

For KCC Use:	
Effective Date: _	
District #	
0040	

Spud date:

Agent:

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1021923

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

	ITENT TO DRILL All blanks must be Filled (5) days prior to commencing well		
Expected Spud Date:	Spot Description:		
month day year			
	Sec Twp S. R E W		
OPERATOR: License#	feet from E / W Line of Section		
Name:	Is SECTION: Regular Irregular?		
Address 1:			
Address 2: State: Zip: +	(Note: Locate well on the Section Plat on reverse side)		
Contact Person:	County:		
Phone:	Lease Name: Well #:		
CONTRACTOR: License#	Field Name:		
CONTRACTOR: License#Name:	Is this a Prorated / Spaced Field?		
ivanie.	Target Formation(s):		
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary line (in footage):		
Oil Enh Rec Infield Mud Rotary			
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile: Public water supply well within one mile: Yes No		
Disposal Wildcat Cable	,		
Seismic ;# of Holes Other	Depth to bottom of fresh water: Depth to bottom of usable water:		
Other:	Surface Pipe by Alternate:		
If OWWO: old well information as follows:	. ,		
<u> </u>	Length of Surface Pipe Planned to be set: Length of Conductor Pipe (if any):		
Operator:	Projected Total Depth:		
Well Name: Original Completion Date: Original Total Depth:	Formation at Total Depth:		
Original Completion Date Original Total Deptil	Water Source for Drilling Operations:		
Directional, Deviated or Horizontal wellbore?	Well Farm Pond Other:		
If Yes, true vertical depth:	DWR Permit #:		
Bottom Hole Location:	(Note: Apply for Permit with DWR)		
KCC DKT #:	Will Cores be taken?		
	If Yes, proposed zone:		
	FIDAVIT		
The undersigned hereby affirms that the drilling, completion and eventual plu	gging of this well will comply with K.S.A. 55 et. seq.		
It is agreed that the following minimum requirements will be met:			
•	by circulating cement to the top; in all cases surface pipe shall be set e underlying formation. rict office on plug length and placement is necessary prior to plugging ; led or production casing is cemented in;		
Submitted Electronically	Remember to:		
For KCC Use ONLY	- File Drill Pit Application (form CDP-1) with Intent to Drill;		
API # 15	- File Completion Form ACO-1 within 120 days of spud date;		
Conductor pipe requiredfeet	- File acreage attribution plat according to field proration orders;		
	Notify appropriate district office 48 hours prior to workover or re-entry; Submit plugging report (CR 4) office plugging is completed (within 60 days);		
Minimum surface pipe requiredfeet per ALT. I II	 Submit plugging report (CP-4) after plugging is completed (within 60 days); Obtain written approval before disposing or injecting salt water. 		
Approved by:	If this permit has expired (See: authorized expiration date) please		
This authorization expires: (This authorization void if drilling not started within 12 months of approval date.)	check the box below and return to the address below.		
(17110 additionization) void it drilling not started within 12 months of approval date.)	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

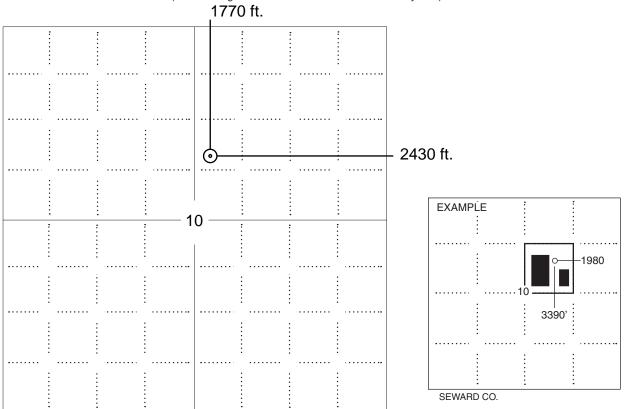
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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

