For KCC Use:

Effective D	Date:
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District	#	
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SGA?	Yes	No

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

1034201

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 OPERATOR: License#	
Name:	feet from L E / W Line of Section
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: Oil Enh Rec Infield Mud Rotary Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable Seismic ; # of Holes Other Other: If OWWO: old well information as follows: Operator:	Nearest Lease or unit boundary line (in footage): Ground Surface Elevation:
Original Completion Date: Original Total Depth:	Formation at Total Depth:
Directional, Deviated or Horizontal wellbore? Yes No If Yes, true vertical depth:	Water Source for Drilling Operations: Well Farm Pond Other: DWR Permit #: (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;
- 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	 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:	- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.
	Well Not Drilled - Permit Expired Date:
Spud date: Agent:	Signature of Operator or Agent:
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1034201

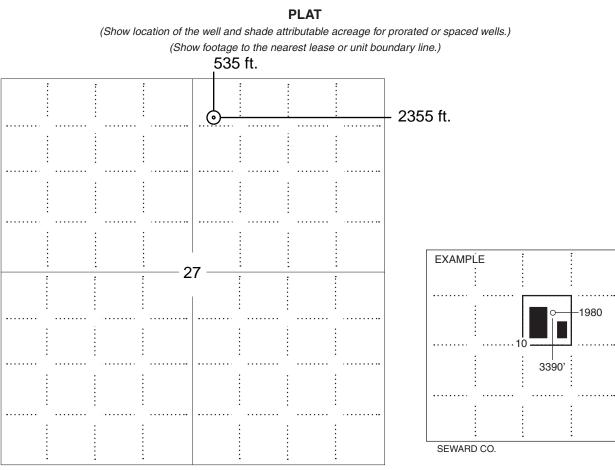
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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 gas wells and within 1/2 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 gas wells and within 1/2 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 gas wells and within 1/2 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 gas wells and within 1/2 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 gas wells and within 1/2 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 gas wells and within 1/2 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 gas wells and within 1/2 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 gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and wells acreage attribution unit for gas wells acreage attribution unit for gas wells acreage attribution unit for gas wells acreage attrib

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					
	If Section is Irregular, locate well from nearest corner boundary.					
	Section corner used: NE NW SE SW					



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 1034201 **OIL & GAS CONSERVATION DIVISION**

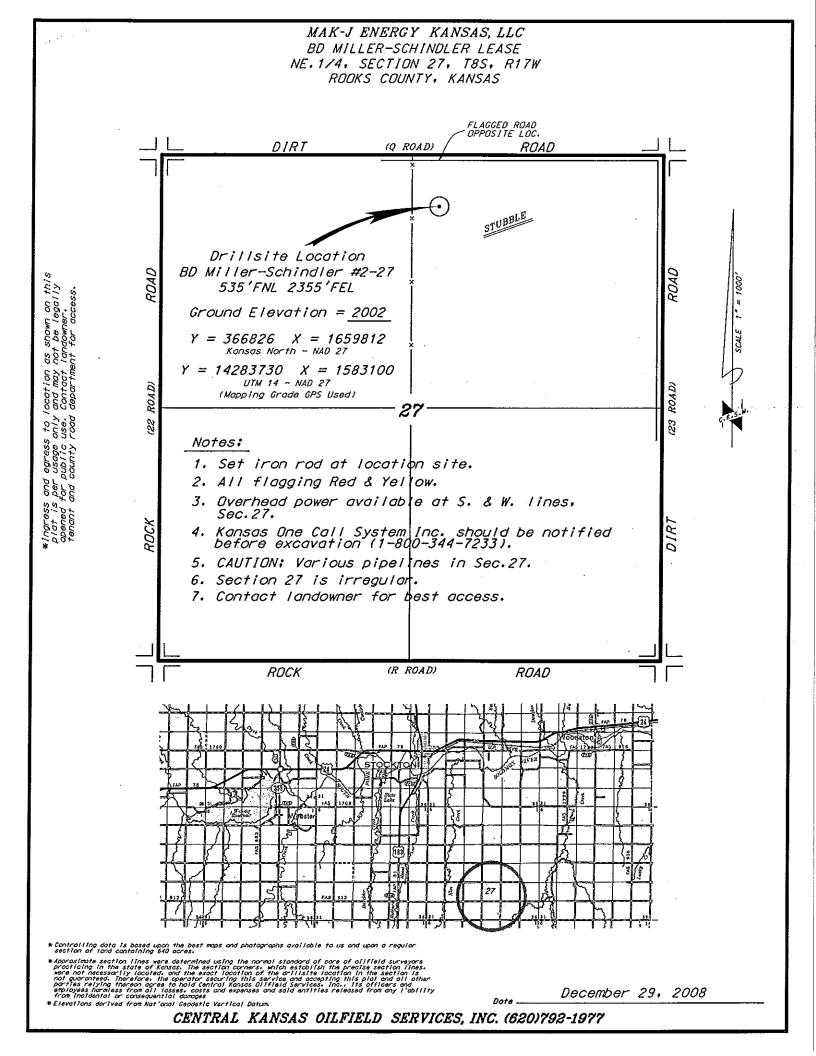
Form CDP-1 April 2004 Form must be Typed

