



1016481

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - _____

Operator: _____

Lease: _____

Well Number: _____

Field: _____

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - _____ - _____ - _____

Location of Well: County: _____

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Sec. _____ Twp. _____ S. R. _____ E W

Is Section: Regular or Irregular

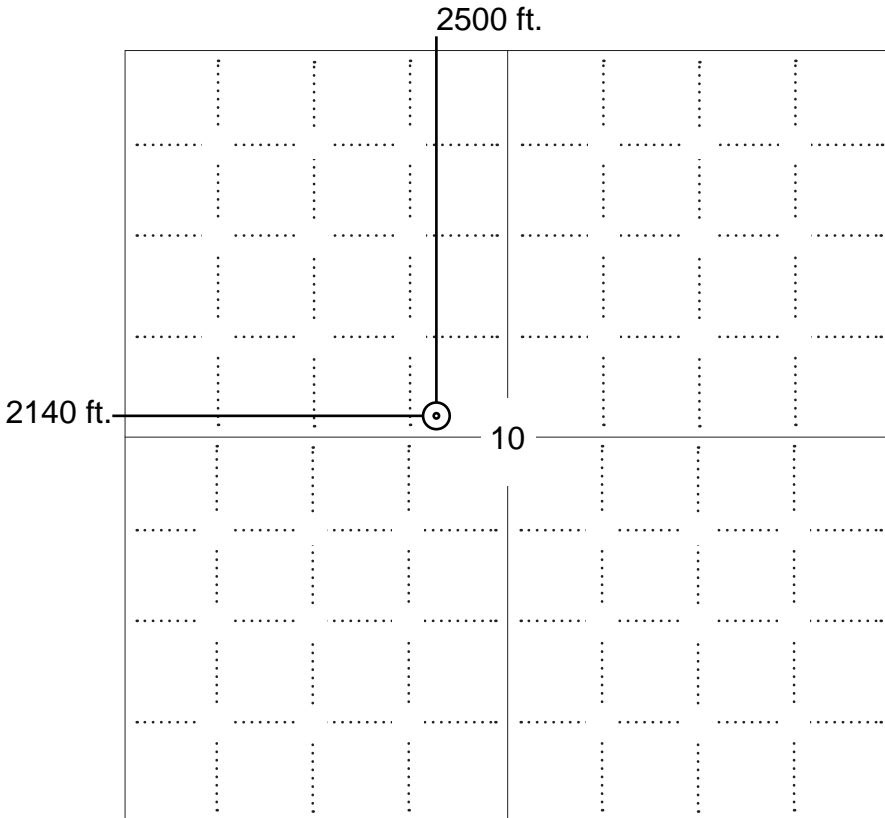
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

(Show footage to the nearest lease or unit boundary line.)



NOTE: In all cases locate the spot of the proposed drilling locaton.

In plotting the proposed location of the well, you must show:

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).



KANSAS CORPORATION COMMISSION 1016481
OIL & GAS CONSERVATION DIVISION

Form CDP-1
April 2004
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

| | | | |
|---|--|--|--|
| Operator Name: _____ | | License Number: _____ | |
| Operator Address: _____ | | | |
| Contact Person: _____ | | Phone Number: _____ | |
| Lease Name & Well No.: _____ | | Pit Location (QQQQ): _____ - _____ - _____ - _____ | |
| Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i> | | Pit is: <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls) | |
| Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input type="checkbox"/> No | | Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i> | |
| Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No | | Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| How is the pit lined if a plastic liner is not used? | | _____ | |
| Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) _____ N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) _____ No Pit | | | |
| If the pit is lined give a brief description of the liner material, thickness and installation procedure. | | Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. | |
| Distance to nearest water well within one-mile of pit _____ feet Depth of water well _____ feet | | Depth to shallowest fresh water _____ feet. Source of information: _____ measured _____ well owner _____ electric log _____ KDWR | |
| Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No | | Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ _____ Drill pits must be closed within 365 days of spud date. | |
| Submitted Electronically | | | |

| | | | | |
|----------------------------|----------------------|--------------------|--|------|
| KCC OFFICE USE ONLY | | Steel Pit | RFAC | RFAS |
| Date Received: _____ | Permit Number: _____ | Permit Date: _____ | Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No | |

