

For KCC Use:	
Effective Date:	
District #	
0010	□

Kansas Corporation Commission Oil & Gas Conservation Division

Form C-1 October 2007 Form must be Typed

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

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

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

_ Agent: _

Spud date: _



IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

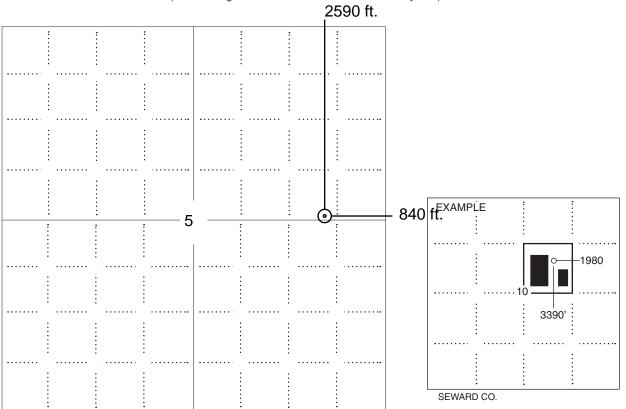
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15	
Operator:	Location of Well: County:
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

1035176

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)	Pit is: Proposed If Existing, date complete capacity:		SecTwpR East West Feet from North / South Line of Section Feet from East / West Line of Section
		(bbls)	County
Is the pit located in a Sensitive Ground Water	Area? Yes	No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)
Is the bottom below ground level? Yes No	Artificial Liner?	No	How is the pit lined if a plastic liner is not used?
Pit dimensions (all but working pits):	Length (fe	eet)	Width (feet) N/A: Steel Pits
Depth fr	om ground level to de	eepest point:	(feet) No Pit
material, thickness and installation procedure	ł.	liner integrity, in	ncluding any special monitoring.
Distance to nearest water well within one-mile	e of pit	Depth to shallo Source of infor	west fresh waterfeet.
feet Depth of water well	feet		redwell owner electric logKDWR
Emergency, Settling and Burn Pits ONLY:		Drilling, Work	over and Haul-Off Pits ONLY:
Producing Formation:		Type of materia	al utilized in drilling/workover:
Number of producing wells on lease:		Number of wor	king pits to be utilized:
Barrels of fluid produced daily:		Abandonment	procedure:
Does the slope from the tank battery allow all flow into the pit? Yes No	spilled fluids to	Drill pits must I	pe closed within 365 days of spud date.
Submitted Electronically			
	KCC	OFFICE USE O	NLY Steel Pit RFAC RFAS
Date Received: Permit Num	ıber:	Perm	it Date: Lease Inspection:

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AND GAS LEAS Ш

therein situated in County of Rice State of Kansas described as follows to-writ: SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR PROPERTY DESCRIPTION.	Lessor, in consideration of Ten and Other Valuable Considerations Dollars (\$ 10.00) in hand paid, receipt of which is hereby acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to products, injecting care of treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefron, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest,		AGREEMENT, Made and entered into the 20th day of September by and between	
s follows to-wit:	which is hereby of investigating, oducts, injecting duce, save, take om, and housing	er called Lessee:	2005	

In Section accretions thereto. and all

Subject to the provisions herein contained, this lease shall remain liquid hydrocarbons, gas or other respective constituent products, pursuant to the provisions hereof. In consideration of the premises the said lessee cov

n in force s, or any

for a term of \underline{THREE} (3) years from this date (called "primary term of them, is produced from said land or land pooled therewith or this lease is

s long thereafter are maintained in

as oil,

1st. To deliver to the the leased premises. credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from

one-eighth (1/8), at the market price at the well, (but, as to gas sold by Lessee, in no event more than one-eighth (1/8), at the market price at the well, (but, as to gas sold by Lessee, in no event more than one-eighth (1/8) of the net proceeds received by Lessee from such sales, such net proceeds to be less a proportionate part of the production, severance, or other excise taxes and the cost incurred by Lessee in delivering, treating for the removal of nitrogen, belium or other impurities in the gas, processing, compressing, or otherwise making any such gas merchantable) for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be