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	SecTwpR.	East West			
Settling Pit Drilling Pit	If Existing, date c	onstructed:	Feet from	North / South Line of Section			
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:		Feet from	East / West Line of Section			
		(bbls)		County			
Is the pit located in a Sensitive Ground Water	Area? Yes	No		mg/l			
Is the bottom below ground level?	Artificial Liner?		<i>(For Emergency</i>) How is the pit lined if a plas	tic liner is not used?			
Yes No	Yes	No					
Pit dimensions (all but working pits):	Length (fe	eet)	Width (feet)	N/A: Steel Pits			
Depth fr	om ground level to d	eepest point:	(feet)	No Pit			
Distance to nearest water well within one-mile	e of pit	Depth to shallo Source of infor	west fresh water mation:	feet.			
feet Depth of water well				electric log KDWR			
Emergency, Settling and Burn Pits ONLY:		_	over and Haul-Off Pits ONL				
Producing Formation: Number of producing wells on lease:			al utilized in drilling/workover:				
Barrels of fluid produced daily:			ndonment procedure:				
Does the slope from the tank battery allow all spilled fluids to			ust be closed within 365 days of spud date.				
Submitted Electronically							
	ксс	OFFICE USE OI	NLY Steel Pit	RFAC RFAS			
Date Received: Permit Num	iber:	Permi	t Date: Lea	ase Inspection: Yes No			

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





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	PRODI	Rev. N

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Schingler, St. a/k/a Kernit D. Schindler, Stockton, Kansas 67669and between Kermit 2007, by 20 Road, 9<u>th</u> day of June , whose address is 1590 29th day of and Gas Lease ("Lease") is made this <u>a single nan</u> This Oil

whether one or more) and I. Fred Hambright, Inc. , whose address is 125 N. Market, Suite 1415, Wichita, KS 67202 ("Lessee"), ŗ

WITNESSETH. For and in consideration of TEN DOLLARS, the covenants and agreements contained herein, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged. Lessor does hereby grant, demise, lease and let exclusively unto said Lessoe, with the exclusive rights for the purposes of mining exploring by goophysical and other methods and operating for and producing thereform oil and all gas of whatsoever name or kind (fucluding coalbed gas), and laying prictines, telephone and telegraph lines, plants, power stations, readways and surfuces thereon to produce, seve and take care of said produces (mending dowaring gor coalbed gas wells), and the exclusive surface or shorts and produce, seve and take care operations, and any and all other rights and provideges measures, nuclear to, or convenient for the operation alone or conjointly with neighboring land for such purposes, all that certain tract or tracts of land situated in <u>ROMS</u>.

lease t separate đ <u>9</u> Tract **Each

and made a part hereof: See Description Rider attached hereto

acres, more or less (the "Premises"), <u>8</u> containing and

- It is sepred that this Lesse shall remain in full force for a term of $\frac{111765}{1}$ (3) years from this date ("Primary Term") and as long thereafter as oil or gas of whateoever anture or kind is produced from the Premises or on accesse pooled or unitized therewith, or operations are confined as hereinather provided. If at the expiration of the Primary Term, oil or gas is not being produced from the Premises or on accesse pooled or unitized therewith but Lessee is then engaged on drilling, revorking or furth primary Term, oil or gas is not being produced from the Premises or on accesse pooled or unitized therewith but Lessee is then engaged of drilling, revorking or dowatering operations thereon, then this Lesse shall continue in face so long as such operations are continuously proscented in drilling, revorking or dowatering operations thereon, then this Less shall continue or fram. (20), days shall elapse being continuously proscented abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on the Premises or on accesse additional drilling, revorking the production thereof should cease from any cause after the primary term, this Lesse shall not terminate if Lesse commends additional drilling, revorking the production thereof should cease from any cause after the optimary term, this Lesse shall not terminate if Lesse commends additional drilling, revorking the discovered and production star actual of and therewith. 1
- This is a PAID-UP LEASE. In consideration of the payment made berowith, Lessor agrees that Lessoe shall not be obligated, exact tas otherwise provided horkin, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the Primary Term surrender this Lesse as to all or any portion of the Premises and as to as to all the accounts as to be obligated or any strata or stratum, by delivering to Lessor or by filing for record a release, and be officiend of all obligations thereafter accurate surrender the Lesse. 2
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Lessee covenants and agrees to pay royalty to Lessor as follows:
(a) On oil, to deliver to the carefit of Lessor, free of cost an the lease if sold on the Premises or free of cost into the pipeline to which Lessoe may connect wells at first point of sais, the carefit of Lessoe and one-half per-carefit of 12.50%) part of all oil produced and saved from the Premises.
(b) On gas of whatscorer nature or thind, liquid hydrocarbous and their respective constituent elements, casinglead gas or other gaseous substances, produced from the Premises ("Gas") Lessee shall pay, as royalty, Twelve and one-half per-cent (12.50%) of the act proceeds realized by Lessee from first point of sale.
(c) On good from the Premises ("Gas") Lessee shall pay, as royalty, Twelve and one-half per-cent (12.50%) of the act proceeds realized by Lessee from first point of sale.
(c) On produced from the Premises Lessee shall pay, as royalty, Twelve and one-half per-cent (12.50%) of the net proceeds realized by Lessee from first from first point of sale.
(d) Lessee shall have the right to pay Lessor's proportionate share of any required severance, excise or gross production taxes.

