



1020213

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

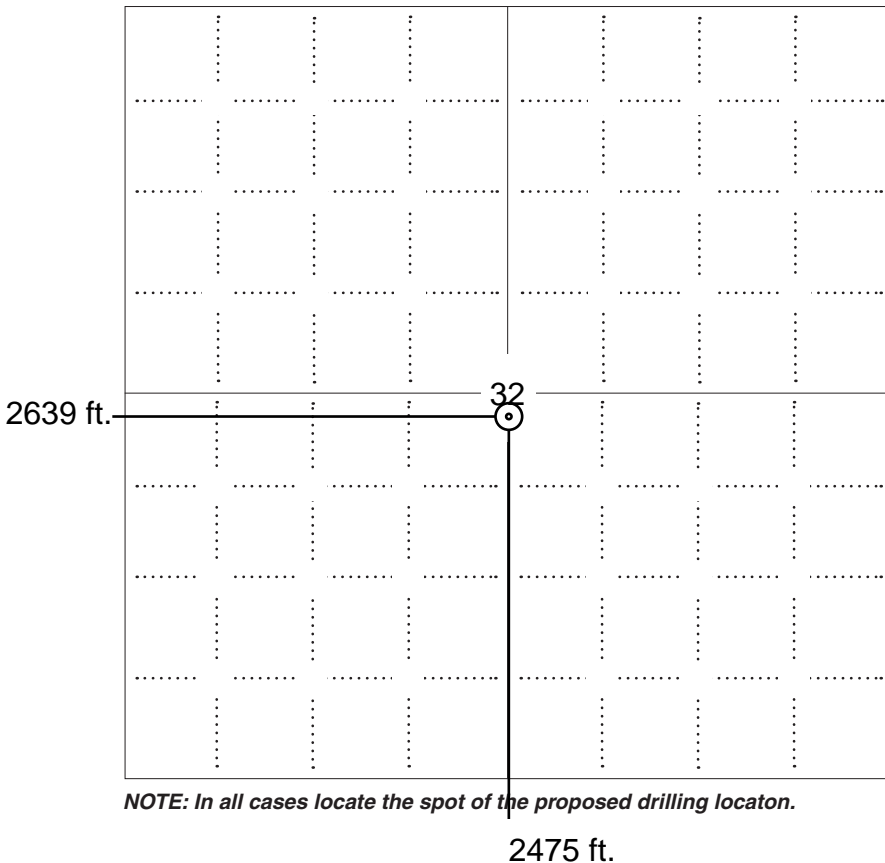
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

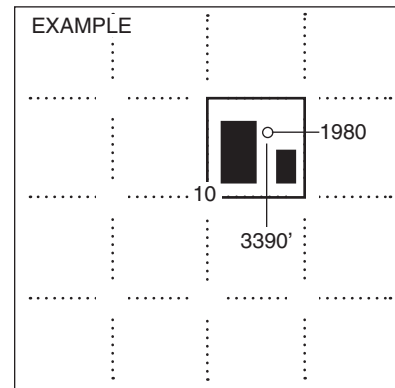
PLAT

(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 1020213
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			

OIL, GAS, AND MINERAL LEASE

This Oil, Gas, and Mineral Lease (the "Lease") is dated April 28, 2008 (the "Effective Date"). The parties to this Lease are Michael P. Kelso and Robyn M. Kelso h/w as Lessor (whether one or more), whose address is 2174 N 900 Rd, Eudora KS, 66025, and J&J Operating, LLC, as Lessee, whose address is 10380 W 179th St. Bucryus KS, 66013.

1. For the consideration of \$10 Dollars and other valuable consideration, the receipt of which Lessor acknowledges, and the covenants and agreements of Lessee in this Lease, Lessor grants, demises, leases and lets exclusively to Lessee, the lands described below (the "Lands"), for the purposes of mining, exploring by geological, geophysical and other methods, operating for, producing, and taking care of, removing and selling all oil, gas, and all of the products of oil and gas, with rights of way and easements for laying pipelines, and the erection of structures necessary or convenient to produce, save, store, make merchantable and transport all the oil or gas produced from the Lands or any adjacent lands. The Lands covered by this Lease are located in Douglas County, Kansas, and are described as follows:

[See Exhibit 'A' for Legal Description]

The Lands are deemed to contain 50 acres, more or less and shall include any lands of Lessor in the same survey or adjacent surveys.

