: Header

and/or rods covered by the easement. The survey plat must depict and the written narrative must include the survey's points of beginning and ending, with those points tied to known, monumented and described government section or quarter corners of the property on which they occur. The survey plat for a linear facility must depict and describe those parts of the easement route subject to no surface disturbance and that require horizontal boring. The survey plat must be attached as Exhibit A to the easement document Lessee presents to Lessor when requesting an easement.

- iv. The easement document (Exhibit D or E), with its survey plat and written narrative attached to it, must be filed by Lessee promptly after its execution by both Lessee and Lessor, but not prior to Lessee's payment of the easement consideration.
- v. The consideration Lessee will pay Lessor for each type of easement is in the attached Exhibit G ("Consideration Schedule for Easements"). Lessee shall pay Lessor the easement consideration immediately upon Lessor's execution of the easement document (Exhibit D or E). The easement consideration and easement annual payment in Exhibit G will increase by two percent (2%) annually beginning on January 1, 2026.
- vi. Prior to constructing a facility authorized by an easement, Lessee shall pay Lessor the consideration owed for the easement and shall record with the County Record the easement document (Exhibit D or E) and its survey plat.
- vii. If prior to or during construction of an authorized easement, Lessee wants to change anything that is in the easement document (Exhibit D or E) or its survey plat, Lessee must first consult with Lessor, meet with Lessor on the Leased Premises to explain the changes, and make good faith efforts to accommodate Lessor's requests regarding the change. If a change makes the easement document or survey plat inaccurate, then a new easement document will be prepared and Lessee shall have a registered land surveyor prepare a new survey plat, which Lessee shall record with the County Recorder.
- viii. If Lessor and Lessee agree to amend the easements they will do so using the Easement Amendment form attached as Exhibit F.
- ix. All easements issued pursuant to this Lease expire upon expiration of this Lease except for obligations to remove facilities, restore and remediate the property, make annual rental payments under Section 2(a) until restoration is complete, maintain insurance, comply with the law, and indemnify Lessor.
- x. All easements are subject to the requirements below in Section 5(b), notwithstanding anything in an easement document (Exhibits D and E) to the contrary.

(b) Environmental, Cultural, Health and Safety Requirements. Lessee must comply with the following for all of Lessee's activities carried out under the Lease:

- i. Lessee shall establish an advanced early warning system using audible, email, text, phone or other devices that immediately notifies Lessor and those designated by Lessor, of any hazardous release of CO2 or other hazardous substances that can cause immediate adverse impacts to the health and welfare of humans, livestock and pets.

Formatted: Header

- ii. Lessee will not locate any facilities within one thousand (1,000) of any occupied dwelling, USDW, or human cemetery or graveyard waived in writing by Lessor or the owner of such site. An Underground Source of Drinking Water or "USDW" is defined in Title 40, Code of Federal Regulations (40 CFR), Section 144.3 (2021).
- iii. Lessee agrees that all wooded areas, tree rows, wetlands, sloughs, creeks, springs, rivers, reservoirs, livestock water sources and lakes, or other identified areas reasonably requested in writing by Lessor, must be directionally bored or detoured sufficiently around to avoid destruction or damage, unless waived in writing by Lessor.
- iv. If Lessee's use of roads to carry out any Carbon Dioxide Geologic Storage Operations creates dust that impacts Lessor's occupied dwellings, driveways or occupied pastures and feedlots on the Leased Premises or on any property owned or rented by Lessor adjoining the Leased Premises, Lessee shall incorporate a commercial dust control product into the gravel surface for 1,000 feet each side of the driveways, pastures and feedlots as necessary to alleviate dust impact, unless waived in writing by Lessor.
- v. Lessee agrees that all facilities must be designed so noise does not impact Lessor's quiet use and enjoyment of the Leased Premises and any property owned by Lessor adjoining the Leased Premises. Lessee, at Lessee's expense, shall conduct background noise testing compliance testing while facilities are in operation. The maximum noise at the boundary of any surface facility must be less than 40 dBA while in operation. Lessee must cooperate with reasonable mitigation requests from Lessor and pay for reasonable noise impact mitigation.
- vi. Lessee agrees that all external lighting for facilities shall be shielded and designed to reduce glare. Lessee will not allow direct light to trespass. If Lessor determines that facility lighting is impacting Lessor's use and enjoyment of the Leased Premises and any property owned by Lessor adjoining the Leased Premises, Lessee agrees to mitigate and pay for any reasonable improvements necessary to mitigate the light impacts.
- vii. Lessee agrees that any odors generated by Lessee's operation that are determined by Lessor to be impacting Lessor's use and enjoyment of the Leased Premises and any property owned by Lessor adjoining the Leased Premises must be mitigated to the Lessor's satisfaction at Lessee's expense.
- viii. Lessee agrees that while conducting any construction activities that cause construction traffic to utilize state, county, township, or privately improved roads Lessee agrees to fully return roads to the original preconstruction condition at Lessee's expense.
- ix. Lessee shall have an archeologist with at least three experience doing archeological field work in North Dakota examine the Leased Premises prior to any soil disturbing activities for the purpose of identifying cultural sites, including but not limited to teepee rings, fire pits, and cairns, which Lessee must avoid by directional boring, padding over with construction fabric and fill, or rerouting a minimum of 50 feet beyond the identified site boundary, with the Lessor determining the preferred avoidance measure.
- x. Lessee agrees that soil determined to be contaminated by Lessee's operation(s) must be delineated with soil sampling and lab analysis, and all contaminated soil

Formatted: Header

will be collected and hauled to an approved landfill facility at Lessee's expense. The volume of contaminated soil hauled to the approved landfill must be replaced with like or similar soil, be it topsoil or subsoil, with soil acquisition, testing, hauling and reclamation conducted and paid for by Lessee. Replacement soils must be certified seed and weed free or Lessee will be strictly liable for the introduction of any nuisance or noxious weeds to the Leased Premises by the replacement soil. Lessor may consent in writing to an alternative remediation process on request. Lessee will provide copies of all correspondence and filings with administrative agencies and enforcement authorities related to contamination it causes on the Leased Premises. Lessor has the right, with written documentation, to allow the soil to be treated on site under a plan agreed to by Lessor and Lessee. For any areas subject to remediation under this section compensation will be paid for the entire area of remediation until remediation is complete pursuant to the Consideration Schedule for Easements for "Site (well, building, etc.)".

- xi. Lessee shall maintain and comply with an approved Stormwater Pollution and Prevention Plan (SWPPP) for stormwater discharges at any construction sites larger than one acre in accordance with National Pollutant Discharge Elimination System SWPPP standards. Lessee will provide a copy of its plan to Lessor in advance of any soil disturbing activities on the Leased Premises.
- xii. Lessee shall temporarily or permanently fence construction projects, at Lessee's expense, as needed or requested by Lessor in order to prevent livestock access to the construction or constructed area. Lessee may also construct permanent fence in order to keep livestock off of Lessee's facility, with the exception of facilities that are underground and for which the surface has been revegetated to Lessor's satisfaction.
- xiii. If Lessor does not agree to abandonment of any Facilities in place, they must be removed and the soil remediated. Where the soil of the Leased Premises is disturbed by Lessee's activities, whether authorized hereunder or not, Lessee shall restore soil productivity levels. Soil productivity levels will be measured with reference to re-vegetation success. Re-vegetation on hay land, pastureland, and native prairie shall be considered successful if the density and cover of non-nuisance, desirable plant species is equal to or greater than adjacent undisturbed portions of the same field. On cropland, re-vegetation shall be considered successful if crop yields are equal to adjacent undisturbed portions of the same field grown under the same conditions. On hay land, the land will be re-vegetated with a local adapted variety of alfalfa at the rate of 5.5 PLS lb./acre, and a cover crop such as oats will be used as necessary to establish the alfalfa on the hay land, or as otherwise agreed to by Lessor. On native prairie, the land will be re-vegetated pursuant to the specifications contained on Exhibit C to the respective Easement.
- xiv. No structures, pipe, or other facility infrastructure may be abandoned in place unless Lessor agrees in writing to allow such abandonment with an approved procedure.
- xv. Lessee shall furnish to Lessor security covering the faithful performance of facility removal, restoration requirements contained in this section and other obligations arising under this Lease, and Lessees' payment obligations to Lessor

Formatted: Header

in the form of separate Performance and Payment Bonds, each with a penal sum equal to an amount as determined by the associated Easement standards and the estimated cost of facility removal and remediation. The Performance and Payment Bonds must remain in place until the facilities are removed and land is remediated. The Performance and Payment Bonds must be obtained from a guaranty or surety company authorized to conduct business in North Dakota. All obligations for restoration and removal explicitly survive early termination of this Lease.

- xvi. Lessee shall retain a competent Third Party Inspector not otherwise employed or contracted by Lessee for any work related to the operations under this Lease, and approved by Lessor, to be present during the construction, remediation and reclamation activities of each Easement project to observe if the terms and conditions of the Easement granted to Lessee are being followed. The Third Party Inspector must submit a written report to the Lessee and Lessor listing in detail the Inspector's assessment of any success, default, failure, neglect, mislocation, or future monitoring necessary in regards to the terms and conditions of the Easement. If future monitoring is necessary, the Third Party will conduct further on-site inspections and report periodically to the Lessee and Lessor. A violation of the terms and conditions of the Easement evidenced by the Third Party Inspector's report must be cured immediately by Lessee.
- xvii. Lessee agrees to fully remediate the Leased Premises where facilities have been installed within 1 year of the end of the Secondary Term or 3 years after Carbon Dioxide is no longer being injected, unless Lessor agrees in writing to allow Lessee to abandon the Facilities in place.
- xviii. If geophysical exploration activities (similar to those referenced within N.D.A.C. ch. 43-02-12, whether regulated thereby or not) are conducted in or on the Leased Premises or any property within 1,000 feet of the Property:
- Lessee shall conduct pre-construction and postconstruction certified water quality testing for standard nutrients, anions, and other analytes such as inorganic, synthetic, and organic chemicals, and, at Lessor's reasonable request, any other potential contaminants (hereafter "water quality testing"), and water yield, quantity, and/or flow testing (hereafter collectively "water quantity testing") of any water well registered with the North Dakota State Engineer or any other water well within three thousand (3,000) feet of any geophysical exploration activities. Lessee shall also conduct reasonable water quality testing and water quantity testing on any other surface waters such as springs, artesian wells, dugouts, stockponds, reservoirs, and creeks identified by Lessor and located within one thousand (1,000) feet of any geophysical exploration activity. If any water source or resources are damaged by Lessee's activities on or off the Property, Lessee shall analyze any damaged well or water supply system or surface water and perform necessary repairs and/or modifications to return it to its former capacity and quality. If a private well or water supply system or surface water is damaged beyond repair due to Lessee's activities, Lessee shall provide a temporary water source of similar quality and quantity and shall also

Formatted: Header

replace the well or water source with one of equal or greater quality and quantity (and flow rate as applicable). The results of water quality and water quantity testing shall be provided to Lessor free of charge. Lessee will be strictly liable for any damage to groundwater caused by its geophysical exploration activities.

- Seismic shot hole operations shall be conducted at least one thousand eight hundred feet from water wells, artesian wells, buildings, underground cisterns, pipelines, and flowing springs.
- Nonexplosive exploration methods shall be conducted at least nine hundred feet from water wells, artesian wells, buildings, underground cisterns, pipelines, and flowing springs.
- Variances may be granted in writing by Lessor with specific reference to the water wells, artesian wells, buildings, underground cisterns, pipelines, and flowing springs that are the subject of the variance.

~~6. Amalgamation. Amalgamation. Lessee, in its sole discretion, shall have the right and power, at any time and from time to time during the term of this Lease to pool, unitize, or amalgamate any reservoirs or subsurface pore spaces, stratum or strata underlying the Leased Premises with any other lands or interests into which such reservoirs or subsurface pore spaces extend and document such unit in accordance with applicable law or agency order. Amalgamated units shall be of such shape and dimensions as Lessee may elect and as are approved by the Commission. Amalgamated areas may include, but are not required to include, land upon which injection or extraction wells have been completed or upon which the injection and/or withdrawal of carbon dioxide and/or related gaseous substances has commenced prior to the effective date of amalgamation. In exercising its amalgamation rights under this Lease and if required by law, Lessee shall record or cause to be recorded a copy of the Commission's amalgamation order or other notice thereof in the county in which the amalgamated unit is located. Amalgamating in one or more instances shall, if approved by the Commission, not exhaust the rights of Lessee to amalgamate Reservoirs or portions of Reservoirs into other amalgamation areas, and Lessee shall have the recurring right to revise any amalgamated area formed under this Lease by expansion or contraction or both. Lessee may dissolve any amalgamated area at any time and document such dissolution by recording an instrument in accordance with applicable law or agency order. Lessee shall have the right to negotiate, on behalf of and as agent for Lessor, any unit, amalgamation, storage or operating agreements with respect to amalgamation of reservoir or pore space interests underlying the Leased Premises or the operation of any amalgamated areas formed under such agreements. To the extent any of the terms of such agreements conflict with the terms of this Lease, the terms of such agreements shall control, and the provisions of this Lease shall be deemed modified to conform to the terms, conditions, and provisions of any such agreements which are approved by the Commission.~~

6. Lessee, in its sole discretion, shall have the right and power, at any time and from time to time during the term of this Lease to amalgamate the leased pore space with any other interests which together with the leased pore space form a common reservoir as permitted by the North Dakota Industrial Commission ("NDIC") or other responsible regulatory agency. If such amalgamation is accomplished involuntarily by proceedings before the NDIC, the Lessee will record notice of any order issued by the NDIC along with a copy of the order amalgamating the interests. Notwithstanding the foregoing, any amalgamation of Lessor's pore space voids this Lease if it

will reduce or dilute any financial benefit or compensation due to Lessor under this Lease.

