

For KCC	Use:
Effective	Date:
District #	
0040	

# Kansas Corporation Commission Oil & Gas Conservation Division

Form C-1 October 2007 Form must be Typed

ERATOR: License#	Spot Description:
ERATOR: License#	Sec Twp S. R E \[ V
	feet from N / S Line of Section
me:	feet from E / W Line of Sectio
dress 1:	Is SECTION: Regular Irregular?
dress 2:	(Note: Locate well on the Section Plat on reverse side)
/: State: Zip: +	County:
ntact Person:	Lease Name: Well #:
one:	Field Name:
NTRACTOR: License#	Is this a Prorated / Spaced Field?
me:	Target Formation(s):
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary line (in footage):
	Ground Surface Elevation:feet MS
Gas Storage Pool Ext. Mud Rotary  Air Rotary	Water well within one-quarter mile:
Disposal Wildcat Cable	Public water supply well within one mile:
Seismic; # of Holes Other	Depth to bottom of fresh water:
Other:	Depth to bottom of usable water:
	Surface Pipe by Alternate: I II
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
Operator:	Length of Conductor Pipe (if any):
Well Name:	Projected Total Depth:
Original Completion Date: Original Total Depth:	Formation at Total Depth:
	Water Source for Drilling Operations:
ectional, Deviated or Horizontal wellbore?	Well Farm Pond Other:
es, true vertical depth:	DWR Permit #:
tom Hole Location: C DKT #:	(Note: Apply for Permit with DWR )
<i>Σ</i> Β(() π.	Will Cores be taken?
	If Yes, proposed zone:
<ol> <li>The appropriate district office will be notified before well is either plugged.</li> <li>If an ALTERNATE II COMPLETION, production pipe shall be cemented.</li> <li>Or pursuant to Appendix "B" - Eastern Kansas surface casing order #</li> </ol>	n drilling rig; by circulating cement to the top; in all cases surface pipe <b>shall be set</b> e underlying formation. trict office on plug length and placement is necessary <b>prior to plugging</b> ;
For KCC Use ONLY  API # 15  Conductor pipe required feet	Remember to:  - File Drill Pit Application (form CDP-1) with Intent to Drill;  - File Completion Form ACO-1 within 120 days of spud date;  - File acreage attribution plat according to field proration orders;  - Notify appropriate district office 48 hours prior to workover or re-entry;  Submit all projects report (CP 4) offer plugging is completed (within 60 days).
For KCC Use ONLY API # 15	<ul> <li>File Drill Pit Application (form CDP-1) with Intent to Drill;</li> <li>File Completion Form ACO-1 within 120 days of spud date;</li> <li>File acreage attribution plat according to field proration orders;</li> <li>Notify appropriate district office 48 hours prior to workover or re-entry;</li> </ul>

Well Not Drilled - Permit Expired Date: Signature of Operator or Agent:

(This authorization void if drilling not started within 12 months of approval date.)

\_ Agent: \_

Spud date: \_



#### IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

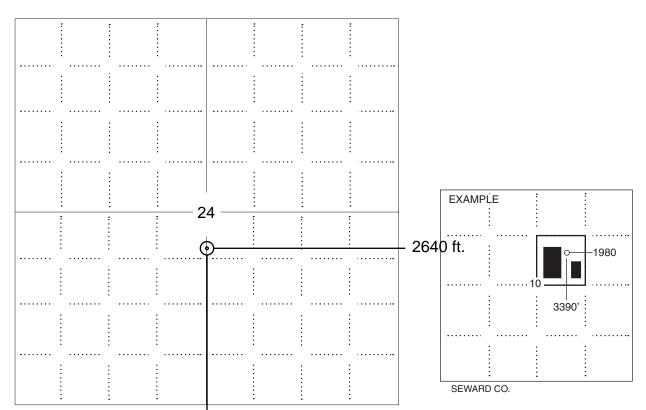
Plat of acreage attributable to a well in a prorated or spaced field

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:					
_ease:	feet from N / S Line of Section					
Well Number:	feet from E / W Line of Section					
Field:	SecTwp S. R 🗌 E 🗍 W					
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.