2. This Lease shall remain in full force and effect for a primary term of 2 years (the "Primary Term") from the Effective Date, and as long thereafter as oil, gas or the products of oil or gas are produced from the Lands or leases or lands pooled with the Lands, or drilling or reworking operations are continued as provided in this Lease.

3. This is a **PAID-UP LEASE**. For the consideration paid to Lessor, Lessee is not obligated to commence or continue any operations on the Lands during the Primary Term, or to make any rental payments during the Primary Term. Lessee may at any time or times during or after the Primary Term surrender this Lease as to all or a portion of the Lands by delivering to Lessor, or by filing for record in the county where the Lands are located a release or releases of the Lease, and then be relieved of all accruing obligations as to the portion of the Lands surrendered. The Lease shall continue in force and effect as to all of the Lands not surrendered.

4. Lessee agrees to pay Lessor a royalty on production as follows:

a. Lessee shall deliver to the credit of Lessor as royalty, free of cost, in the pipeline to which Lessee may connect its wells, or into Lessee's storage tanks a 1/8 part of all oil produced and saved from the Lands. At Lessee's option, Lessee may pay to Lessor as royalty 1/8 of the proceeds of the sale of oil at the storage tanks.

b. Lessee shall pay Lessor, as royalty on gas sold from each well, 1/8 of the proceeds if gas is sold at the well, or if marketed by Lessee off the Lands, 1/8 of the value received for the gas sold off the Lands.

c. Lessee shall pay Lessor 1/8 of the proceeds received by Lessee from the sale of casinghead gas produced from any oil well and 1/8 of the value, at the mouth of the well, computed at the prevailing market price, of the casinghead gas produced from any oil well and used by Lessee off the Lands for any purpose or used on the Lands by Lessee for purposes other than the development and operation of the Lease.

d. Lessee will pay Lessor 1/8 of the proceeds from the sale of all other products of oil and gas not provided for above. In no event, in the payment of proceeds for royalty, shall Lessee ever be obligated to pay to Lessor, a sum greater than 1/8 of the sum Lessee actually receives for the sale of oil and/or gas or other products.

5. If at any time, there is a gas well (one or more), on the Lands, or acreage pooled with the Lands, whether before or after the Primary Term, and the well is shut-in, with no other production, drilling operations or other operations being conducted on the Lands capable of maintaining this Lease in force under any of its provisions, Lessee shall pay Lessor as royalty the sum of One Dollar (\$1.00) per year per acre for each acre of the Lands then subject to this Lease. This payment is to be made on or before the anniversary date of this Lease following the expiration of 90 days from the date the well is shut-in, and thereafter on the anniversary date of this Lease during the period the well is shut-in. When the payment is made it shall be considered that this Lease is maintained in full force and effect until production resumes or the next shut-in royalty payment is due.

6. If the Lessor owns a lesser interest in the Lands than the entire and undivided fee simple estate in the minerals, the royalties (including any shut-in gas royalty) shall be paid to Lessor only in the proportion which Lessor's interest in the Lands bear to the whole and undivided fee simple in the Lands.

7. Despite anything in this Lease to the contrary, Lessor expressly agrees that if Lessee commences operations for drilling a well at any time while this Lease is in force, this Lease shall remain in force and its term shall continue as long as the operations are prosecuted as provided in this paragraph 7. If production results from the well, this Lease shall remain valid and in force as long as production continues from the Lands.

8. If at the expiration of the Primary Term oil, gas or the products of oil and gas are not being produced but Lessee is engaged in drilling or reworking operations on the Lands, this Lease shall continue in force so long as those operations are being continuously prosecuted on the Lands. Drilling Operations shall be considered to be continuously prosecuted if not more than 60 days elapse between the completion or the abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after the discovery of oil or gas or the products of oil or gas on the Lands or on

acreage pooled with the Lands, production should cease, from any cause, after the Primary Term, this Lease shall not terminate if Lessee commences additional drilling or reworking operations within (180) days from the date of cessation of production, or from the date of completion of a dry hole. If oil, gas or the products of oil or gas are discovered and produced as a result of operations at or after the expiration of the Primary Term, this Lease shall continue in force so long as oil, gas, or the products of oil or gas are produced from the Lands.

