

For KCC Use:	
Effective Date:	
District #	
2012 DV	

Kansas Corporation Commission Oil & Gas Conservation Division

Form C-1 October 2007 Form must be Typed

	ITENT TO DRILL All blanks must be Filled (5) days prior to commencing well
	(1)
Expected Spud Date:	Spot Description:
	Sec Twp S. R E W
OPERATOR: License#	feet from N / S Line of Section
Name:	feet from E / W Line of Section
Address 1:	Is SECTION: Regular Irregular?
Address 2:	(Note: Locate well on the Section Plat on reverse side)
City:	County:
Contact Person:	Lease Name: Well #:
Phone:	Field Name:
CONTRACTOR: License#	Is this a Prorated / Spaced Field?
Name:	•
Tullo.	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: Yes No
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:
Directional, Deviated or Horizontal wellbore? Yes No	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:
AFF	IDAVIT
The undersigned hereby affirms that the drilling, completion and eventual plu	gaing of this well will comply with K.S.A. 55 et. seg.
It is agreed that the following minimum requirements will be met:	353
 Notify the appropriate district office <i>prior</i> to spudding of well; A copy of the approved notice of intent to drill <i>shall be</i> posted on each 	drilling rig:
3. The minimum amount of surface pipe as specified below <i>shall be set</i> l	
through all unconsolidated materials plus a minimum of 20 feet into the	
4. If the well is dry hole, an agreement between the operator and the dist	,
5. The appropriate district office will be notified before well is either plugg	ed or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented	·
	33,891-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. <i>In all cases, NOTIFY district office</i> prior to any cementing.
5 1 1/4 1 - 1 2 1 1	
Submitted Electronically	
	Remember to:
For KCC Use ONLY	- File Drill Pit Application (form CDP-1) with Intent to Drill;
	- File Completion Form ACO-1 within 120 days of sould date:

	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. 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: (This authorization void if drilling not started within 12 months of approval date.)	- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.
Spud date: Agent:	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

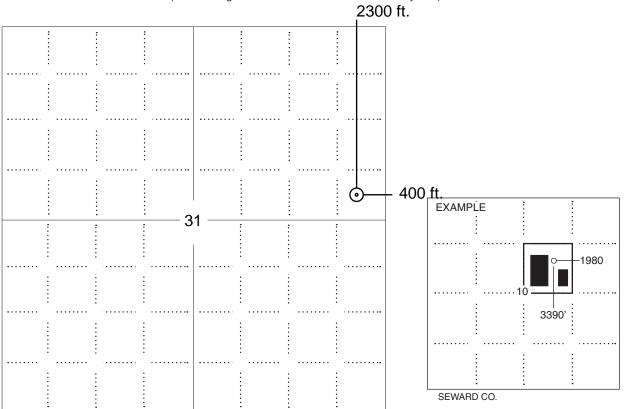
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please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

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

1034174

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):	Artificial Liner? Yes No Length (feet) om ground level to deepest point: liner Describe proce		SecTwpR East West Feet from North / South Line of Section Feet from East / West Line of Section County Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) How is the pit lined if a plastic liner is not used? N/A: Steel Pits		
Distance to nearest water well within one-mile	e of pit	Depth to shallo	owest fresh waterfeet.		
Distance to nearest water wen within one-nine or pit		Source of infor	mation:		
feet Depth of water well	feet		ured well owner electric log KDWR		
Emergency, Settling and Burn Pits ONLY:		.	over and Haul-Off Pits ONLY:		
Producing Formation:			al utilized in drilling/workover:		
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 be closed within 365 days of spud date.			
Submitted Electronically					
	ксс	OFFICE USE O	NLY Steel Pit RFAC RFAS		
Date Received: Permit Num	ber:	Permi	it Date: Lease Inspection: Yes No		

ORIGINAL COMPARED WITH RECORD

Form 88 - (Producers Modified)

OIL AND GAS LEASE

Plus (C&S GAS)

(PAID-UP)

AGREEMENT, made and entered into this25 TH day ofJUNE, 20_08					
by and between RICHARD E. PARKS and MARGARET E. PARKS, CO-TRUSTEES of the					
RICHARD E. PARKS and MARGARET E. PARKS REVOCABLE TRUST dated June 16, 1995					

hereinafter called Lessor (whether one or more), and Colt Natural Gas, L.L.C., P.O. Box 388, Iola, Kansas 66749, hereinafter called Lessee.