7. Lessee Obligations. Lessee shall have no obligation, express or implied, to begin, prosecute or continue storage operations in, upon or under the Leased Premises, ~~or store and/or sell or use all or any portion of the gaseous substances stored thereon, other than paying Lessor the minimum annual rental fee as described in Section 2(a).~~ The timing, nature, manner and extent of Lessee's operations, if any, under this Lease shall be at the sole discretion of Lessee. ~~All obligations of Lessee are expressed herein, and there shall be no covenants implied under this Lease, it being agreed that all amounts paid hereunder constitute full and adequate consideration for this Lease.~~

8. Ownership. Lessee shall at all times be the owner of (i) the ~~carbon dioxide and other gaseous substances~~Carbon Dioxide stored in the ~~Reservoirs or pore space utilized for any operations under this Lease ("Reservoir") including~~ any reservoirs or subsurface pore spaces, stratum or strata unitized or amalgamated therewith, and (ii) all equipment, buildings, structures, facilities and other property, constructed or installed by Lessee on the Leased Premises. Lessee shall have the right,

Formatted: Header

Formatted: Indent: Left: 0", Hanging: 0.25", Right: 0", Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08", Tab stops: Not at 0.29"

Formatted: Font: 12 pt

Formatted: List Paragraph, Indent: Left: 0.25", Space Before: 0.05 pt

Formatted: Not Expanded by / Condensed by

8. ~~but not the obligation,~~ at any time during this Lease to remove all or any portion of the property or fixtures placed by Lessee on the Lease Premises. ~~Notwithstanding the foregoing, title to the storage facility and to the stored carbon dioxide or other gaseous substances shall be transferred to the State of North Dakota upon issuance of a certificate of project completion by the Commission in accordance with Chapter 38-22 of the North Dakota Century Code.~~

9. ~~Minerals, Coal, Oil and Gas.~~ This Lease ~~isdoes~~ not ~~intended to grant or convey, nor does it grant or convey,~~ any right to or obligation for Lessee to explore for or produce minerals, including ~~coal,~~ oil and gas, that may exist on or under the Leased Premises.

10. ~~Surrender of Leased Premises.~~ Lessee shall have the right, but not the obligation, at any time from time to time to execute and deliver to Lessor a surrender and/or release covering all or any part of the Leased Premises for which the Reservoirs are not being utilized for storage as set forth herein, and upon delivery of such surrender and/or release to Lessor this Lease shall terminate as to such lands, and Lessee shall be released from all further obligations and duties as to the lands so surrendered and/or released, including, without limitation, any obligation to make payments provided for herein, except obligations accrued as of the date of the surrender and/or release. Lessee shall be able to surrender the any and or all of the Leased Premises if not utilizing the Reservoirs located thereunder.

10. ~~Water, Gravel, and Scoria.~~ This Lease does not grant or convey any right to Lessee for use or title to any source of water, gravel, or scoria. Nothing in this lease limits Lessor's rights to mine for gravel or scoria or develop water resources except if doing so would unreasonably interfere with existing or planned surface facilities authorized by this Lease.

11. ~~Hold Harmless and Indemnification.~~ The Lessee agrees to defend, indemnify, and hold harmless Lessor from any ~~damages to the property or person or to claims~~ by any person that are a direct result of the Lessee's use of the Leased Premises or ~~Reservoirs~~the Reservoir. Notwithstanding the foregoing, such indemnity/hold harmless obligation excludes (i) any claim or cause of action, or alleged or threatened claim or cause of action, damage, judgment, interest, penalty or other loss arising ~~or resulting entirely~~ from the negligence or intentional acts of Lessor or Lessor's agents, invitees, or licensees; or third parties, and (ii) ~~any claim for exemplary, punitive, special or consequential damages claimed by Lessor.~~ Lessee further accepts liability and indemnifies Lessor for reasonable costs, expenses and attorneys' fees incurred in establishing and litigating the indemnification coverage provided above. The legal defense provided by Lessee to the Lessor under this paragraph must be free of any conflicts of interest even if this requires Lessee to retain separate legal counsel for Lessor. Lessee agrees to defend, indemnify and hold harmless Lessor, its family members, members, shareholders, directors, managers, partners, officers, employees, agents and contractors (the Indemnified Parties) from and against, and shall promptly reimburse each Indemnified Party with respect to any claim, investigation, demand, administrative or court proceeding, or cause of action, including any actual loss, cost, expense, liability, fine, penalty, fee, or damage incurred or suffered by the Indemnified Party (including reasonable fees and expenses of attorneys, technical experts and expert witnesses, court costs and other out-of-pocket expenses) and resulting from Lessees' breach of this Lease, Lessees' violation of any law, rule or regulation, Lessees' negligence or willful misconduct, or any act of Lessee causing a loss to Lessor and arising out of or related to Lessee's operations on the Property. Neither the coverage nor the limits of insurance required by this Lease shall in any way restrict the foregoing indemnity obligation.

Formatted: Header

Formatted: Font: 12 pt

Formatted: List Paragraph, Left, Indent: Left: 0", Hanging: 0.25", Right: 0", Space Before: 0.05 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08"

Formatted: Font: 12 pt

Formatted: Normal, Space Before: 0.05 pt

Formatted: Indent: Left: 0", Hanging: 0.25", Right: 0", Line spacing: Multiple 1.01 li, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08"

Formatted: Not Expanded by / Condensed by

Formatted: Font: 12 pt

Formatted: List Paragraph, Space Before: 0 pt

Formatted: Indent: Left: 0", Hanging: 0.25", Right: 0", Space Before: 0.05 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08"

Formatted: Not Expanded by / Condensed by

Formatted: Underline

Formatted: Header

Formatted: Font: 12 pt

~~12. Hazardous Substances. Lessee shall have no liability for any regulated hazardous substances located on the Leased Premises prior to the Effective Date or placed in, on or about the Leased Premises by Lessor or any third party on or after the Effective Date, and nothing in this Lease shall be construed to impose upon Lessee any obligation for the removal of such regulated hazardous substances. As used herein, "hazardous substances" shall have the meaning set forth in the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) and any amendments thereto, or any other local, state or federal statutes.~~

~~13. Termination. A material violation or default of any terms of this Lease by Lessee shall be grounds for termination of the Lease. Lessor shall give Lessee written notice of violation or default and Lessee shall have sixty (60) days after receipt of said notice to substantially cure such violations or defaults. If Lessee fails to substantially cure such violations or defaults within the 60-day cure period, Lessor may terminate the Lease; provided that if it is not possible to cure such violations or defaults within the 60 day cure period, Lessee shall have a reasonable longer period of time to cure such violations or defaults provided it commences cure within the initial 60 day~~

~~cure period and thereafter diligently pursues such cure. Lessee may terminate the lease with thirty (30) days written notice to Lessor. Upon termination of this Lease, Lessee shall have one hundred eighty (180) days to remove all facilities and property of Lessee located on the Leased Premises. For the avoidance of doubt, Lessee shall not be required to remove any CO<sub>2</sub> or other incidental gaseous substances injected into the Reservoirs.~~

~~14.12. Taxes. Lessee shall pay all taxes, if any, levied against its personal property or on its improvements to trade fixtures upon the Leased Premises. Lessor shall pay for all real estate taxes and other assessments levied upon the Leased Premises, except that Lessee shall have the right to pay all for any portion of or increase in real estate taxes, assessments and other fees directly attributable to its trade fixtures or its operations on behalf of Lessor and to deduct the amount so paid from other payments due to Lessor hereunder, the Leased Premises.~~

### 13. Insurance Requirements.

- ~~(a) Prior to accessing the Leased Premises, Lessee shall secure and maintain all insurance required by this Section 13 of this Lease.~~
- ~~(b) The failure to secure and provide proof of insurance as required in this Lease shall constitute a material breach of this Lease entitling Lessor to immediate unilateral termination of this Lease.~~
- ~~(c) Lessee shall maintain in effect at all times during the term of this Lease, insurance in accordance with the applicable laws relating to workers' compensation and employers' liability insurance, regardless of whether such coverage or insurance is mandatory or merely elective under the law.~~
- ~~(d) Required insurance coverage is to be purchased at Lessee's expense.~~
- ~~(e) Lessee shall notify Lessor of any erosion of aggregate limits under any of the insurance policies, and if requested, purchase additional limits of coverage as may be deemed by the Lessor to satisfy Lessee's coverage obligations. Without limiting the foregoing, Lessee will notify Lessor of any claim on the insurance policies, and also when any reservation is placed on the policy limit, or the policy is subject to a claim in litigation.~~
- ~~(f) All insurance policies required by this Section 13 must include a waiver of the insurer's right of subrogation against Lessor. Lessee also hereby waives all rights of subrogation against Lessor.~~
- ~~(g) Lessee shall notify Lessor in writing at least thirty (30) days before cancelling any insurance policies required by this Section 13, or reducing or restricting the limits or coverage of any such policies. Failure to provide this notice shall constitute a material breach of this Lease entitling Lessor to immediate unilateral termination of this Lease. Lessor will look to Lessee's insurer for coverage for claims arising from the acts or omissions of Lessee's agents and subcontractors.~~
- ~~(h) Lessor will look to Lessee's insurer for coverage for claims arising from the acts or omissions of Lessee and Lessee's agents and subcontractors.~~
- ~~(i) Insurance coverages, with the exception of workers' compensation and employers' liability shall be endorsed to name Lessor as an additional insured with respect to any liabilities assumed under this Lease; and apply severally and not collectively to each insured against whom claim is made or suit is brought.~~
- ~~(j) Upon execution of this Lease and prior to January 1<sup>st</sup> of each year, Lessee shall instruct and require its insurance agent/broker to complete and return an insurance certificate to~~

Formatted: Header

Formatted: Indent: Left: 0", Hanging: 0.25", Right: 0", Space Before: 0.05 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08"

Formatted: Font: 12 pt

Formatted: List Paragraph, Right: 0.08", Space Before: 0 pt, Tab stops: 0.44", Left

Lessor, in an ACORD form, as evidence that insurance policies providing the required coverage, limits and additional insured provisions as outlined in this Section 13 are in full force and effect. Lessee shall be fully responsible for all deductibles and self-insured retentions related to insurance provided herein.

(k) Minimum General Requirements.

- \$5,000,000 General Liability
- \$1,000,000 Automobile Liability
- Statutory Workers' Compensation
- Employers' Liability - \$1,000,000 each accident; \$1,000,000 disease – policy limit; and \$1,000,000 disease – each employee.
- \$10,000,000 Excess Liability
- \$20,000,000 Pollution Liability

15.14. Conduct of Operations. In conducting its operations hereunder, Lessee shall ~~use its best efforts to~~ comply with all applicable laws, rules and regulations and ordinances pertaining thereto to those operations, Lessee reserves and shall have the right to challenge and/or appeal any law, ruling, regulation, order, or other determination and to carry on its operations in accordance with Lessee's reasonable, good faith interpretation of the same, pending final determination. Lessee shall also make good faith efforts to adhere to all provisions of International Standard ISO 27914, First Edition 2017-10, "Carbon dioxide capture, transportation and geological storage — Geological storage," and future editions and amendments to that Standard, and shall do so to the extent it is not financially or operationally impracticable because of project or operational design.

15. Force Majeure. Should Lessee be prevented from complying with any express or implied covenant of this Lease or from utilizing the ~~Lease~~Leased Premises for underground storage purposes by ~~reason of scarcity of or an inability to obtain or to use equipment or material or failure or breakdown of equipment,~~Act of God or by operation of force majeure, any federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's~~Lessee's~~ obligation to comply with such covenant shall be suspended ~~and the primary term of this Lease shall be~~. In no event shall this Section 15 be construed to be precedent to Lessor's right to terminate the Lease under Section 16. For the avoidance of doubt, the Lessee's obligation to pay the annual rent as described in Section 2(a) shall not be impacted by this Section 15 and the Term of this Lease shall not be extended while ~~and so long as~~ Lessee is prevented by any such cause from utilizing~~due to this Section 15~~.