9. Lessor grants Lessee the right to use, free of cost, gas, oil, and water produced on or from the Lands, for Lessee's operations, except water from Lessor's wells. When requested by the owner of the surface of the Lands, Lessee will bury pipelines across cultivated lands below normal plow depth. No well shall be drilled nearer than 200 feet to any house or barn located on the Lands as of the Effective Date of this Lease without the written consent of Lessor. Lessee will pay for damages caused by Lessee's operations to growing crops on the Lands. Lessee shall have the right, at any time, but not the obligation, to remove all machinery, equipment, and fixtures placed on the Lands, including the right to draw and remove casing.

10. The rights of Lessor and Lessee may be assigned in whole or in part. However, no change in ownership of Lessor's interest in the Lands shall be binding on Lessee until 60 days after Lessee has been furnished with written notice, accompanied by certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of title to Lessor's interest, and then only with respect to payments made after Lessee's actual receipt of the notice. No other notice of any kind, actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of the Lands shall operate to enlarge the obligations or diminish the rights of Lessee. All of Lessee's operations may be conducted without regard to any division of ownership by Lessor. If all or any part of this Lease is assigned by Lessee, no leasehold owner shall be liable for any act or omission on the part of any other leasehold owner.

11. Lessee is granted, at its option, the right and power to voluntarily pool or combine all or any portion of the Lands covered by this Lease, as to either oil, gas, or both, with any other lands, or leases adjacent to the Lands when, in Lessee's judgment, it is necessary or advisable to do so to properly develop and operate the combined lands as a unit or units. Lessee may pool the Lands forming units not exceeding three hundred acres (300) acres for an oil well, plus a tolerance of 10%, and not exceeding 1000 acres for a gas well, plus a tolerance of 10%, except that if larger units are required or permitted under any governmental rule or order for the drilling or operation of a well at a regular location, or for obtaining the maximum production allowable from any well drilled or to be drilled, larger units may be formed. Lessee, or Lessee's designee, shall execute and record in the county where the Lands are located an instrument identifying and describing the lands included in a unit. All acreage pooled into a unit shall be treated for all purposes, except the payment of royalty, as if it were included in this Lease, and drilling or reworking operations on any land in a unit or production of oil or gas, or the completion of a well as a shut-in gas well, shall be considered for all purposes, except the

payment of royalty, as if the operation were on, production is from, or the completion was on the Lands covered by this Lease, whether or not the well or wells on the unit are located on the Lands covered by this Lease. In lieu of the royalty or shut-in gas royalty provided above, Lessor shall receive from production from a unit a portion of the royalty provided in this Lease as the amount, in acres, of the Lands included in the unit or the Lessor's royalty interest in the Lands included in the unit, bears to the total amount of acreage included in a unit.

At Lessee's discretion, or in the absence of production, Lessee or Lessee's designee may terminate any unit by filing in the county records a notice of termination of the unit.

12. All express or implied covenants of this Lease shall be subject to all federal and state laws, executive orders, rules, or regulations of governmental bodies having jurisdiction. This Lease shall not terminate in whole or in part, nor shall Lessee be held liable in damages, for failure to comply with any Lease terms if compliance is prevented as the result of any law, order, rule, or regulation.

Lessor expressly warrants and agrees to defend the title to the Lands and agrees Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes, or other liens on the Lands in the event of failure of payment by the Lessor, and Lessee shall be subrogated to the rights of the holder of any mortgage, taxes or other liens. Lessee may reimburse itself for payments out of any royalties or rentals payable to a Lessor for any amounts paid by Lessee for Lessor for or on any mortgage, taxes, or liens.

13. All the provisions of this Lease shall be binding on the heirs, successors, assigns, and legal representatives of the Lessor and Lessee.

This Lease is executed by Lessor as of the date of acknowledgment of Lessor's signature, but shall be effective for all purposes as of the Effective Date stated above.

14. See Exhibit 'B' for further lease clauses

15. See Exhibit 'A' for legal description and "No Well Zone"

Lessor(s):

Michael P. Kelso

Robyn M. Kelso

Individual Acknowledgment

STATE OF _____
COUNTY OF _____

Before me, the undersigned, a Notary Public, within and for said county and state, on this _____ day of _____, personally appeared Michael P. Kelso and Robyn M. Kelso, to me personally known to be the identical person(s) who executed the within and foregoing instrument and acknowledged to me that (he/she/they) executed the same as (his/her/their) free and voluntary act and deed 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.