- Where Gas from a well capable of producing Gas is not sold or used after the expiration of the Primary Term, Lessee shall pay or tender as royalty to Lessor at the address set forth above One Dollar (\$1,00) per year per net mineral acre, such payment or trader to be made on or before the ameresary date of this Lesse next exuming after the expiration of minety (90) days from the date such well is shut in or devatering operations are commenced and thereafter on or before the ameresary date of this Lesse next exumines against the expiration of minety (90) days from the date such well is shut in or devatering operations are commenced and thereafter on or before the amiversary date of this Lesse during the period such well is shut in or devatering operations are commenced and thereafter on or before the amiversary date of this Lesse during the period such well is shut in or devatering operations are commenced and thereafter on or before the ¥
- Gas royalty, herein shut-in (ŝ including a lf Lessor owns a lesser interest in the Premises than the catine and undivided fee simple estate therein, then the royalties, provided for shall be paid Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee. vá
- streams, except water from the wells, thercon, water produced on the Premises for Lessee's operations and Ъ, Lessee shall have the right to use, free of cost, Gas, lakes and ponds of Lesson. Ś
- When requested by Lessor, Lessor, Lessor shall bury Lessor's pipeline helow plow depth. No well shall be defled nearer than 200 foet to the house or barn now on the Premises without written consent of Lessor. Lessor shall pay for damages caused by Lessoc's operations on the Premises. Lessoe shall have the right at any time to remove all machinery and fixtures (methoding casing) Lessor has placed on the Premises. 2
- The rights of the Lessor and Lessoe hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been farmished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments finerulth, mode. No other kind of notice, whether actual or constructive, shall be binding on Lessor. No present on future division of Lessor's ownership made. No other kind of notice, whether actual or constructive, shall be binding on Lessor. No present or future division of Lessor's ownership as to different portions or parcels of the Premises shall operate to enlarge the obligations or diminish the rights of Lesses, and all Lessor's operations may be conducted without negard to any such division. If all or any part of this Lesse is assigned, no leasefuld owner shall be liable for any act or omission of any other leasehold owner. ¢\$
- Lesses, at its option, is luredy given the right and power to pool, unitize or combine the arreage covered by this lease or any portion thereof with other land, lease or lesses in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, and a unit or mits shall not exceed 80 acres each in the event of an oil well, or 640 acres each in the event of a gas well, plus a tolencoil from said premises, and a unit or mits shall not exceed 80 acres each in the event of an oil well, or 640 acres each in the event of a gas well, plus a tolencoil from said premises, and a unit or mits shall not exceed 80 acres each in the event of an oil well, or 640 acres each in the event of a gas well, plus a tolencoil four precent (10%) to conform to government surveyed soctions. Lessee shall execute in writing and record in the records of the county in which the lead for situated an instrument identifying and describing the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production its protection, whether the well or wells be located on the predict herein as the amount of his net royally interest therein on an acreage basis bears to the total from a unit so pooled only such portion of the records acreage. If noduction is found on the pooled acreage, it shall be treated as if production is hear to whether the well or wells be located on the predict acreate for an expating cleavibrent specified, lessor shall receive on production from a unit so pooled only such particular unit involved. đ
- All express or implied coverants of this Lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this Lease shall not be tarminated, in whole or in part, nor Lessee theid Hable in damages, for thalfore to comply therewith if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation. Any delay or interruption caused by strort, flood, and of God or other event of force majeme shall not be commed against Lessee. If, due to the above causes or any cause whatsoever beyond the control of Lessee, Lessee is prevented from conducting operations heremider, such the shall not be control of line shall not be control against Lessee. Lessee, and this Lessee, and this Lessee, and this Lessee, and the control of Lessee, Lessee is prevented from conducting operations heremider, such the control of time equal to the time Lessee was so prevented, anything in this Lesse to the control of time equal to the time Lessee was so prevented, anything in this Lesse to the control of time equal to the time Lessee was so prevented, anything in this Lesse to the control of time equal to the time Lessee was so prevented. g
- Lesson hardby 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 Lesson, by payment, any montgages, 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 Received for record at 81,000 v clock the ML on 21 day Strate of Kames) August 20 07, and recorded in Book 374 of Rooks Commby) Recordes at page 587-584 Rooks Commby) Recordes at page 587-584 님