16. Lessor's Remedies. Lessor shall have, as a remedy for Lessee's default hereunder, all remedies available to it in law or in equity except as any such remedy may be limited by the express terms of this Lease, including, at Lessor's sole discretion, the right to terminate this Lease and all rights inuring to Lessee hereunder by sending written notice of breach to Lessee and if the breach is not cured within sixty (60) days, Lessor may send notice of termination of the Lease to Lessee. Lessee may obtain two additional periods of sixty (60) days upon written request and upon a reasonable showing of due diligence to cure a default or breach. If no cure is made, then upon sending of such written notice of termination, this Lease shall automatically terminate, and all rights granted herein to Lessee shall revert to Lessor. Such termination shall not prejudice the rights of Lessor to collect any money due or to seek recovery on any claim arising hereunder, nor shall any such termination relieve Lessee of its obligations to restore the property for

Formatted: Header

Formatted

... [43]

Formatted: Indent: Left: 0", Hanging: 0.25", Right: 0.08", Space Before: 3.8 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08"

Formatted: Font: 12 pt

Formatted: Indent: Left: 0", Hanging: 0.25", Space Before: 0.4 pt

Formatted

... [44]

Formatted: Indent: Left: 0", Hanging: 0.25", Right: 0.08", Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08", Tab stops: 0.38", Left + Not at 0.41"

Formatted: Header

~~underground storage purposes and the time while Lessee is so prevented shall not be counted against Lessee, anything in this Lease to the contrary notwithstanding or pay compensation, to indemnify Lessor, and other obligations hereunder that survive expiration or termination of this Lease. If Lessee receives a notice hereunder and disagrees that a breach or default has taken place and Lessee files an action for a declaratory judgment regarding the existence of the breach or default, then termination will be stayed pending adjudication of the existence of a breach or default. In the event of early termination of this Lease or litigation related to a breach or default hereunder, rental payment obligations in Section 2(a) of this Lease will be made until termination is effective or litigation is concluded with a final judgment and any appeal period has run.~~

Formatted: Font: 12 pt, Underline

~~17. Surface Damage Compensation. The bonus and royalty amounts contemplated and paid to Lessor hereunder is compensation for, among other things, damages sustained by Lessor for lost land value, the lost use of and access to Lessor's land and lost value of improvements, if any and to the extent applicable. Subject to Lessee's obligation to compensate Lessor for the installation of any Facilities on the Leased Premises pursuant to Section 5 of this Agreement, Lessor agrees that such compensation is just and adequate for any and all such damages and all other damages which Lessor may sustain as a result of Lessee's use of the property for its storage operations.~~

Formatted: List Paragraph, Indent: Left: 0", Hanging: 0.25", Space Before: 0 pt

~~18.17. Warranty of Title and Quiet Enjoyment. Lessor represents and warrants to Lessee that Lessor is the owner of the surface of the Leased Premises and the pore space located thereunder. Lessor hereby warrants and agrees to defend title to the Leased Premises and the pore space located thereunder and Lessor hereby agrees that Lessee, at its option, shall have the right to discharge any tax, mortgage, or other lien upon the Leased Premises, and in the event Lessee does so, Lessee shall be subrogated to such lien with the right to enforce the same and apply royalty payments or any other payments due to Lessor toward satisfying the same.~~

Formatted: Indent: Left: 0", Hanging: 0.25", Right: 0.08", Space Before: 0 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08"

~~Lessor warrants that, except as disclosed to Lessee in writing, there are no liens, encumbrances, leases, mortgages, deeds of trust, options, or other exceptions to Lessor's fee title ownership of the Leased Premises (collectively, "Liens") which are not recorded in the public records of the County~~

Formatted: Font: 12 pt

Formatted: Indent: Left: 0", Hanging: 0.25"

in which the Leased Premises is located. Lienholders (including tenants), whether or not their Liens are recorded, shall be Lessor's responsibility, and Lessor shall cooperate with Lessee to obtain a non-disturbance agreement from each party that holds a Lien (recorded or unrecorded) that might interfere with Lessee's rights under this Lease. A non-disturbance agreement is an agreement between Lessee and a lienholder which provides that the lienholder shall not disturb Lessee's possession or rights under the Lease or terminate this Lease so long as Lessor is not entitled to terminate this Lease under the provisions hereof.

Lessor shall have the quiet use and enjoyment of the Leased Premises in accordance with the terms of this Lease. Lessor's activities and any grant of rights Lessor makes to any person or entity, whether located on the Leased Premises or elsewhere, shall not, currently or prospectively, materially interfere with activities permitted hereunder. If Lessor has any right to select, determine, prohibit or control the location of sites for drilling, exploitation, production and/or exploration of minerals, hydrocarbons, water, gravel, or any other similar resource in, to or under the Lease Premises, then Lessor shall exercise such right so as to minimize interference with any of the foregoing.

**18. As Is, Where Is. LESSEE HAS HAD THE OPPORTUNITY TO INSPECT THE PHYSICAL, GEOLOGICAL, AND TOPOGRAPHIC CONDITION OF THE PROPERTY AND ACCEPTS SAME "AS IS" IN ITS EXISTING PHYSICAL AND TOPOGRAPHIC CONDITION. LESSEE IS NOT RELYING ON ANY REPRESENTATION OR WARRANTY OF THE LESSOR REGARDING ANY ASPECT OF THE PROPERTY, BUT IS RELYING ON LESSEE'S OWN INSPECTION OF THE PREMISES AND PROPERTY. LESSOR DISCLAIMS ANY AND ALL WARRANTIES OF HABITABILITY, MERCHANTABILITY, SUITABILITY, FITNESS FOR ANY PURPOSE, AND ANY OTHER WARRANTY WHATSOEVER NOT EXPRESSLY SET FORTH IN THIS LEASE. LESSEE MAKES ITS OWN DETERMINATION OF THE USABILITY OF THE PROPERTY FOR SEQUESTRATION OF CARBON DIOXIDE. THE USE OF THE TERMS "GRANT" AND/OR "CONVEY" IN NO WAY IMPLIES THAT THIS LEASE OR THE PROPERTY ARE FREE OF LIENS, ENCUMBRANCES AND/OR PRIOR RIGHTS. LESSEE IS HEREBY PUT ON NOTICE THAT ANY PRIOR GRANT AND/OR ENCUMBRANCES MAY BE OF RECORD AND LESSEE IS ADVISED TO EXAMINE ALL RECORDS OF THE STATE AND COUNTY IN WHICH THE PROPERTY IS LOCATED. THE TERMS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.**

**19. Environmental Incentives and Tax Credits. Except as determined by Section 3 ("Royalty"), Lessee shall be the owner of (i) any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to Lessee's geologic storage operationsCarbon Dioxide Geologic Storage Operations, including any avoided emissions and the reporting rights related to these avoided emissions, such as 26 U.S.C. §45Q Tax Credits, and any other attributes of Lessee's ownership of the Facilities and Lessee's geologic storage operationsCarbon Dioxide Geologic Storage Operations, ("Environmental Attributes"), and (ii) any and all credits, rebates, subsidies, payments or other incentives that relate to the use of technology incorporated into Lessee's geologic storage operationsCarbon Dioxide Geologic Storage Operations, environmental benefits of such operations, or other similar programs available from any regulated entity or any governmental authority ("Environmental**

Formatted: Header

Formatted: Indent: Left: 0", Hanging: 0.25", Right: 0.08", Space Before: 0.05 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08"

Formatted: Not Expanded by / Condensed by

Incentives”). Lessee is further entitled to the benefit of any and all (a) investment tax credits, (b) production tax credits, (c) credits under 26 U.S.C. §45Q credits, and (d) similar tax credits or grants under federal, state or local law relating to Lessee’s geologic storage operations Carbon Dioxide Geologic Storage Operations (“Tax Credits”). Lessor shall (i) cooperate with Lessee in obtaining, securing and transferring all Environmental Attributes and Environmental Incentives and the benefit of all Tax Credits, and (ii) shall allow Lessee to ~~take any actions necessary to~~ install additional equipment on the Facilities as is reasonably necessary and subject to Easements as defined in Section 5(a), to comply with all monitoring and reporting obligations; ~~and allow Lessee’s personnel to enter the premises and collect any data Lessee requires to satisfy its obligations required in connection with obtaining Tax Credits and Environmental Attributes.~~ Lessor shall not be obligated to incur any out-of-pocket costs or expenses in connection with such actions unless immediately reimbursed by Lessee. If any Environmental Incentives are paid directly to Lessor, Lessor shall immediately pay such amounts over to Lessee, ~~less Lessor’s appropriate share as determined by Section 3 (“Royalty”), at Lessor’s election.~~

~~20. Assignment. The rights of either Party hereto may be assigned in whole or part. The assigning party shall provide written notice of any assignment within sixty (60) days after such assignment has become effective; provided, however, that an assigning party’s failure to deliver written notice of assignment within such 60 day period shall not be deemed a breach of this Lease unless such failure is willful and intentional. The Lessor’s consent shall not be required for an assignment by the Lessee of this Lease, whether by way of a collateral assignment to its financiers or otherwise.~~

~~21. Change of Ownership. No change of ownership in the Leased Premises shall be binding on the Lessee for purpose of making payments to Lessor hereunder until the date Lessor, or Lessor’s~~

Formatted: Header

Formatted: Not Expanded by / Condensed by

Formatted: Font: 12 pt

Formatted: Indent: Left: 0", Hanging: 0.25", Space Before: 0.5 pt

~~successors or assigns, furnishes Lessee the recorded original or a certified copy of the instrument evidencing the change in ownership. The Lessor's consent shall not be required for a change in the direct or indirect control of the Lessee.~~

20. Assignments void this Lease. Lessee shall not assign this Lease to any other party without the prior written consent of Lessor, with Lessor's consent not to be unreasonably withheld, provided, however, that if any assignment by Lessee, Lessee shall remain fully responsible for all obligations, responsibilities and liabilities in this Lease (including, but not limited to, requirements as to restoration, indemnity, and insurance). Notwithstanding the foregoing, Lessee shall have the right without obtaining Lessor's consent, to convey, assign, sublease or otherwise transfer to any person all or any portion of its interest under this Lease only if necessary and in order to encumber, mortgage or pledge (including by mortgage, deed of trust or personal property security instrument) all or any portion of its right, title or interest in this Lease to any lender as security for the repayment of any indebtedness. No such sale, conveyance, assignment, sublease or other transfer shall relieve Lessee of its obligations under this Lease. Any assignment other than as allowed by this section will immediately terminate and void this Lease except that Lessee's obligations including rental and royalty obligations and property bond obligations will not terminate.

22-21. Notices. All notices required to be given under this Lease shall be in writing and addressed to the respective Party at the addresses set forth at the beginning of this Lease unless otherwise directed in writing by either Party.

22. Permits. Lessee shall be solely responsible for applying for and obtaining any and all necessary permits for construction and operation of the Facility, including, without limitation, Class VI UIC well permits. Likewise, Lessee shall be solely responsible for ongoing compliance with and will comply with all federal, State, and local laws, ordinances, Conditional Use Permits and regulations that are or become applicable to its operations or facilities on the Leased Premises. Lessee must be able to demonstrate to Lessor, to Lessor's reasonable satisfaction, that all such permits have been obtained and that Lessee is in compliance with all such applicable laws, ordinances, and regulations at the time that Lessee proposes to begin any construction under this Lease. With regard to its obligations under this section, "Lessee" includes the named Lessee as well as its agents and contractors. Lessee shall submit to Lessor a copy of all filings and reports, when filed, that Lessee must file with the relevant governmental authority in connection with maintaining its Class VI Permit(s). Notwithstanding any other provision of this Lease to the contrary, if Lessee has not applied for a Class VI Permit for the Leased Premises or land amalgamated with the Leased Premises within two (2) years from exercise of the Option and execution of this Lease, Lessor may terminate this Lease upon thirty (30) days written notice thereof delivered to Lessee.

23. Costs of Future Documentation. Lessee or any Mortgagee or Assignee requesting or receiving from Lessor additional, new or revised documents under the terms of this Lease shall pay Lessor's reasonable legal fees and other out of pocket expenses related to preparation, review, execution and delivery of the documents requested or received.

23-24.No Waiver. The failure of either Party to insist in any one or more instances upon strict performance of any of the provisions of this Lease or to take advantage of any of its rights

Pore Space Lease | 18

Formatted: Header

Formatted: Indent: Left: 0", Hanging: 0.25", Right: 0.08", Line spacing: Multiple 1.01 li, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08"

Formatted: Not Expanded by / Condensed by

Formatted: Font: 12 pt

Formatted: Indent: Left: 0", Hanging: 0.25", Right: 0.08", Space Before: 3.8 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08"

hereunder shall not be construed as a waiver of or acquiescence to any such provision or the relinquishment of any such rights, but the same shall continue and remain in full force and effect.

~~24. Notice of Lease. This Lease shall not be recorded in the real property records. Lessee shall cause a memorandum of this Lease to be recorded in the real property records of the county in which the Leased Premises are situated.~~

~~25. Confidentiality. Lessor shall maintain in the strictest confidence, for the benefit of Lessee, all information pertaining to the compensation paid under this Lease, any information regarding Lessee and its business or operations on the Leased Premises or on any other lands, the capacity and suitability of any Reservoir or reservoirs and subsurface pore spaces, stratum or strata unitized or amalgamated therewith, and any other information that is deemed proprietary or that Lessee requests or identifies to be held confidential, in each such case whether disclosed by Lessee or discovered by Lessor.~~

~~26-25. Counterparts. This Lease may be executed in any number of counterparts, each of which, when executed and delivered, shall be an original, but all of which shall collectively constitute one and the same instrument.~~

~~27-26. Severability. If any provision of this Lease is found to be invalid, illegal or unenforceable in any respect, such provision shall be deemed to be severed from this Agreement Lease, and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.~~

~~28-27. Governing Law. This Lease shall be governed by, construed and enforced in accordance with the laws of the State of North Dakota without regard to its choice of law or conflict of law common law and the Parties hereby submit to the jurisdiction of the state or federal courts located in the State of North Dakota.~~

~~29-28. Further Assurances. Each Party will execute and deliver allany documents, reasonably necessary to achieve the purpose of this Lease and that do not alter or modify any rights or obligations and will provide all information, and take or forbear from all actions in response to any reasonable request as may bereasonably necessary, or appropriate to achieve the purposes of this Lease, including without limitation executing a memorandum of this Lease and all documents required to obtain any necessary government approvals.~~

~~30-29. Entire Agreement. This Lease constitutesand its exhibits and related documents (whether executed contemporaneously or in the future) constitute the entire agreement between the Parties and supersedessupersede all prior negotiations, undertakings, notices, memoranda and agreement between the Parties, whether oral or written, with respect to the subject matter hereof. This Lease may only be amended or modified by a written agreement duly executed by Lessor and Lessee.~~

Formatted ... [45]

Formatted ... [46]

Formatted ... [47]

Formatted ... [48]

Formatted ... [49]

Formatted ... [50]

Formatted ... [51]

Formatted ... [52]

Formatted ... [53]

Formatted ... [54]

Formatted ... [55]

Formatted ... [56]

Formatted ... [57]

Formatted ... [58]

Formatted ... [59]

Formatted ... [60]

Formatted ... [61]

Formatted ... [62]

Formatted ... [63]

Formatted ... [64]

Formatted ... [65]

Formatted ... [66]

Formatted ... [67]

Formatted ... [69]

Formatted ... [68]

Formatted ... [70]

Formatted ... [71]

Formatted ... [72]

Formatted ... [73]

Formatted ... [74]

Formatted ... [75]

Formatted ... [76]

Formatted ... [77]

Formatted ... [78]

Formatted ... [79]

Formatted ... [80]

Formatted ... [81]

Formatted ... [82]

Formatted ... [83]

Formatted ... [84]

Formatted: Header

31.30. Cooperation with Financiers. The Lessor hereby acknowledges and consents that Lessee may ~~grant~~~~convey~~ a collateral assignment or leasehold mortgage of Lessee's rights under this Lease to Lessee's debt financiers, it being understood that such collateral assignment or leasehold mortgage would only encumber the leasehold interest created hereunder ~~and would not alter or modify any rights or obligations under this Lease.~~

Formatted ... [85]  
Formatted: Indent: Left: 0", Hanging: 0.25", Space Before: 0 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08"

32.31. Favored Nations Neighbor. If, at any time ~~within the twelve (12) month period following the Effective Date,~~ Lessee enters into a pore space lease agreement with a third party landowner covering any part of Lessee's storage facility ("Third-Party Lease"), and if any of the payments, terms or conditions specified in the Third-Party Lease would have been more favorable to Lessor had Lessor executed a lease agreement similar to the Third-Party Lease, then Lessor and Lessee will amend this Lease so that it reflects compensation ~~or other~~ terms similar to the Third-Party Lease, and Lessee will pay to Lessor the additional compensation, if any, that Lessor would have been paid had Lessor signed a lease agreement similar to the Third-Party Lease. For the purposes of this Section ~~32.31,~~ "Lessee's storage facility" shall mean any storage facility (as such term is defined in ch. 38-22 of the North Dakota Century Code) operated by Lessee within a ~~ten (10)~~~~twenty (20)~~ mile radius of the Leased Premises which is subject to a permit issued by the Commission pursuant to, ch. 38-22, of the North Dakota Century Code.

Formatted: Font: 12 pt  
Formatted: Indent: Left: 0", Hanging: 0.25"  
Formatted: Indent: Left: 0", Hanging: 0.25", Right: 0.08", Space Before: 3.8 pt, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08"  
Formatted ... [86]

32. Right to Audit. Lessor has the right to audit any and all records of the Lessee that are associated with this Lease or the storage facility as defined in Section 31. Audits will be conducted by a third party, at Lessor's expense. If the results of the audit find any deficiency that deprived Lessor of a benefit under this Lease, then Lessee will pay for the full cost of the audit and remedy the deficiency immediately.

Formatted ... [87]  
Formatted ... [88]  
Formatted: Font: 12 pt  
Formatted: Indent: Left: 0", Hanging: 0.25", Space Before: 0.4 pt

33. Electronic Signatures. This Lease, and any amendments hereto, to the extent signed and delivered by means of electronic transmission in portable document format (pdf) or by DocuSign or similar electronic signature process, shall be treated in all manner and respects as an original contract and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

Formatted: Indent: Left: 0", Hanging: 0.25", Right: 0", Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: -0.14" + Indent at: 0.08"

34. Lessee's Authority. Lessee hereby represents and warrants to Lessor that (i) Lessee is authorized to do business in the State of North Dakota, (ii) entering into this Lease is an action duly authorized on behalf of Lessee by its management and in accordance with its corporate governance documents, and (iii) the person executing and delivering this Lease has the requisite authority to bind Lessee to Lessee's obligations hereunder.

Formatted: Not Expanded by / Condensed by  
Formatted: Font: 12 pt  
Formatted: List Paragraph, Indent: Left: 0", Hanging: 0.25", Space Before: 0 pt

35. Interpretation. Each Party has reviewed this Lease with its respective counsel and agree that this Lease has been fairly negotiated at arm's length. This Lease shall not be construed against either Party and the principle of contract construction to the effect that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Lease.

36. Headings. The captions used in connection with the sections of this Lease are for convenience only and shall not be deemed to construe or limit the meaning of the language of this Lease.

37. Recording. Lessee is obligated to record this Lease along with its exhibits with the County

Formatted: Header

Recorder within a reasonable time after execution of all documents. Lessee shall give Lessor notice when the recording is complete.

IN WITNESS WHEREOF, the Parties have executed this Lease effective for all purposes as of the Effective Date.

**LESSOR:**

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

Print: \_\_\_\_\_

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

Print: \_\_\_\_\_

~~34. Insurance. Lessee shall obtain and maintain in force commercial general liability insurance covering the Facilities and Lessee's activities on the Leased Premises at all times during the term of this Lease, with a minimum occurrence and aggregate limit of one million dollars (\$1,000,000). Such insurance coverage for the Facilities and Leased Premises may be provided as part of a blanket policy that covers other Facilities or properties as well. Any such policies shall include Lessor as an additional insured. Lessee, or its insurer, shall provide thirty (30) days prior written notice (except ten (10) days for nonpayment of premium) to Lessor of any cancellation. Lessee shall provide Lessor with copies of certificates of insurance evidencing this coverage upon request by Lessor.~~

Formatted: Header

Formatted: Space Before: 7.9 pt, Line spacing: Multiple 1.03 li

Formatted: Font: 12 pt

Formatted: Font: 12 pt

Formatted: Not Expanded by / Condensed by

Formatted: Font: 12 pt

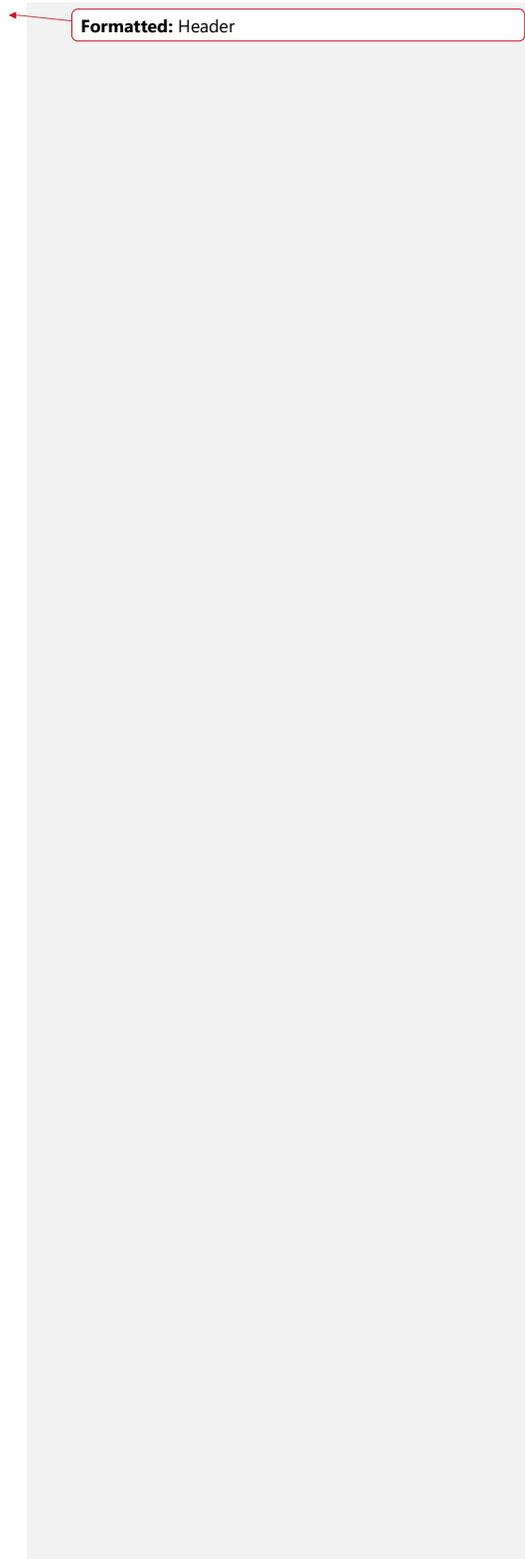
Formatted: Space Before: 0 pt

Formatted: Font: 12 pt

Formatted: Not Expanded by / Condensed by

Formatted: Underline

|  
  
|



Formatted: Header

IN WITNESS WHEREOF, the Parties have executed this Lease effective for all purposes as of the Effective Date.

**LESSOR:**

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

Print: \_\_\_\_\_

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

Print: \_\_\_\_\_

Formatted: Header

Formatted: Line spacing: Multiple 0.99 li

Formatted: Font: 12 pt

Formatted: Indent Left: 0.08", First line: 0.5", Space Before: 3.95 pt, Line spacing: Multiple 0.99 li

Formatted: Normal

Formatted: Font: 12 pt

Formatted: Font: 12 pt

Formatted: Not Expanded by / Condensed by

Formatted: Font: 12 pt

Formatted: Space Before: 0 pt

Formatted: Font: 12 pt

Formatted: Not Expanded by / Condensed by

Formatted: Underline

~~IN WITNESS WHEREOF, the Parties have executed this Lease effective for all purposes as of the Effective Date.~~

~~Effective Date: \_\_\_\_\_ LESSEE:~~

~~SUMMIT CARBON SOLUTIONS, LLC~~

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

~~Print: \_\_\_\_\_~~

~~Its: Executive Vice President~~

Formatted: Header

Formatted: Space Before: 7.9 pt, Line spacing: Multiple 1.03 li

Formatted: Header

Effective Date:

\_\_\_\_\_

LESSEE:

SUMMIT CARBON SOLUTIONS, LLC

By:

\_\_\_\_\_

Print:

\_\_\_\_\_

Its:

Executive Vice President

Formatted: Header

**EXHIBIT A**

[Survey Plat to be Provided]

**EXHIBIT B**

**EXERCISE OF OPTION**

By signing below and delivering a copy of such to Lessor as specified above, Lessee hereby exercises the above Option.

**SUMMIT CARBON SOLUTIONS, LLC**

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

Print: \_\_\_\_\_

Its: Executive Vice President

Formatted: Header

Formatted: Underline

Formatted: Centered, Indent: Left: 0", Right: 0", Space Before: 3.8 pt

Formatted: Font: 12 pt, Not Bold

Formatted: Space Before: 0 pt

Formatted: Centered, Indent: Left: 0", Space Before: 0 pt

Formatted: Font: 12 pt

Formatted: Not Expanded by / Condensed by

Formatted: Right: 0", Space Before: 10.9 pt, Line spacing: Multiple 1.01 li

Formatted: Not Expanded by / Condensed by

Formatted: Font: 12 pt

Formatted: Space Before: 0.3 pt

Dated: \_\_\_\_\_

SUMMIT CARBON SOLUTIONS, LLC

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

Print: \_\_\_\_\_

Its: Executive Vice President \_\_\_\_\_

**Formatted:** Header

**Formatted:** Left: 1", Right: 1", Top: 1", Bottom: 1", Header distance from edge: 0.5", Footer distance from edge: 0.5"

**Formatted:** Font: 12 pt

**Formatted:** Footer, Right, Line spacing: single

**EXHIBIT C**

REAL PROPERTY INTEREST

This Lease ~~Agreement~~ is subject to the following real property located in Oliver County, North Dakota more particularly described as:

Containing \_\_\_\_\_ acres, more or less.