# 2140 ft.

### 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,
- 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

030217

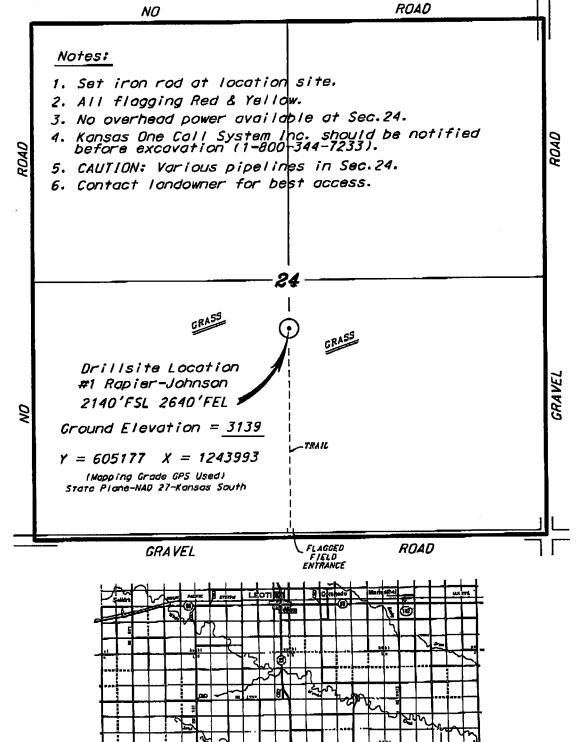
Form CDP-1 April 2004 Form must be Typed

# **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 shallowest fresh waterfeet. Source of information:				
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	over and Haul-Off Pits ONLY:  al utilized in drilling/workover:  king pits to be utilized:  procedure:  be closed within 365 days of spud date.			
	KCC (	OFFICE USE OF	NLY Steel Pit RFAC RFAS			
Date Received: Permit Num	ber:	Permi	it Date: Lease Inspection: Yes No			

PALOMINO PETROLEUM, INC. RAPIER-JOHNSON LEASE S.1/2, SECTION 24, T2OS, R35W WICHITA COUNTY, KANSAS NO RO



August 4. 2009

Eartrailing data is agreed upon the best maps and phatographs distinctly to us and upon a regular section of land containing 640 acres.

Approximate section lines were determined using the normal standard of Gore of citied surveyors
prosticing in the state of Andas. The Section corners, which estoplish the precise section lines,
were not recoasionly occurred, and the Adopt Inperion of the drillsire leads in it in Section is
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# OIL AND GAS LEASE



Kansas Blue Print 7005. Breedeny PO Box 783 Wischite, KS 67201-0793 116-264-9344 — 264-1185 face