1. GRANT. Lessor, for and in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration, receipt and sufficiency of which are acknowledged, and of the covenants and agreements hereinafter contained, does hereby grant, demise, lease and let unto said Lessee, exclusively, its successors and assigns, the following described land for the purpose of conducting geological, geophysical and other exploratory work, including drilling and operating for, producing, saving, storing and marketing the oil and all gas of whatsoever nature or kind including but not limited to coalbed gas, shale gas or casinghead gas and all other hydrocarbons and their respective constituent products, and the exclusive right of injecting gas, air, water, brine and other fluids and substances into the subsurface strata, and constructing roads, laying pipe lines, electric lines and other utilities, building tanks and erecting other structures thereon, necessary or convenient to produce, save and take care of, treat, dewatering any gas formations and market said substances and products, all that certain tract of land together with any reversionary rights and after-acquired interests therein, described as follows:

· ^33442
STATE OF KANSAS LABETTE COUNTY THIS INSTRUMENT WAS FILED FOR RECORD
AND DULY RECORDED IN BOOK OF AT PAGE 46 LE AT PAGE T T T T T T T T T T T T T
JUN 25 2008 3:45
Noma Atsichand REGISTER OF DEEDS
FEES /610C
√n / .
and the second of the second o

THE NORTH HALF OF THE SOUTHEAST QUARTER (N/2 SE/4) OF SECTION 30, TOWNSHIP 32 SOUTH, RANGE 18 EAST; AND THE SOUTH HALF OF THE SOUTHEAST QUARTER (S/2 SE/4) OF SECTION 30, TOWNSHIP 32 SOUTH, RANGE 18 EAST, EXCEPT FOUR ACRES IN THE NORTHEAST CORNER (in S/2 SE/4); AND THE NORTHEAST QUARTER (NE/4), AND LOTS 1 AND 2 (W/2 NW/4) OF THE NORTHWEST QUARTER, AND THE EAST HALF OF THE NORTHWEST QUARTER (E/2 NW/4), AND THE EAST HALF OF THE SOUTHWEST QUARTER, ALL IN SECTION 31, TOWNSHIP 32 SOUTH, RANGE 18 EAST; ALL THE ABOVE IN LABETTE COUNTY, KANSAS;

Section	30 & 31	₋ Township ₋	32	Range	18	containing	653	acres more or less
located in	LABE	TTE C	COUNTY, I	KANSAS.				