Formatted: Header

Formatted: Underline

Formatted: Centered, Indent: Left: 0", Right: 0", Space Before: 0 pt

Formatted: Font: 12 pt

Formatted: Space Before: 0.4 pt

Formatted: Indent: Left: 0", Right: 0"

Formatted: Font: 12 pt

Formatted: Space Before: 0.35 pt

Formatted: Indent: Left: 0", Space Before: 0.05 pt, Line spacing: Multiple 1.01 li

Formatted: Font: 12 pt

Formatted: Space Before: 0.2 pt

Formatted: Font: 12 pt

Formatted: Footer, Right, Line spacing: single

**EXHIBIT D**

**EASEMENT: CARBON DIOXIDE SURFACE FACILITIES**

This Lease Agreement is subject to a Royalty Escalation. The royalty shall increase TEN percent (10.0%) on January 1, 2026, and an additional TEN percent (10.0%) every five years thereafter. For issued under the avoidance Pore Space Lease dated XXXX, as identified by a Memorandum of doubt, Pore Space Lease recorded with the royalty XXX County Recorder as document number XXXX.

\_\_\_\_\_ whose address is \_\_\_\_\_ (OWNER), in consideration as defined in Section 1, which initial payment has been received, conveys to **Summit Carbon Solutions, LLC, an Iowa limited liability company, whose address is 1805 Collaboration Place, Suite 1200, Ames, IA 50010,** (OPERATOR), a nonexclusive easement to construct, operate, maintain, and remove (non-linear facilities such as compressor or pumping station, well site, storage or office building site, tower site, or any other improvement or structure that requires a non-linear easement ("Surface Facilities" or "Facility"), over land hereafter referred to as the "easement area", which is described by the following metes and bounds survey:

**(qtr) of Section (#), T(#)N, R(#)W, (County) County**

A Survey Plat and Written Narrative, titled Exhibit "A," shall be prepared by a Registered Land Surveyor and shall depict and describe the proposed location of the Facility(s). The boundary of the Facility must be described using a metes and bounds. The survey plat must be accompanied by a written narrative describing the boundary, the number of acres within the easement, and the survey plat must depict, and the written narrative must include, the points of beginning and ending of the survey with said points tied to known and monumented government section or quarter corners of the property on which they occur. The completed survey plat and written narrative must be attached to this easement as Exhibit "A." The fully executed easement must be filed with the County Recorder by OPERATOR immediately upon its execution and easement consideration payment to OWNER. No real property rights will be conveyed by this easement unless they are specifically described in this easement and described on Exhibit A. OPERATOR will provide an as-built survey plat which will be labeled as Exhibit A-1 and will contain the actual as-built boundary of the Facility if it is different than that indicated on Exhibit A.

The easement area contains (acres) acres, more or less. The easement area is further described and illustrated Exhibit "A," (Ltr)" which is attached to and is a part of this easement.

Formatted: Header

Formatted: Underline

Formatted: Centered, Indent: Left: 0", Right: 0", Space Before: 0 pt

Formatted: Font: 12 pt

Formatted: Normal, Centered, Space Before: 0 pt, Tab stops: 3.63", Left

Formatted: Normal, Justified, Indent: Left: 0", Right: 0", Tab stops: 3.63", Left

Formatted: Font: 12 pt

Formatted: Normal, Justified, Space Before: 0 pt, Tab stops: 3.63", Left

Formatted: Font: 12 pt

Formatted: Font: 12 pt

Formatted: Font: 12 pt

Formatted: Header

1. In Consideration for the rights conveyed to OPERATOR under this easement, OPERATOR agrees to pay OWNER consideration pursuant to Exhibit F and provide a payment receipt and breakdown itemizing the consideration.
2. The only use to which this easement may be put is for operations reasonably necessary for Carbon Dioxide geologic storage purposes as defined in the Pore Space Lease, and therefore, it may not be used for any other purpose, such as, and including but not in any way limited to, injection, processing, compression, transportation or treatment of any substances other than Carbon Dioxide as defined in the Pore Space Lease.
3. This easement will remain in effect for so long as Carbon Dioxide geologic storage injection operations authorized by the Pore Space Lease continue at the Surface Facilities, but in no event after Termination of the Pore Space Lease.
4. A material breach of any material terms of this easement by OPERATOR shall be grounds for termination of this easement. OWNER shall give OPERATOR written notice of violation or default at the address written above and OPERATOR shall have 30 days after receipt of said notice to rectify such violations or defaults. In the event OPERATOR fails to comply, OWNER may terminate this easement and record a notice of easement termination with the Recorder of the County in which the Surface Facilities are situated.
5. If construction of the Surface Facilities is not completed within one year after OWNER signs this easement, this easement automatically terminates.
6. OPERATOR, or its agent, shall have a legible copy of this easement with them on site for reference during construction, operation, maintenance or reclamation and shall present the copy upon OWNER's request. OPERATOR will ensure that there is at least one specific meeting at which any construction contractors are notified of the requirements of this easement as it relates to construction of the Surface Facilities.
7. In addition to the consideration paid ~~is calculated~~ to the OWNER, OPERATOR shall make a satisfactory settlement with the surface tenant for damage to seeded annual crops, fences or other improvements owned by the tenant, caused by construction, operation, maintenance or removal of the Surface Facilities and shall notify the surface tenant of the construction schedule at least one week before construction.
8. OPERATOR shall maintain the natural water flow and drainage.
9. If, prior to or during construction, archeological or paleontological items are discovered or such items are disturbed, OPERATOR shall cease construction activities immediately. OPERATOR shall then promptly notify OWNER and must not resume construction until written approval is given by OWNER. OWNER shall act with reasonable promptness to review items discovered and to decide whether to remove or protect them and to then complete removal or protection.

Formatted: Font: 12 pt

Formatted: Header

10. Any fixtures, structures, installations, or facilities constructed or installed by OPERATOR are the property of OPERATOR and may be removed by OPERATOR at any time during the Term of this easement.
11. Prior to the end of the Term, OPERATOR shall remove all improvements, both above ground and underground, from the easement area when the easement is abandoned or in any other way terminated, unless authorized to do otherwise in writing by OWNER. Upon termination of the easement, OPERATOR will provide OWNER a release of easement suitable for recording in the public record, restore all areas disturbed, occupied, or used by OPERATOR, remediate any contaminants introduced by OPERATOR's operations, and restore the surface to its original condition and productivity.
12. OPERATOR shall, prior to construction, maintenance, or removal, reserve all topsoil from areas subject to topsoil and subsoil mixing as depicted on Exhibit B. The reserved soil must be stockpiled to minimize wind and water erosion. No soil segregation or stripping will be conducted in frozen soil conditions. Upon completion of construction, and maintenance or removal, OPERATOR shall promptly reclaim the disturbed area. It must be recontoured to conform to the adjacent natural topography, rocks exposed by excavation must be removed or piled on a location agreed to in writing by OWNER, the reserved soil must be evenly respread over the disturbed area, and the entire disturbed area must be revegetated with a mixture of native perennial grasses as shown in Exhibit C except in cropland or hayland. Reclamation is not complete until rocks are removed from the surface, erosion is controlled and the surface is revegetated with a mixture of native perennial grasses, an alfalfa mix on hayland, or a cover crop if soil is disturbed in cropland between January 1 and July 30 or soil will remain uncovered for any period longer than forty-five (45) days.
13. After construction is complete, topsoil shall be evenly respread on all areas from which it was removed, except those areas covered by construction aggregate or any other surfacing material. The topsoil from those areas covered by construction aggregate or other surfacing material shall remain stockpiled for use during the reclamation of the Surface Facilities. All exposed soil surfaces not covered by construction aggregate or other surfacing materials shall be revegetated with a mixture of native perennial grasses approved by OWNER prior to revegetation sufficient to prevent accelerated erosion and restore, as closely as possible, the original long-term productivity.
14. Where the soil of the easement area is disturbed by OPERATOR's activities, whether authorized hereunder or not, OPERATOR shall restore soil productivity levels on all areas not being actively used for its Surface Facilities. Soil productivity levels will be measured with reference to re-vegetation success. Re-vegetation on hay land, pastureland, and native prairie shall be considered successful if the density and cover of non-nuisance, desirable plant species is equal to or greater than adjacent undisturbed portions of the same field. On cropland, re-vegetation shall be considered successful if crop yields are equal to adjacent undisturbed portions of the same field grown under the same conditions. On hay land, the land will be re-vegetated with a local adapted variety of alfalfa at the rate of 5.5 lb./acre, and a cover crop such as oats will be used as necessary to establish the alfalfa on the hay land, or as otherwise agreed to by OWNER. On native prairie and pasture, the land will be re-vegetated pursuant to the specifications contained in Exhibit C.

15. In areas where temporary fencing is necessary to keep livestock out of the easement areas (i.e. non-cultivated pasture land), OPERATOR shall install temporary fencing around the total easement areas (temporary, additional, and permanent) before commencement of construction, which fences shall remain until the entire easement area has been reclaimed. At the conclusion of reclamation activities, temporary fencing shall become the property of the OWNER. Before construction of any fence by OPERATOR, OPERATOR will consult with OWNER as to the location of the fence and the location of any gates reasonably necessary for OWNER's access to water and forage along the easement areas. If OWNER chooses, OWNER may notify OPERATOR in writing that OWNER will install this fencing, and provide an estimate based on market rates for one of the types of fences described below. OPERATOR will reimburse OWNER for the cost of the estimate, unless OPERATOR believes the estimate is unreasonable, in which case OPERATOR will obtain a reasonable estimate based on market rates and reimburse that amount to OWNER.

a. Unless otherwise agreed to in writing by OWNER and as long as OWNER supplies power to the fence, any fence installed by OPERATOR under this section will be reasonably similar to the two-wire power fence described in the NRCS spec sheet, which requires use of smooth, single-strand, 12.5 gauge high-tensile strength (170,000 psi, minimum), type III galvanized or better wire and a top wire (hot wire) at least 26 inches above ground line and the bottom wire (ground wire) 8 to 12 inches below the top wire. The bottom (ground) wire will be connected either directly to the negative side of the energizer or to the same grounding rod(s) as the energizer. In situations where the earth provides adequate ground to complete the circuit, both wires may be energized. Tension on each wire shall be sufficient to maintain proper wire spacing between line posts. In-line strainers will be installed on each wire to maintain correct tension on each wire between all brace corners and gate assemblies. Tension springs may be used on each wire to maintain proper tension. In the absence of power, OPERATOR shall install a basic four strand barbed-wire fence, utilizing Red Brand 2 point barbed wire with studded t posts weighing a minimum of 1.25 pounds/foot. Such barbed wire fence shall meet the installation specifications in the NRCS spec sheet.

16. OPERATOR shall take necessary precautions to prevent fires. In the event of a fire caused by the OPERATOR or its agent, OPERATOR shall compensate the OWNER's surface tenant(s) for their losses including forage, crop and any other losses; and shall compensate OWNER for any loss it suffers due to the fire.

17. OPERATOR shall conduct all activities associated with the Surface Facilities in a manner that avoids the degradation of the area's air, land, water quality, audible and visual resources.

18. Prior to the end of the Term, OPERATOR shall dispose of all surface contaminated soil, remove debris, recontour the disturbed surface to conform with the original terrain, remove all rocks greater than 4" in diameter or pile them on a location agreed to in writing by OWNER, and evenly respread the reserved soil and reseed with a mixture of native grasses as specified in Exhibit C except on cropland and hayland. After seeding, the entire disturbed area shall be fenced to exclude livestock. Reclamation shall not be deemed completed until erosion is controlled, the surface is revegetated and soil productivity is restored, and written approval is received from the OWNER, not to be unreasonably withheld. Upon approval of reclamation by the OWNER, this easement shall terminate and a Release or Termination of Easement document may be recorded by OWNER or OPERATOR with the County Recorder.

Formatted: Header

Formatted: Font: 12 pt

Formatted: Header

19. OPERATOR shall implement reasonable measures to prevent accelerated erosion. If an erosion problem develops, OPERATOR shall immediately take the necessary actions to correct it and shall repair any erosion damage. OPERATOR will provide a copy of all Stormwater Pollution and Prevention Plans ("SWPPPs") that apply to OPERATOR'S operations regarding the easement to OWNER promptly upon completion or amendment to the SWPPP and will notify OWNER of any violations of the SWPPP or required modifications or repairs to BMPs under the SWPPP.