021923

Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

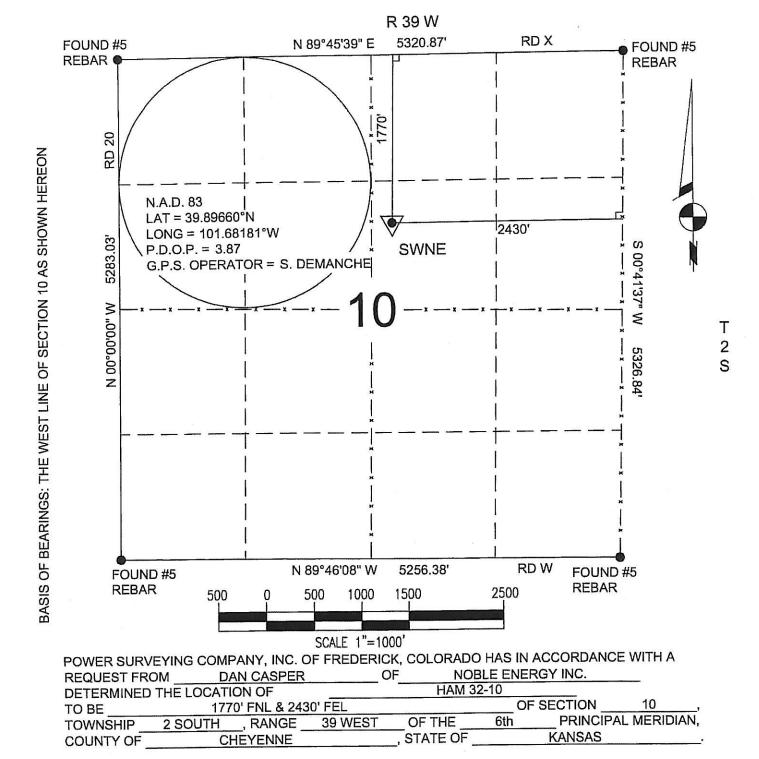
Operator Name:			License Number:	
Operator Address:				
Contact Person:			Phone Number:	
Lease Name & Well No.:			Pit Location (QQQQ):	
Type of Pit: Emergency Pit Burn Pit Settling Pit Drilling Pit Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) Is the pit located in a Sensitive Ground 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		
		ccgy,		
• • • • • • • • • • • • • • • • • • • •		Depth to shallo	owest fresh waterfeet.	
feet Depth of water well			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 spilled fluids to flow into the pit? Yes No Submitted Electronically		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.		
KCC OFFICE USE ONLY Steel Pit RFAC RFAS				
Date Received: Permit Num	ber:	Permi	it Date: Lease Inspection: Yes No	











LOCATION NOTES:

LOCATION FALLS IN: DRY LAND CORN FIELD IMPROVEMENTS: NONE WITHIN 200' OF LOCATION

ELEVATION DETERMINED FROM NAVD 1988 DATUM. GROUND ELEVATION = 3199'

DISTANCES AND BEARINGS ARE FIELD MEASURED UNLESS NOTED OTHERWISE.

LEGEND:

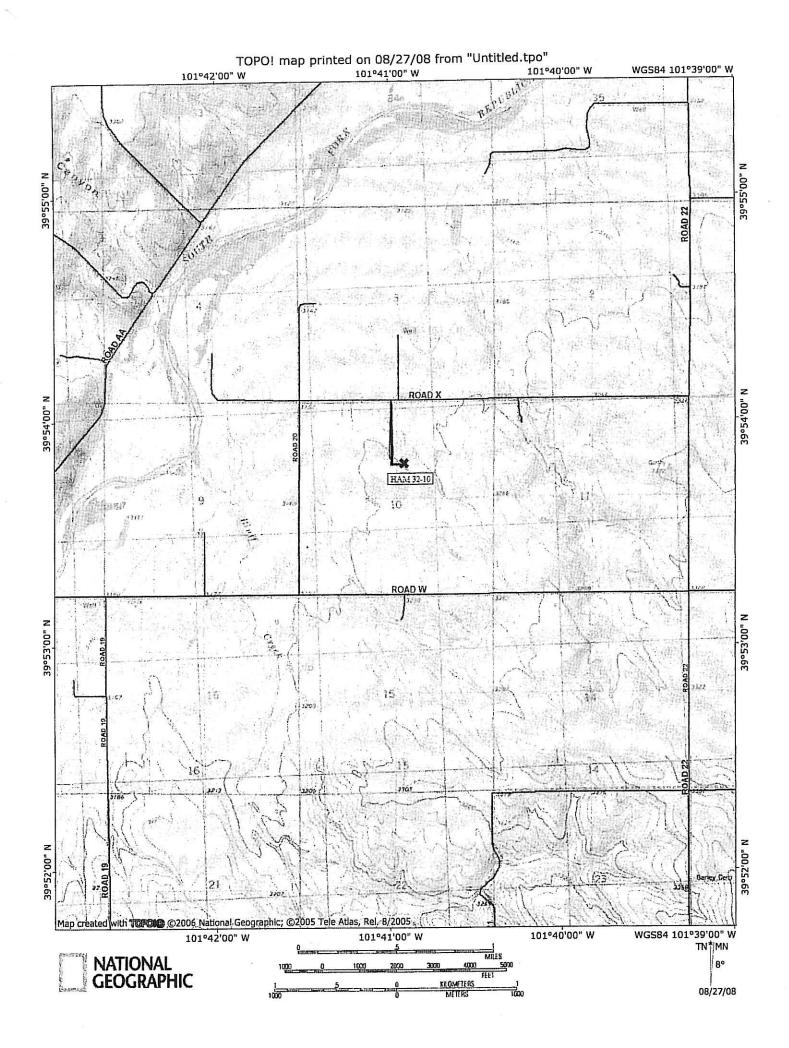
SECTION CORNER (AS NOTED)
PROPOSED WELL LOCATION



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

WORK ORDER # 501-08-576 FIELD DATE: 8-26-08

DATE OF COMPLETION: 8-27-08



OIL AND GAS LEASE

(AND RIGHT OF WAY AGREEMENT)

ACKERNIEW I, Name and enlered into the 25(II day ii) January	2 UOO, by and between
Ronald L. Ham, single	, whose post office address is
70751 Avenue 339, Benkelman, NE 69021	, hereinafter colled Lessor (whether one or more) and
marine - di	80202 , hereinafter called Lessee:
WITNESSELI, that the Lessor, for and in consideration of	demised, leased and let, and by these presents does grant, he purpose of mining, exploring by geophysical and other way and casements for laying pipe lines, and erection of
TOWNSHIP 2 SOUTH, RANGE 39 WEST, 6 ¹¹¹ P.M. Section 10: N/2 SEA	STATE OF KANSAS, CHEYENNE COUNTY This instrument was filed for record on the day of CAL AM and recorded
See Exhibit "A" attached hereto and made a part hereof.	Fee Villed Register of Deeds (a) Bill Barret
and commaining 320.00 acres, more or less. This lease covers all the land described whose including all lan	ds now or hereafter owned or claimed by Lessor, adjacent,

configuous or a part of the tract or tracts described above, whether such additional lands be owned or claimed by deed, limitation or otherwise, or are fenced or unfenced, or whether such lands are inside or outside of the description set forth above.

L. It is agreed that this lease shall remain in force for a term of Five (5), years and as long thereafter as oil or gas of whatsoever nature or kind is produced from said 1. It is agreed that this lease shall remain in fure for a term of FIVE (5) years and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as sherienafter provided. If, at the expination of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Leasee is then engaged in drilling or re-working operations therein, then this lease shall continue to force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith, and operations shall be considered to be continuously prosecuted if not more than one hundred and elgiby (180) days shall elease between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lease commences additional drilling or two-working operations within one hundred and elgiby (180) days should of essation of production or from date of completion of dry bale. If oil or gas shall be discovered and produced as a result of such operations at or offer the expiration of the primary term of this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-DP LEASE. In consideration of the down each payment, Leasur ogene that Leasee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term any portion of said land and as to any strate or stratem by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. 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 Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-cighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor on gas and casinghead gas produced from said land (1) when sold by Lessee, one-eighth of the net proceeds derived from such sale, or (2) when used by Lessee off said land or in the manufacture off gasoline or other products, the market value, at the mouth of the well, of one-eighth (1/8) of such gas and casinghead gas, to render it marketable or usehild and one-cighth of the cost of gathering and transporting and otherwise treating and gas or easinghead gas to render it marketable or usehild and one-cighth of the cost of gathering and transporting such gas and easinghead gas from the mouth of the well to the point of sale or use.

3rd. To pay Lessor far gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a myally of one-cighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

4. Where gas from a well capable of producing gas is not aloud or used. Lessee may pay or tender as myally to the myally owners One Dollar (\$1,00) per year per net royally our retrieved hereunder, such payment or tender to be made on a before the maintenance of this lesse next ensuing offer the expiration of aniony (90) days from the date such well is shut in and thereafter on or befure the universary date of this lesse next ensuing offer the expiration of aniony (90) days from the date such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lesse.

5. If said Lessur owns a less interest in the above described land than the entire and undivided fee simple extate therein, then the royalties (including any abusin gas toyalty) herein provided for shall be paid the Lesser only in the proportion which Lessor's interest hears to the viole an

Lessee, and an Lessee's operations may be conducted without regard to any such division. If all or any part of this tease is assigned, no lessenoid owner stent be trane for any act or omission of any other least-hold owner.