- 2. PRIMARY TERM. This Lease shall remain in full force for a term of <u>TWO (2)</u> year(s) from this date, (herein called "Primary Term"), and as long thereafter as oil or gas, or any of the substances covered by this Lease, is produced from said land by Lessee in paying quantities, or the premises are being developed.
- 3. PAID-UP LEASE. This Lease may be maintained during the Primary Term hereof without further payment or drilling operations. If Lessee shall commence to drill a well within the Primary Term of this Lease or any extension thereof, then Lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this Lease shall continue and be in force with like effect as if such well had been completed within the Primary Term.
 - 4. ROYALTY. Lessor shall receive royalties as follows:
- (A) Lessee shall deliver to the credit of Lessor as royalty, free of costs of production, storage or treatment on the leased premises, into the pipe line or storage tanks to which Lessee may connect its wells, the equal FIFTEEN PERCENT(15%) part of all OIL produced, saved and marketed from the leased premises.
- (B) Lessee shall pay to Lessor as royalty on all gas of whatsoever nature or kind, including but not limited to coalbed gas, shale gas or casinghead gas, and their respective constituent elements or other gaseous substances ("Gas"), produced and marketed from the leased premises FIFTEEN PERCENT (15%) of the market value at the mouth of the well.
- (C) Lessee shall pay to Lessor FIFTEEN PERCENT (15%) of the proceeds from the sale of all other products of oil and gas not otherwise referred to herein.
- (D) Where Gas from a well capable of producing Gas (or from a well in which dewatering operations have commenced), is not sold or used after the expiration of the Primary Term, Lessee shall pay or tender as royalty to Lessor the sum of FIFTEEN DOLLARS AND THIRTY-TWO CENTS (\$15.32) per year per net mineral acre, such payment or tender to be made on or before the anniversary date of this Lease next ensuing after the expiration of 90 days from the date such well is shut in or dewatering operations are commenced and thereafter on or before the anniversary date of this lease during the period such well is shut in or dewatering operations are being conducted. If such payment is not timely made, this Lease shall not terminate unless Lessee fails to make or tender such payment within thirty (30) days after receipt of written notice of default given by Lessor to Lessee by certified mail, return receipt requested. So long as payment is made as provided herein, the Lessee shall be deemed to be producing oil and/or or gas in accordance with paragraph 2 of this Lease.
- 5. MINIMUM ROYALTY. Notwithstanding any other provision of this lease, the Lessor shall receive a minimum royalty totaling FIFTEEN DOLLARS AND THIRTY-TWO CENTS (\$15.32) per net mineral acre per year that this lease is in force after the expiration of the primary term. If the Lessor receives royalty equal to or greater than the above minimum royalty from the sale of oil, gas or any other products of oil or gas within a lease year then the minimum royalty provision will be fulfilled. In the event that there is no royalty from the sale of oil, gas or any other products of oil or gas during a lease year or such royalty is less than the minimum royalty amount, Lessee shall pay all of the minimum royalty or the difference in cash within SIXTY (60) days after the end of such lease year. In the event of the Lessee's failure to pay the minimum royalty as herein provided, then Lessor shall first give written notice to Lessee of Lessor's intention to declare forfeiture by reason of the nonpayment of the minimum royalty. Such notice shall be given by certified mail, return receipt requested, addressed to the Operator of the lease as shown in the records of the State Corporation Commission of the State of Kansas or their successor. If Lessee shall pay all of the minimum royalty or the difference in cash within THIRTY (30) days after the date such notice is received by the Lessee, then the lease shall not be terminated for violation of the minimum royalty or the difference may be made by check or draft of Lessee and shall be deemed made when delivered or sent certified mail, return receipt requested, to the Lessor's credit at the address listed below or successor address or Lessor's address as shown on the current purchaser's division order or, if not there available, then to Lessor's last address according to the Operator's records. So long as the minimum royalty is paid as provided herein, the lease shall be deemed to be producing oil and/or gas in accordance with paragraph 2 of this lease.
- 6. FORCE MAJEURE. All provisions hereof, express or implied, shall be subject to all federal and state laws, and the orders, rules, or regulations of all governmental agencies administering the same, and this Lease shall not be in any way terminated wholly or partially, nor shall Lessee be liable in damages for failure to comply with any of the express or implied provisions hereof, if such failure accords with any such laws, orders, rules or regulations. Lessee shall not be liable in damages, forfeiture or termination, on account of breach of covenant, express or implied, or failure of any condition necessary to keep this Lease in force, which results from force majeure; and the obligations of Lessee shall be suspended if and while drilling or other operations are delayed or interrupted by force majeure. Force majeure includes Act of God, storm, flood, strike, scarcity of labor or material, lockout, blowout, breach of contract by drillers, subcontractors or suppliers, surface or subsurface conditions which impede normal operations or which would result in other damages or waste, or other bona fide cause beyond the reasonable control of Lessee. Lessee shall have a reasonable time after the removal or cessation of force majeure within which to commence or resume performance under the Lease. If force majeure occurs during the Primary Term, the time such force majeure exists shall be added to the Primary Term.
- 7. LESSER INTEREST. If said Lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then royalties and other payments herein provided shall be paid to said Lessor in the proportion that his/her interest bears to the whole and undivided fee title. If more than one party has executed this Lease as Lessor, then this provision applies to each such party.
- 8. OPERATIONS AND REMOVAL. Lessee shall bury its pipelines below plow depth where reasonably possible. No well shall be drilled nearer than TWO HUNDRED (200) feet to any house or barn on said land as of the date of this Lease without written consent of Lessor. Lessee shall pay for damages caused by its operations to said land. Lessee shall fill in drilling pits and restore well location(s) as nearly as reasonably possible to the general condition before drilling operations began, within a reasonable time after a well has been plugged or completed. Lessee shall fence all tanks and wells when requested by Lessor. Lessee shall have the right at any time to remove any or all machinery and fixtures placed on said land, including the right to draw and remove casing.
- 9. FREE SUBSTANCES. Lessee shall have the right to use, free of cost or royalty, gas, oil, and water produced on said land for Lessee's operations thereon, except fresh water from the wells of Lessor. If gas is produced from any well, Lessor shall have the right to take such gas, free of charge, for domestic purposes in one single family dwelling on the leased premises. This provision does not extend to additional dwellings that may be located upon tracts into which the leased premises may be divided. Lessor's lines, appliances at the well, meters and connections shall be of good quality and installed at Lessor's expense.