Notary Public in and for the State of _____
Printed Name: _____
Commission Expires: _____

Exhibit 'B'

Attached as a part of an Oil and Gas Lease dated January April 28, 2008 by and between Michael P. Kelso and Robyn M. Kelso h/w, As Lessor and **J & J Operating, LLC.**, as Lessee. If the terms and conditions set forth in this **exhibit 'B'** conflict with the oil and gas lease to which this exhibit 'B' is attached, the terms and conditions of this exhibit 'B' shall prevail:

TO THE EXTENT THAT THE TERMS AND CONDITIONS SET FORTH HEREIN CONFLICT WITH THE OIL & GAS LEASE TO WHICH THIS EXHIBIT IS ATTACHED, THEN THE TERMS AND CONDITIONS OF THIS EXHIBIT 'B' SHALL GOVERN.

1. This lease can not be held solely by the payment of shut-in royalty for a term greater than 18 mos.
2. This lease will terminate after 14 months of continuous non production contingent upon any shut-in royalties
3. LESSEE and its successors and assigns shall conduct all operations on the leased premises as a reasonable and prudent operator and in such a way as to cause a minimum of damage to the land and improvements thereon. LESSEE shall promptly repair ruts and cleanup any spills, and will not allow unused equipment or junk to accumulate on the property. LESSEE shall, weather permitting, promptly repair any area damaged as a result of LESSEE's operations to the fullest practical extent, including filling and leveling holes, pits, ruts, roads or excavations in areas no longer used by LESSEE. Upon termination of this lease, LESSEE shall fully repair all damaged land not already repaired to as near as is practically possible to the condition it was prior to the commencement of such operations.
4. At least one week, but not more than two months, prior to commencing any drilling operations on the leased premises LESSEE shall inform LESSOR of LESSEE's intentions. LESSEE shall compensate LESSOR for actual damages or injury done or caused by LESSEE during its operations hereunder to any livestock, growing crops, pasture land, hay meadow, timber, structures, landscaping and/or other improvements as a result of LESSEE's operations. This provision shall not limit LESSOR's remedies under the law to recover any additional damages that may be incurred by LESSOR.
5. LESSOR reserves the right to designate all routes of ingress and egress. Said consent by LESSOR shall not be unreasonably withheld. LESSEE shall use only one properly maintained road to all wells and lease locations. No fences shall be cut without written authorization from LESSOR and reasonable compensation to LESSOR. LESSEE shall repair any gates, waterways, terraces, pasture or fences damaged by LESSEE's operations. All roads and locations shall be kept free of litter, brush debris, weeds and shall at all times be well maintained. Lessee, whenever possible shall use existing access roads and maintain or improve such roads where necessary.
6. LESSEE shall bury all electric lines and lead lines at least 30 inches deep on cultivable land, tame pastures and prairie meadows, and below the surface in native pasture. No overhead electric lines shall be used without the written permission of LESSOR.
7. Lessee shall stake all routes for pipeline, lease line and transmission line and shall provide maps to lessor of all locations and routes in advance and shall pay all damages caused by such right-of-way.
8. All wells, pits, tanks, ponds and equipment that may be hazardous to livestock shall be completely fenced in, with a fence post every rod. This must be done before commencement of production from any wells.
9. LESSEE shall not drill above a stock water pond without the consent of LESSOR and LESSEE shall be responsible for any and all damage caused to any stock water ponds by LESSEE's operations.
10. Upon termination of this lease, LESSEE and LESSEE's successors and assigns shall, within 90 days after said termination, plug all wells, remove all personal property, and release said lease of record, and failure to do so shall automatically forfeit all rights to all personal property on the leased premises and said property shall belong to

LESSOR. This provision shall not limit any remedies LESSOR has under the law or this lease for damages.

11. LESSEE shall have no right to hunt, fish or camp, or bring dogs, firearms or recreational vehicles, on the leased premises without the prior written permission of LESSOR.

12. LESSOR shall not be responsible for any damages to pipelines, electrical lines or any equipment or personal property on the leased premises unless caused by LESSOR's gross negligence or willful acts.

13. In the event some or all of the lands covered by this lease are enrolled in the Conservation Reserve Program (CRP) of the U.S. Department of Agriculture, LESSEE shall comply with the rules and notification procedures of that program insofar as the same may apply to the operations of LESSEE on the enrolled lands. LESSEE shall compensate LESSOR for CRP penalties or CRP withdrawal reimbursements resulting directly from LESSEE's operations hereunder.

