



TRANSFER OF GAS WELL PERMIT PERMIT

A Gas Well Permit may be transferred by the Operator with the written consent of the City if the transfer is in writing signed by both parties, if the transferee agrees to be bound by the terms and conditions of the transferred Permit, if all information previously provided to the City as part of the application for the transferred Permit is updated to reflect any changes, and if the transferee provides the insurance and security required by DDC Section 35. 22. 3 and Section 35. 22.4. The insurance and security provided by the transferor shall be released if a copy of the written transfer is provided to the City and all other requirements provided in this subsection are satisfied. The transfer shall not relieve the transferor from any liability to the City arising out of any activities conducted prior to the transfer.

A Gas Well Permit shall constitute authority for Initial Drilling Activities, Completion Operations, Production Operations, Workover Operations, and Redrilling with proper notice pursuant to Denton Development Code (DDC) Section 35.22.7. By acceptance of any Gas Well Permit issued pursuant to the DDC, the Operator expressly stipulates and agrees to be bound by and comply with all applicable DDC provisions, specifically DDC Section 35.5.10 and DDC Chapter 35.22. The terms of such provisions shall be deemed to be incorporated in this Gas Well Permit with the same force and effect as if such gas well development regulations were set forth verbatim in this Gas Well Permit. Separate permits may be required for electrical, fire, concrete, walls/fencing, plumbing or other related work performed at the Drilling and Production Site.

PERMIT TRANSFERRED TO:

OPERATOR NAME: _____

Operator's Agent to receive notice: _____

Mailing address: _____

Telephone: _____ Email: _____

Representative to receive service of process from the City (must be TX Resident): _____

Mailing address: _____

Telephone: _____ Email: _____

Well name: _____

Well API Number: 42 – 121 – _____

RRC Permit Number: _____

[Not RRC production number]

THIS SECTION WILL BE COMPLETED BY THE CITY AT TIME OF PERMITTING

Permit Fee: _____

Date Paid: _____

The issuance of this permit shall not be construed as a permit to violate any provision of the Denton Development Code of the City of Denton, Texas or any previously approved requirements and associated gas well development site plan/plat identified in case number: _____, as approved on: _____.

Permit Issued By: _____

Signed Name of City Representative

Issue Date: _____



INDEMNIFICATION AND EXPRESS NEGLIGENCE PROVISIONS

EACH GAS WELL PERMIT ISSUED BY THE CITY SHALL INCLUDE THE FOLLOWING LANGUAGE:

OPERATOR DOES HEREBY EXPRESSLY RELEASE AND DISCHARGE ALL CLAIMS, DEMANDS, ACTIONS, JUDGMENTS, AND EXECUTIONS WHICH IT EVER HAD, OR NOW HAS OR MAY HAVE, OR ASSIGNS MAY HAVE, OR CLAIM TO HAVE, AGAINST THE CITY OF DENTON, AND/OR ITS DEPARTMENTS, AGENTS, OFFICERS, SERVANTS, SUCCESSORS, ASSIGNS, SPONSORS, VOLUNTEERS, OR EMPLOYEES (COLLECTIVELY REFERRED TO AS THE "INDEMNIFIED PARTIES"), RELATING TO OR ARISING OUT OF BODILY INJURY, KNOWN OR UNKNOWN, AND INJURY TO PROPERTY, REAL OR PERSONAL, OR IN ANY WAY INCIDENTAL TO OR IN CONNECTION WITH THE PERFORMANCE OF THE WORK PERFORMED BY THE OPERATOR UNDER A GAS WELL PERMIT. TO THE FULLEST EXTENT PERMITTED BY LAW, OPERATOR SHALL DEFEND, PROTECT, INDEMNIFY, AND HOLD HARMLESS THE INDEMNIFIED PARTIES FROM AND AGAINST EACH AND EVERY CLAIM, DEMAND, OR CAUSE OF ACTION AND ANY AND ALL LIABILITY, DAMAGES, OBLIGATIONS, JUDGMENTS, LOSSES, FINES, PENALTIES, COSTS, FEES, AND EXPENSES INCURRED IN DEFENSE OF THE INDEMNIFIED PARTIES, INCLUDING, WITHOUT LIMITATION, BODILY INJURY AND DEATH IN CONNECTION THEREWITH WHICH MAY BE MADE OR ASSERTED BY OPERATOR, ITS AGENTS, ASSIGNS, OR ANY THIRD PARTIES ON ACCOUNT OF, ARISING OUT OF, OR IN ANY WAY INCIDENTAL TO OR IN CONNECTION WITH THE PERFORMANCE OF THE WORK PERFORMED BY THE OPERATOR UNDER A GAS WELL PERMIT. THE OPERATOR AGREES TO INDEMNIFY AND HOLD HARMLESS THE INDEMNIFIED PARTIES FROM ANY LIABILITIES OR DAMAGES SUFFERED AS A RESULT OF CLAIMS, DEMANDS, COSTS, OR JUDGMENTS AGAINST THE INDEMNIFIED PARTIES RELATING TO OR ARISING OUT OF THE ACTS OR OMISSIONS OF THE INDEMNIFIED PARTIES OCCURRING ON THE DRILLING AND PRODUCTION SITE OR OPERATION SITE IN THE COURSE AND SCOPE OF INSPECTING AND PERMITTING THE GAS WELLS INCLUDING, BUT NOT LIMITED TO, CLAIMS AND DAMAGES ARISING IN WHOLE OR IN PART FROM THE SOLE NEGLIGENCE OF THE INDEMNIFIED PARTIES OCCURRING ON THE DRILLING AND PRODUCTION SITE IN THE COURSE AND SCOPE OF INSPECTING AND PERMITTING THE GAS WELLS. IT IS UNDERSTOOD AND AGREED THAT THE INDEMNITY PROVIDED FOR IN THIS SECTION IS AN INDEMNITY EXTENDED BY THE OPERATOR TO INDEMNIFY AND PROTECT THE INDEMNIFIED PARTIES FROM THE CONSEQUENCES OF THE NEGLIGENCE OF THE INDEMNIFIED PARTIES, WHETHER THAT NEGLIGENCE IS THE SOLE CAUSE OF THE RESULTANT INJURY, DEATH, AND/OR DAMAGE. LIABILITY FOR THE SOLE NEGLIGENCE OF THE CITY IN THE COURSE AND SCOPE OF ITS DUTY TO INSPECT AND PERMIT THE GAS WELL IS LIMITED TO THE MAXIMUM AMOUNT OF RECOVERY UNDER THE TORT CLAIMS ACT.

The information contained herein, to the best knowledge and belief of the Operator or designee, is true and correct.

Operator's Signature

Printed Name

STATE OF _____ COUNTY OF _____

Before me, _____,
insert the name and character of the officer

known to me (or proved to me on the oath of _____), or through _____,
description of identity card or other document

to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS _____ DAY OF _____, 20_____.

(SEAL)

Notary Public's Signature



TRANSFER OF GAS WELL PERMIT CONTENTS & STIPULATIONS PERMIT#

1. All information contained in the Gas Well Permit application is incorporated herein.
2. This Gas Well Permit is valid for a period of one year from the Issued Date noted on Page 1 of the Permit and shall automatically expire, unless Initial Drilling Activities have commenced prior to such date. If Initial Drilling Activities is commenced before the Permit expires, the Permit shall continue until the well covered by the Permit is abandoned and the site restored.
3. No drilling operations shall commence until the Operator provides the Insurance and Security required by Denton Development Code (DDC) Subchapter 22, Subsections 35.22.3 and 35.22.4.
4. Periodic Reports and Notices of Activities shall be provided to the City in accordance with DDC Subchapter 22, Subsections 35.22.6 and 35.22.7, respectively.
5. All Drilling Activities and Production Activities shall be conducted in accordance with the applicable work hours.
6. A sign must be displayed at the gate stating the well number, the name and number of the operator, the emergency 911 number, and an operator contact telephone number.
7. This permit is issued in accordance with the terms and provisions of the Denton Development Code and any applicable Watershed Protection permit, Gas Well Development Site Plan, Specific Use Permit, or Master Planned Community (MPC) or Planned Development (PD) Zoning District.
8. This permit does not supplant applicable rules and regulations of the Railroad Commission (RRC), including applicable Field Rules; the TCEQ; the U.S. Army Corps of Engineers, or any permits and fees required by the Fire Code.
9. The Operator is required to comply with all applicable federal and state laws and regulations, which the City will verify compliance as part of its periodic inspections.
10. By accepting this permit, the Operator acknowledges and voluntarily consents to be inspected by the City to ensure compliance with the DDC Subchapter 35.5.10.5, DDC Subchapter 22, and other applicable provisions of the DDC, and the City's Code of Ordinances.
11. An As-Built Gas Well Development Site Plan must be approved prior to commencement of Drilling Activities.

Signature of permit recipient:
