For KCC Use:

Effective D	Date:
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District	#	
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## KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 October 2007 Form must be Typed Form must be Signed All blanks must be Filled

1033434

## NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date:	Spot Description:
month day year	رمان المالي مالي
OPERATOR: License#	feet from E / W Line of Section
Name:	
Address 1:	Is SECTION: Regular Irregular?
Address 2:	(Note: Locate well on the Section Plat on reverse side)
City: State: Zip: +	County:
Contact Person:	Lease Name: Well #:
Phone:	Field Name:
CONTRACTOR: License#	Is this a Prorated / Spaced Field?
Name:	Target Formation(s):
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary line (in footage):
Oil Enh Rec Infield Mud Rotary	Ground Surface Elevation:feet MSL
Gas Storage Pool Ext. 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:
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:
- · · g.· · · · · · · · · · · · · · · · ·	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:

## AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq. It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office *prior* to spudding of well;

- 2. A copy of the approved notice of intent to drill shall be posted on each drilling rig;
- 3. The minimum amount of surface pipe as specified below **shall 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 into the underlying formation.
- 4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
- 5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
- 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 DAYS of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing 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 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 required feet	<ul> <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>
Minimum surface pipe required feet per ALT. I II	- Submit plugging report (CP-4) after plugging is completed (within 60 days);
Approved by:	- Obtain written approval before disposing or injecting salt water.
This authorization expires:	<ul> <li>If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.</li> </ul>
(This authorization void if drilling not started within 12 months of approval date.)	Well Not Drilled - Permit Expired Date:
Spud date: Agent:	Signature of Operator or Agent:
	<



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

Side Two

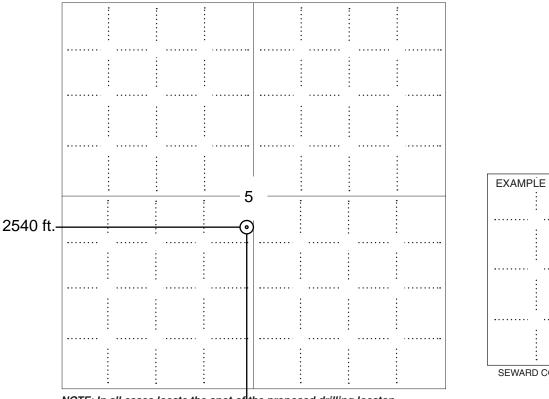
Plat of acreage attributable to a well in a prorated or spaced field

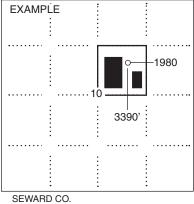
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 E W
Number of Acres attributable to well:	Is Section: Regular or Irregular
QTR/QTR/QTR of acreage:	
	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.

## 2210 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 1033434 Oil & Gas Conservation Division

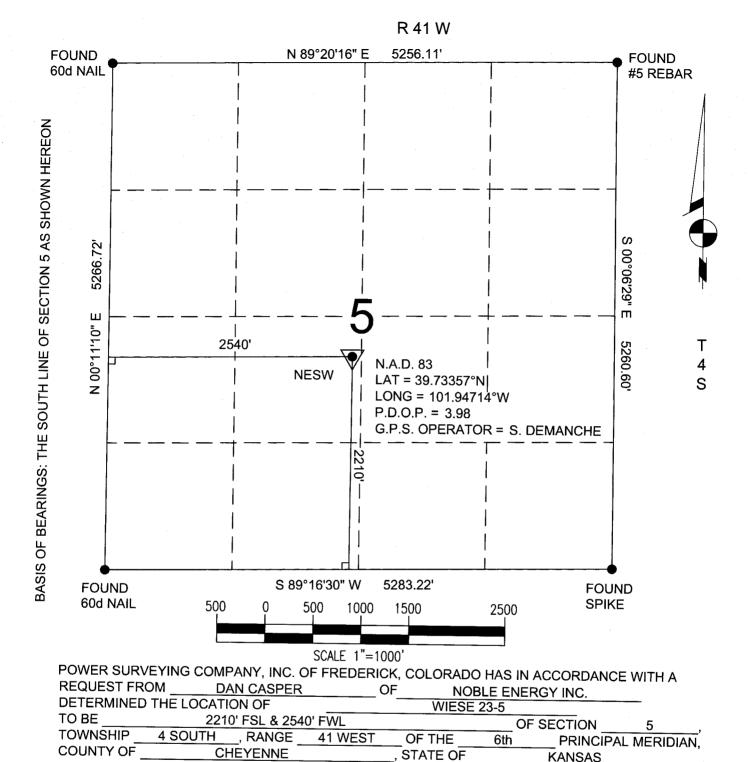
Form CDP-1 April 2004 Form must be Typed