14. LESSEE shall indemnify and hold LESSOR harmless from any and all claims, causes of action, liens, and environmental liability, arising out of LESSEE's operations under the terms of this lease.

15. LESSOR may except and reserve, free of cost, natural gas for domestic fuel use on the leased premises, subject to the use and right of abandonment of the well by LESSEE. LESSOR may supply, lay and maintain one line leading from any producing gas well on the leased premises and furnish regulators and other necessary equipment at LESSOR's expense. LESSOR acknowledges that he/she has been advised as to the risk inherent in taking gas in this manner and LESSOR agrees to assume all such risks caused by LESSOR's line and equipment. LESSOR also agrees to indemnify and hold LESSEE and or the well operator and all parties of interest in any well on said land harmless from any and all damages and claims of any nature whatsoever which may arise from the usage of said natural gas by LESSOR.

16. Any tank batteries shall be located on adjacent land owner's land

17. All routine maintenance done on wells on said lease shall use a route of ingress and egress from adjacent land owner's land. Drilling wells are not considered routine maintenance along with the work of other contractors needed for the leases initial infrastructure.

18. No wells shall be located within 660 feet of south section line, (No Well Zone)

Signed this the _____

Michael P. Kelso

Robyn M. Kelso

Exhibit 'A'

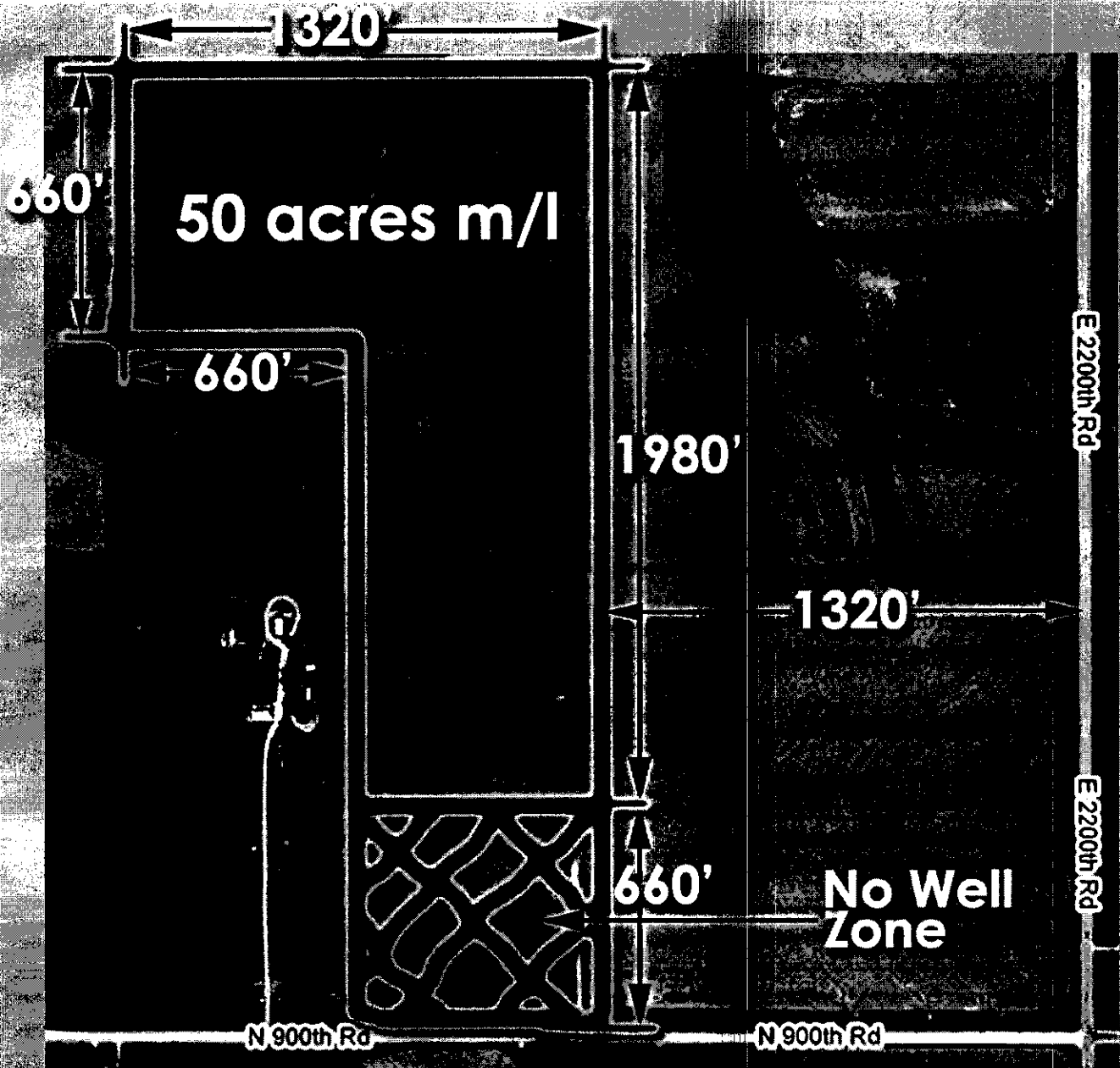
Sec 32 - Township ~~21~~ - Range ~~13~~

13

21 E

Legal Description;

Commencing at the Southeast corner of said section hence west 1320' to the point of the beginning, thence North 2640', thence west 1320', thence South 660', thence East 660'. thence South 1980', thence East 660' to the true point of beginning, containing FIFTY (50) acres m/l



Form 98--(Producers)
1-43

PAID-UP
B OIL AND GAS LEASE



AGREEMENT, Made and entered into November 2nd, 2006 XXX by and between:
Gregory A. Neis, aka Greg Neis and Kim Neis, husband and wife and
Merilee S. Dymacek, aka Merilee Dymacek and Bill Dymacek, her husband

HAAS PETROLEUM, LLC

Party of the first part, hereinafter called lessor (whether one or more) and
Party of the second part, hereinafter called lessee.

WITNESSETH, That the said lessor, for and in consideration of TEN AND MORE DOLLARS, cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased and let unto said lessee, for the sole and only purpose of mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situated in the County of Douglas

State of Kansas, described as follows, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

RECEIVED
KANSAS CORPORATION COMMISSION

JUN 02 2008

CONSERVATION DIVISION
WICHITA, KS

of Section 32 Township 13 South Range 21 East and containing 178.94 acres more or less.

It is agreed that this lease shall remain in full force for a term of THREE (3) years from this date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee, or the premises are being developed or operated.

In consideration of the premises the said lessee covenants and agrees:

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which he may connect his wells, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. The lessee shall pay to lessor for gas produced from any oil well and used by the lessee for the manufacture of gasoline or any other product as royalty 1/8 of the market value of such gas at the mouth of the well; if said gas is sold by the lessee, then as royalty 1/8 of the proceeds of the sale thereof at the mouth of the well. The lessee shall pay to lessor as royalty 1/8 of the proceeds from the sale of gas as such at the mouth of the well where gas only is found and where such gas is not sold or used; lessee shall pay or tender annually at the end of each yearly period during which such gas is not sold or used as royalty, an amount equal to the delay rental provided in the next succeeding paragraph hereof, and while said royalty is so paid or tendered this lease shall be held as a producing lease under the above term paragraph hereof, the lessor to have gas free of charge from any gas well on the leased premises for stoves and inside lights in the principal dwelling house on said land by making his own connections with the well, the use of such gas to be at the lessor's sole risk and expense.

If no well be commenced on said land on or before N/A XXXX this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor, or to the lessor's credit in The N/A Bank at N/A or its successors, which shall continue as the depository regardless of changes in the ownership of said land, the sum of N/A DOLLARS, which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve months from said date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods or the same number of months successively. All such payments or tenders of rental may be made by check or draft of lessee or any assignee thereof, mailed or delivered on or before the rental paying date either direct to lessor or assigns or to said depository bank. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the lessee when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred. Lessee may at any time execute and deliver to Lessor, or place of record, a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered, and thereafter the rentals payable hereunder shall be reduced in the proportion that the acreage covered hereon is reduced by said release or releases.

Should the first well drilled on the above described land be a dry hole, then, and in that event, if a second well is not commenced on said land within twelve months from the expiration of the last rental period for which rental has been paid, this lease shall terminate as to both parties, unless the lessee on or before the expiration of said twelve months shall resume the payment of rentals in the same amount and in the same manner as herein before provided. And it is agreed that upon the resumption of the payment of rentals, as above provided, that the last preceding paragraph hereof governing the payment of rentals and the effect thereof, shall continue in force just as though there had been no interruption in the rental payments.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in the proportion which his interest bears to the whole and undivided fee. However, such rental shall be increased at the next succeeding rental anniversary after any reversion occurs to cover the interest so acquired.