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usuer unreaut and the buddenged Lessons, for themselves and their heirs, successons and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.	ase all right of dower and homestead his lease is made, as recited herein.
12. Should any one or more the parties named as Lessor hurtin full to execute this Lesse, it shall nevertheless be hinding upon all such parties who do execute it as Lesson. The word "Lesson", as used in this Lease, shall mean any one or more or all of the parties who execute this Lease, shall mean any one or more or all of the parties who execute this Lease. All the provisions of this lease shall be binding on the heix, successons and assigns of Lesson and Lesson. See Ricker althered hereich and method as part hereoff. See Ricker althered hereich and method as of the date first shows with the more of this lease. IN WITNESS WHEREOF, this instrument is executed as of the first shows withten.	all such parties who do execute it as as Lessor. All the provisions of this
Kernit Schindler By: Remit Schindler Tax ID # Tax ID #	
STATE OF Kareas)	NT
ethis 20th day of June ar, Sr., Name Martine Ma	2007 by a) stingle men
STATE OF) STATE OF) SSC)SSC]SSC]SSCDOT VIDUAL ACKNOWLEDGMENT2007 by	NT
My Commission Expines: Notary Public	
STATE OF) COUNTY OF) The foregoing instrument was acknowledged before me this day of2007 by	
My Commission Expires: Notary Public	
**********OIL AND GAS LEASE RECORDING INFORMATION***** STATE OF COUNTY:	N*****
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	wight, Inc. et, Suite 1415 67202

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PRODUCERS 33-PAID UP Rev. No. 1 (CBG)

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DESCRIPTION RIDER

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^{xy}Each Tract is a separate lease^{xx}

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Range 17 West	AWA: NW-SW-	4j4		5	
Township 8 South, Rang	ot #2 Section 14:	0010 11404 #3 360100 16: 344	將 Section 22: 素 Section 23:	March 2/2	

Kernit Schin

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	-	Lessee or assigns agree that in the event of drilling operations to restore the surface of the land to its original contour and condition as nearly as is reasonably practicable and pay for damages caused by their operations. All top soil shall be piled separately and returned to the surface when the pits are filled. Lessee or assigns shall consult with Lessor or Lessor's agent as to routes of ingress and egress and location of equipment on the leased premises.	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 \$10.00 multi- plied 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 pro- visions 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 of on those tracts designated for the extension, whether all or any part thereof.	lease, or any wording contained in this lease (such lar terms) each of the separately designated tracts (poses as a separate and distinct lease. All of the p applicable to each separate tract and he construed as thed covering each separate tract.	ţ.			•					•	
	<i>.</i>	arations to as nearly ations. All oits are fill to routes (vise conti ess Less or the sun sor in all bject to t for an a of on thos	contained separately md distinct arate tract										
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	٠	gree that o its origi for dams l returned it with Le of equipi	of the primary term, ovisions hereof, this e primary term shall number of net miner described and subje s lease, the primary is from the end of th or the extension, wh	ovisions o Id", or an ated for e form size en mode an	•	;	T	high	· ·		•	•		
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		Lessee or as surface of the practicable a piled separat assigns shall egress and lo	If at the end (under the pro the end of the plied by the r lands above visions of this three(3) year designated fo	Notwithstanding any provi "this lease", "leasehold" this lease stall he treat contained in this lease f contained in this lease lease agreement had heen.				Lerred Kemi Schin			· · ·			
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L.EASE GAS AND OIL

husbarr H and Dwight Miller, Kermit Schindler, a/k/a Kermit D. , whose address is <u>423 S. Cypress, Stockton, Karess b/009</u> Schindler, St. a SUBJE neti (Lessor witcher one or more) and J. Fred Hambright, Inc., whose address is 125 N. Market, Suite 1415, Wichina, KS 67202 ("Lessee"). Marilyn Miller 2007, by and between Ê day of 291se") is made this This Oil and Gas Lease

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WITNESSETH, For and in consideration of TEN DOILARS, the covenants and agreements contained herein, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged. Lessor does hereby grant, demise, lease and let exclusively unto said Lessoe, with the exclusive rights for the purposes of mining, exploring by geophysical and other methods and operating for and poolucing thereform oil and all gas of whatsoever mante or kind (including coalbed gas), and laying predimes, thephone and telegraph lines, building tanks, plants, power stations, machanys and structures thereon to produce, save and take care of said produces (including devantating of coalbed gas wells), and the exclusive sufface or substances rights and privileges related in any manner to any and all such operations, and any and all other rights and privileges necessary, incident to, or convenient for the operation alone or conjoinfty with meighboring famil for such purposes, all that exclusions that or traces of land situated in <u>POOS</u> County, State of Kanssa described as follows, to wit-

fach Tract is a separate lease

See Description Rider attacted hereto and made a part hereof:

acres, more or less (the "Premises"). containing 1, 120 h

- It is speed that this Lease shall remain in full force for a term of \underline{TDCE} (3) years from this date ("Primary Term") and as long thereafter as oil or gas of whatsoever natures or find is produced from the Premises or on accesse pooled or untitized theorwith, or operations are continued as hereizafter provided. If at the expiration of the Primary Term, oil or gas is not being produced from the Premises or on accesse pooled or untitized theoremith mLessees is then engaged in drilling, revorking or devantating operations thereon, then this Lease shall continue in fince so long as such operations are continuously produced from the Premises or on acreage pooled or untitized therewith hat Lessee is then engaged of admites and the expiration of the Primary Term, oil or gas is not being produced from the framines in funce so long as such operations are being continuously processed in drilling, revorking or devanted to be continuously prostented if not more than one fund or than (120) days shall elepse between the completion or pooled or untitized therewith, the production thereof should cease from any came after the primary term, this Lesse shall not troumtate if Lesse commences difficued difficued from the frame or hundred twenty (120) days from date of or gas on the Premises or on acreage difficued difficued to be discovered and production thereof should cease from any came that the optication of the Primary term, this Lesse shall continue of day hole. If oil or gas shall be discovered and produced as a result of such operations at or after the contration of the Primary Ferm, this Lesse shall continue of the primary term.
- This is a PAID-UP LEASE. In consideration of the payment made herewith, Lesson agrees that Lessoe shall not be obligated, except as otherwise provided herein, to commance or continue any operations during the primary term. Lessee may any time or times during or after the Primary Term surrender this Lesse as to all or any portion of the Premises and as to any strata or stratom, by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligations thereafter to commany at the accession of the Premises and as to any strata or stratom, by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligations thereafter to conting as to the acreage surrendered. 2

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- Lessee covenants and agrees to pay royalty to Lesson as follows:
 (a) On oil, to deliver to the credit of Lesson, free of cost on the lease if sold on the Premises or free of cost into the pipeline to which Lessee may connect wells at first point of safe, the equal Twelve and one-half per-coni (12.50%) part of all oil produced and saved from the Premises.
 (b) On gas of whatscever nature or kind, liquid hydrocarbons and their respective constituent elements, casinghead gas or other gascons substances, produced from the Premises.
 (c) On pass of whatscever nature or kind, liquid hydrocarbons and their respective constituent elements, casinghead gas or other gascons substances, produced from the Premises.
 (c) On produced from the Premises Lessee shall pay, as noyalty, Twelve and one-half per-cent (12.50%) of the net proceeds realized by Lessee from first form first point of sale.
 (c) On products produced from the Premises Lessee shall pay, as noyalty, Twelve and one-half per-cent (12.50%) of the net proceeds realized by Lessee from first form first point of sale.
 (d) Lessee shall have the right to pay Lesson's proportionate share of any required severance, excise or gross production taxes.
- 4
- Where Gas from a well expedicing Gas is not sold or used after the expiration of the Primary Term, Lessee shall pay or tender as royalty to Lessor at the address set forth above One Dollar (\$1.00) per year per net mineral acre, such pryment or tender to be made on or before the anniversary date of this Lesson ran ensuing after the expiration of minety (90) days from the date such well is shut in or devatering operations are commenced and thereafter on or before the expiration of minety (90) days from the date such well is shut in or devatering operations are commenced and thereafter on or before the anniversary date of this Lease during the period such well is shut in or devateding operations are commenced and thereafter on or before the anniversary date of this Lease during the period such well is shut in or devatedons are being conducted.
 - If Lessor owns a lesser interest in the Premises than the entire and undivided fee simple estate therein, then the royalites, including any slurt-in Gas royalty, herein provided for shall be paid Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee. vi.
- streams, Lessee shall have the right to use, five of cost, Gas, oil and water produced on the Premises for Lessee's operations thereon, except water from the wells, Takes and ponds of Lessoe. Q
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- When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth. No well shall be defled nearer than 260 fiert to the house or barn now on the Premises without written curstent of Lessor. Lessee shall pay for demages caused by Lessee's operations on the Frentises. Lessee shall have the right at any time to remove all muchinery and formes (incinding exemp) Lessee has placed on the Premises. ¢¢
- The rights of the Lessor and Lessee hareunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessoe until Lessee has been furnished with noice, consisting of carifield copies of all recorded instruments or documents and other information necessary to catablish a complete chain of record file from Lessor, and then only with respect to payments functurer made. No other kind of notice, whether actual or constructive, shall be binding on Lessor. No present or future division of Lessor's ownership as to different portions or parcels of the Premises shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this Lesse is assigned, no incredent formant furth on one shall be finable for any act or nonices in our stores of this lessee. If all the finable for any act or nonices is assigned to any such division. If all or any part of this Lesse is assigned, no incredent former than are one of any other lesschold owner.
- Lessec, at its option, is hardy given the right and power to pool, unitree or combine the acreage covered by this lesse or any portion thereof with other land, lesse or lesses in the immediate violatiy thereof, when it lesses's judgment it is necessary or advisable to do so in order to properly develop and operate said lesse premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, and a unit or units shall not exceed 80 aares each in the event of an oil well, or 640 acres each in the event of a gas well, plus a tolerance of than premises, and a unit or units shall not exceed 80 aares each in the event of an oil well, or 640 acres each in the event of a gas well, plus a tolerance of than preme (10%) to conform to government exceed 80 aares each in the event of an oil well, or 640 acres each in the event of a gas well, plus a tolerance of than premise, and a unit exceed 80 aares each in the event of an oil well, or 640 acres each in the event of a gas well, plus a tolerance of than premise, and a unit exceed 80 aares each in the event of an oil well, or 640 acres each in the resorts of the county in which the land herein leased is situated an instrument identifying and describing the pooled areage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes, except the payment of royalties on production, whether the well or wells be hearded in this lease. If production is found on the pooled arrange, it shall be treated as from this lease, from a unit so pooled only such partien of the royalty stipulated herein as the anount of his not royalty interest therein on an acreage basis bears to found from a unit so pooled only such partiender unit involved. ¢,