## **APPLICATION FOR SURFACE PIT**

Submit in Duplicate

Does the slope from the tank battery allow all flow into the pit? Yes No Submitted Electronically		OFFICE USE OF	
Does the slope from the tank battery allow all flow into the pit? Yes No		Drill pits must t	be closed within 365 days of spud date.
Does the slope from the tank battery allow all	,	Drill pits must t	be closed within 365 days of spud date.
	spilled fluids to	Drill pits must be closed within 365 days of spud date.	
Barrels of fluid produced daily:		Abandonment procedure:	
Number of producing wells on lease:		Number of working pits to be utilized:	
Producing Formation:		Type of material utilized in drilling/workover:	
Emergency, Settling and Burn Pits ONLY:			over and Haul-Off Pits ONLY:
Distance to nearest water well within one-mile of pitfeet Depth of water wellfeet		Source of infor	west fresh waterfeet. mation: redwell owner electric logKDWR
If the pit is lined give a brief description of the material, thickness and installation procedure	<b>.</b>	liner integrity, ir	dures for periodic maintenance and determining neluding any special monitoring.
	om ground level to d		
Pit dimensions (all but working pits):	Length (fe	eet)	Width (feet) N/A: Steel Pits
Is the bottom below ground level?	Artificial Liner?	No	How is the pit lined if a plastic liner is not used?
Is the pit located in a Sensitive Ground Water	Area? Yes	No	Chloride concentration: mg. (For Emergency Pits and Settling Pits only)
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:	(bbls)	Feet from East / West Line of Secti
Settling Pit Drilling Pit	If Existing, date constructed:		Feet from North / South Line of Section
Emergency Pit Burn Pit	Pit is.		East West
Type of Pit:	Pit is:		
Lease Name & Well No.:			Pit Location (QQQQ):
			Phone Number:
Contact Person:	Operator Address:		
Operator Address: Contact Person:			

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202



LOCATION NOTES:

LOCATION FALLS IN: NATURAL GROUND IMPROVEMENTS: NONE WITHIN 200' OF LOCAATION

ELEVATION DETERMINED FROM NAVD 1988 DATUM. GROUND ELEVATION = 3531'

DISTANCES AND BEARINGS ARE FIELD MEASURED UNLESS NOTED OTHERWISE.