AGREEMENT, Made and entered into the	5th	day of			October		2007
by and between	Lavern D. Ra	mier		·			and
	Sharon L. Rar	<del></del>					his wife
					-t		3
whose mailing address is	1204 Antelor	pe Street So	ott City,	Kansas 67871		bereinafter	r called Lessor (whether one or more),
and		<u> </u>	<u></u>	Market, Suite	1415, Wichi	ta, KS 67	7202 hereinafter called Lessee:
Lessor, in consideration of		Ten and more		Doll	lars (S	10.0	0+ ) in hand paid,
receipt of which is here acknowledged and of the purpose of investigating, exploring by respective constituent products, injecting gas structures and things thereon to produce, as and other products manufactured therefrom, interest, therein situated in County of	geophysical and oth s, water, other fluid we, take care of, trea and housing and other Tow	er mouns, prosp s, and air into su t, manufacture, p	octing drilling beurface straterocess, store its employees	g, mining and operati a, laying pipe lines, s' and transport said oil, i, the following describ State	ng for and producing oil, building liquid hydrocarb and together	ucing oil, liqu ng tanks, pow ons, gases an	iid hydrocarbons, all gases, and their er stations, telephone lines, and other d their respective constituent products
In Section XXX Townsh		Range_	xxx	and containi	<sup>ng</sup> 160	acres, mo	re or less and all accretions thereto
Subject to the provisions herein contain	and this lease shall t	remain in force (	or a term of	Th (2)	seem from this	date (called *	primary term*), and as long thereafter
as oil, liquid hydrocarbons, gas or other respe In consideration of the premises the sai	ective constituent pro	educts, or any of		Three (3)		3 va	1779 - 15
lst. To deliver to the credit of lessor, f the leased premises.	ree of cost, in the pi	pe line to which i	lessee may co	nnect wells on said lar	id, the equal one	-eighth (1/8) p	eart of all oil produced and saved from
2nd. To pay lessor for gas of whatsoe market price at the well, (but, as to gas sold b in the manufacture of products therefron, as Dollar (\$1 00) per year per net mineral acre re paragraph.	ry lessee, in no event aid payments to be n	more than one-conside monthly. W	righth (1/8) of There gas from	the proceeds received a well producing ga-	by lessee from so s only is not sole	uch sales), for I or used, less	the gas sold, used off the premises, or see may pay or tender as royalty One
This lease may be maintained during it or any extension thereof, the lessee shall have quantities, this lease shall continue and be in	ve the right to drill :	such well to com	pletion with	reasonable diligence a	nd dispatch, and	if oil or gas,	
If said lessor owns a less interest in t lessor only in the proportion which lessor's in				ided fee simple estate	therein, then the	royalties here	sin provided for shall be paid the said
Lessee shall have the right to use, free	of cost, gas, oil and t	water produced o	n said land for	r lessee's operation the	reen, except wate	er from the we	ells of lessor
When requested by lessor, lessee shall	bury lessee's pipe lin	es below plow d	epth.				
No well shall be drilled nearer than 200				thout written consent o	f lessor		
Lessee shall pay for damages caused by	-				w.		2
Lessee shall have the right at any time if the estate of either party hereto is administrators, successors or assigns, but no with a written transfer or assignment or a traportion or portions arising subsequent to the	assigned, and the probange in the owners se copy thereof. In o	ivilege of assigni hip of the land o	ing in whole or	or in part is expressly of rentals or royalties s	allowed, the cov	enants hereof in the lessee u	shall extend to their heirs, executors, ntil after the lessee has been furnished
Lessee may at any time execute and de this lease as to such portion or portions and b	eliver to lessor or pla				n or portions of	the above desc	cribed premises and thereby starrender
All express or implied covenants of thi or in part, nor lessee held liable in damages, f	s lease shall be subje	ct to all Federal	and State Law	s, Executive Orders, F			
Lessor hereby warrants and agrees to mortgages, taxes or other liens on the above of for themselves and their heirs, successors and homestead may in any way affect the purpose	defend the title to th lescribed lands, in th l assigns, hereby sur	e lands herein de e event of default render and releas	scribed, and a t of payment t e all right of o	agrees that the lessee s by lessor, and be subro	hall have the right	nt at any time s of the holder	to redocm for lessor, by payment any r thereof, and the undersigned lessors,
Lessee, at its option, is hereby given the vicinity thereof, when in lessee's judgment it other minerals in and under and that may be just the event of an oil well, or into a unit or un in which the land herein lessed is situated an except the psyment of royalties on production had from this lesse, whether the well or wells from a unit so pooled only such portion of the acreage so pooled in the particular unit involves.	is necessary or advise produced from said points not exceeding 64% instrument identifying from the pooled until be located on the period of the property stipulated less recognitions.	able to do so in o wemises, such po o acres each in thing and describin it, as if it were it remises covered	order to proper oling to be of e event of a g g the pooled actuded in thi by this lease o	rly develop and operate tracts contiguous to o as well. Lessee shall en acreage. The entire ac is lease, if production is wroot. In lieu of the ro	e said lease premote another and to secute in writing reage so pooled is is found on the po- yalties elsewhere	ises so as to p be into a unit and record in into a tract or coled acreage, berein specifi	remote the conservation of oil, gas or tor units not exceeding 40 acres each the conveyance records of the county unit shall be treated, for all purposes it shall be treated as if production is ied, lessor shall receive on production
See Rider Attached Heret	o and Made a	Part Hereof.					
IN WTINESS WHEREOF, the undensigned execute	this instrument es of the	PEA 2001 25 MG1 W day and your first a	i : A i : A				
x Sharon L. Rapi	apin ier)	•		Nana	(Laven	D. Rapie	fier

