

CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (this “**Agreement**”) is entered into as of [], 2022, between Confluence DJ LLC, a Colorado corporation, and Arete Land & Minerals LLC, a Colorado corporation, (the “**Company**”), and [], a [] (“**you**” or “**Recipient**” and each of you and the Company being referred to as a “**party**,” all references herein to a “party” shall include such party’s subsidiaries, divisions and affiliates, unless the context otherwise requires).

1. *General Obligation of Confidentiality.* In connection with your consideration of a possible business transaction between you and the Company (the “**Transaction**”), the Company has made available, or is prepared to make available, to you certain information concerning the personnel, business, financial condition, operations, assets and liabilities of the Company. In consideration for, and as a condition of such information being furnished to you and your affiliates, and your and their respective directors, officers, employees, agents, attorneys, accountants, lenders and other financing sources, commercial and investment bankers, financial advisors, consultants and any representatives of any such advisors (collectively, “**Representatives**”), you agree to treat as confidential any information concerning the Company that is or has been furnished or made available to you or your Representatives by or on behalf of the Company (regardless of the manner or form in which it is furnished or made available, including without limitation all written, oral and electronic communications), together with any notes, analyses, compilations, studies, interpretations, documents or records to the extent containing, referring, relating to, based upon or derived from such information, in whole or in part (collectively, “**Evaluation Material**”) in accordance with the provisions of this Agreement, and to take or abstain from taking certain other actions as hereinafter set forth.

2. *Definition of Evaluation Material.* The term “Evaluation Material,” as used in this Agreement, does not include information that (i) is at the time of disclosure or thereafter becomes available to or known by the public other than as a result of a disclosure by you or any of your Representatives in violation of this Agreement, (ii) was within your possession prior to its being furnished to you by or on behalf of the Company or is independently developed by you or any of your Representatives without violation of this Agreement, or (iii) at the time of disclosure or thereafter becomes available to you on a non-confidential basis from a source other than the Company or any of its Representatives.

3. *Limitations on Use of Evaluation Material.* You recognize and acknowledge (i) that all right, title and interest in and to the portion of the Evaluation Material that the Company has disclosed or shall disclose to you or your Representatives shall remain the exclusive property of the Company and (ii) that no interest, license or any right respecting the Evaluation Material provided by or on behalf of the Company is granted to you under this Agreement by implication or otherwise. Therefore, you hereby agree (A) that you and your Representatives shall use the Evaluation Material solely for the purpose of evaluating, negotiating and consummating the Transaction, (B) to treat the Evaluation Material with at least the same degree of care you use in protecting your own confidential and proprietary information, (C) that the Evaluation Material received or generated by you or your Representatives will be

kept confidential and (D) that, subject to the following provisions of this Agreement, neither you nor your Representatives will disclose any of the Evaluation Material in any manner whatsoever to any other person not bound hereby; provided, however, that (1) you or your Representatives may make any disclosure of such information to which the Company gives its prior written consent or which is otherwise permitted hereunder, including pursuant to Paragraph 5, and (2) any of such information may be disclosed to your Representatives solely for the purpose of evaluating, negotiating and consummating the Transaction. In any event, each party shall be responsible for compliance with the confidentiality provisions set forth in this Agreement by its Representatives.

4. *Nondisclosure of Possible Transaction.* In addition, each party agrees that, without the prior written consent of the other party, neither it nor its Representatives will disclose to any other person (other than its Representatives) the fact that the Evaluation Material has been requested or has been furnished or made available to you, that discussions or negotiations are taking place concerning the Transaction or any of the terms, conditions or other facts with respect thereto (including the status thereof). For purposes of this Agreement, all facts or information the disclosure of which is otherwise prohibited by this Paragraph 4 are referred to as the “**Transaction Information**.” Notwithstanding the foregoing, any party or its Representatives may make a disclosure otherwise prohibited by this Paragraph 4 if (i) it is required to disclose such information in order to avoid committing a violation of, or to ensure compliance with, any law, rule, regulation or legal process, including any rules or regulations of any securities association, stock exchange or national securities quotation system, and (ii) to the extent reasonably practicable and legally permissible, the disclosing party (A) provides advance notice to the other party of the proposed disclosure and (B) cooperates in good faith with respect to the timing, manner and content of such disclosure.