## LEGEND:

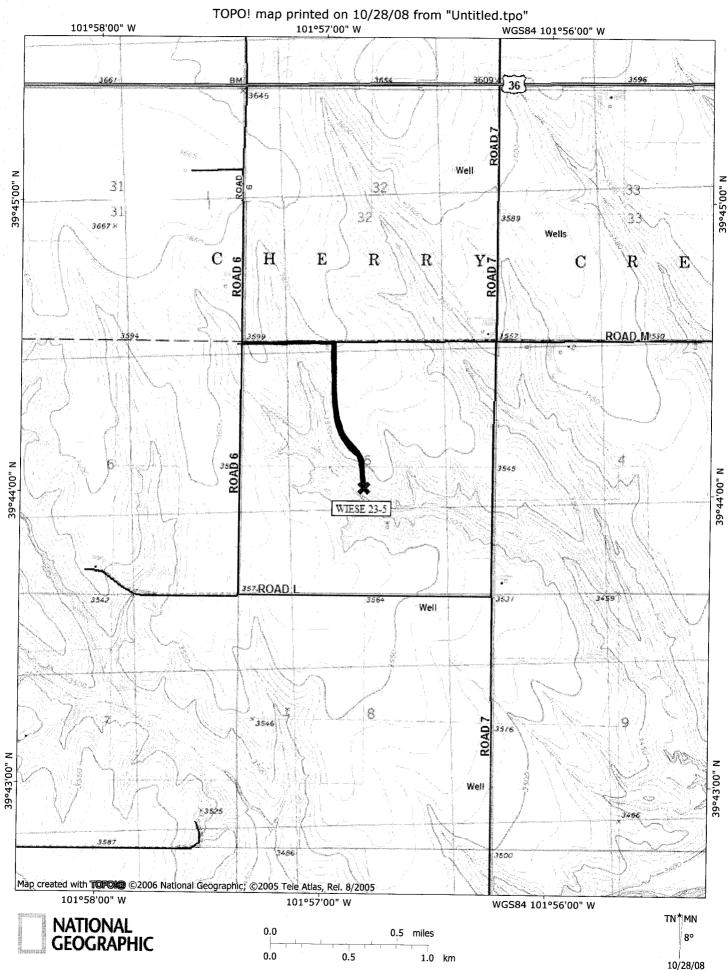


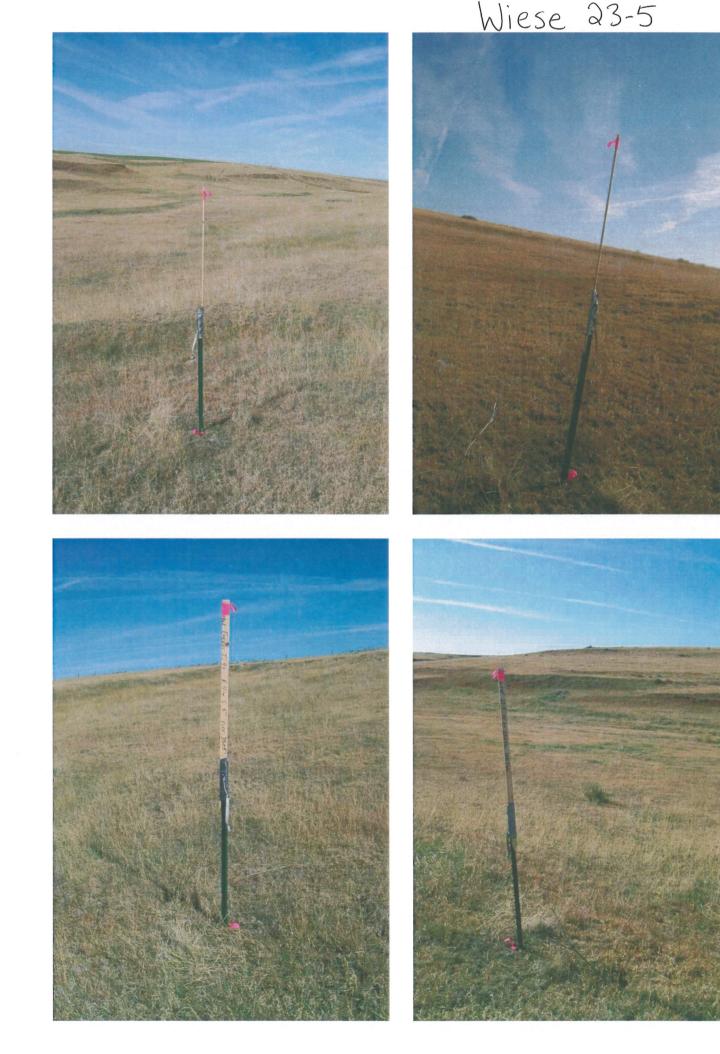
PROPOSED WELL LOCATION



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

WORK ORDER # 501-08-767 FIELD DATE: 10-22-08 DATE OF COMPLETION: 10-28-08





Producers 88-Revited Colorado - Kanzas (Pald-Un)

(10-59)

#### OIL AND GAS LEASE

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THIS AGREEMENT, is made and entered into the 18th day of August., 2005, by and between Kin P. Wiese, and Deann G. Wiese, husband and wife whose address is BR 7, Box 54, St. Francis, KS 67756, hereinafter called Lessor (whether onte or more) and LONETREE ENERGY & ASSOCIATES, LLC whose address is 950 17th Street, Solto 2000A, Denver, Colorado 80202, hereinafter called Lesses:

exploring by geophysical and other methods, drilling, mining, operating for and producing oil or gas, or both, including, but not as a limitation, easinghead gas, easinghead

TOWNSHIP 4 SOUTH, RANGE 41 WEST, 6th P.M. Section 3: All Section 5: S2 Section 9: N2NW Section 13: E2