DECLARATION OF UNITIZATION

KNOW ALL MEN BY THESE PRESENTS:

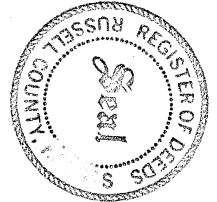
THAT WHEREAS, John O. Farmer, Inc., is the owner of the following described oil and gas leases, to-wit:

- (a) An oil and gas lease dated May 23, 2007, from Farmers National Company, Agent for UMB Bank, N.A., Trustee of the Ralph & Ella Bowlby Charitable Trust and Trustee of the Angelica A. Bowlby Revocable Trust dated 4/14/97, lessor, to John O. Farmer, Inc., lessee, and recorded in Book 208 at page 196 in the office of the register of deeds of Russell County, Kansas;
- (b) An oil and gas lease dated May 9, 2007, from The Hadley Foundation, Inc., lessor, to John O. Farmer, Inc., lessee, and recorded in Book 208 at page 173 in the office of the register of deeds of Russell County, Kansas;

covering, in both cases, the following described lands, to-wit:

The West Half of the Southwest Quarter (W/2 SW/4) and the South Half of the Northwest Quarter (S/2 NW/4) of Section Ten (10), Township Eleven (11) South, Range Fifteen (15) West of the 6th P.M, Russell County, Kansas;

- (c) An oil and gas lease dated July 30, 2007, from First Presbyterian Church, lessor, to John O. Farmer, Inc., lessee, and recorded in Book 208 at page 888 in the office of the register of deeds of Russell County, Kansas;
- (d) An oil and gas lease dated July 30, 2007, from The Salvation Army, lessor, to John O. Farmer, Inc., lessee, and recorded in Book 208 at page 534 in the office of the register of deeds of Russell County, Kansas;
- (e) An oil and gas lease dated July 30, 2007, from Young Women's Christian Association, lessor, to John O. Farmer, Inc., lessee, and recorded in Book 208 at page 517 in the office of the register of deeds of Russell County, Kansas;
- (f) An oil and gas lease dated July 22, 2007, from Sara S. Broer, Trustee of the Sara S. Broer Trust dated 6/28/94, lessor, to John O. Farmer, Inc., lessee, and recorded in Book 208 at page 434 in the office of the register of deeds of Russell County, Kansas;



State of Kansas, Russell County, ss
 This instrument filed for record
 December 3, 2007
 8:15 A. M. Recorded in
 Book 208 Page 993-996
 Register of Deeds
 \$20.00
Dee Ann Robinson

Computer _____
 Numerical 5 _____
 Misc. _____

all of said leases described at (c) through (f) above covering the following described lands, to-wit:

The South Half of the Northwest Quarter (S/2 NW/4) of Section Ten (10), Township Eleven (11) South, Range Fifteen (15) West of the 6th P.M., Russell County, Kansas;

- (g) An oil and gas lease dated April 25, 2006, from U.S. AgBank, FCB, lessor, to John O. Farmer, Inc., lessee, and recorded in Book 207 at page 769 in the office of the register of deeds of Russell County, Kansas;
- (h) An oil and gas lease dated April 17, 2006, from Marshall Samuel Maupin, et ux., lessors, to John O. Farmer, Inc., lessee, and recorded in Book 206 at page 277 in the office of the register of deeds of Russell County, Kansas;

said leases described at (g) and (h) above covering the following described lands, to-wit:

The North Half of the Northwest Quarter (N/2 NW/4) and the East Half of the Southwest Quarter (E/2 SW/4) of Section Ten (10), Township Eleven (11) South, Range Fifteen (15) West of the 6th P.M., Russell County, Kansas;

AND WHEREAS, the leases described at (b), (c), (d), (e), (f) and (h) contain the following described language, to-wit:

“Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee’s judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises

covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved."