5. *Legally Required Disclosures.* In the event that you or any of your Representatives are requested or required by law or legal process (by deposition, oral questions, interrogatory, request for information or documents in legal or administrative proceedings, subpoena, civil investigative demand or other similar process) pursuant to law, rule or regulation (including any rules or regulations of any securities association, stock exchange or national securities quotation system) to disclose any of the Evaluation Material, you shall, to the extent reasonably practicable and legally permissible, provide the Company with prompt written notice of any such request or requirement so that the Company may, at its own expense, seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. If, in the absence of a protective order or other remedy or the receipt of a waiver by the Company, you or any of your Representatives are nonetheless required to disclose Evaluation Material, you or your applicable Representative may, without liability hereunder, disclose such Evaluation Material as is required to be disclosed; provided, that, to the extent reasonably practicable and legally permissible, you give the Company prior written notice of the Evaluation Material to be disclosed and you exercise your commercially reasonable efforts to preserve the confidentiality of the Evaluation Material, including, without limitation, by cooperating with the Company to seek to obtain, at the sole cost and expense of the Company, an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Evaluation Material.

6. *Return or Destruction of Evaluation Material.* If either party decides that it does not wish to proceed with discussions or negotiations relating to the Transaction for any reason and the party so deciding informs the other party in writing of that decision, unless prohibited by applicable law, rule, regulation or legal process, you will, at your election, either (i) return the Evaluation Material to the Company or (ii) destroy the Evaluation Material, in either case without retaining any copy thereof or any notes containing same. Notwithstanding the foregoing, you or your Representatives shall not be obligated to return or destroy: (A) any Evaluation Material included or reflected in board minutes or resolutions or presentation materials to such person's management or board of directors related to the evaluation, negotiation and consummation of the Transaction; (B) any materials including Evaluation Material from any disaster recovery tapes or other back-up media of any record retention or computer storage system; or (C) such copies of Evaluation Material, as required to be retained in accordance with policies and procedures implemented to comply with professional accounting standards, applicable law, government regulations or national securities exchange rules and regulations. Notwithstanding the return or destruction of the Evaluation Material, each party and its Representatives will continue to be bound by their obligations of confidentiality hereunder for the Term of this Agreement.

7. *No Representation or Warranty.* You understand and acknowledge that neither the Company nor any of its Representatives makes any representation or warranty, express or implied, as to the accuracy or completeness of the Evaluation Material or shall have any liability to you or any of your Representatives resulting from the use of the Evaluation Material or any errors or omissions therefrom, except as may be set forth in a Definitive Transaction Agreement (as defined below), when, as and if executed. Notwithstanding anything herein to the contrary, the Company represents and warrants that it has the right to disclose all of the Evaluation Material it discloses hereunder and agrees to indemnify and hold you and your Representatives

harmless for any claim by third parties which assert otherwise and any and all damages related thereto.

8. *Definitive Transaction Agreement.* Each party also understands and agrees that no contract or agreement providing for a business transaction between the parties shall be deemed to exist unless and until a definitive transaction agreement has been executed and delivered by both of the parties hereto (a “**Definitive Transaction Agreement**”), and each party hereby waives, in advance, any claim (including, without limitation, any claim for breach of contract) in connection with such a transaction unless and until a Definitive Transaction Agreement has been executed and delivered by each of the parties thereto. It is also agreed that unless and until a Definitive Transaction Agreement between the parties with respect to a business transaction involving them has been executed and delivered, neither party nor its stockholders has any legal obligation of any kind whatsoever with respect to any such transaction. Under no circumstances will any oral understanding between the parties with respect to a business transaction be a binding contract. For purposes of this Paragraph 8, the term “Definitive Transaction Agreement” does not include an executed letter of intent or any other preliminary written agreement, nor does it include any written or oral offer or bid or any written or oral acceptance thereof. In addition, the parties agree that if a Definitive Transaction Agreement is entered into between the parties, then each party agrees that neither it nor its Representatives will disclose to any other person (other than its Representatives) (i) that a Definitive Transaction Agreement has been entered into or (ii) the terms of such Definitive Transaction Agreement, except in accordance with the terms of such Definitive Transaction Agreement.

9. *Securities Laws.* The parties hereby acknowledge that they are aware, and that each party will advise its respective Representatives who are informed as to the matters that are the subject of this Agreement, that the United States securities laws prohibit any person who has material, nonpublic information concerning the matters which are the subject of this Agreement from purchasing or selling securities of either party or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities. The parties agree that they will not use or cause any other person to use, and that they will each use reasonable efforts to assure that none of their respective Representatives will use or cause any other person to use, any Evaluation Material or Transaction Information in contravention of the United States securities laws.