20. Through this easement, OPERATOR is not acquiring and OWNER is not conveying any subsurface or mineral interest other than those explicitly conveyed by this easement. Subsurface and Mineral interests include, but are not limited to pore space other than that subject to this easement, oil, gas, coal, cement materials, water, sodium sulfate, sand and gravel, scoria, aggregate, road material, building stone, chemical substances, metallic ores, uranium ores, or colloidal or other clays. Subsurface and Mineral interests include any commercially mineable or extractable substance legally classifiable or classified as a mineral interest. If any such interest is or will likely be excluded from mining or development because of the presence of this easement or the (Type of Structure) allowed by this easement, or if the location of the easement and (Type of Structure) interferes or will likely interfere with the mining or development of subsurface interests outside of the easement area, OWNER will give OPERATOR at least sixty (60) days written notice of the conflict between this easement and OWNER's right to mine and develop subsurface interests. At the end of the sixty day period OPERATOR must either pay OWNER the amount of lost royalties as determined by OWNER for the damages suffered because of OWNER's inability to mine or develop subsurface interests, or to benefit from their mining or development, or OPERATOR must agree to relocate the easement and the (Type of Structure) to another location within the tract, provided OWNER determines that a suitable substitute location exists on the tract. If OPERATOR selects relocation and if OWNER agrees that a suitable substitute location exists, this easement will be revised to describe the easement's new location and OPERATOR will move all structures and other physical features of the easement to the new location. Relocation does not entitle OWNER to additional compensation but OPERATOR must bear all relocation costs. OPERATOR must promptly complete relocation.

21. The OPERATOR agrees to defend, indemnify, and hold harmless Lessor from any damages to the property or person or to claims by any person that are a direct result of the OPERATOR's use of the easement and easement area. Notwithstanding the foregoing, such indemnity/hold harmless obligation excludes (i) any claim or cause of action, or alleged or threatened claim or cause of action, damage, judgment, interest, penalty or other loss arising entirely from the negligence or intentional acts of OWNER or OWNER's agents, invitees, or licensees; or third parties, and (ii) any claim for exemplary, punitive, special or consequential damages claimed by OWNER. OPERATOR agrees to defend, indemnify and hold harmless OWNER, its family members, members, shareholders, directors, managers, partners, officers, employees, agents and contractors (the Indemnified Parties) from and against, and shall promptly reimburse each Indemnified Party with respect to any claim, investigation, demand, administrative or court proceeding, or cause of action, including any actual loss, cost, expense, liability, fine, penalty, fee, or damage incurred or suffered by the Indemnified Party (including reasonable fees and expenses of attorneys, technical experts and expert witnesses, court costs and other out-of-pocket expenses) and resulting from OPERATOR'S breach of this Agreement, OPERATOR'S violation of any law, rule or regulation, OPERATOR'S negligence or willful misconduct, or

Formatted: Header

any act of OPERATOR causing a loss to OWNER and arising out of or related to OPERATOR's operations on the Property. Neither the coverage nor the limits of insurance required by this Agreement shall in any way restrict the foregoing indemnity obligation.

22. OPERATOR shall not discharge any hazardous liquids or toxic substances onto the easement area or land adjacent to the easement area. All discharges of hazardous liquids or toxic substances shall be stopped as soon as possible after discovery and acted upon immediately to halt movement of such discharges. Any such discharges shall be reported immediately to the OWNER. The OPERATOR shall then restore and reclaim the affected area .
23. OPERATOR shall secure and keep in force during the term of this easement all Insurance Requirements as defined in the Pore Space Lease.
24. OPERATOR shall control all noxious and nuisance weeds in the easement area. DEVELOPER will be liable for any noxious or invasive weeds introduced onto the easement area or adjoining property, or, in any way, caused by OPERATOR and OPERATOR and will indemnify OWNER for any violations, enforcement actions and mitigation requirements imposed by any entity under North Dakota statutory law, including N.D.C.C. ch. 4.1-47.
25. OPERATOR will prevent the filing of any construction liens, and all other liens, resulting from its activities on the easement area. If any such liens are filed because of OPERATOR's activities, OPERATOR will, at its own expense, provide a bond in the amount of any lien or provide other security as required by North Dakota Century Code Chapter 35-21 or other law as necessary to provide clear title to OWNER immediately upon recordation of any lien.
26. OWNER neither warrants nor agrees to defend title to the easement area.
27. OWNER reserves the right to use the easement area and to allow others to use the easement area for purposes compatible with OPERATOR's use. If someone other than OWNER uses the easement area in a manner inconsistent with OPERATOR's use, OWNER is not liable or responsible.
28. OPERATOR shall not assign or in any way transfer, in whole or in part, this easement or rights under it unless OWNER gives written consent. Any assignment or other transfer without OWNER's written consent is void and automatically voids this easement.
29. This easement is subject to all existing easements and nothing in this easement supersedes any rights previously granted.
30. This easement is also subject to the conditions in Exhibits "A" Survey Plat and Written Narrative, "B" Soil Reservation and Reclamation Requirements & "C" Native Grass Seeding Specifications which are attached and made a part of this easement.

Formatted: Header

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2022, at Bismarck, North Dakota.

OWNER:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

STATE OF NORTH DAKOTA )

) ss.

COUNTY OF BURLEIGH )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2022, before me personally appeared \_\_\_\_\_, known to me to be the person who executed this instrument and acknowledged to me that he executed the same.

( S E A L )

Notary Public

OPERATOR:

**Summit Carbon Solutions, LLC**

\_\_\_\_\_  
(signature) On Behalf of **Summit Carbon Solutions, LLC**

STATE OF \_\_\_\_\_ )

) ss.

COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2022, before me personally appeared \_\_\_\_\_ (title), acting on behalf of **Summit Carbon Solutions, LLC**, known to me to be the person who executed this instrument and acknowledged to me that he executed the same.

( S E A L )

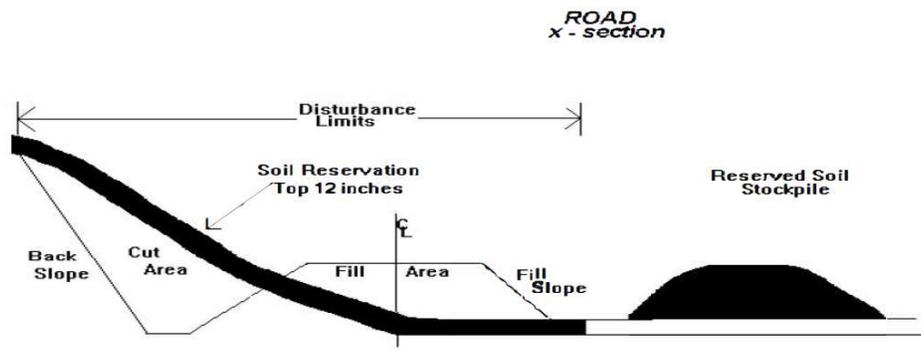
Notary Public

ROW (#)

EASEMENT: Surface Facilities Exhibit "A"

[SURVEY PLAT TO BE PROVIDED]

ROW (#)

**EASEMENT: Surface Facilities Exhibit "B"****SOIL RESERVATION AND RECLAMATION SPECIFICATIONS****REQUIRED METHOD FOR SURFACE FACILITIES**

Prior to construction or maintenance of the herein authorized easement area the top twelve (12) inches of soil shall be reserved and stockpiled from all areas to be disturbed, including the facility location site, fillslope and backslope areas, as shown above, and all other areas subject to topsoil and subsoil mixing. The reserved soil shall be stockpiled such that wind and water erosion are minimized. Following soil reservation, cut and fill operations can proceed. If the facility site will be permanent, then all or a portion of the reserved soil shall be respread as needed to stabilize facility cut and fill slopes. Structures (i.e., culverts, finger dikes, etc.) must be added to assure proper drainage and to stabilize erosion. All disturbed areas must be seeded to a native grass seed mixture found on Exhibit "C" attached.

ROW (#)

**EASEMENT: Surface Facilities Exhibit "C"**

**NATIVE GRASS SEEDING SPECIFICATIONS**

<u>Date:Species</u>	<u>Royalty Rate:lbs. PLS*/acre</u>
<u>Western wheatgrass</u>	
<u>Slender wheatgrass</u>	<u>8</u>
<u>Green needlegrass</u>	<u>5</u>
<u>Side-oats grama</u>	<u>4</u>
<u>Beginning January 1, 2026</u>	<u>\$0.275</u>
<u>Beginning January 1, 2031</u>	<u>\$0.303</u>
<u>Beginning January 1, 2036</u>	<u>\$0.333</u>
<u>Beginning January 1, 2041</u>	<u>\$0.366</u>
<u>Beginning January 1, 2046</u>	<u>\$0.403</u>
<u>Beginning January 1, 2051</u>	<u>\$0.443</u>
<u>Beginning January 1, 2056</u>	<u>\$0.487</u>
<u>Beginning January 1, 2061</u>	<u>\$0.536</u>
<u>Beginning January 1, 2066</u>	<u>\$0.589</u>
<u>Beginning January 1, 2071</u>	<u>\$0.648</u>
<u>Beginning January 1, 2076</u>	<u>\$0.713</u>

**SUMMIT\*PLS - Pure Live Seed (based on 50 PLS/sq. feet)**

1. The seed bed should be firmly packed (footprints left in the soil should be less than 1/2 inch deep).
2. An early spring seeding (before May 24th) is preferred. A dormant fall seeding (after October 20th) is acceptable.
3. A cover crop of oats at 10 lbs. PLS/acre must be seeded on the disturbed area.
4. A drill designed specifically for native grass seeding will give the best seeding results. The seed should be planted at a depth of 1/2 to 1 inch. Precaution must be taken not to plant the seed too deeply in the soil or poor germination will result.
5. On areas where equipment cannot be used, broadcast seed and rake or drag to cover seed. Where seed is broadcast, double the seeding rate.
6. Use only North Dakota certified seed.

**CAUTION: Be sure to clean out the drill before seeding to avoid any contamination with smooth brome grass or crested wheatgrass that may remain in the drill from previous use on private land. These are invasive grasses in native prairie and are not allowed on school trust lands. Contamination with or use of crested wheatgrass or smooth brome**

**Formatted:** Normal, Centered, Indent: Left: 0", Right: 0", Line spacing: Exactly 12 pt

**Formatted:** Font: 12 pt

**Formatted:** Normal, Space Before: 0 pt, Line spacing: Exactly 12 pt

**Merged Cells**

**Formatted Table**

**Formatted:** Normal, Justified, Line spacing: single, Tab stops: 4.5", Left + 5.5", Left

**Formatted:** Normal, Right, Indent: Left: 0", Line spacing: single, Tab stops: 4.5", Left + 5.5", Left

**Formatted:** Underline

**Formatted:** Normal, Justified, Space Before: 0 pt, Line spacing: single, Tab stops: 4.5", Left + 5.5", Left

**Inserted Cells**

**Formatted:** Underline

**Formatted:** Normal, Justified, Tab stops: 4.5", Left + 5.5", Left

**Formatted:** Normal, Right, Indent: Left: 0", Tab stops: 4.5", Left + 5.5", Left

**Formatted Table**

**Formatted:** Font: 12 pt

**Formatted:** Normal, Line spacing: Exactly 12 pt

ROW (#)

will result in the applicant being required to spray out the grass and reseed with the above native grass seed mixture. Sweet clover and alfalfa are also not allowed – only the above native grass seed mixture may be used for revegetation.

ROW (#)

**EXHIBIT E**

**EASEMENT; CARBON SOLUTIONS DIOXIDE LINEAR**

Formatted: Font: 12 pt, Bold

This easement is issued under the Pore Space Lease dated XXXX, as identified by a Memorandum of Pore Space Lease recorded with the XXX County Recorder as document number XXXX.

\_\_\_\_\_ whose address is \_\_\_\_\_ (OWNER), in consideration as defined in Section \_\_\_\_\_, which initial payment has been received, conveys to Summit Carbon Solutions, LLC, an Iowa limited liability company, whose address is 1805 Collaboration Place, Suite 1200, Ames, IA 50010, (OPERATOR), a [choose: Nonexclusive or Exclusive] easement to construct, operate, maintain, and remove, (LINEAR infrastructure: number, type of structure, diameter, voltage, overhead, underground, etc.) ("Facility") over certain land hereafter referred to as the "easement area", which is a strip of land (Width) feet wide, (Feet) feet on each side of the following described centerline:

Formatted: Normal, Justified, Indent: Left: 0", Space Before: 0 pt

Formatted: Font: 12 pt

\_\_\_\_\_

Formatted: Font: 12 pt, Not Bold

Formatted: Normal, Justified

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

Print: \_\_\_\_\_

Its: Executive Vice President \_\_\_\_\_ (qtr) of Section (#), T(#N, R(#)W, (County)County

A Survey Plat and Written Narrative, titled Exhibit "A" shall be prepared by a Registered Land Surveyor and shall depict and describe the accurate proposed location of the Facility(s). The boundary of the Facility must be described using a centerline survey. The survey plat must be accompanied by a written narrative describing the centerline description, the number of rods within the easement and the survey plat must depict, and the written narrative must include, the points of beginning and ending of the survey with said points tied to known and monumented government section or quarter corners of the property on which they occur. The survey must also depict and describe those segments subject to no surface disturbance which require horizontal boring (Section 2). The completed survey plat and written narrative must be attached to this easement as Exhibit A. The fully executed easement must be filed with the County Recorder by OPERATOR immediately upon its execution and easement consideration payment to OWNER. No real property rights will be conveyed by this easement unless they are specifically described in this easement and described on Exhibit A. OPERATOR will provide an as-built survey plat which will be labeled as Exhibit A-1 and will contain the actual as-built centerline of the Facility if it is different than that indicated on Exhibit A.