And the lease described at (a) above contains the following described language,

to-wit:

Lessee is hereby granted the right at any time and from time to time to unitize the leased premises or any portion of portions thereof, as to all strata or any stratum or strata, with any other lands as to all strata or any stratum or strata, for the production primarily of oil or primarily of gas with or without distillate. However, no unit for the production primarily of oil shall embrace more than 40 acres, or for the production primarily of gas with or without distillate more than 640 acres; provided that if any governmental regulation shall prescribe a spacing pattern for the development of the field or allocate a producing allowable based on acreage per well, then any such unit may embrace as much additional acreage as may be so prescribed or as may be used in such allocation of allowable. Lessee shall file written unit designations in the county in which the lease premises are located. Operations upon and production from the unit shall be treated as if such operations were upon or such production were from the leased premises whether or not the well or wells are located thereon. The entire acreage within a unit shall be treated for all purposes as if it were covered by and included in this lease except that the royalty on production from the unit shall be as below provided, and except that in calculating the amount of any shut in gas royalties, only the part of the acreage originally leased and then actually embraced by this lease shall be counted. In respect to production from the unit, Lessee shall pay Lessor, in lieu of other royalties thereon, only such proportion of the royalties stipulated therein as the amount of his acreage placed in the unit, or his royalty interest therein on an acreage basis bears to the total acreage in the unit.

And the lease described at (g) above contains the following described language,

to-wit:

As to the oil and gas leasehold estate hereby granted, Lessee is expressly granted the right and privilege to consolidate said oil and gas leasehold with any other adjacent or contiguous oil and gas leasehold estates to form a consolidated oil and gas leasehold estate which shall not exceed a total area of approximately 640 acres for gas and 80 acres for oil; and in the event Lessee exercises the right and privilege of consolidation, as

herein granted, the consolidated oil and gas leasehold estate shall be deemed, treated and operated in the same manner as though the entire consolidated leasehold estate were originally covered by and included in this lease, and all royalties which shall accrue on oil or gas, produced and marketed from the consolidated estate, including all royalties payable hereunder, shall be prorated and paid to the Lessors of the various tracts included in the consolidated estate in the same proportion that the acreage of each said Lessor bears to the total acreage of the consolidated estate, and a producing oil or gas well on any portion of the consolidated estate shall operate to continue the oil and gas leasehold estate hereby granted so long as oil or gas is produced therefrom.

NOW THEREFORE, the undersigned hereby declares that the following described real estate is hereby unitized for production of oil and gas, to-wit:

A 40 acre unit beginning 2100 feet South and 740 feet East of the Northwest Corner (NW/C) of Section Ten (10), Township Eleven (11) South, Range Fifteen (15) West of the 6th P.M., Russell County, Kansas; thence East 1900 feet; thence South 917 feet; thence West 1900 feet; thence North 917 feet to the point of origin.

This unitization shall be effective the 28th day of November, 2007.

JOHN O. FARMER, INC.

By John O. Farmer III
(Title) President

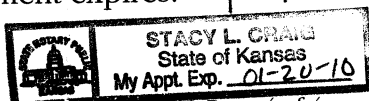
ACKNOWLEDGMENT

STATE OF KANSAS, COUNTY OF RUSSELL, ss:

Before me, the undersigned, a Notary Public, within and for the County and State, on this 28 day of November, 2007, personally appeared John O. Farmer III (title) President of John O. Farmer, Inc., a Kansas corporation, who executed the within and foregoing Declaration Of Unitization and acknowledged to me that he executed the same for and on behalf of, and as the act and deed of said corporation for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My appointment expires: 01/20/10



Stacy L. Craig
Notary Public
Stacy L. Craig