This lease may be maintained during the primary term hereof without further payment or drilling operations. If at the expiration of the primary term of this lease, oil or gas is not being orduced on the leased premises or on acreage pooled or unitized therewith but Lessee is then engaged in drilling, reworking operations thereon, then this lease shall continue in force so long are not hundred and twenty (120) days shall elased premises or on acreage pooled or unitized therewith, and operations shall be considered to be continuously prosecuted if not more servery of oil or gas on the leased premises or on acreage peoled or unitized therewith, the production should cease from any cause after the primary term, this lease shall not terminate if oil or gas shall be discovered and produced as a result of such operations, this lease shall continue in full force and effect so long as oil or gas is produced from the leased premises or on necesses of the completion of a dry holds.

Well or wells are either shut in or production therefrom is not being sold by Lessee, such well or wells thall nevertheless be deemed to be producing for the substances covered hereby, but such for a period of minety (90) consecutive days such well or wells are shut in or production therefrom is not sold by Lessee, shall pay an aggregate shut in royalty of Five Dollars and thereafter on or before each anniversary date of this lease, who he made to Lessor on or before the anniversary date of this lease next ensuing after the expuration of the said minety (90) day period shall be due until the end of the next following anniversary date of this lease from another well on the leased premises or lands pooled or multized therewith, no share that it is primary royalty shall render Lessee liable for the amount due, but shall not operate to terminate this lease.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in royalties) herein for shall be paid the said lessor only in the proportion which lessor'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 said land for lessee's operation thereon, except water from the wells of lessor. When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of lessor.

Lessee shall pay for damages caused by lessee's operations to growing crops on said land.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing

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, executo a written transfer or assignment or a true copy thereof. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion portions arising subsequent to the date of assignment.

Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered. and thereby E.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole restrictions on the drilling and production of wells, and regulation of the price or transportation of oil, gas or other substance covered hereby. When drilling, reworking, production or other celeritority, fuel, access or easements, or by an act of God, strike, lockout, or other industrial disturbance, act of the public enemy, war, blockade, public rol, lightening, fire, storm, flood other set of nature, explosion, governmental action, governmental delay, restraint or inaction, or by mability to obtain a satisfactory market for production, or failure of purchasers or carriers take or transport such production, or by any other cause, whether of the kind specifically enumerated above or otherwise, which is not reasonably within control of lessee, this lease shall not be liable for breach of a provision or implied covenants of this lease when drilling, production, or other operations are so prevented or delay shall be added to the term hereof. Lessee shall not be liable for breach of a

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 nortgages, 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 the undersigned lessors the subrogated to the rights of the holder thereof, and the undersigned lessors of the right of dower and homestead in the premises described herein, in so far as said right of dower and homestead in the premises described herein, in so far as said right of dower and homestead in the premises described herein, in so far as said right of dower and homestead in the premises described herein.

ILessee, at its option, is hereby given the right and power to pool, unitize or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the gas or other minerals in and under and that may be produced from said premises, such pooling or unitization to be of frasts continguous to one another and to be unto a unit or units not exceeding 640 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the country in which the land herein leased is situated an instrument identifying and describing the pooled or unitized acreage. The entire acreage so pooled or unitized into a tract or unit shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease. If production is found on the pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage bears to the total acreage so pooled or unitized in the particular unit involved.

This lease may be signed in any number or numbers of counterparts and shall be effective as to each Lessor on execution hereof as to his or her interest and shall be binding on those execute this lease as Lessor, although not named above.

