

For KCC U	Jse:
Effective D	ate:
District # _	
0040	

Spud date: _

_ Agent: _

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1030755

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

	OF INTENT TO DRILL CCC five (5) days prior to commencing well
Expected Spud Date:	Spot Description:
month day year	Sec Two S.B. F. W
ODEDATOR II	(Q/Q/Q/Q) foot from N / S Line of Section
OPERATOR: License#Name:	fact from F / W Line of Section
Address 1:	
Address 2:	
City: State: Zip: +	(
Contact Person:	County: Well #:
Phone:	Field Name:
CONTRACTOR: License#	
Name:	Target Formation(s):
W # D # # F	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 Seismic ; # of Holes Other	Depth to bottom of fresh water:
Other:	Depth to bottom of usable water:
Other.	Surface Pipe by Alternate:
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:
Directional, Deviated or Horizontal wellbore?	
If Yes, true vertical depth:	DWN FEITIIL #.
Bottom Hole Location: KCC DKT #:	(Note: Apply for Permit with DWR)
ROC DRI #.	Will Cores be taken?
	If Yes, proposed zone:
	AFFIDAVIT
The undersigned hereby affirms that the drilling, completion and event	· · · · · - · · · · · · · · · · · · · · · · · · ·
It is agreed that the following minimum requirements will be met:	
Notify the appropriate district office <i>prior</i> to spudding of well;	
2. A copy of the approved notice of intent to drill shall be posted o	on each drilling rig;
3. The minimum amount of surface pipe as specified below shall to	be set by circulating cement to the top; in all cases surface pipe shall be set
through all unconsolidated materials plus a minimum of 20 feet	
 If the well is dry hole, an agreement between the operator and t The appropriate district office will be notified before well is eithe 	the district office on plug length and placement is necessary <i>prior to plugging</i> ;
• • •	emented from below any usable water to surface within <i>120 DAYS</i> of spud date.
	order #133,891-C, which applies to the KCC District 3 area, alternate II cementing
must be completed within 30 days of the spud date or the well s	shall be plugged. In all cases, NOTIFY district office prior to any cementing.
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;
Minimum surface pipe requiredfeet per ALT.	 II - Submit plugging report (CP-4) after plugging is completed (within 60 days); Obtain written approval before disposing or injecting salt water.
Approved by:	Obtain written approval before disposing or injecting salt water. If this permit has expired (See: authorized expiration date) please
This authorization expires:	check the box below and return to the address below.
(This authorization void if drilling not started within 12 months of approval dat	to)

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



IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

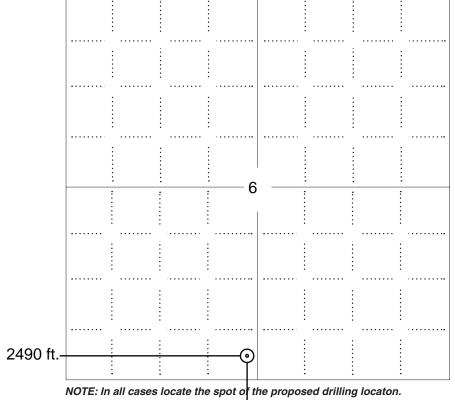
Plat of acreage attributable to a well in a prorated or spaced field

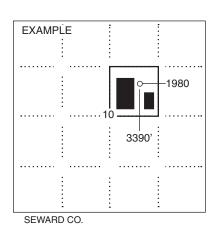
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please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





330 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, 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

