

For KCC	Use:		
Effective	Date:		
District #			
0040		п. .	

Spud date: _

_ Agent: _

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 October 2007 Form must be Typed Form must be Signed

	Spot Description:
month day year	Sec Twp S. R E \(\bigcup \)
PERATOR: License#	feet from N / S Line of Section
ame:	feet from E / W Line of Section
ddress 1:	Is SECTION: Regular Irregular?
dress 2:	(Note: Locate well on the Section Plat on reverse side)
ty:	County:
ntact Person:	Lease Name: Well #:
one:	Field Name:
DNTRACTOR: License#	Is this a Prorated / Spaced Field?
ime:	Target Formation(s):
	Nearest Lease or unit boundary line (in footage):
Well Drilled For: Well Class: Type Equipment:	Ground Surface Elevation:
Oil Enh Rec Infield Mud Rotary	Water well within one-quarter mile:
Gas Storage Pool Ext. Air Rotary	Public water supply well within one mile:
Disposal Wildcat Cable	Depth to bottom of fresh water:
Seismic ; # of Holes Other	Depth to bottom of usable water:
Other:	Surface Pipe by Alternate: I II
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
	Length of Conductor Pipe (if any):
Operator:	
Well Name:	Projected Total Depth:
Original Completion Date: Original Total Depth:	Formation at Total Depth:
rectional, Deviated or Horizontal wellbore?	Water Source for Drilling Operations:
Yes, true vertical depth:	Well Farm Pond Other:
ottom Hole Location:	DWR Permit #:(Note: Apply for Permit with DWR)
CC DKT #:	Will Cores be taken?
	If Yes, proposed zone:
A F-1	FIDAVIT
ΔFI	
	igging of this well will comply with K.S.A. 55 et. seq.
ne undersigned hereby affirms that the drilling, completion and eventual plu	agging of this well will comply with K.S.A. 55 et. seq.
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Well Not Drilled - Permit Expired Date: _ Signature of Operator or Agent:



IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

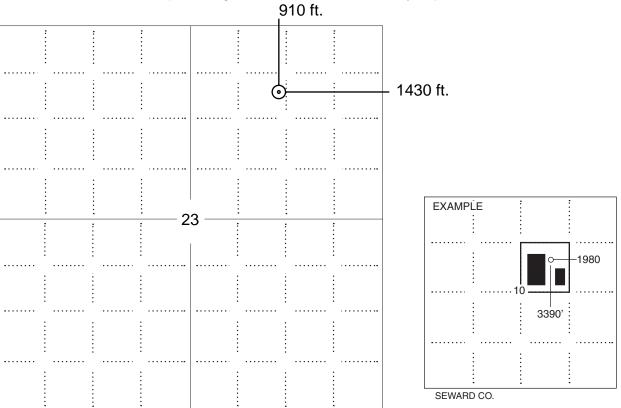
Plat of acreage attributable to a well in a prorated or spaced field

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:	Location of Well: County:
Lease:	feet from N / S Line of Section
Well Number:	feet from E / W Line of Section
Field:	Sec Twp S. R
Number of Acres attributable to well:	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 OIL & GAS CONSERVATION DIVISION