## **PHOTOCOPIED**

#### LEASE RIDER

This Lease Rider is attached to and considered a part of that certain Oil & Gas Lease dated October 5, 2007 by and between Lavern D Rapier and Sharon L. Rapier, his wife, (Lessor) and J. Fred Hambright, Inc., (Lessee) covering the SE/4 Section 24 in Township 20 South -Range 35 West located in Wichita County, KS

If, at the end of the primary term, this lease is not otherwise continued in force under the provisions hereof, this lease shall expire unless Lessee, on or before the end of the primary term shall pay or tender to Lessor the sum of Ten (\$10.00) Dollars multiplied by the number of net mineral acres owned by Lessor in all or any part of the lands above described and subject to this lease: and subject to the other provisions of this lease, the primary term shall be extended for an additional term of three (3) years from the end of the primary term hereof on those tracts designated for the extension, whether all or any part thereof.

CRP Provisions: The Lessee acknowledges that all or part of the land covered by the Addendum may be enrolled in the Conversation Reserve Program (CRP) of the Commodity Credit Corporation (CCC), United States Department of Agriculture. In such event the Lessee shall be responsible for obtaining prior written approval from the local FSA Office before entering the premise for the purpose of drilling a well. As long as any land is enrolled in the CRP, the lessee shall be obligated, at Lessee's expense, to reseed and establish native grass cover on the well site and the adjoining land used in the drilling operations, and to take all necessary precautions to prevent soil erosion resulting from drilling operations. Such work shall be preformed in a good and workmanlike manner and in such manner as may be required by the FSA under the terms of the CRP Contract. If drilling a well causes Lessor to lose any benefits of the CRP contract, including repayment of past CRP payment, or loss of future CRP payment, Lessee shall reimburse Lessor for such damages. Lessee agrees to hold Lessor harmless from penalties or liquidated damages assessed by the Conservation Reserve Program as a result of Lessee's operations. The Lessee will be liable and will either pay the FSA or repay the Lessor for any refund of cost sharing payments, annual rental payments, other payments or liquidated damages to the Farm Services Agency (FSA), and the Lessee will re-establish any disturbed cover as required by the FSA on the affected acres after the Lessee completes operations to the extent necessary to enable the Lessor to sign up the land in a subsequent sign up. The determination by the FSA shall be determinative on all parties as to amounts to be paid or repaid and the restoration of the affected acres.

X Dharon L. Rapin X Saucen & Clavern D. Ron

63U (Rev. 1993)