#### SEE EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF

it being the purpose and intent of Lessor to lease, and Lessor does hereby lease, all of the lands or interests in lands owned by Lessor which adjoin the lands above described or which lie in the section or sections herein specified. For all purposes of this lease, said lands shall be deemed to contain 1360.00 acres.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of FIVE (5) years from this date (terrin called "primary term") and as long thereafter as oil and gas, or either of them, it produced from the above described land or leads pooled therawith or drilling operations are continuously prosecuted as bereinsfler provided. "Drilling operations" includes operations for the drilling operations shall be considered to be "continuously prosecuted" if not more than 90 days shall be considered to be "continuously prosecuted" if not more than 90 days shall be to be the completion or aband emment of not the completion of the empirication of the completion After table of this lease, oil or gas is not being produced from the above described land but Lesse is then engaged in drilling operations, this lease shall continue in force so long as drilling operations are continuously prosecuted, and if production of oil or gas results from any such drilling operations, this lease shall continue in force so are gas shall be produced. If, after the expiration of the primary term of this lease, production from the above described land should cease, this lease shall continue in force so long as shall be produced. If, after the expiration of the primary term of this lease, production from the above described land should cease, this lease shall not terminate if Lease is then prosecuting drilling operations, or within 90 days after each such escalulon of production commences drilling operations, and this lease shall remain in force so long as such operations are continuously protecuted, and if production results therefrom, then as long thereafter as ell or gas is produced from the above described land.

3. Lessee shall deliver free of cast to Lessor, into the pipeline or storage tanks to which the wells may be connected, one-eighth (1/8) of all oil and other liquid hydrocarbons produced and saved from the lessed premises, or, at Lessee's option, to pay to Lessor for such oil one-eighth (1/8) of the amount received by Lessee for all oil and other liquid hydrocarbons produced and saved from the lessed premises.

sold or produced from said hads and used off the lease premiser, we may also the pace, including that consistent parts produced from the rease premises and Lessee from the cale of such produced subtances where the same is sold at the mouth of the well, there are the sold of the ner proceeders received by value three of at the mouth of the well, but is no event more this discussion of the section area of the sold of the section area of the sold of the section area of the section area of the sold of the section area of the section area of the section area of the section area of the section of the well, there are the section area of the sect first purchaser of such production, and all applicable production, severance and other taxes.

5. If a well capable of producing gas or gas and gas-condencate in paying quantities located on the leased premises (or on acreage pooled or consolidated with all or a portion of the leased premises into a unit for the drilling or operation of such well) is at any time abut in and no gas or gas-condensate therefrom is sold or used off the premises or for the manufacture of gasoline or other products then, notwithstanding any other provision to the contrary, such start-in well shall be deemed to be a well on the leased premises or for the prime start for other products then, notwithstanding any other provision to the contrary, such start-in well shall be deemed to be a well on the leased premises or for the primary term hereof. Lessee shall be obligated to pay or render to Lessor within 45 days after the explanion of each well is so shut in, whether before or after the explanion of the primary term hereof. Lessee shall be obligated to pay or tender to Lessor within 45 days after the explanion of each period of one year in length (ennual period) during which each well is so shut in, at tryaily, an amount equal to contrarise thereof, by paying during the fore the end of any such annual period, or far the end of any such annual period, this lease is being maintained in force and effect otherwise than by restan of such well is contrary to pay or tender, for that particular annual period, sold sum of money. Such payment shall be deemed a royalty under all provisions of this lease. Royalty ownership as of the least day of each such annual period as shown by Lessee's records shall govern the determination of the party or parties endited to receive payment.

6. If the interest Lessor owns in the land covered by this lease is less than the entire and undivided fee simple indiceral estate therein, then whether or not such leaser interest is referred to or described herein, all royalcies herein provided shall be hald to Lessor only in the proportion which his interest bears to the whole and undivided raineral fee.

7. If the estate of either party hereto is assigned or sublet, and the privilege of assigning or subletting in whole or in part is expressly allowed, the express and implied events hereof shall extend to the sublestees, successon and assigns of the parties; and in the event of an assignment or subletting by Lessee, Lessee shall be relieved and discharged as to the leasehold rights so assigned or sublet from any liability to Lessor threadler economic parts of the covenants or conditions of this tesse, ellucr express and any liability to Lessor threadler economic or any of the covenants or conditions of this tesse, ellucr express and implied are expressed allowering or installations of the rights of tessee. Notwithstanding any actual or constructive knowledge of or notice to Lessee, no change in ownership of rise band, or royalites, however accompliabed, shall operate to enlarge the obligations or diminish the rights of Lessee. Notwithstanding any actual or constructive knowledge of or notice to Lessee, no change in ownership of rise land or of the right to receive reative or notice to a lessee. Notwithstanding any actual or constructive knowledge of or notice to Lessee, no change in ownership of rise of any line for therein therein, whether by reason of death, convergence or any other matter, shall be binding on Lessee (except at Lessee's option in any particular case) until 90 days after Lessee has been furnished written notice thereof, and the opporting information hereinafter referred to, by the party claiming as a result of such change in ownership or interest. Such notice shall be supported by original or certified copies of all documents and other instruments or proceedings necessary in Lessee's option to establish the ownership of the claiming party.