Lessee shall have the right to use, free of cost, gas, oil, and water produced on said land for its operation thereon, except water from wells of lessor.

When requested by lessor, lessee shall bury his pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessor shall pay for damages caused by its operations to growing crops on said land.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or other of them, be found in paying quantities, this lease shall continue and be in force with the like effect as if such well had been completed within the term of years herein first mentioned.

If the estate of either party hereto is transferred, and the privilege of transferring in whole or in part is expressly allowed, or if the rights hereunder of either party hereto are vested by descent or devise, the covenants hereof shall extend to and be binding on the heirs, devisees, executors, administrators, successors, or assigns, but no change in the ownership of said land or of any rights hereunder shall be binding on the lessee until after lessee has been furnished with the original or a certified copy thereof of any transfer by lessor or with a certified copy of the will of lessor together with a transcript of the probate thereof or, in the event lessor dies intestate and his estate is being administered, with a transcript of the administration proceedings or, in the event of the death of lessor and no administration being had on the estate, with an instrument satisfactory to lessee executed by lessor's heirs authorizing payment or deposit or tender for deposit to their credit as hereinbefore provided, at least thirty days before said rentals and royalties are payable or due, and it is hereby agreed in the event this lease shall be assigned as to a part or as to parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands upon which the said lessee or any assignee thereof shall make due payments of said rentals. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment. If the leased premises are now or hereafter owned in severalty or in separate tracts, the premises, nevertheless, may be developed and operated as an entirety, and the royalties shall be paid to each separate owner in the proportion that the acreage owned by him bears to the entire leased area. There shall be no obligation on the part of the lessee to offset wells on the separate tracts into which the land covered by this lease may hereafter be divided by sale, devise, or otherwise, or to furnish separate measuring or recording tanks for the oil produced from such separate tracts.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to re-lease or by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof and may reimburse itself from any rental or royalties accruing hereunder.

EXHIBIT "A"

ATTACHED TO AND HEREBY MADE A PART OF THAT CERTAIN OIL & GAS LEASE DATED November 2nd, 2006, BY AND BETWEEN Gregory A. Neis, aka Greg Neis and Kim Neis, H/W and Merilee S. Dymacek, aka Merilee Dymacek and Bill Dymacek, her husband, etal AS LESSOR(S), AND HAAS PETROLEUM, INC. AS LESSEE:

DESCRIPTION OF LEASED PREMISES:

TOWNSHIP 13 SOUTH, RANGE 21 EAST:

SECTION 32: A tract of land located in the W/2 of Sec. 32, T13S, R21E and more particularly described as follows: Beginning at the SW corner of the SW/4, thence North 00 degrees 09' 13" West a distance of 1471.24 feet, said point being on the West line of the SW/4, thence North 89 degrees 50' 47" East a distance of 250 feet, thence North 00 degrees 09' 13" West a distance of 208.50 feet, thence South 89 degrees 50' 47" West a distance of 41.50 feet, thence North 00 degrees 09' 13" West a distance of 208.50 feet, said point being on the West line of the SW/4, thence along said line, North 00 degrees 09' 13" West a distance of 60.01 feet, thence North 89 degrees 57' 53" East a distance of 333.17 feet, thence North 00 degrees 09' 13" West a distance of 261.49 feet, thence North 89 degrees 57' 53" East a distance of 52.83 feet, thence North 00 degrees 09' 13" West a distance of 441.25 feet, thence South 89 degrees 57' 53" West a distance of 386.00 feet, said point being the NW corner of the SW/4, thence North 00 degrees 09' 13" West a distance of 662.75 feet, said point being the NW corner of the S/2 S/2 NW/4, thence North 89 degrees 57' 22" East a distance of 2,642.18 feet, said point being the NE corner of the S/2 S/2 NW/4, thence South 00 degrees 08' 02" East a distance of 1989.54 feet, said point being the NE corner of the S/2 SW/4, thence South 89 degrees 59' 03" West a distance of 689.86 feet, said point being on the North line of the S/2 SW/4, thence South 01 degrees 31' 34" West a distance of 395.34 feet (measured), 374.34 feet (deed), thence North 87 degrees 53' 16" East a distance of 323.00 feet (measured), 255.75 feet (deed), said point being the center line of Little Wakarusa Creek, thence along said line South 10 degrees 36' 35" East a distance of 252.45 feet, thence South 02 degrees 25' 40" East a distance of 172.08 feet, thence South 07 degrees 10' 59" West a distance of 178.21 feet, thence South 13 degrees 17' 02" West a distance of 273.06 feet, thence South 29 degrees 01' 40" West a distance of 91.78 feet, said point being the center line of Little Wakarusa Creek and the South line of the SW/4, thence North 89 degrees 59' 48" West a distance of 2184.55 feet to the POB, containing 178.94 acres more or less;