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- All express or implied covenants of this Lesse shall be subject to all Federal and State Laws, Executive Ordens, Rules or Regulations, and this Lesse shall not be terminated, in whole or in part, nor Lessee held fable in damages, for failare to comply therewith if compliance is prevented by, or if such failure is the result of, any such Law. Order, Rule or Regulation. Any delay or interruption caused by storm, flood, act of God or other event of force majeure shall not be against Lessee. If, due to the above causes or any cause whethere they control of Lessee, Lessee is prevented from conducting operations for ender, such time shall not be commed against Lessee, and this Lesse shall be extraded for a period of time equal to the flore Lessee to interrupting in this Lesse to the contrary note that a fraine Lessee, and this Lesse shall be extraded for a period of time equal to the flore Lessee was so prevented, anything in this Lesse to the contrary noteithermoting. ğ
- Lessor hareby warrants and agrees to defind the title to the lands herein described, and agrees that the Lesses shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other tiens on the above described lands, in the event of default of payment by Lessor and be solvegated to the rights of the Ц

day * 7/5 M. 01 , and recorded in Bcok v'viock 54:11 01 22 Received for record at September State of Kances) Rooks County)

Pri.k -• Dun ł Ý Records at page 3/8 Register of Deede

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	When Recorded Return To: J. Fred Hambright, Inc. 125 N. Market, Suite 1415 Wichita, KS 67202

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eke 375 Pc 320 Marilyn miller Mu The į. Towship 8 South, Range 17 West Tract #1 Section 8: ESW4; WSTE Tract #2 Section 16: Net Tract #3 Section 16: SE4 Tract #4 Section 17: Net Tract #6 Section 17: Net Tract #6 Section 17: Net Tract #1 Section 17: Net . **Each Tract is a separate lease** 2 hours DESCRIPTION RUDER + . • . 7 Ē Le his Kennit D. Schindler, Sr . Kennit ٩. • •• \$