8. Lesses may, at any time, execute and deliver to Lessor or place of record a release covering all or any part of the acreage embraced in the lessed premises or covering any one or more zones, formations or depths underlying all or any part of such acreage, and thereupen shall be reflered of all obligations thereafter to accrue with respect to the acreage, zones, formations or depths covered by such release.

9. Lesses is granted the right, from time to time while this lesse is in force, to pool into a separate operating unit or units all or any part of the land covered by this lesse with where an plane of parts of rester, or interest therein (whether and other interests are pooled by a voluntary agreement on the part of the owners thereof or by the exercise of a right to pool by the Lessees thereof) when in Lessee's judgment (i is necessary or advisable in order to promote conservation, to properly develop or operate the land and interests to be pooled, or to obtain a multiple production allowable from any governmental agency having control over such matters. Any pooling becounder may cover all oil and gas, or be pooled, or to obtain a multiple production allowable from any governmental agency having control over such matters. Any pooling becauter may cover all oil and gas, or any one or more of the substances covered by this take, and may cover one or more or of all zones or formations underlying all or any portion or portions of the leased premises. Any unit formed by such pooling shall be of abuting or convering tracts and shall not exceed 640 acres (plus a tolerance of 10%) for gas and gas-condensate and shall not exceed 40 acres (plus a tolerance of 10%) for any other substances covered by this lease; provided that if any governmental regulation or onder shall preservibe a spacing pattern for the development of a field wherein the above described land, or a portion thereof, is located, or allocate a producing allowable based on acreage per well, then any unch unit may embrace as much additional acreage as may be serviced as may be permitted in such allocation of allowable. The area pooled and its zones or formations and substances pooled shall be set forth by Lessee in a "declaration of pooling" filed for record in the county or counties in which the pooled area is located. Such pooling shall be effective on the date such declaration is filed unless a later effective date is specified in such declaration, but only in the proportion, that Lessor's acreage interest , VOL 1445 PAGE 3445

957-0149-00

# VOL 145 PAGE 346

in the land covered by this lease and placed in the unit bears to the total accesso in the land placed in such unit. Nothing herein contained shall emborize or effect any transfer of any tills to any leasthold, myalty or other interest pooled pursuant hireto. The commencement of a well, the conducting of other delling operations, the completion of a well or of a dry hole, or the operation of a producing well or the pooled erea, shall be considered for all purposes (accept for royalty purposes) the same as if said well were located on, or such drilling operations were conducted upon, the lands covered by this leave which er or not such well is located upon, or such drilling operations are being conducted there any terminate any pooling efficient purpont hereto at any time the pooled unit is not producing and no drilling operations are being conducted there any structure not evered by this leave which comprise a part of such pooled area is located as mitten dedication of the termination of rach pooling, provided that the pooling of all interest not covered by this leave which comprise a part of such pooled and is becaude a situe and call and such as a situe of the termination of rach pooling.

10. Lesses shall have the right to use, fire of cort, oil, gas and water produced on said land for its operations thereon except water from wells of Lessor. Lesses shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove easing. No part of the surface of the lessed premises shall, without the written content of Lesses, be let, granted or licensed by Lessor to any other party for the location, construction or maintenance of structures, tanks, pits, reservoins, equipment, or machinery to be used for the purpose of exploring, developing or openating adjacent lands for oil, gas or other minerals.

11. Lesses shall bury below plow depth its pipe lines on the lessed prenises when requested by a Lessor owning an interest in the surface. No well shall be drilled nearer than 200 feet to any house or barn now on sold prenises without the written content of the owner of the surface on which such house or barn is located. Lesses shall pay for damages to growing crops caused by its operations on sold lands.