The centerline is (Centerline Feet) feet or (Rods) rods long, and the easement area contains

## ROW (#)

(Acres) acres, more or less. The easement area is further described and illustrated in Exhibit "A," which is attached to and is a part of this easement

1. The (Type of Structure) shall be built only on the centerline(s) as described above. OPERATOR may also temporarily use an additional (Temporary Feet) feet of temporary right of way on the working side of the Facility as a construction right of way. This construction right of way shall be subject to the topsoil reservation and reclamation provisions of this easement and must be restored immediately (as non-frozen conditions permit). OPERATOR shall pay consideration to OWNER pursuant to Exhibit F and provide a payment receipt and breakdown itemizing the consideration.
2. (OPTIONAL)OPERATOR agrees to request a list of areas from OWNER which OWNER designates for horizontal boring only and there will be no surface disturbance or surface occupancy of the easement area in the specific locations designated for horizontal boring only.
3. (OPTIONAL)The top of the Facility must be buried at least 60 inches below the ground's surface.
4. OPERATOR may install the following described appurtenance(s) upon or below the surface: (Pig Launcher/Receiver, Aboveground Valve Station, Cathodic Protection Anode Beds). For this/these additional appurtenance(s), OPERATOR has paid OWNER (N/A or dollar amount of additional compensation) as further consideration. OPERATOR shall, when livestock are present or when it is otherwise necessary, protect all above ground appurtenances with a fence adequate to prevent livestock access and shall paint all above ground structures; except wire fences, anchors, guy wires, steel towers, and wood poles; with earth tone colors.
5. If construction of the Facility (Type of Structure) is not completed within one year after OWNER signs this easement, this easement automatically terminates.
6. In addition to consideration payment to OWNER, OPERATOR shall make a satisfactory settlement with the surface tenant for damage to seeded annual crops, fences or other improvements owned by the tenant, caused by construction, operation, maintenance or removal of the (Type of Structure) and shall notify the surface tenant of the construction schedule at least one week before construction.
7. OPERATOR, or its agent, shall have a legible copy of this easement with them on site for reference during construction, operation, maintenance or reclamation and shall present the copy upon OWNER's request. OPERATOR will ensure that there is at least one specific meeting at which any construction contractors are notified of the requirements of this easement as it relates to construction of the (Type of Structure/Pipeline).
8. This easement is subject to all of the OWNER's existing rights and privileges.
9. If, prior to or during construction, archeological or paleontological items are discovered or such items are disturbed, OPERATOR shall cease construction activities immediately. OPERATOR shall then promptly notify OWNER and must not resume construction until

## ROW (#)

written approval is given by OWNER. OWNER shall act with reasonable promptness to review items discovered and to decide whether to remove or protect them and to then complete removal or protection.

10. OPERATOR shall, prior to construction, maintenance or removal, reserve all topsoil. The reserved soil must be stockpiled to minimize wind and water erosion. No soil segregation or stripping will be conducted in frozen soil conditions. Upon completion of construction, and maintenance or removal, OPERATOR shall promptly reclaim the disturbed area. It must be recontoured to conform to the adjacent natural topography, rocks exposed by excavation and greater than 4" must be removed or piled on a location agreed to in writing by OWNER, the reserved soil must be evenly respread over the disturbed area, and the entire disturbed area must be revegetated with a mixture of native perennial grasses as shown in Exhibit C except in cropland or hayland. Reclamation is not complete until rocks are removed from the surface, erosion is controlled and the surface is revegetated with a mixture of native perennial grasses, an alfalfa mix on hayland, or an annual cover crop if soil is disturbed in cropland between January 1 and July 30 or soil will remain uncovered for any period longer than forty-five (45) days.

11. Where the soil of the easement area is disturbed by OPERATOR's activities, whether authorized hereunder or not, OPERATOR shall restore soil productivity levels on all areas not being actively used for its Surface Facilities. Soil productivity levels will be measured with reference to re-vegetation success. Re-vegetation on hay land, pastureland, and native prairie shall be considered successful if the density and cover of non-nuisance, desirable plant species is equal to or greater than adjacent undisturbed portions of the same field. On cropland, re-vegetation shall be considered successful if crop yields are equal to adjacent undisturbed portions of the same field grown under the same conditions. On hay land, the land will be re-vegetated with a local adapted variety of alfalfa at the rate of 5.5 PLS lb./acre, and a cover crop such as oats will be used as necessary to establish the alfalfa on the hay land, or as otherwise agreed to by OWNER. On native prairie and pasture land, the land will be re-vegetated pursuant to the specifications contained Exhibit C.

12. In areas where temporary fencing is necessary to keep livestock out of the easement areas (i.e. non-cultivated pasture land), OPERATOR shall install temporary fencing around the total easement areas (temporary, additional, and permanent) before commencement of construction, which fences shall remain until the entire easement area has been reclaimed. At the conclusion of reclamation activities, temporary fencing shall become the property of the OWNER. Before construction of any fence by OPERATOR, OPERATOR will consult with OWNER as to the location of the fence and the location of any gates reasonably necessary for OWNER's access to water and forage along the easement areas. If OWNER chooses, OWNER may notify OPERATOR in writing that OWNER will install this fencing, and provide an estimate based on market rates for one of the types of fences described below. OPERATOR will reimburse OWNER for the cost of the estimate, unless OPERATOR believes the estimate is unreasonable, in which case OPERATOR will obtain a reasonable estimate based on market rates and reimburse that amount to OWNER.

a. Unless otherwise agreed to in writing by OWNER and as long as OWNER supplies power to the fence, any fence installed by OPERATOR under this section will be reasonably similar to the two-wire power fence described in the NRCS spec sheet,

ROW (#)

which requires use of smooth, single-strand, 12.5 gauge high-tensile strength (170,000 psi, minimum), type III galvanized or better wire and a top wire (hot wire) at least 26 inches above ground line and the bottom wire (ground wire) 8 to 12 inches below the top wire. The bottom (ground) wire will be connected either directly to the negative side of the energizer or to the same grounding rod(s) as the energizer. In situations where the earth provides adequate ground to complete the circuit, both wires may be energized. Tension on each wire shall be sufficient to maintain proper wire spacing between line posts. In-line strainers will be installed on each wire to maintain correct tension on each wire between all brace corners and gate assemblies. Tension springs may be used on each wire to maintain proper tension. In the absence of power, OPERATOR shall install a basic four strand barbed-wire fence, utilizing Red Brand 2 point barbed wire with studded t posts weighing a minimum of 1.25 pounds/foot. Such barbed wire fence shall meet the installation specifications in the NRCS spec sheet.

13. OPERATOR shall implement reasonable measures to prevent accelerated erosion. If an erosion problem develops, OPERATOR shall promptly take the necessary actions to correct it and shall repair any erosion damage. OPERATOR will provide a copy of all Stormwater Pollution and Prevention Plans ("SWPPPs") that apply to OPERATOR'S operations regarding the easement to OWNER promptly upon completion or amendment to the SWPPP and will notify OWNER of any violations of the SWPPP or required modifications or repairs to BMPs under the SWPPP. OPERATOR will be strictly liable for any damage caused to water sources such as creeks, streams, reservoirs, and stock ponds as a result of accelerated erosion caused in whole or part by its operations.
14. OPERATOR shall not discharge any hazardous liquids or toxic substances onto the easement area or land adjacent to the easement area. All discharges of hazardous liquids or toxic substances shall be stopped as soon as possible after discovery and acted upon immediately to halt movement of such discharges. Any such discharges shall be reported immediately to the OWNER. The OPERATOR shall then restore and reclaim the affected area.
15. OPERATOR shall secure and keep in force during the term of this easement all Insurance Requirements as defined in the Pore Space Lease.
16. OPERATOR shall control all noxious and nuisance weeds in the easement area. OPERATOR will be liable for any noxious or invasive weeds introduced onto the easement area or adjoining property, or, in any way, caused by OPERATOR and OPERATOR and will indemnify OWNER for any violations, enforcement actions and mitigation requirements imposed by any entity under North Dakota statutory law, including N.D.C.C. ch. 4.1-47.
17. OPERATOR may cut or trim trees and shrubs, but only to the extent they interfere with or endanger the operation or maintenance of the Facility.
18. OPERATOR shall maintain the natural water flow and drainage.
19. OPERATOR shall take necessary precautions to prevent fires. In the event of a fire caused by the OPERATOR or its agent, OPERATOR shall compensate the OWNER's surface tenant(s)

## ROW (#)

for their losses including forage, crop and any other losses; and shall compensate OWNER for any loss it suffers due to the fire.

20. OPERATOR shall conduct all activities associated with the (Type of Structure) in a manner that avoids the degradation of air, land, and water quality and that protects the area's visual resources.

21. OWNER reserves the right to use the easement area and to allow others to use the easement area for purposes compatible with OPERATOR's use. If someone other than OWNER uses the easement area in a manner inconsistent with OPERATOR's use, OWNER is not liable or responsible.

22. Through this easement OPERATOR is not acquiring any subsurface or mineral interest other than those explicitly conveyed by this easement. Subsurface and Mineral interests include, but are not limited to pore space other than that subject to this easement, oil, gas, coal, water, cement materials, sodium sulfate, sand and gravel, scoria, road material, building stone, chemical substances, metallic ores, uranium ores, or colloidal clays or other clays. If any subsurface or mineral interest is or will likely be excluded from mining or development because of the presence of this easement or the (Type of Structure) allowed by this easement, or if the location of the easement and (Type of Structure) interferes or will likely interfere with the mining or development of subsurface interests outside of the easement area, OWNER will give OPERATOR at least sixty (60) days written notice of the conflict between this easement and OWNER's right to mine and develop subsurface interests. At the end of the sixty day period OPERATOR must either pay OWNER the amount of lost royalties as determined by OWNER for the damages suffered because of OWNER's inability to mine or develop subsurface interests, or to benefit from their mining or development, or OPERATOR must agree to relocate the easement and the (Type of Structure) to another location within the tract, provided OWNER determines that a suitable substitute location exists on the tract. If OPERATOR selects relocation and if OWNER agrees that a suitable substitute location exists, this easement will be revised to describe the easement's new location and OPERATOR will move all structures and other physical features of the easement to the new location. Relocation does not entitle OWNER to additional compensation but OPERATOR must bear all relocation costs. OPERATOR must promptly complete relocation.

23. The OPERATOR agrees to defend, indemnify, and hold harmless Lessor from any damages to the property or person or to claims by any person that are a direct result of the OPERATOR'S use of the easement and easement area. Notwithstanding the foregoing, such indemnity/hold harmless obligation excludes (i) any claim or cause of action, or alleged or threatened claim or cause of action, damage, judgment, interest, penalty or other loss arising entirely from the negligence or intentional acts of OWNER or OWNER's agents, invitees, or licensees; or third parties, and (ii) any claim for exemplary, punitive, special or consequential damages claimed by OWNER. OPERATOR agrees to defend, indemnify and hold harmless OWNER, its family members, members, shareholders, directors, managers, partners, officers, employees, agents and contractors (the Indemnified Parties) from and against, and shall promptly reimburse each Indemnified Party with respect to any claim, investigation, demand, administrative or court proceeding, or cause of action, including any actual loss, cost, expense, liability, fine, penalty,

## ROW (#)

fee, or damage incurred or suffered by the Indemnified Party (including reasonable fees and expenses of attorneys, technical experts and expert witnesses, court costs and other out-of-pocket expenses) and resulting from OPERATORS' breach of this Agreement, OPERATORS' violation of any law, rule or regulation, OPERATORS' negligence or willful misconduct, or any act of OPERATOR causing a loss to OWNER and arising out of or related to OPERATORS' operations on the Property. Neither the coverage nor the limits of insurance required by this Agreement shall in any way restrict the foregoing indemnity obligation.

24. The only use to which this easement may be put is for operations reasonably necessary for Carbon Dioxide geologic storage purposes as defined in the Pore Space Lease, and therefore, it may not be used for any other purpose, such as, and including but not limited to, injection, processing, compression, transportation or treatment of any substances other than Carbon Dioxide as defined in the Pore Space Lease. This easement will remain in effect for so long as Carbon Dioxide geologic storage injection operations continue at the Facilities, but in no event after Termination of the Pore Space Lease Agreement.

25. Any fixtures, structures, installations or facilities constructed or installed by OPERATOR, are the property of OPERATOR and may be removed by OPERATOR at any time.

OPERATOR shall remove all Facilities, both above ground and underground, from the easement area when the easement is abandoned or in any other way terminated, unless authorized to do otherwise in writing by OWNER. If a pipeline is to be abandoned in place, the following minimum requirements will apply: The pipeline must be disconnected and physically isolated from any operating facility or other pipeline(s), any pipeline segments coming to the surface must be cut off no lower than 48 inches below the surface, purge the pipeline with fresh water, air, or inert gas in a manner that effectively removes all fluids, remove cathodic protection from the pipeline, permanently plug or cap all open ends by mechanical or welded means and document the abandonment procedure with written notes containing methods, dates, persons, companies and pictures. Additionally, OPERATOR will provide OWNER a release of easement for recording, restore all areas of the easement area and any other area disturbed, occupied, or used by OPERATOR, remediate any contaminants related to the Facility, and restore the surface to its original condition and production pursuant to the standards herein.