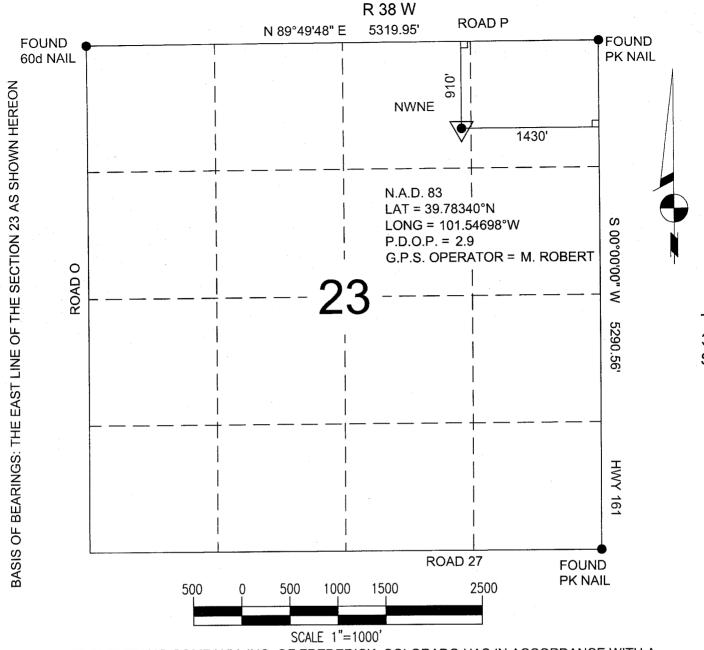
21140

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: Emergency Pit Burn Pit Settling Pit Drilling Pit Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) Is the pit located in a Sensitive Ground Water Is the bottom below ground level? Yes No Pit dimensions (all but working pits): Depth from If the pit is lined give a brief description of the material, thickness and installation procedure	Artificial Liner? Yes 1 Length (feom ground level to de	No No et) Describe proce	
Distance to nearest water well within one-mile	of pit	Depth to shallo	west fresh waterfeet.
feet Depth of water well	feet		redwell owner electric logKDWR
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 flow into the pit? Yes No Submitted Electronically		Type of material Number of work Abandonment	bover and Haul-Off Pits ONLY: al utilized in drilling/workover:
	KCC (OFFICE USE OF	NLY Steel Pit RFAC RFAS
Date Received: Permit Num	ber:	Permi	it Date: Lease Inspection: Yes No



POWER SURVEYING COMPANY, INC. OF FREDERICK, COLORADO HAS IN ACCORDANCE WITH A NOBLE ENERGY INC. REQUEST FROM DAN CASPER OF KEHLBECK 31-23 DETERMINED THE LOCATION OF OF SECTION 16 910' FNL & 1430' FEL TO BE 3 SOUTH , RANGE 38 WEST OF THE 6th PRINCIPAL MERIDIAN, TOWNSHIP STATE OF **KANSAS** COUNTY OF CHEYENNE

LOCATION NOTES:

LOCATION FALLS IN: CORN FIELD

IMPROVEMENTS: NONE WITHIN 200' OF LOCATION

ELEVATION DETERMINED FROM NAVD 1988 DATUM. GROUND ELEVATION = 3479'

DISTANCES AND BEARINGS ARE FIELD MEASURED UNLESS NOTED OTHERWISE.

LEGEND:

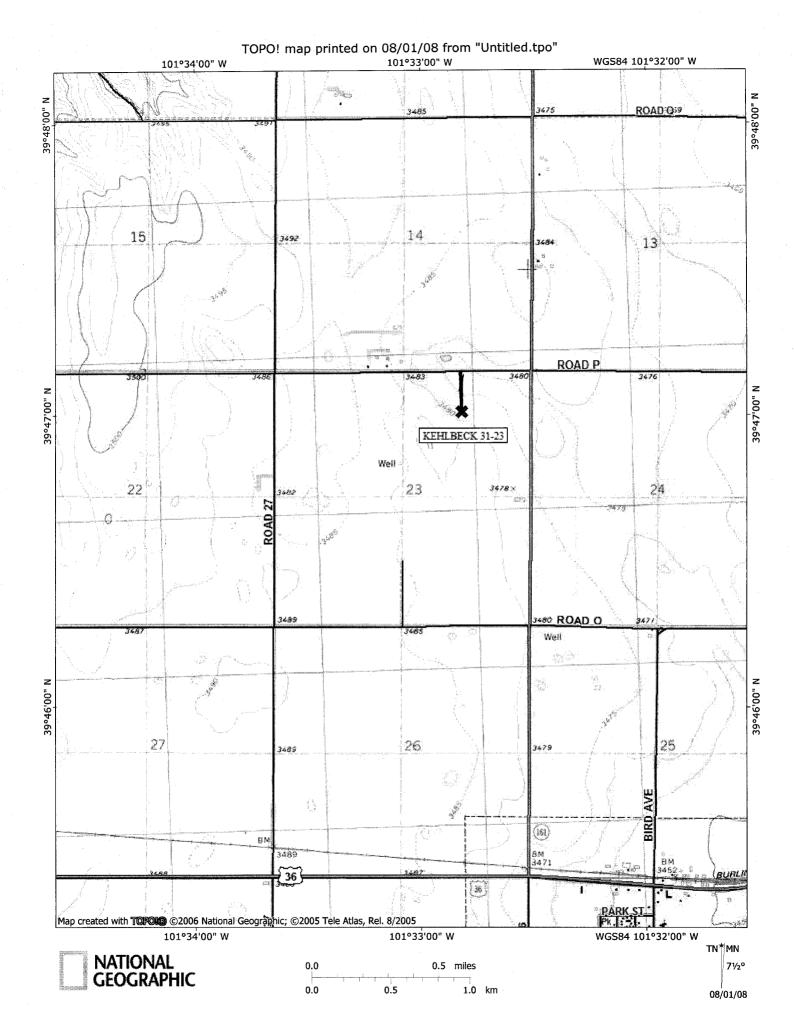
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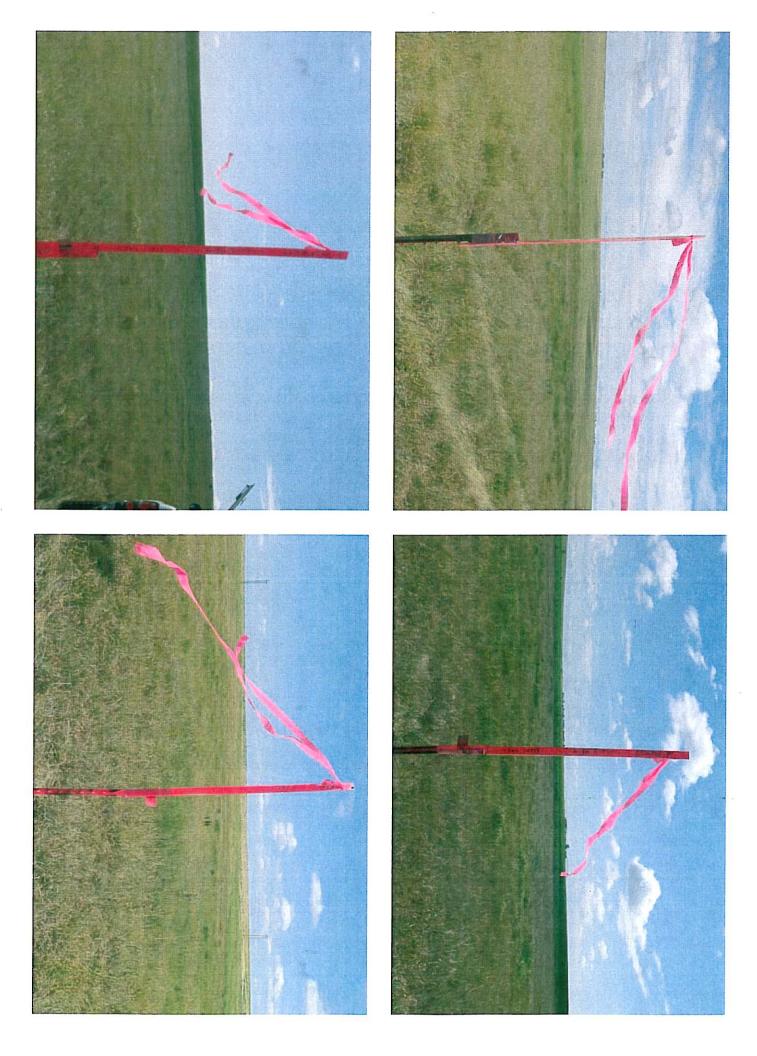
SECTION CORNER (AS NOTED) PROPOSED WELL LOCATION