Lessee shall have the right to designate the point of connection and to impose such rules and regulations as may be reasonably necessary to protect the well and other lines. Lessor's taking and use of gas shall be at Lessor's sole risk, and Lessee shall not be liable in any way for Lessor's failure or inability to obtain or use such gas on account of the use of pumping stations, breakage of lines, conditions at the well, requirements or restrictions under any gas contract, Lessee's operations, or any other cause. Lessor shall be solely responsible for compliance with all applicable safety rules and regulations, including K.A.R. 82-11-4, in effect at the time of connection including, but not limited to, odorization of the gas.

- 10. RIGHT OF WAY. For the consideration first stated above, Lessor conditionally grants to Lessee an easement and right of way as provided herein. The use of such easement and right of way are conditioned upon Lessee first paying or tendering to Lessor of the sum of ONE DOLLAR (\$1.00) per foot. Such payment or tender may be made at any time while this Lease is in effect. Such easement and right of way are described as follows: Lessor grants to Lessee a strip of land thirty (30) feet wide for the purpose of laying, constructing, operating, inspecting, maintaining, repairing, replacing and removing a pipeline or pipelines for the transportation of water, brines, oil, gas and other substances, and electric line(s), at a location or locations to be determined by Lessee, on, in, over and through the land described hereinabove. The centerline of such easement and right of way shall be the center of the pipeline(s) and/or electric line(s) as actually laid. Lessee will consult with Lessor on course, route and direction of lines so as to minimize interference with surface use by Lessor. Such pipeline(s) and electric line(s) shall be buried when reasonably possible below plow depth. Lessee shall pay for damages to growing crops, fences or other structures of Lessor that are caused by the construction, maintenance and operation of such pipeline(s) and electric line(s). Lessee shall have the right of ingress and egress to and from the premises for all purposes necessary to exercise of the rights granted herein. This easement and right of way shall be construed as if conveyed by separate instrument, without regard to the oil and gas Lease or the term thereof; provided, however, that if use of such easement and right of way is not actually commenced within the term of said oil and gas Lease or extension or renewal thereof then this easement and right of way and all rights granted thereunder shall cease and terminate on the date said oil and gas lease expires. This easement and right of way are independent of, and in addition
- 11. BREACH. The breach of any obligation under any provision or covenant of this Lease, express or implied, shall not work a forfeiture or termination of the Lease nor be grounds for cancellation unless Lessor first notifies Lessee in writing of the breach and the facts relied upon as constituting such breach, together with a demand for the specific performance thereof, and the Lessee, if in default, fails within a reasonable time thereafter to commence compliance with the obligations imposed.
- 12. ASSIGNMENT AND ENTIRETY. 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 their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of payments and/or royalties shall be binding on the Lessee until after the Lessee has been furnished with a written transfer or assignment or a true copy thereof; and it is hereby agreed in the event this Lease shall be assigned as to a part or as to parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the payments and/or royalties due from him or them on an acreage basis, such default shall not operate to defeat or affect this Lease insofar as it covers a part or parts of said lands upon which the said Lessee or any assignee thereof shall make due payments of said payments and/or royalties. If the leased premises are now or hereafter owned in severalty or in separate tracts, the premises, nevertheless, may be developed and operated as an entirety, and the payments and/or royalties shall be paid to each separate owner in the proportion that the acreage owned by him bears to the entire leased area. 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 is now or may hereafter be divided by sale, devise, or otherwise, or to furnish separate meters, tanks or other measuring devices for oil and/or gas produced from such separate tracts.