10. *Designated Area.* As a material inducement for the Company to enter into this Agreement, you hereby agree that, commencing on the date hereof and ending on the expiration of the Term, without the prior written consent of the Company (which consent may be withheld for any or no reason), you shall not, and shall cause your affiliates not to, acquire, directly or indirectly (including without limitation as a result of the acquisition of equity interests, merger or other transaction), or enter into any agreement containing the option or right to acquire any oil and gas interest or surface interest (including without limitation any form of hydrocarbon lease, top-lease, sublease or other leasehold, minerals, fee minerals, fee surface, royalties, overriding royalties, net profits interests, production payments, carried interests and/or other interests in production of hydrocarbons or lands) in any lands currently owned by the Company set forth in Exhibit A.

11. *Remedies.* The parties agree that money damages may not be a sufficient remedy for any breach of this Agreement by either party or any of its Representatives and that the adversely affected party may be entitled to equitable relief, including injunction and specific performance, in the event of any breach of the provisions of this Agreement, in addition to all other remedies available to such party at law or in equity.

12. *Term.* Except as otherwise provided herein, this Agreement and each of the obligations herein stated shall terminate two (2) years following the date hereof (such period of time, the “**Term**”); provided, however, that no such termination shall relieve a party from liability for any breach of the terms hereof that exists on the date of such termination.

13. *Person; Affiliates.* As used in this Agreement: (i) the term “person” will be interpreted broadly to include, without limitation, any corporation, company, group, partnership, limited liability company, association, trust, unincorporated organization, joint venture, group, government and any other entity or individual; (ii) the term “affiliate” when used with respect to a person, means a person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by or is under common Control with, such person; and (iii) the term “Control” and its derivatives mean, with respect to any person, the possession, directly or indirectly, of the power to exercise or determine the voting of more than 50% of the voting rights in a corporation, and, in the case of any other type of entity, the right to exercise or determine the voting of more than 50% of the equity interests having voting rights, or otherwise to direct or cause the direction of the management and policies of such person, whether by contract or otherwise.

14. *Entire Agreement; Binding Effect; Power; No Implied Waiver.* This Agreement represents the entire agreement and understanding of the parties with respect to the matters referred to herein and supersedes all prior agreements, commitments, representations, writings, understandings, written or oral, between the parties with respect thereto. This Agreement shall be binding on the parties and their respective successors and assigns. Each party hereby represents that it has the power and authority to execute and deliver this Agreement, and that it has been duly authorized and constitutes a valid and binding agreement of such party, enforceable in accordance with its terms. No failure or delay in exercising any right, power or privilege hereunder will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder. The agreements set forth in this Agreement may be modified or waived only by a separate writing between the parties hereto. In addition, without limitation of the foregoing, no “clickthrough” agreement relating to the confidentiality of the Evaluation Material agreed to by any party in connection with its access to any data site maintained in connection with the Transaction, whether on, before or after the date hereof, shall be effective against such party or its Representatives, whether as an amendment or modification of this Agreement, as a separate agreement or otherwise, regardless of whether such “clickthrough” agreement specifically references this Agreement.

15. *Notices.* All notices to be given to a party hereunder shall be in writing and delivered personally, by reputable overnight courier (delivery fees prepaid), or electronic transmission (with confirmation of transmission), in each case to the appropriate address set forth below:

If to the Company, address to:

Confluence DJ LLC
1001 17th Street, Suite 1250
Denver, CO 80202
Email: amallon@confluencelp.com

If to you, address to:

16. *Severability.* If any portion of this Agreement is determined to be invalid or unenforceable for any reason, in whole or in part, the remaining provisions of this Agreement shall be unaffected thereby and remain in full force and effect to the fullest extent permitted by applicable law.

17. *Governing Law; Submission to Jurisdiction.* This Agreement and all disputes or controversies arising out of or related to this Agreement shall be governed by and construed in accordance with the internal laws of the State of Colorado without regard to principles of conflicts or choice of law of that or any other jurisdiction which might apply the laws of any other jurisdiction.