7800 MILLER DRIVE, UNIT C FREDERICK, CO 80504 (303) 702-1617, FAX (303) 702-1488

WORK ORDER # 501-08-516 FIELD DATE: 07-30-08 DATE OF COMPLETION: 07-31-08





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Commission Register of Registe ACOSTER OF OC. SEAL 1 05th ils instrument y TATE OF KANSAS, CHEYENNE Redict. Page() of t Sas Was 記憶 for record record on the recorded

TIO AND GAS LEASE

of

Autorial 2151 2004 (the "Effective

Oil and Gas Lease (the "Lease")

Kehilbeck Kehlback his The parties wife 5 this Lease

Danci: Royce D.

and J. Fred Hambright, one or more), ht, Inc., as whose address 12. 품 i is, 125 1 Box 13, N. Market, Bird City, et, #1415, Wiehit Wichita, Kansas ta, KS 672 67202 67731

I. For the consideration of Ten and More (\$10.00 & more) Dollars, the receipt of which Lessor acknowledges, and Lessee's covenants and agreements in this Lease, Lessor grants, leases, and lets exclusively to Lessee, the lands described below (the "Lands"), with the right to unitize, pool, or combine all or part of this Lease with other lands or leases for the purpose of earrying on geological, geophysical, or other exploration work, core drilling and the drilling, mining, and operating for, producing, and saving oil, gas, and other hydrocarbons, and for constructing roads, laying pipelines, building tanks, storing oil, building power stations, telephone lines, and other structures of the construction of the Lands alone, or with adjacent lands, and to produce, save, and take care of the oil and gas produced. The Lands are

Cheyenne described as follows:

中四十 Tract ß. treated 8 ρ separate 2 盟 S S Leagesta

Tract #1 Section 3 South, Section Si. 14: Range 14: Sis-23: Nis-West

are deem acres for whether they contain more or less

This Lease shall remain in force for a primary term of five (5) years (the "Primary Term") from the Effective Date and as long thereafter as oil, gas, or other hydrocarbons are, or can be produced from the Lands. On or before five (5) years from the Effective Date, if this Lease is not otherwise continued in force, Lessee, at its option may automatically renew this lease and extend the Primary Term for an additional five (5) year term if, on or before five (5) years from the Effective Date, Lessee, at its consideration to Lessor, in the amount equivalent to the initial bonus payment (per net mineral acre) as to the lands covered by this lease.

- same to be delivered at the wells, or to the credit of Lessor into the pipeline to which the wells may be connected; Lessee may from time to time purchase any royalty oil said land and sold or used off the premises or in the manufacture of products off at the well, the royalty shall be one-eighth (1/8th) of the net proceeds realized from such sale. All royalties paid on gas sold or used off the premises or in the manufacture of products therefrom, the market value at the well of one-eighth (1/8th) of the product sold or used. On manufacture of products therefrom will be paid after deducting from such royalty Lessor's production and severance taxes, gathering and transportation costs from the well royalty shall be one-eighth (1/8th) of the net proceeds realized from such royalty Lessor's proportionate amount of all post-production costs, including but not limited to the well, the royalty shall be one-eighth (1/8th) of the net proceeds realized from such sole, after deducting from such royalty Lessor's proportionate amount of all post-production costs, including but not limited to the well, the royalty shall be one-eighth (1/8th) of the net proceeds realized from such sale, after deducting from such royalty Lessor's proportionate amount of all of the above post-production costs and expenses, if any. Where there is a gas well or wells on the Lands subject to this Lease or lands pooled with the Lands, whether before or keeping this Lease in force under any of its terms or provisions, Lessee may pay as royalty to Lessor (and if within the Primary Term such payment shall be in lieu of named above or directly to Lessor as shown, on or before the anniversary date of this Lease (the shut-in royalty). Payments of shut-in royalty are to be made to the depository, shut-in, and if the wells are shut-in following the anniversary date of this Lease during the period the wells are shut-in. Upon payments being made this Lease shall be deemed to be maintained in full force and effect.
- 4.