# OIL AND GAS LEASE



		OIL A	AIND GAS	LEASE			www.kbp.com	· kbp@kbp.com
AGREEMENT M.	de and entered into the _	6th	P	<b>1</b> ay				2009
y and between		J. Johnson a		a Johnson	n, his wi	fe		
and between					···-	<del></del>		
ose mailing address is	4051 Prarie	view Drive No	rth Saras	ota, Fl.	34232			
						sereinafter calle	d Lessor (whether	one or more)
d	Palomino Pe	troleum Inc.						
							, hereinsfter o	caller Leasee
nstituent products, injection of things thereon to product oducts manufactured there	ng gas, water, other fluid ce, save, take care of, trea efrom, and housing and c	One and Mo wided and of the agreemer r means, prospecting drill s, and air into subsurface s, t, manufacture, process, sto therwise caring for its em- chita	ing, mining and ope strate. laying pipe lin ore and transport sai ployees, the followir	erating for and pro- les, storing oil, buil d oil, liquid hydroc ng described land.	iding tanks, powe arbons, gases and together with any	hydrocarbons, r stations, teleph their respective reversionary rig	all gases, and the hone lines, and oth constituent produc	ir respective er structures ets and other ired interest,
		Township 20	South, Ra	inge 35 We	est			
		Section 24:						
			,, -					
Section	Town ship					160		
retions thereto.					_		acres, more or	
Subject to the provi	tions herein contained, the	nia lease shall remain in fo metituent products, or any	orce for a term of III	ree (3) yes	ore from this date	(called "primary	r term"). and as lor	ng thereafter
		ice covenants and agrees:	or them, is produced	I from said land d	r isna with which	said taile is poc	neu.	
let. To deliver to t m the leased premises.	he credit of lessor, free o	f cost, in the pipe line to w	hich lessee may con	nect wells on said	land, the equal or	ne-eighth (%) par	rt of all oil produce	d and saved
	for gas of whatsoever n	ature or kind produced an	d sold, or used off ti	he premises or us	ed in the manufac	ture of any prod	lucts therefrom on	e-eighth (%)
the market price at the w mises, or in the manufac royalty One Dollar (\$1.0	rell, (but, as to gas sold i ture of products therefro 0) per year per net mine	by lessee, in no event more m, said payments to be m ral acre retained hereund	e than one-eighth (W ade monthly, Where	6) of the proceeds : e gas from a well :	received by lessee producing gas onl	from such sales y is not sold or	i), for the gas sold, used, lessee may p	used off the
aning of the preceding pa	ıragraph,	rimary term hereof withou						
this lease or any extension	on thereof, the leasee she	ll have the right to drill a	uch well to completi	ion with reasonabl	le diligence and d	epatch, and if o	oil or gas, or either	of them, b
		and be in force with like e ove described land than t						hall be paid
said lessor only in the p	roportion which lessor's i	nterest bears to the whole	and undivided fee.					
		t, gas, oil and water produ essee's pipe lines below plo		lessee's operation	thereon, except w	ater from the w	ells of lessor.	
		to the house or barn now o		hout written consc	nt of lessor			
		re's operations to growing						
		move all machinery and fi						
scutors, administrators, s see has been furnished w	uccessors or assigns, bu ith a written transfer or	ned, and the privilege of t no change in the owner assignment or a true copy	rahip of the land or v thereof. In case less	assignment of re	ntals or rovalties	shall be bindin	ig on the lessee un	til after the
in respect to the assigned	portion or portions arisiz	ng subsequent to the date (	of masignment					
render this lease as to su	ch portion or portions an	to lessor or place of record d be relieved of all obligati	rd a release or relea ions as to the acreag	ses covering any p pe surrendered.	portion or partion	of the above d	escribed premises	and thereby
All express or impli-	ed covenants of this less	e shall be subject to all Fo s, for failure to comply th	ederal and State Lav	wa, Executive Orde	ers, Rules or Regu	lations, and this	lease shall not be	terminated
guistion.								
y mortgages, taxes or oth ned lessors, for themselv	er liens on the above dea es and their heirs, succe	the title to the lands herei scribed lands, in the event ssors and assigns, hereby	of default of payme surrender and rela	ent by lessor, and see all right of do	be subrogated to wer and homeste	the rights of the	holder thereof, an	d the under-
said right of dower and h	omestead may in any wa	y affect the purposes for w ht and power to pool or co	vhich this lease is m	ade, as recited her	ein.			
mediate vicinity thereof, naervation of oil, gas or c units not exceeding 40 ac ord in the conveyance re oled into a tract or unit s and on the pooled acreage ralties elsewhere herein s	when in lessee's judgm ther minerals in and un cres each in the event of scords of the county in shall be treated, for all p , it shall be treated as if p specified, lessor shall re-	ent it is necessary or ad- der and that may be prod- an oil well, or into a unit which the land herein les urposes except the paymen production is had from the ceive on production from	visable to do so in luced from said pren : or units not exceed used is situated an in not of royalties on pro is lease, whether the s a unit so pooled o	order to properly nises, such pooling ing 640 acres each instrument identification from the execution from the well or wells be loonly such portion	develop and oper g to be of tracts or in the event of s fying and describ pooled unit, as if pooled on the pren of the royalty at	ate said lease portiguous to one gas well. Lesse ing the pooled a it were included also covered by pulated herein	premises so as to person another and to be see shall execute in acreage. The entire in this lease. If per this lease or not. I	promote the i into a unit writing and a acreage so roduction is n lieu of the
to the wall or his roy!	ing interest therein on ai	n acreage basis bears to th	ie total acreage so po	mied in the particu			DOG # -	18-
				ero.	STATE OF K		DOC. #_	100_
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