Lessee shall have the exclusive right to explore the land herein described by geological, geophysical or other methods, whether similar to those herein specified or not and whet or not not, including the drilling of holes, use of torsion balance, seismograph explosions, magnetometer, or other geophysical or geological instruments, tests or procedures, for the curring geological and geophysical information. All information obtained by Lessee as a result of such activity shall be the exclusive property of Lessee, and Lessee may dissemined mitormation without Lessor's consent. Lessor and Lessee herein agree that a portion of the consideration paid herein is for advance payment of usual and customary or interpretations (ic: tire tracks in the wheel, pasture or field, road use, etc.) If any extraordinary damages may occur, Lessor or its tenant (if Lessor has a tenant) consideration, at Lessor's discretion, Lessee may elect to repair the damages in lieu of compensation.

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ADDITIONAL TERMS AND PROVISIONS.

the undersigned execute this instrument as of the day and year first above

MITCELL

Document #: 200503202 STATE OF KANSAS COUNTY OF RICE This Instrument was filed on: 11/8/2005 At: 1:30:00 PM and duly recorded in Book: Oil & Gas 141 Page: 71 Fees: \$16 Rice Co., Register of Deeds When recorded, return to	STATE OF KANSAS COUNTY OF RICE This Instrument was filed on: 11/8/2005 At: 1:30:00 PM and duly recorded in Book: Oil & Gas 141 Page: 71 Fees: \$16 Rice Co., Register of Deeds	My commission expires	VIDUAL	My commission expires	MENT FOR I	My commission expires	ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe) The foregoing instrument was acknowledged before me thisday of	March 15,000 see of Kanses March 15,000 March 10,000 March	ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe) The foregoing instrument was acknowledged before me this 20th day of September 2005 by Mitchell Haddon
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STATE OF _______ ACK.
COUNTY OF ______ ACK.
The foregoing instrument was acknowledged before me this ______ of _____

ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)

_ day of ..

corporation, on behalf of the corporation.

My commission expires

78.85

Notary Public

*

EXHIBIT "A"

Attached to and made a part of that Certain Oil and Gas Lease dated September 20, 2005, by and between, MITCHELL HADDON and SAMUEL GARY, JR. & ASSOCIATES, INC., as Lessee.

PROPERTY DESCRIPTION:

TOWNSHIP 19 SOUTH - RANGE 10 WEST

SECTION 5:

That certain tract or parcel of land estimated to contain 160.00 acres, more or less, and being described as the South Half of the Northeast Quarter (S/2 of the NE/4) and the North Half of the Southeast Quarter (N/2 of the SE/4) of Section 5, Township 19 South, Range 10 West, Rice County, Kansas, and being the same property described in that certain Warranty Deed, dated March 26, 1996, by and between Mary Francis Hertach, et al, as Grantors, and Mitchell Hadden, as Grantee, and being recorded in Deed Book 159, Page 31, of the Register of Deeds, Rice County, Kansas.

It is the intention of this lease to cover and include any mineral interest which the Lessor may own in and to the above described tract, including streets, roads, canals, drainage ditches, rights of way or other servitudes, including, but not limited to, any reversionary interest which Lessor may acquire in the same, by prescription of nonuse.

ADDITIONAL TERMS AND PROVISIONS:

- gas lease when such terms conflict. The provisions of this EXHIBIT "A" shall control and supersede the terms of the attached oil and
- Ŋ There shall be no pooling or unitization of these leased premises without written consent of Lessor. Any pooling or unitization authorized by Lessor shall be subject to all State and Federal Laws and/or Rules and Regulations.
- ω To pay all damages to the subject land resulting from spillage and from the laying of pipe lines, travel of heavy equipment, ditching and any other operations incidental to this lease, and to restore, as nearly as possible, said premises to the same condition and contour as previously existed, upon the termination of this lease.
- 4. Lessee agrees herein that it will not construct high power electrical lines without Lessor's prior written consent.
- S It is understood and agreed that in the event oil ,gas, or other hydrocarbons are discovered and produced from said land, roads, equipment and other facilities used for producing oil, gas and other hydrocarbons shall be fenced and cattle guards shall be installed to protect the livestock said land.