 If at any time prior to the discovery of oil or gas or other hydrocarbons on the Lands, and during the Primary Term, Lessee drills a dry hole or holes on Lands, this Lease shall not terminate, provided operations for the drilling of a well shall be commenced by the next ensuing Rental Paying Date, or Lessee begins or resumes payment of Rentals.
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 able shall be paid to I
 o effect on the right to right to If Lessor owns a lesser interest in the loo Lessor only in the proportion which it to reduce royalties to correspond with the Lands than the actual e entire and undivided fi rest bears to the whole ; ual interest in the minera livided fee simple estate in t whole and undivided fee. mineral estate in the Lands the minerals, any royalty and Rentals which may be due Lessee's failure to proportionately reduce Rentals shall
- 6.

 Lessee is granted the right to use, free of cost, gas, oil, and water found on or under the Lands, for all of Lessee's operations, except water from Lessor's wells. When required by Lessor, Lessee will bury its pipelines crossing those portions of the Lands that are under cultivation below ordinary plow depth, and pay for without the written consent of Lessor. Lessee has the right at any time during or after the expiration of this Lease, to remove all machinery, fixtures, buildings, and other structures placed on the Lands, including the right to draw and remove all casing.
- If the estate of either party is assigned, the privilege of assigning in whole or in part being expressly allowed, the terms of this Lease shall extend to the party's heirs, devisces, executors, administrators, successors, and assigns. No change of ownership in the Lands, Rentals or royalties, or any sum due, or the depository address instrument or certified copy of the conveyance, a certified copy of the Will and probate proceedings of any deceased owner, or a certified copy of the proceedings showing the appointment of an administrator of the estate of any deceased owner, whichever is appropriate, together with all recorded instruments of conveyance or certified copies necessary to show a complete chain of title to the interest claimed. All advanced payment of Rentals made before the end of the 60-day period following Lessee's receipt of documents shall be binding on any direct or indirect assignce, grantee, devisee, administrator, executor, or heir of Lessor.
- No change or division in the ownership of the Lands, Rentals, or royalties, however accomplished, shall enlarge the obligation or diminish the rights of the Lessee. In the event of an assignment in whole or in part by Lessee, the liability for breach of any obligation of this Lease shall rest exclusively on the owner of the portion furnish separate measuring devices or tanks. If this Lease is-assigned as to a segregated part or parts of the Lands may be divided by sale, devise, descent or otherwise, or to payment of the proportionate part of the Rentals due, the default shall not operate to affect this Lease insofar as it covers a part of the Lands on which Lessee or any other assignee makes timely payment of Rentals. If six or more parties become entitled to royalty payments, Lessee may withhold payment until furnished with a recordable instrument executed by all the parties designating an agent to receive payment of royalties for all the parties.
- other lie).

 Lessor warrants and agrees to defend title to the Lands and agrees Lessee, at its option, may pay and discharge in existing, levied or assessed on or against the Lands. If Lessee exercises this option it shall be subrogated to the rights of ay reimburse itself by applying to the amounts paid to discharge any mortgage, tax or other lien, any royalty, shut-in royalty, n whole or in f any holder , or Rentals : in part any taxes, mortgages or or holders of the liens or accruing to the account of

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- long as tho 10. If Lessee f production resul tions for results f trom g at any time operations, e while this Lease is in the Lease shall remain 1 force, this 1 in effect as E 25 shall B. force 뎚. lerms shall
- 1). If, during the Primary Term, production on the Lands ceases from any cause, this Lease shall not terminate provided operations for the drilling of well are commenced before or on the next ensuing Rental Paying Date; or, Lessee begins or resumes the payment of Rentals in the manner and amount provided in paragraph above. If after the expiration of the Primary Term, production on the Lands ceases from any cause, this Lease shall not terminate provided Lessee resumes operations for drilling a well or commences reworking operations on a well within one hundred and eighty (180) days from the date of cessation of production. This Lease shall remain in force during the prosecution of the operations and, if production results or resumes, as long as production continues.

- At any time Lessee may surrender this Lesse in whole or in part by delivering or mailing a release to the Lessor, or by placing the release of record in the county where the Lands are located. If the Lease is surrendered on only a portion of the Lands, all payments and liabilities that accrue as to the released portion of the Lands shall cease and any subsequent Rentals that may be paid may be apportioned on an acreage basis. As to the portion of the Lands not released, the terms and provisions of this Lease shall continue and remain in full force and effect for all purposes.
- All provisions of this Lease, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations of all governmental agencies administering them. This Lease shall not in any way be terminated in whole or in part, nor shall Lessee be liable in damages for failure to comply with any of the express or implied provisions of this Lease if the failure results from any such laws, orders, rules or regulations. If Lessee is prevented from drilling a well during the last six months of the Primary Term by the order of any constituted authority having jurisdiction, or if Lessee is unable during that period to drill a well due to the unavailability of necessary equipment, the Primary Term of this Lease shall continue for six months after the order is suspended and/or the equipment is available. Lessee shall pay Rentals during this extended time.
- Lessee, at its option, is granted the right and power to voluntarily pool, unitize, or combine all or any portion of the Lands as to oil and/or gas, with any other adjacent lands, or leases, when in Lessee's judgment it is necessary or advisable to do so in order to properly develop and operate the Lease, or to obtain the maximum acres for a gas well plus a tolerance of 10%. Larger units are permitted, pooling may be in units not exceeding forty (40) acres for an oil well plus a tolerance of 10%. Larger units may be created to conform to any spacing or well unit pattern that may be prescribed by governmental authorities. Lease or Lessee's agent, shall record in the county where the Lands are located an instrument identifying the unit and describing the pooled acreage. All acreage pooled into a hydrocarbons, or the completion of a well as a shut-in gas well shall be considered for all purposes, except the payment of royalties, as if the operations were on, the production from, or the completion were on the Lands, whether or not the well or wells are located on the Lands actually covered by this Lease. In lieu of the royalty provided in this Lease, including shut-in gas royalties, Leasor shall receive from a unit only that portion of the royalty provided for in this Lease, as that portion of the Lands placed in the unit, or bears to the total amount of acreage included in a Unit.

This Lease and all its terms, covenants, and conditions shall extend to and be binding on all succe essors grantees and assigns of Lessor and Lessee.

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

See Rider attached hereto

and

a part

hereof:

OCT THE CL	My commission white My Appt. Exp. 2-18-06 Acknowledgment For Corporation STATE OF STATE OF MY IN MESS WHITE PROPERTY SET my hand and official scal the day and year last above written. Notary Public William B. Nassen William B. Nassen
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Notary Public

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My commission expires

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

and between, Attached and made <u>ن</u>و: part 0f an Tio R Gas lease dated

Boyce D. Kehlback, Kenlhack Witte

γd

Lessor and Fred Hambright, Inc. 9 Lessee

the

surface con equipmen disturb essor sturb or interfere with Lessor's irrigation system or the surface contours of the leased premises. Should any terations to the surface contours be caused by its operations, Lessee, or his assigns, shall restore said e of the surface, Lessee, or his assigns, will restore or prepare the surface and situate and install all uipment needed in connection therewith, so that Lessee's use will not interfere with the passage of said overadd sprinkler irrigation system. Lessee shall consult with Lessor in regard to the route of ingress and egress said premises for the purpose of drilling and production. regard to said covered hereby are irrigated by installed herebyter, the Lesse gard to said drilling operations nterfere with Lessor's irrigation of the control of the cont irrigated by r, the Lessee, the use self-propelled shall be condu overhead hereon consult n with the