12. Lessee, at its option, is granted the right and power to voluntarily pool, unitize, or combine all or any portion of the lands described herein as to oil and/or gas, with any other adjacent loans, or leases, when in Lessee's judgment it is necessary or advisable to do so in order to properly develop and operate this lease, or to obtain the maximum production allowable for any well. Unless larger units are permitted, pooling may be in units not exceeding front (40) cores for an oil well plus a tolerance of 10%, and six hundred forty (6-10) acres for a gas 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 poveramental authorities. Lessee or Lessee or Lessee's gent, shall be treated for all purposes, except the payment of royalties, as if it were included in this lease. Drilling and reworking operations, production of oil, gas, or other 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 it were included in this lease. Drilling and reworking operations were on, the particular to were on the above described lands, whether or not the well or wells are located on the lands described because the payment of the polyption of the royalty provided in this lease, as that portion of the above described lands placed in the unit, hears to the total amount of acreage included in a unit.

13. For the same consideration reclied in the first paragraph above, the Lessor hereby grants unto the Lessee, its successing and assigns, rights-of-way over, across, and through the land hereinobove described for the purpose of conducting oil and gas exploration, poperation, operation and replacement of one or more electric lines, and as well as one o

in whole or in part, nor Lessee held liable in damages, for faiture to comply merewin. It compounce is prevenien by, or it agent among the registration of Regulation.

15. Lessor hereby warrants and agrees to defend the title to the lands herein described and agrees that the Lessee abrild have the right at any time to redeem for Lessor, by payment, any mentages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and he subrogated to the rights of lite holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and nessors, hereby surrends and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lesse is made, as recited herein.

16. In the event Lessor considers that Lessee has not compiled with all its obligations hereunder, either express or implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has beneficed this lesse. Lessee has the stretched his lesse. Lessee has lesseed the stretched his lessee in the payment of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of said notices had notice any the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or prevumption that Lessee has failed to perform all its obligations hereunder.

17. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessoe, and this lease shall cover and bind all interest of the Lessor which may be acquired subsequent to the date of this lease which Lessor may hereafter acquire by way of reversion or otherwise.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Gorald I Ham

Ronald L. Ham			the first term of the second
STATE OF NEBRASKA		ınsas, New Mexico, Wyoming	, Montena, Colorado, Utah,
COUNTY OF DUNDY	} 15.	Nebraska, North Dake	ota, South Dakota
COUNTY OF BUNDI		ACKNOWLEDGME	NT-INDIVIDUAL
BEFORE ME, the undersigned, a No personally appeared Ronald L. H who executed the within and foregoin free and voluntary act and deed for the	am, single g Instrument of writing an	, to me known to be t d acknowledged to me that h	the identical person, described in and cduly executed the same as his
IN WITNESS WHEREOF, I have her	eunto set my hand and aff	fixed my notarial seal the day	and year last above written.
My Commission Expires	GENERAL DETACLES SIND AN HISTORY OF MATCHEON STANLECKER MY 22, 2023	France	Notary Public.
		Address: 7	1000 AIE 333
		BENKI	ELMAN NE 69021
	DANIER BERNING TO THE		
			d dan ne in a i w ya dan kie
STATE OF		ACKNOWLEDGMENT	
COUNTY OF	} 65.	(For use by Corporation)	
On this	J		
appeared	day of, to me pe	rsonally known, who, being by	, 2, before me personally me duly swom did sny thathe is the
seal affixed to said instrument is the co corporation by authority of its Board of to be free act and deed of said corpora	f Directors, and said	oration and that sald instrume	and that the nt was signed and sealed in behalf of said acknowledged said instrument
Witness my hand and seal this	day of		
My Commission Expires			1
		1.00	Notary Public.
1 10 . W		Address:	
DESCRIPTION OF THE PROPERTY OF			

After Recording Return To: Bill Barrett Corporation 1099 18th St., Stc. 2300 Denver, CO 80202 Attn: C. Edelen

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EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated January 25, 2006, by and between, Ronald L. Ham, single, as Lessor, and Bill Barrett Corporation, as Lessec.