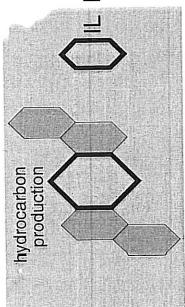
030755

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:	Pit is:			
Emergency Pit Burn Pit	Proposed Existing		SecTwp	R East West
Settling Pit Drilling Pit	If Existing, date constructed:		Feet from	North / South Line of Section
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) Pit capacity:		(bbls)	Feet from	East / West Line of Section County
Is the pit located in a Sensitive Ground Water	Area? Yes	No	Chloride concentration:	mg/l
is the pit located in a Sensitive Ground water	Alea: [] les] NO		cy Pits and Settling Pits only)
Is the bottom below ground level? Yes No	Artificial Liner?	No	How is the pit lined if a pl	astic liner is not used?
Pit dimensions (all but working pits):	Length (fe	et)	Width (feet)	N/A: Steel Pits
Depth fro	om ground level to de	epest point:	(feet)	No Pit
If the pit is lined give a brief description of the material, thickness and installation procedure		•	dures for periodic maintena ncluding any special monito	
Distance to nearest water well within one-mile	of pit	Depth to shallo	west fresh water mation:	feet.
feet Depth of water well	feet	measu	redwell owner	electric logKDWR
Emergency, Settling and Burn Pits ONLY:		Drilling, Work	over and Haul-Off Pits Of	NLY:
Producing Formation:		Type of materia	al utilized in drilling/workove	r:
Number of producing wells on lease:		Number of working pits to be utilized:		
Barrels of fluid produced daily:		Abandonment	procedure:	
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No		Drill pits must t	pe closed within 365 days o	f spud date.
Submitted Electronically				
	ксс	OFFICE USE OF	NLY Steel Pit	RFAC RFAS
Date Received: Permit Num	ber:	Permi	t Date: L	ease Inspection: Yes No



PRODUCERS, INC. OF KANSAS

August 13, 2009

James O. Goodnow and Charlene Goodnow Revocable Living Trust James O. Goodnow and Charlene Goodnow 12410 Overbrook Road Leawood, Ks. 66209

Pooling of the leased acreage, the Southeast Quarter of the Southwest Quarter (SE/4 SW/4) of Section 6 with the Southwest Quarter of the Southeast Quarter (SW/4 SE/4) of We, hereby approve the location of the upcoming drilling of the Goodnow Kuhn #1 to be located 330' from the South line and 2490' from the West line of Section 6, Township 14 South, Range 17 West, Ellis County, Kansas. I also, acknowledge the Section 6 to form an 80 acreage pooled oil unit.

Agreed and accepted this 25^{π} day August, 2009.

James O. Goodnow and Charlene Goodnow Revocable Living Trust

James O. Goodnow, Trustee

Charlene Goodnow, Trustee

covenants

lease, and let exclusively unto the lessee the hereinafter described land, with any reversionary rights therein, and with the right to unlitze this lease or any part thereof with other oil and gas leases as to all or any part of the lands covered thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata, and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and and by these presents does hereby State of KS and agreements, hereinafter contained to be performed by the lessee, has this day granted, leased, and let Ellis other substances into subsurface strata, said tract of land being situated in the County of described as follows:

Township 14 South, Range 17 West Section 6:SE/4 SW/4

Photo Man Direct In Direct Numerical Checked

containing 40 acres, more or less.

oii, as long thereafter as "primary term") and 2. This lease shall remain in force for a term of ______Three (3)______years (called "primary t casinghead gasonine or any of the products covered by this lease is or can be produced.