- 13. WARRANTY AND SUBROGATION. Lessor hereby warrants and agrees to defend the title to the lands herein described and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof, and in addition Lessee may reimburse itself for such payments out of any royalties or payments due or payable to Lessor.
- 14. SPECIAL DRILLING AND PRODUCTION COMMITMENT: This lease covers, in essence, four (4) separate quarter-sections: SE/4, Section 30 (less 4-acre tract); NE/4, Section 31; NW/4, Section 31; and SW/4, Section 31. Lessee agrees to drill at least one well in each such quarter-section within two years after the date of this lease. Further, Lessee agrees to establish production from each such quarter-section within three years after the date of the lease, provided, however, that a well completed for production of gas or coalbed gas which is not producing but is being "de-watered" in anticipation of production shall constitute the establishment of production. With respect to each such quarter-section, if the Lessee does not drill at least one well within two years, or having drilled a well or wells but does not "establish production" within three years, this lease shall terminate with respect to that particular quarter-section. When and if the lease partially terminates pursuant to this provision with respect to any particular quarter section, the Lessee shall, upon request, execute and record a Partial Release with respect to such quarter section.

15. SPECIAL PROVISIONS.

- A. Lessor and Lessee have agreed upon several possible well locations, designated as follows:
 - a. Section 30, Township 32 S, Range 18 E: NW/4 SE/4, beginning in the NW/C of the SE/4 of said property to approximately 330' East, then to a point approximately 330' South (37.22879°N 095.47203°W)
 - b. Section 30, Township 32 S, Range 18 E: NE/4 SE/4, beginning in the NE/C of the SE/4 of said property to approximately 395' West then to a point approximately 340' South (37.22887°N 095.46551°W)
 - c. Section 31, Township 32 S, Range 18 E: NW/4 NW/4, beginning in the NW/C of the NW/4 of said property to approximately 415' East, then to a point approximately 500' South (37.22092°N 095.48077°W)
 - d. Section 31, Township 32 S, Range 18 E: SE/4 NW/4, beginning in the SE/C of the NW/4 of said property to approximately 350' North, then to a point approximately 350' West (37.21540°N 095.47502°W)
 - e. Section 31, Township 32 S, Range 18 E: NW/4 NE/4, beginning in the NE/C of the NE/4 of said property to approximately 1,743' West, then to a point approximately 35' South (37.22208°N 095.47029°W)
 - f. Section 31, Township 32 S, Range 18 E: NE/4 NE/4, beginning in the NE/C of the NE/4 of said property to approximately 400' West, then to a point approximately 35' South (37.22208°N 095.46584°W)
 - g. Section 31, Township 32 S, Range 18 E: SE/4 NE/4, beginning in the SE/C of the NE/4 of said property to approximately 330' North, then to a point approximately 400' West (37.21517°N 095.46607°W)
 - h. Section 31, Township 32 S, Range 18 E: NW/4 SW/4, beginning in the NW/C of the SW/4 of said property to approximately 350' East, then to a point approximately 100' South (37.21425°N 095.48123°W)
 - i. Section 31, Township 32 S, Range 18 E: SW/4 SW/4, beginning in the SW/C of the SW/4 of said property to approximately 400' East, then to a point approximately 400' North (37.20798° N 095.48107°W)
 - j. Section 31, Township 32 S, Range 18 E: SE/4 SW/4, beginning in the SE/C of the SW/4 of said property to approximately 400' West, then to a point approximately 415' North (37.20795°N 095.47536°W)