- Lessor hereby grants permission to Lessee or its assigns, nuthorized agents, contractors, or successors, (hereinafter referred to as "Lessee") to conduct geophysical operations over and across those certain lands owned by Lessor for the term of this lease. In consideration for granting this permission, Lessee agrees that all geophysical work performed on the leased lands shall be conducted at Lessee's own risk and expense, and Lessee agrees to pay for any actual damages which may be caused by its operations on the leased lands. Furthermore, Lessee indemnifies and holds Lessor harmless for all liability to or claim of negligent parties should any such claims arise from Lessee's geophysical operations on the leased lands. Lessee agrees that 2D selsmic geophysical survey operations damage settlement shall be at the agreed rate of \$500.00 per actual linear mile of leased property crossed. 3D seismic geophysical survey operations damages shall be at the following agreed rates per acre of your property that is actually crossed over by 3D seismic operations: \$2.00 per surface acre for non-cultivated lands; \$4.00 per surface acre for cultivated dry-land; \$5.00 per surface acre for cultivated irrigated-lands. Said damages shall be settled and paid by BBC or its authorized agents, as soon possible, after geophysical survey operations are completed on your land.
- Lessee or its assigns and successors (hereinafter referred to as "Lessee") agree to pay Lessor a surface damage
 payment of \$1,000.00 prior to the drilling of each well located on the leased lands. In the event that any drillsite exceeds
 two acres, including roads, Lessee shall pay as additional surface damages, the sum of \$500.00 for each acre or fraction
 thereof in excess of two acres.
- 3. Lessee shall not conduct drilling operations on leased lands which are actively under center pivot irrigation from April 1 through November 15 of each year without the prior written consent of Lessor. The intent is for the Lessee to avoid interference with Lessor's actual irrigation of the leased lands. In the event Lessee wishes to commence drilling operations on said lands during the said April 1 through November 15 period and Lessor refuses to consent to said operations, and if operations are necessary to maintain or extend the term of said lease, then the Lessor agrees to allow Lessee a period of 60 additional days from November 15 to commence drilling operations. In the event Lessee enters onto leased lands and the then current crop or crops have not been harvested, Lessee shall pay Lessor additional compensation for crop loss caused by Lessee's operations based upon Lessor's reasonable estimate of yield and the local market price for said crop or crops.
- 4. Lessee agrees to consult with Lessor as to the placement of access roads prior to any drilling operation in order to minimize, without undue hardship to Lessee, disturbance of the ground surface or the disruption of Lessor's farming and/or ranching operations.
- 5. Lessee agrees that while performing all excavations on the leased lands, it will segregate the topsoil horizon from lower soil horizon and stockpile these soils separately. Upon restoration, Lessee agrees to place all soils to their original position and contour as nearly as practicable and reasonable.
- 6. In the event an existing center pivot irrigation system is located on the leased lands before a producing well is drilled on said lands, Lessee agrees to use "low profile" production equipment; or to construct ramps for the center pivot; or to set well(s), pump(s), and production equipment off the irrigated portion of said lands provided the application is practicable in Lessee's judgment to avoid interference with said center pivot irrigation.
- Lessee agrees to reimburse Lessor for any costs, expenses, losses or penalties to Lessor resulting from Lessee's
 operations on any portion of the leased lands which are covered by a Conservation Reserve Program contract, including any
 reseeding expenses.
- 8. Lessee agrees at all times to use best efforts in conducting operations on leased premises so as to protect the rights and property of the Lessor. All land which may be disturbed for Lessee's operations shall be treated so as to prevent erosion. Any equipment discarded by drilling contractor during the process of exploring for and/or producing oil or gas shall not be buried on said land, but shall be removed from the premises. Any fences cut by Lessee shall be repaired or replaced by Lessee so that such section equals or exceeds its original condition, and upon Lessor's request, all pits and equipment will be fenced in order to adequately hold livestock. Any oil and/or paraffin resulting from Lessee's operations shall be contained in pit(s) and removed from leased lands as soon as practical.
- 9. After a well is drilled, all areas which were disturbed by drilling and/or completion operations, and which are not needed for production operations, are to be reclaimed as close to their original condition, as nearly as is practicable and reasonable, no later than six months after completion of such operations, unless agreed to by Lessor. Any pits used for Lessee's drilling and/or reworking operations shall be filled and leveled as soon as conditions reasonably permit and the surface shall be returned as nearly as is practicable and reasonable to its original condition and contour following the completion of Lessee's operations.
- 10. Final reclamation is to be completed within six months after the plugging and abandonment of a well and Lessee shall be required to remove all production equipment, close access roads, re-grade and re-contour the wellsite and access roads, and re-seed any non-crop land with native grass.