- 3. The lessee shall deliver to lessor as royalty, free of cost, on the lease, or into the pipe line to which lessee may connect its wells the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises, or at the lessee's option may pay to the lessor for such one-eighth (1/8th) royalty the market price at the wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipe line or into storage tanks.
- 4. The lessee shall pay to the lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the lessee from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased. If such gas is not sold by the lessee, lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to one dollar per net mineral acre, and while said shut in royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas.
- This lease is a paid-up lease and may be maintained during the primary tern without further payments or drilling operations.
- 6. In the event said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein then the royalties herein provided for shall be paid to said lessor only in the proportion which his interest bears to the whole and undivided fee; however, in the event the title to any interest in said land should revert to lessor, or his heirs, or his or their grantee, this lease shall cover such reversion.
- 7. The lessee shall have the right to use free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the lessor. When required by lessor, the lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the lessor. Lessee shall have the right at any time during, or after the expiration of this lease to remove all machinery, fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.
- extend to the heirs, devisees, executors, administrators, successors, and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee, and no change of ownership in the land or in the royalties or any sum due under this lease shall be binding on the lessee until it has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or certified copy of the proceedings showing the appointment of an administrator for the estate of any deceased owner, whichever is appropriate, together with all original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any clirect or indirect assignee, 8. If the estate of either party hereto is assigned (and the privilege of assigning in whole or in part is expressly allowed), the covenants hereof shall grantee, devisee, or administrator, executor, or heir of lessor.
- operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on the part of the lessee to offset wells on separate owned in severalty or in separate tracts, the premises may nonetheless be developed and tracts into which the land covered by this lease may now or hereafter be divided by sale, devisee, descent or otherwise, or to furnish separate If the leased premises are now or shall hereafter be measuring or receiving tanks.
- in whole or in part any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in the event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty accruing hereunder. 10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee, at its option, may pay and discharge
- 11. If after the expiration of the primary term, production of oil or gas should cease from any cause, this lease shall not terminate if lessee commences additional drilling or reworking operations within one hundred-twenty (120) days thereafter, or if at the expiration of the primary term, oil or gas is not being produced on said land, but lessee is then engaged in drilling or reworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the same well or any other well thereafter commenced, with no cessation of more than one hundred-twenty (120) consecutive days, and if they result in production of oil or gas, this lease shall remain in effect so long thereafter as there is production of oil or gas under any provision of this lease.

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and file for record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on any such unit shall be and constitute a well hereunder. In lieu of the royalties elsewhere herein specified lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

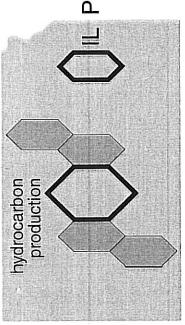
15. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor and lessee.

IN WITNESS WHEREOF, we sign the day and year first above written.

The James O. Goodnow and Charlene Goodnow Revocable Living Trust, dated December 16, 1993

アセン / Trustee	, 20 06 Charlene	Notary Public	, 20 	Section to Copy E. Willist P. Copy E. Cop
Charlene Goodnow	MENT FOR INDIVIDUAL day of ארצייי אלריי איני איני איני איני איני איני איני א	Line Cross Curistine Cross FOR INDIVIDUAL) (
By: Charle	DG 19	CAUSE PUBLIC POBLIC SANSAS SALOCIOLIC	day of	ad in Sels Sound Sels Sound Sels Sels Sound Sels Sels Sels Sels Sels Sels Sels Sels
Trustee) ss. ACKI)ss. http://www.ncm.ncm.ncm.ncm.ncm.ncm.ncm.ncm.ncm.ncm	NOT.	rledged to me on this.	This instrument was filed for record Co. o'clock A: M recorded in DEC 1 3 2006 Coffeer Anage 91
James O. Goodnow,	STATE OF Kansas)ss. ACKNOWLE COUNTY OF Opening to the control of the instrument was acknowledged to me on this structures by James O. Goodnow and Charlene Goodnow, Trustees Goodnow Revocable Living Trust dated, December 16	My commission expires: 70.30.09	was ac	Signature of the state of the s
By: Atmen	STATE OF COUNTY OF This in byJames C	My commission STATE OF	This instrument by	

SOSTA Kansas 67202



IL PRODUCERS, INC. OF KANSAS

August 13, 2009

Glenn & Becky Kuhn 1211 Toulon Ave Hays, Ks. 67601

SW/4) of Section 6 with the Southwest Quarter of the Southeast Quarter (SW/4 SE/4) of Section 6 to form an 80 acreage pooled oil unit. We, hereby approve the location of the upcoming drilling of the Goodnow Kuhn #1 to be located 330' from the South line and 2490' from the West line of Section 6, Township 14 South, Range 17 West, Ellis County, Kansas. I also, acknowledge the Pooling of the leased acreage, the Southeast Quarter of the Southwest Quarter (SE/4

Agreed and accepted this \mathcal{Z} day August, 2009.