Lessor shall have the the land herein descr crops grown e following t herein g e the right to take, in kind, lieu of money royalty, gas produced from described or on any land which is unitized, solely for use as fuel to in the land herein described or on other lands farmed by Lessor; which is and conditions: which right any gas well drilled water for irriga shall эd subject to

- (1) The ne quantity of gas to entitled to receive all be made in gas o receive taken shall not ex ive as royalty from s royalty payments taken exceed the om gas produced from ion of gas produced from such well, and is of this lease. The The each month which Lessor a corresponding reduction e value of said gas based
- (2) gas 0f so purchased by Lessor shall the WELT. be purchased at a point designated by Lessee at or near the
- (3) and meters shall necessary to and maintain control at or ne or near ear said designated point all connections,
- (4) ALL -dulpment such and méters and appurtenant equipment expense and at locations that will operate and maintain the line ne necessary t shall remain the p ill not interfere wi cessary to service with Lessee's lease engine operating lease the Lessor, at operations, pumping at his own
- (6) (5) The equipment utilization a liabilities equirements arising from and operation the of Lessee. Lesso ion thereof sha Lessor will a m the taking; used in reof shall a will st at all times hold transportation as l at all measurement and transportation mes be in compliance with all r hold Lessee harmless from all con and use of such gas. rtation of such g hall reasonable nall claims and gas gas and current
- any right it particular t Nothing herein contained shall operate by which Lessee would have in the absence of would have in the would otherwise and or danger to Lessee's have to transportation a see's property or determine Y implication to ...
 If this section as to the remine the quantity of grant and use of such that the control of the rights of the results of to enlarge or increa such 11. gas s and r gas shall be ise the obligations of said well or in I produce at any I be without of under the lease
- (8) 2 privilege, Should a breach of Lessor's writing of such breech and] hereunder, ťo and Lesso purchase obligation shall such gas occur medy same shall be under this revoked. his paragraph, within thirty (30) days, or notify Lessor Lessor's
- (9) The wellhead price hereunder allowances, received by Lessee shall be the the price sale per its gas produced fr all escalations adjus
- It is understood that the gas supplied shall have no obligation to odorize the other liquids; that the pressure at the thereof. the to to Lessor is same; that t delivery at the point raw gas gas may may contain water, I fluctuate, and Lesso ed at the well, and Lesse n water, natural gasoline and Lessor assumes the r ssee risk

surface contours to f the surface, Le remaining ground. for the purpose of manner as w leased premises is now under flood irrigation. rations thereon, Lessee shall consult with Lesser as will least disturb, interfere with, or d sed premises is now under flood irrigation. At such time as Lessee desires to commence drilling ons thereon, Lessee shall consult with Lessor in regard to and shall conduct its operations in such as will least disturb, interfere with, or damage Lessor's irrigation system or the surface contours sed premises. Lessee shall promptly restore any damage caused by it to said irrigation system and/or surface, Lessee will restore or prepare the surface so that Lessee's use thereof will not prohibit used for sund. Lessee shall consult with Lessor in regard to the route of ingress and egress on said prepares of drilling and production as to use of the surface for such ingress and egress. it use of premises o f

Additional Provisions:

construed as if a separate lease agreement had been made and executed covering each separate separate and distinct lease Notwithstanding any provisions of this lease, "leasehold", or any similar terms) each of the or any similar terms) each of the separately designated tracts distinct lease. All of the provisions contained in this lease for terms) each of the separately designated tracts ("Tracts") to this lease shall be treated for all purposes All of the provisions contained in this lease form shall be applicable to each separate Tract and be agreement had been made and amount of the provisions. or any wording contained in this lease (such as "the Lands,

Identification:

Royce D. Kehlback

Darri. H Kerlbeck