12. Lessor hereby warrants and agrees to defend the tille to the lands herein described, but if the interest of Lessor covered by this lesse is expressly stated to be less than the entire fee or mineral estate, Lessor's warranty shall be limited to the interest so stated. Lessee may purchase or lesse the rights of any party claiming any interest in cald land and exercise such rights as may be obtained thereby but Lesses shall not suffer any forfeiture nor in curr any liability to Lessor by reason thereof. Lesses the right at any time to pay for Lessor, any mortging, latest of the bolder thereof, and any such payments made by Lesses for Lessor may be deducted from any amounts of money within may because the right of the bolder thereof, and any such payments made by Lessor in the Lessor may be deducted from any amounts of money which may because the right as

13. All express provisions and implied covenants of this lesse shall be subject to all applicable laws, governmental orders, rules and regulations. This lesse shall not be terminated in whole or in part, nor Lesses held liable in damages, because of a temporary cessation of production or of drilling operations due to the breakdown of equipment or due to the repairing of a well or wells, or because of failure to comply will any of the express provisions or implied covenants of this lesse if such failure is the result of the exercise of governmental authority, war, simed hestilities, leek of market, act of God, strike, civil disturbance; fire, exploiton, flood or any other causo reasonably beyond the control of Lesses.

14. Breach by Lessen of any obligations hereunder shall not constitute a forfeiture or termination of this fease nor cause a termination or reversion of the estate created hereby or be grounds for cancellation hereof in whole or in part. In the event Lessor considers that operations are not at any time being conducted in compliance with this lesse, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have skyty (60) days after receipt of such notice in which to commence compliance with the obligations imposed by this lesse.

15. This lease and all provisions thereof shall be applicable to and binding upon the parties and their respective successor and assigns. Reference herein to Lessor and Lessor and Lessor and Lessor and Lessor and Lessor and assign to Lessor and assign to Lessor and assign to Lessor and Lessor and Lessor and Lessor and assign to Lessor and assign to Lessor and Lessor and Lessor and Lessor and the parties are to their respective successor and assign to Lessor and Lessor and Lessor and Lessor and the parties are to the part

16. For the above consideration, Lester is granted an option to renew this lesse under the same terms and provisions for an additional three (3) years from the end of the primary term hereof, and as long thereafter as oil and gas is produced from said lands or lands pooled therewith. Lester may exercise this option by paying to Lester the sum of \$12.00 per net are (as bonus and paid up rentals) prior to the expiration of said lease.

IN WITNESS WHEREOF, this lease is exe	cuted as of the day and year first abov	Dearny 12. Wiese
d d		Deann G. Wiese
STATE OF ANENE	53.	Okiaboma, Kansas, New Merico, Wyoming, Moniana, Colorado, Uiah, Nebraska, North Dakota, South Dakota
21 1	I A.D. 2025	ACKNOWLEDGEMENT-INDIVIDUAL maily appeared before me Kip R_jViese and Decon G. Wiese, busband and wife, the iny
My commission expires:	JANET S. JEN NOTARY PUBL STATE OF KAN	ISEN Barby Kensed
STATE OF	) }	ACKNOWLEDGEMENT (For use by Corporation)
COUNTY OF On the	)	
	11.21.21.21.21.21.21.21.21.21.21.21.21.2	
sald corporation by authority of a resolution sald corporation executed same, WITNESS	of its Board of Directors and sold	a corporation, and their said instrument was signed in behalf of
My commission expires:		Notary Public
<b>***</b> ** *******************************		Residing at:

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#### EXHIBIT A

#### ADDENDUM TO OIL AND GAS LEASE

Attached hereto and made a part hereof that certain Oil and Gas Lease dated the 18<sup>th</sup> day of August, 2005, by and between <u>Kip R. Wiese and Deonn G. Wiese</u>, <u>husband and wife</u>, as LESSOR and LoneTree Energy & Associates, LLC, 950 17<sup>th</sup> Street, Suite 2000-A, Denver, CO 80202, as LESSEE, covering the following described lands to wit:

TOWNSHIP 4 SOUTH, RANGE 41 WEST, 6<sup>th</sup> P.M. Section 3: All Section 5: S2 Section 9: N2NW Section 13: E2

Containing 1360.00 acres more or less.

Notwithstanding the provisions of this lease to the contrary, this lease shall terminate at the end of the primary term as to all of the leased land except those lands within a producing spacing unit prescribed by law or administrative authority on which is located a well producing or capable of producing oll or gas on which lesses is engaged in drilling or reworking operations. This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more than one-hundred twenty (120) days shall lapse between the completion or abandonment of one well and the beginning operations for the drilling of another well.

SIGNED FOR ACKNOWLEDGEMENT:

Kip R. Wiese

Whis. Deonn G. Wiese

STATE OF KANSAS, CHEYENNE COUNTY This instrument was filed for record on the o'clock A.M. and recorded er of SE no. Eneral

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