Glenn Kuhn

ecky Kuhn (

1710 Waterfront Parkway, Wichita, Kansas 67206-6603 • (316) 681-0231 • Fax (316) 682-3136

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and agreements, hereinafter contained to be performed by the lessee, has this day granted, leased, and let and by these presents does hereby grant, lease, and let exclusively unto the lessee the hereinafter described land, with any reversionary rights therein, and with the right to unitize this lease or any part thereof with other oil and gas leases as to all or any part of the lands covered thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the substances and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into substances strata, said tract of land being situated in the County of	described se followe.
5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	t

7 West	
Range 1	
south, R	
ip 14 S	6:SE/4
Townsh	Section

Photo State In Direct State Numerical State Checked

containing 160 acres, more or less.

gas ; as long thereafter as (called "primary term") and 2. This lease shall remain in force for a term of _______Three.(3)______years (called "primary t casinghead gas, casinghead gasoline or any of the products covered by this lease is or can be produced.

may connect its wells the equal 3. The lessee shall deliver to lessor as royalty, free of cost, on the lease, or into the pipe line to which lessee may connect its wells the equi eighth (1/8th) part of all oil produced and saved from the leased premises, or at the lessee's option may pay to the lessor for such one-eighth royalty the market price at the wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipe line or into storage tanks.

gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased. If such gas is not sold by the lessee, lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to one dollar per net rnineral acre, and while said shut in royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas. lessee from the sale of gas, gas condensate, the proceeds received by the The lessee shall pay to the lessor, as a royalty, one-eighth (1/8th) of

5. This lease is a paid-up lease and may be maintained during the primary term without further payments or drilling operations.

6. In the event said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein then the royalties herein provided for shall be paid to said lessor only in the proportion which his interest bears to the whole and undivided fee; however, in the event the title to any interest in said land should revert to lessor, or his heirs, or his or their grantee, this lease shall cover such reversion. 7. The lessee shall have the right to use free of cost, gas, and oil found on said land for its operations thereon. When required by lessor, the lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the lessor. Lessee shall have the right at any time during, or after the expiration of this lease to remove all machinery, fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing. 8. If the estate of either party hereto is assigned (and the privilege of assigning in whole or in part is expressly allowed), the covenants hereof shall extend to the heirs, devisees, executors, administrators, and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee, and no change of ownership in the land or in the royalties or any sum due under this lease shall be binding on the lessee until it has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or certified copy of the proceedings showing the appointment of an administrator for the estate of any deceased owner, whichever is appropriate, together with all original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, devisee, or administrator, executor, or heir of lessor. 9. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on the part of the lessee to offset wells on separate tracts into which the land covered by this lease may now or hereafter be divided by sale, devisee, descent or otherwise, or to furnish separate measuring or receiving tanks. 10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee, at its option, may pay and discharge in whole or in part any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in the event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty accruing hereunder. 11. If after the expiration of the primary term, production of oil or gas should cease from any cause, this lease shall not terminate if lessee commences additional drilling or reworking operations within one hundred-twenty (120) days thereafter, or if at the expiration of the primary term, oil or gas is not being produced on said land, but lessee is then engaged in drilling or reworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the same well or any other well thereafter commenced, with no cessation of more than one hundred-twenty (120) consecutive days, and if they result in production of oil or gas, this lease shall remain in effect so long thereafter as there is production of oil or gas under any provision of this lease.

condensate or distillate well, plus a tolerance of ten percent (10%) to conform to Governmental Survey quarter sections. Lessee shall execute in writing and file for record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on any such unit shall be and constitute a well hereunder. In lieu of the royalties elsewhere herein specified lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

15. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor and lessee.

IN WITNESS WHEREOF, we sign the day and year first above written.

1