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RIDER	Lessee or assigns agree that in the event of drilling operations to restore the surface of the land to its original contour and condition as nearly as is reasonably piled separately and returned to the surface when the pits are filled. Lessee or piled separately and returned to the surface when the pits are filled. Lessee or egress and location of equipment on the leased premises. If at the end of the primary term, this lease is not otherwise continued in force the end of the primary term shall pay or tender to Lessor in all or any part of the primary term shall pay or tender to Lessor in all or any part of the visions of this lease, and of the primary term shall pay or tender to Lessor in all or any part of the visions of this lease, the primary term shall pay or tender to Lessor in all or any part of the visions of this lease, the primary term shall be been as the of the primary term shall pay or tender to Lessor in all or any part of the visions of this lease, the primary term shall be bestended for an additional term of the visions of this lease, the primary term shall be extended for an additional term of three(3) years from the end of the primary term shall be extended for an additional term of designated for the extension, whether all or any part thereof.	Notwithstaming any provisions of this lease, or any wording contained in this lease (such as "the lands", "this lease", "leasehold", or any similar terms) each of the separately designated tracts ("hracts") to this lease shill be treated for all purposes as a separate and distinct lease. All of the provisions contained in this lease form shall be applicable to each separate tract and he construed as if a separate lease agreement. These lease are included covering each separate tract.		Kenning Linger, S. Semit D. Schindler, S. Martin Miller Dage Miller
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	PRODUCERS SEPAD UP ' . Rev. No. 1 (CBG) OTT, AND CASTERASF
	This Oil and Gas Lease "Lease") is made this 12th day of July 2007, by and between Hester E. Stanper, a widow, Tarry D. and Lirrida G. Stanper, his wife whose address is 2120 R. Road, Plaintville, Raress 67663 ("Lesso" whether one or more) and I. Fred Hambright, Inc., whose address is 125 N. Market, Suite 1415, Witchin, KS 67202 ("Lesso").
· ·	WINESSETH, Fur and in consideration of TEN DOILARS, the covenants and agreements contained herein, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, Lessor does hereby grant, demise, lease and let exclusively unto said Lesses, with the exclusive rights for the purposes of mining, exploring by geophysical and other methods and operating for and producing thereform oil and all gas of whatscover nature or kind (including coalled gas), and laying pipelines, telephone and telegraph lines, plants, power stations, readways and structures thereon to produce, save and the coalled gas), and laying pipelines, telephone and telegraph lines, plants, power stations, readways and structures thereon to produce, save and the coalled gas, and any and all other rights are present in the operation alone or conjointly with neighboring land for such operations, and any and all other rights are present, incident to, or convenient far the operation alone or conjointly with neighboring land for such purposes, all that centain tract or tracts of land situated in $\frac{2000}{1000}$ Model $\frac{2000}{1000}$ Model $\frac{2000}{1000}$ Model $\frac{2000}{1000}$ Model $\frac{2000}{1000}$ Model $\frac{2000}{1000}$ Model $\frac{2000}{1000}$ Model $\frac{2000}{1000}$ Model $\frac{2000}{10000}$ Model $\frac{2000}{10000}$ Model $\frac{2000}{10000}$ Model $\frac{2000}{10000}$ Model $\frac{2000}{10000}$ Model $\frac{2000}{10000}$ Model $\frac{2000}{100000}$ Model $\frac{2000}{100000}$ Model $\frac{2000}{100000}$ Model $\frac{2000}{1000000}$ Model $\frac{2000}{100000000000000000000000000000000$
	and containing 320 acres, more or less (the "Premises").
	It is seared that this Leave shall remain in full force for a term of <u>Three</u> (3) years from this date ("Primary Term") and as long thereafter as of or gas of whatscorer nature or kind is produced from the Premises or on acceage pooled or unitized therewith, or operations are continued as hereinather provided. If at the expiration of the Primary Term, oil or gas is not being produced from the Premises or on acceage pooled or unitized therewith but Lesses is then engaged Operations shall be considered to be continuously protecanted if not more than the former (120) days shall elapse provided abandomment of one well and the beginning of operations for the films of a subsequent well. If after discovery of oil or gas on the Premises or on acceage pooled or unitized therewith, the production the presented abandomment of one well and the beginning of operations for the dulling of a subsequent well. If after discovery of oil or gas on the Premises or an acceage pooled or unitized therewith, the production thereof should cease from any cause after the primary (120) days from date of ergs and if or gas on the Premises or an acceage additional dulling, reworking or dewatering operations for the operations at the advect the termiser or an accease dy hole. If oil or gas is production thereof should cease from any cause after the primary term, this Lease shall not terminet a force so long as oil or gas is production the Premises or on acceage pooled or unitized therewith.
	2. This is a PAID-UP LEASE. In consideration of the payment made herewith, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessoe may at any time or times during or after the Primary Term summater this Lesse as to all therein, or any portion of the Permises and as to any strate or statement, by delivering to Lessor or by filing for record a release or relieved of all obligations therease.
•	 i. Lessee coverants and agrees to pay rayalty to Lessor as follows: (a) On oil, to deliver to the carefit of Lessor, fire of cost on the lease if sold on the Premises or free of cost into the pipeline to which Lessee may connect wells at first point of sale, the equal Twelve and cos-half per-cent (12.50%) part of all oil produced and saved from the Premises. (b) On gas of whatsoever name or kind, liquid hydrocarbons and their respective constituent elements, casinghead gas or other gascors substances, point of sale. (b) On gas of whatsoever name or kind, liquid hydrocarbons and one-half per-cent (12.50%) of the net proceeds realizes. (c) On produced from the Premises ("Gas") Lessee shall pay, as royalty, Twelve and one-half per-cent (12.50%) of the net proceeds realized by Lessee from first for the real one-half per-cent (12.50%) of the net proceeds realized by Lessee from first (1) I essee shall pay, as royalty, Twelve and one-half per-cent (12.50%) of the net proceeds realized by Lessee from first (1) I essee shall pay.
	4. Where Gas from a well capable of producing Gas is not sold on used after the expiration of the Primary Term, Lesses shall pay or tender as royalty to Lessor at the address set forth above. One Dothar (\$1.00) per year part attraction are accessing after the expiration of the Primary Term, Lesses shall pay or tender as royalty to Lessor at the cashing after the expiration of much year part of the Primary Term, Lesses shall pay or tender on the store at the cashing after the expiration of much year part of the Primary Term, Lesses shall pay or tender on the store at the cashing after the expiration of much (90) days from the date such well is shut in or devated to be made on or before the autiversary date of this Lases much anniversary date of this Lases much anniversary date of this Lases during the period such well is shut in or devated on an connected and thereafter on or before the anniversary date of this Lases during the period such well is shut in or devated on an econnected and thereafter on the before the anniversary date of this Lases during the period such well is shut in or devated on an econnected and thereafter on the before the anniversary date of this Lases during the period such well is shut in or devated on an econnected and thereafter on or before the anniversary date of this Lases during the period such well is shut in or devated on an econnected.
	 If Lessor owns a lesser interest in the Premises than the entire and undivided fee simple estate facturin, then the rogatites, including any shut-in Gas royalty, herein provided for shall be paid Lessor only in the proportion which Lesson's interest bears to the whole and undivided fee.
	 Lessee shall have the right to use, free of cost, Gas, oil and water produced on the Premises for Lessee's operations thereon, except water from the wells, streams, lakes and ponds of Lesson.
-	 When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth. No well shall be defled nearer than 200 feet to the house or barn now on the Premises without written consent of Lessor. Lessee shall pay for damages caused by Lessee's operations on the Premises. Lessee shall have the tight at any time to remove all machinery and fratures (including casing) Lessee has placed on the Premises. Lessee shall have the tight at any time
ઌૼ	The rights of the Less to binding on Lessen necessary to establish actual or constructive, operate to enlarge the part of this Lease is as
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	10. All copress or implied coverants of this Lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this Lease shall not the turminated, in whole or in part, nor Lease shall be advanged, for failure to comply therewith if compliance is prevented by, or if such failure is the result of any such Law, Order, Rules or Regulation. Any delay or interruption caused by storm, flood, act of God or other event of force majeme shall not be commendated. If due to the above causes or any cause whatsoever beyond the control of Lessee, Lessee is prevented from conducting operations heremular, such time stall not be commendated to control the control of the control of force majeme shall not be commendated to control the control of the control of the support of the state
	11. Lesson hency warrants and agrees to defind the title to the fands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lesson, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lesson and be subrogated to the rights of the Received for record at 8.00 of violect A . M. on $2/$, day Sizee of Kanesco) $Au au x = 2007$, and recorded in Book 374 of Roches Country) Records at page $594-601$, and recorded in Book 374 of Roches Country) Records at page $594-601$, and recorded in Book 374 of Roches Country) Records at page $594-601$, and recorded in Book 374 of Roches Country) Records at page $594-601$.