SIGNED FOR IDENTIFICATION:

Gregory A. Neis
Gregory A. Neis, aka Greg Neis

Kim Neis
Kim Neis

Merilee S. Dymacek
Merilee S. Dymacek, aka Merilee Dymacek

Bill Dymacek
Bill Dymacek

Tract in 32-13-21 NW 1/4 SW



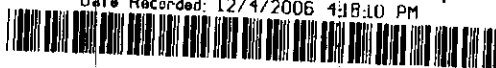
Douglas County Register of Deeds
Book: 1016 Page: 326

Receipt #: 369263
Pages Recorded: 3
Cashier Initials: rec

Recording Fee: \$16.00

Authorized By: Sp4 Pearson

Date Recorded: 12/1/2006 4:18:10 PM



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KANSAS CORPORATION COMMISSION

JUN 02 2008

CONSERVATION DIVISION
WICHITA, KS

BOOK 1016 PAGE 0328

AMENDMENT TO OIL AND GAS LEASE
(To Add Pooling Provision)


State: Kansas

County: Douglas

Lessor: Gregory A. Neis, aka Greg Neis and Kim Neis, Husband and wife and Merilee S. Dymacek, aka Merilee Dymacek and Bill Dymacek, her husband

Lessee: (Haas Petroleum)

Effective Date: (November 2nd, 2006)


On November 2nd, 2006, Lessor, named above, granted to Lessee, named above, an oil and gas lease dated November 2, 2006, recorded in book 1016, page 0325-0328 in the Douglas County Kansas, Register of Deeds

The Lease did not grant Lessee the authority to pool and/or unitize the Lands with other leases and lands. Lessor and Lessee desire to amend the Lease, and add this pooling amendment, to allow Lessee to form pooled units in the Lease.

For the consideration received by Lessor on executing the Lease, and the benefits to be derived, Lessor hereby amends the Lease to allow the Lessee, and its successors and assigns, to pool and unitize the lands under this lease with other lands and leases for drilling a horizontal well or wells on lands that includes a maximum of 300 acres for a pooled unit established for an oil well, and 1000 acres for a pooled unit established for a gas well, as permitted by the rules and regulations of (regulatory agency), Lessor recognizes that this amendment allows Lessee to include the Lease in a unit or units for a horizontal well which contains the amount of acreage and lands as stated previously and shall comply with all applicable spacing and proration rules and regulations.

In all other respects the Lease remains unchanged. By executing this Amendment, Lessor acknowledges that the Lease is in full force and effect, and ratifies the Lease as to all its terms including those contained in this Amendment.

This Amendment to Oil and Gas Lease is executed by Lessor as of the date of the acknowledgment below, but the Amendment shall be deemed effective for all purposes as of the Effective Date stated above.

Lessor(s):

Gregory A. Neis
Gregory A. Neis, aka Greg Neis

Kim Neis
Kim Neis

Merilee S. Dymacek
Merilee S. Dymacek, aka Merilee Dymacek

Bill Dymacek
Bill Dymacek

Individual Acknowledgment

STATE OF KANSAS
COUNTY OF DOUGLAS

Before me, the undersigned, a Notary Public, within and for said county and state, on this 7 day of MAY, 2008, personally appeared Bill Dymacek, Merilee S. Dymacek, aka Merilee Dymacek, Kim Neis, Gregory A. Neis, aka Greg Neis, to me personally known to be the identical person(s) who executed the within and foregoing instrument and acknowledged to me that (he/she/they) executed the same as (his/her/their) free and voluntary act and deed 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.

Gregory G. Walker
Notary Public in and for the State of KS
Printed Name: Gregory G. Walker
Commission Expires: 07-22-2010