18. *Counterparts.* This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed original, and all such counterparts shall together constitute one and the same instrument. Delivery of an executed counterpart of this Agreement by electronic mail, facsimile or other electronic means shall be effective as a manually executed counterpart of this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement, effective as of the date first set forth above.

Confluence DJ LLC

By: _____
Name:
Title:

Arete Land & Minerals LLC

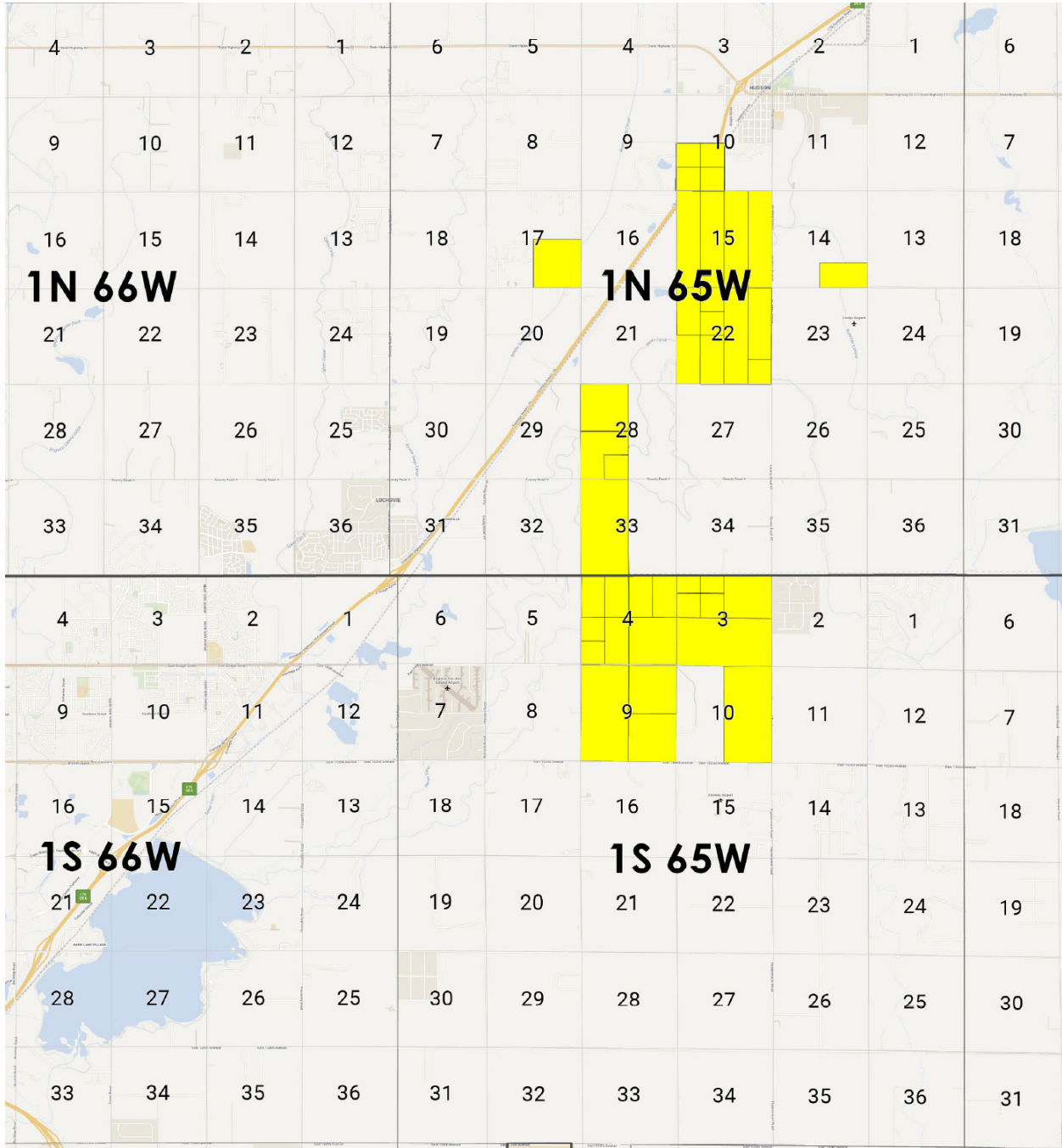
By: _____
Name:
Title:

By: _____
Name:
Title:

EXHIBIT A

DESIGNATED AREA

CONFLUENCE LEASEHOLD



ARETE LANDS AND MINERALS