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	holder thereof, and the undervigned Lessons, for themselves and their heirs, successons and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.
12. Should any oue or more the parties named as Lesson hardin fail to excents this Lesse, it shall neverthe Lesson. The word "Lesson", we used in this Lesse, shall mean any one or more or all of the parties where are stall be binding on the heirs, successors and assigns of Lesson and Lessee. See Rider atLadded hereico and made a part hereoff. IN WITNESS WHEREOF, this instrument is excented as of the date first almore written.	Should any one or more the parties named as Lesson herein fait to execute this Leave, it shall nevertheless he binding upon all such parties who do excoute it as Lessor. The word "Lessor", we used in this Leave, shall mean any one or more or all of the parties who execute this Leave as Lessor. All the provisions of this leave shall be binding on the heirs, successons and assigns of Lessor and Lessoe. See Rider attached hereiro and mack a part hereoff: WITNESS WHEREOF, this instrument is executed as of the date first advoce written.
Metting, Alamper By: Hester & Stander TaxID#	Br. Larry. Samer
	Hinda H. Humber Linda G. Stanger INDIVIDUAL ACKNOWLEDGMENT
The foregoing instrument was acknowledged before me this 12th day Rester 17. Stancer, a widow My Commession Expressoraby Public My Commession Expressoraby Public	day of July 2007 by and Larry D. Stamer and Linna G. Stamer, his wife Noter, Kuahr William B. fasser
STATE OF	INDIVIDUAL ACKNOWLEDGMENT 2007 by
My Commission Expires	Notary Public
STATE OF	CORPORATE ACKNOWLEDGMENT
My Commission Expires:	Notary Public
**************OIL AND GAS LEASE RECORDING INFORMATION***)RDING INFORMATION*********
This instrument was filed for record on the day of 200 Recorded in Book Page of the records of this office.	200 at o'clockM and duly office.
BY: Clerk and Recorder	When Recorded Return To: J. Fred Harrbright, Inc. 125 N. Market, Suite 1415 Widhita, KS 67202

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PRODUCERS 88-PAID UP Rev. No. 1 (CBG)

1 6 9 3 1 A PC 6 9 1	RIDER Lessee or assigns agree that in the event of drilling operations to restore the surface of the land to its original contour and condition as nearly as is reasonably practicable and pay for damages caused by their operations. All top soil shall be piled separately and returned to the surface when the pits are filled. Lessee or assigns shall consult with Lessor or Lessor's agent as to routes of ingress and egress and location of equipment on the leased numices	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 \$10.00 multi- plied 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 pro- visions of this lease, the primary term shall be extended for an additional term of three(3) years from the extension, whether all or any part thereof.	My provisions of this lease, or any wording contained in this lease (such as "the lands", methold", or any similiar terms) each of the separately designated tracts ("hracts") to be treated for all purposes as a separate and distinct these. All of the provisions i lease form shall he applicable to each separate tract and he construct as if a separate ad bean mole a evented covering each separate tract.	· · ·	Lary D. Stanger	Finds G. Stanger		
(RIDER Lessee or assigns agree that in the event of drilling operat surface of the land to its original contour and condition as practicable and pay for damages caused by their operation piled separately and returned to the surface when the pits assigns shall consult with Lessor or Lessor's agent as to n egress and location of equipment on the leased memisses	If at the end of the primary term, this lease is not otherwise or under the provisions hereof, this lease shall expire, unless L the end of the primary term shall pay or tender to Lessor the plied by the number of net mineral acres owned by Lessor in lands above described and subject to this lease; and subject visions of this lease, the primary term shall be extended for three(3) years from the end of the primary term hereof of on designated for the extension, whether all or any part thereof.	Notwithstanding any provisions of this lease, or "this lease," "leasehold", or any similiar term this lease shall be treated for all purposes as contained in this lease form shall be applicable lease agreement had been mode a evecuted coveriv	,	Alatin D. Stanfe Hester & Stange			