26. OPERATOR will prevent the filing of any construction liens, and all other liens, resulting from its activities on the Property. If any liens are filed on the above-described Property because of OPERATOR's activities, OPERATOR will, at its own expense, provide a bond in the amount of any lien or provide other security as required by North Dakota Century Code Chapter 35-21 or other law as necessary to provide clear title to OWNER immediately upon recordation of any lien.

27. This easement shall be a covenant running with the land and shall be binding on the heirs, successors, and assigns of the parties hereto.

28. This easement is subject to all existing easements and nothing in this easement supersedes any rights previously granted.

ROW (#)

29. OWNER neither warrants nor agrees to defend title to the easement area.

30. This easement is also subject to the conditions in Exhibits "A" Survey Plat and Written Narrative, "B" Soil Reservation and Reclamation Requirements & "C" Native Grass Seeding Specifications which are attached and made a part of this easement.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2022, at Bismarck, North Dakota.

\_\_\_\_\_  
OWNER:  
\_\_\_\_\_  
\_\_\_\_\_

STATE OF NORTH DAKOTA )  
\_\_\_\_\_) ss.  
COUNTY OF BURLEIGH )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2022, before me personally appeared \_\_\_\_\_, known to me to be the person who executed this instrument and acknowledged to me that he executed the same.

\_\_\_\_\_  
( S E A L ) Notary Public

\_\_\_\_\_  
OPERATOR:  
\_\_\_\_\_  
**Summit Carbon Solutions, LLC**

\_\_\_\_\_  
(signature) On Behalf of **Summit Carbon Solutions, LLC**

STATE OF \_\_\_\_\_ )  
\_\_\_\_\_) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2022, before me personally appeared \_\_\_\_\_ (title), acting on behalf of **Summit Carbon Solutions, LLC**, known to me to be the person who executed this instrument and acknowledged to me that he executed the same.

ROW (#)

( S E A L )

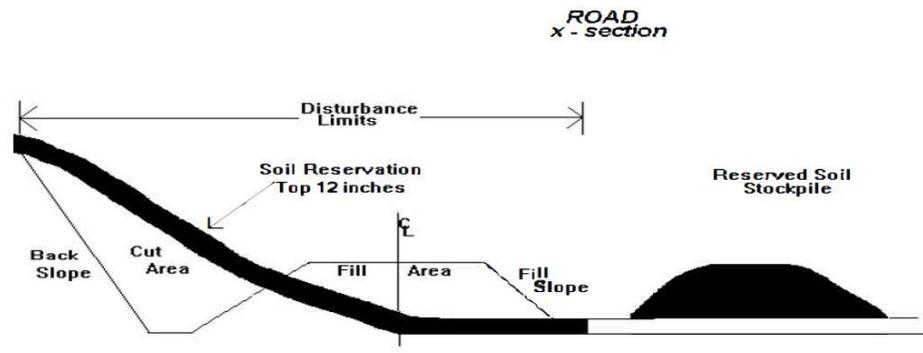
Notary Public

ROW (#)

EASEMENT: LINEAR EXHIBIT "A"

[SURVEY PLAT TO BE PROVIDED]

ROW (#)

**EASEMENT: LINEAR EXHIBIT "B"****SOIL RESERVATION AND RECLAMATION SPECIFICATIONS****REQUIRED METHOD FOR SURFACE FACILITIES**

Prior to construction or maintenance of the herein authorized easement area the top twelve (12) inches of soil shall be reserved and stockpiled from all areas to be disturbed, including the facility location site, fillslope and backslope areas, as shown above, and all other areas subject to topsoil and subsoil mixing. The reserved soil shall be stockpiled such that wind and water erosion are minimized. Following soil reservation, cut and fill operations can proceed. If the facility site will be permanent, then all or a portion of the reserved soil shall be respread as needed to stabilize facility cut and fill slopes. Structures (i.e., culverts, finger dikes, etc.) must be added to assure proper drainage and to stabilize erosion. All disturbed areas must be seeded to a native grass seed mixture found on Exhibit "C" attached.

ROW (#)

EASEMENT: LINEAR EXHIBIT "C"NATIVE GRASS SEEDING SPECIFICATIONS

<u>Species</u>	<u>lbs.</u> <u>PLS*/acre</u>
<u>Western wheatgrass</u>	<u>8</u>
<u>Slender wheatgrass</u>	<u>5</u>
<u>Green needlegrass</u>	<u>4</u>
<u>Side-oats grama</u>	<u>2</u>
	<u>19</u>

\*PLS - Pure Live Seed (based on 50 PLS/sq. feet)

1. The seed bed should be firmly packed (footprints left in the soil should be less than 1/2 inch deep).
2. An early spring seeding (before May 24th) is preferred. A dormant fall seeding (after October 20th) is acceptable.
3. A cover crop of oats at 10 lbs. PLS/acre must be seeded on the disturbed area.
4. A drill designed specifically for native grass seeding will give the best seeding results. The seed should be planted at a depth of 1/2 to 1 inch. Precaution must be taken not to plant the seed too deeply in the soil or poor germination will result.
5. On areas where equipment cannot be used, broadcast seed and rake or drag to cover seed. Where seed is broadcast, double the seeding rate.
6. Use only North Dakota certified seed.

**Caution:** Be sure to clean out the drill before seeding to avoid any contamination with smooth brome grass or crested wheatgrass that may remain in the drill from previous use on private land. These are invasive grasses in native prairie and are not allowed on school trust lands. Contamination with or use of crested wheatgrass or smooth brome will result in the applicant being required to spray out the grass and reseed with the above native grass seed mixture. Sweet clover and alfalfa are also not allowed – only the above native grass seed mixture may be used for revegetation on school trust land.

ROW (#)

**EXHIBIT F****CONSIDERATION SCHEDULE FOR EASEMENTS**

<b><u>Facility Type (1)</u></b>	<b><u>Description</u></b>	<b><u>Easement Type</u></b>	<b><u>Easement Width/Area</u></b>	<b><u>Easement Consideration (2), (3)</u></b>	<b><u>Per</u></b>	<b><u>Annual Payment (4)</u></b>	<b><u>Payment Frequency</u></b>
<b><u>Pipeline</u></b>	<b><u>One pipeline 8" diameter or below</u></b>	<b><u>Linear</u></b>	<b><u>50'</u></b>	<b><u>\$350.00</u></b>	<b><u>Rod(16.5')</u></b>	<b><u>None</u></b>	<b><u>Once</u></b>
<b><u>Pipeline</u></b>	<b><u>One pipeline above 8" diameter or below 20" diameter</u></b>	<b><u>Linear</u></b>	<b><u>50'</u></b>	<b><u>\$400.00</u></b>	<b><u>Rod(16.5')</u></b>	<b><u>None</u></b>	<b><u>Once</u></b>
<b><u>Pipeline</u></b>	<b><u>One pipeline above 20" diameter pipeline</u></b>	<b><u>Linear</u></b>	<b><u>50'</u></b>	<b><u>\$450.00</u></b>	<b><u>Rod(16.5')</u></b>	<b><u>None</u></b>	<b><u>Once</u></b>
<b><u>Pipeline Valve Above</u></b>	<b><u>One single valve above grade</u></b>	<b><u>Linear</u></b>	<b><u>point (<math>\leq</math>.01 acre)</u></b>	<b><u>\$3,500.00</u></b>	<b><u>Valve</u></b>	<b><u>None</u></b>	<b><u>Once</u></b>
<b><u>Pipeline Valve Several Above</u></b>	<b><u>Several valves at one common location above grade</u></b>	<b><u>Facility</u></b>	<b><u>acre (<math>&gt;</math>.01 <math>&lt;</math>1.0 acre)</u></b>	<b><u>\$10,000.00</u></b>	<b><u>Valve Site</u></b>	<b><u>None</u></b>	<b><u>Once</u></b>
<b><u>Cathodic Bed</u></b>	<b><u>One bed location</u></b>	<b><u>Linear</u></b>	<b><u>point (<math>&lt;</math>.06 acre)</u></b>	<b><u>\$3,500.00</u></b>	<b><u>Bed</u></b>	<b><u>None</u></b>	<b><u>Once</u></b>
<b><u>Below Grade Electric</u></b>	<b><u>One distribution line less than 69 kv below grade</u></b>	<b><u>Linear</u></b>	<b><u>20'</u></b>	<b><u>\$10.00</u></b>	<b><u>Rod(16.5')</u></b>	<b><u>None</u></b>	<b><u>Once</u></b>
<b><u>Above Grade Electric</u></b>	<b><u>One distribution line less than 69 kv above grade</u></b>	<b><u>Linear</u></b>	<b><u>50'</u></b>	<b><u>\$10.00</u></b>	<b><u>Rod(16.5')</u></b>	<b><u>None</u></b>	<b><u>Once</u></b>
<b><u>Electric Transmission</u></b>	<b><u>One transmission line 69 kv or larger</u></b>	<b><u>Linear</u></b>	<b><u>100'</u></b>	<b><u>\$160.00</u></b>	<b><u>Rod(16.5')</u></b>	<b><u>None</u></b>	<b><u>Once</u></b>
<b><u>Below Grade Communications</u></b>	<b><u>One fiber optic, or copper, or other cable</u></b>	<b><u>Linear</u></b>	<b><u>20'</u></b>	<b><u>\$10.00</u></b>	<b><u>Rod(16.5')</u></b>	<b><u>None</u></b>	<b><u>Once</u></b>
<b><u>Site (well, building, etc.)</u></b>	<b><u>One facility per surface occupancy site</u></b>	<b><u>Facility</u></b>	<b><u>acres</u></b>	<b><u>\$5,000.00</u></b>	<b><u>Acre</u></b>	<b><u>\$500/acre</u></b>	<b><u>Once/Annual</u></b>
<b><u>Road</u></b>	<b><u>One facility per surface occupancy site</u></b>	<b><u>Facility</u></b>	<b><u>acres</u></b>	<b><u>\$5,000.00</u></b>	<b><u>Acre</u></b>	<b><u>\$500/acre</u></b>	<b><u>Once/Annual</u></b>

**Formatted:** Left: 0.5", Right: 0.5", Top: 0.5", Bottom: 0.5", Width: 11", Height: 8.5", Header distance from edge: 0.5", Footer distance from edge: 0.5"

**Formatted:** Font: 12 pt, Bold

**Formatted:** Footer, Right, Line spacing: single

**CONSIDERATION SCHEDULE****pg. 53**

ROW (#)

<u>Tower or Monitor well (communication, air or water monitor)</u>	<u>One facility per surface occupancy site</u>	<u>Facility</u>	<u>&lt;.25 acre</u>	<u>\$1,250.00</u>	<u>Site</u>	<u>\$1,250.00</u>	<u>Once/Annual</u>
<u>Common Location Site</u>	<u>Several facilities on one common site</u>	<u>Facility</u>	<u>acres</u>	<u>\$5,000.00</u>	<u>Acre</u>	<u>\$500/acre</u>	<u>Once/Annual</u>
<u>Damages to crops, cropland or pastureland or other land (5)</u>	<u>Damage caused by non-easement activities</u>	<u>None</u>	<u>acres</u>	<u>\$1,000.00</u>	<u>Acre</u>	<u>None</u>	<u>Once</u>
<u>Water Use Access (6)</u>	<u>Lessee's access to use of Lessor's property for water</u>	<u>Facility</u>	<u>acres</u>	<u>\$5,000.00</u>	<u>Acre</u>	<u>Negotiated</u>	<u>Negotiated</u>

(1): Any Facilities not listed on this schedule must be added to the facility type that is most similar and processed as such.

(2): The Easement Consideration covers and includes damage to crops, hayland, and pasture for one growing season if the Owner is the one planting the crops, haying the land, and grazing the pasture, but does not cover losses to a surface tenant of the Owner if the tenants is the one planting the corps, haying the land, or grazing the pasture.

(3): The Easement Consideration amounts will increase 2% annually with the beginning date being the signing date of the Lease Option.

(4): The Annual Payment amounts will increase 2% annually with the beginning date being the signing date of the Lease Option.

(5): Damages paid by Lessee for crops, cropland, pasture or other land will be a minimum of \$1,000.00 per acre, but not less than \$1,000.00 per disturbance. This rate will also increase 2% annually with the beginning date being the signing date of the Lease Option

(6): The State of ND owns, manages and issues water permits for uses such as industrial uses. If Lessee receives a permit from the State and wishes to place a water well on Lessor's land the Lessee must first obtain a Facility Easement and pay the Lessor the per acre payment from the schedule for the location. Also, the Lessee must negotiate a per gallon or per acre feet water access payment with the Lessor.

Formatted: Indent: Left: 0"

Formatted: Font: 12 pt, Bold

Formatted: Footer, Right, Line spacing: single

CONSIDERATION SCHEDULE

pg. 54