and Lessee is authorized, to drill wells at or within approximately 100 feet of these locations. Lessee shall not drill any new wells at any other location without first obtaining Lessor's prior written consent to such location(s).

- B. Lessee will consult with Lessor on course, route and direction of lease roads and line (pipe, electric & telephone) installations so as to minimize interference with surface use, Lessee to establish and utilize the minimum number of lease roads necessary to conduct operations, and shall not deviate from lease roads once established, lease roads shall be maintained in good condition so as to prevent rutting and erosion.
- C. When requested by Lessor, Lessee will install and maintain cattle-tight gates at all lease access points into pastures and through pasture cross fences.
- D. Lessee shall not establish a storage yard or general maintenance area on the lease premises; any equipment or supplies not in active use shall be promptly removed from the premises.
- E. Lessee shall defend, indemnify and hold harmless Lessor from any environmental damage, spills or leaks arising from Lessee's operations.
- F. Gas lines from wells shall follow fence lines and ditches whenever reasonable as not to disturb the pasture or crop land any more than necessary.
- **G.** Main trunk lines for the purpose of transporting gas from properties other than above said premises, shall be located within 50 feet of the property perimeter, unless otherwise agreed to in writing by Lessor.
- H. This Lease shall not be pooled or unitized with other properties unless otherwise agree to in writing by Lessor.
- I. Lessee agrees that no dogs, no hunting, and no fishing shall be allowed on above said property unless otherwise agreed to in writing by Lessor.

The Richa	rd E. Park and Margaret E. Parks Revocable Trust dated June	16, 1995			
A	ichard & Parks		ma	egaret E. Do	rhs
Name:	Richard E. Parks, Co-Trustee	Nam	ie: Marg	aret E. Parks, Co-Trustee	
Address	15031 Chase Rd				
	Cherryvale, Kansas 67335				
STATE O	KANSAS, COUNTY OF LA	BETTE , ss	s :		
	The foregoing instrument was acknowledged before me this	25 TH day of	IUNE	. 20 <u>.08</u> ,	
By Richar	d E. Parks and Margaret E. Parks, Co-Trustees of the Richard	E. Parks and Margaret E	E. Parks Revo	ocable Trust dated June 1	6, 1995 .
			Don	Meeters	me
		Nota	ry Public: D	Dan Mertensmeyer	
		Com	mission/Appo	ointment Expires: 6/12/20	009
				DANIMEDTENOMENE	101
			A	DAN MERTENSMEYE NOTARY PUBLIC	:R
			1 Dilly HERBER BUT STANIS	STATE OF KANSAS My Appt. Exp.	
		L. L.		and the property of the second	



Mark Parkinson, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

January 06, 2010

Dennis Kershner Colt Energy Inc PO BOX 388 IOLA, KS 66749-0388

Re: Drilling Pit Application Parks Rev Trust 8-31 NE/4 Sec.31-32S-18E Labette County, Kansas

Dear Dennis Kershner:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 432-2300 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through SOLAR within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to **Drill**. If you have any questions or concerns please feel free to contact the District Office at (620) 432-2300.