

For KCC Use:
Effective Date:
District #
2040

Spud date: \_

\_ Agent: \_

# Kansas Corporation Commission Oil & Gas Conservation Division

Form C-1 October 2007 Form must be Typed

Expected Spud Date:	Spot Description:
monur day year	Sec Twp S. R E
PERATOR: License#	foot from   N /   S Line of Socti
ame:	
ddress 1:	Is SECTION: Regular Irregular?
ddress 2:	
ity: State: Zip: +	— — County:
ontact Person:	Lease Name: Well #:
none:	Field Name:
ONTRACTOR: License#	Is this a Prorated / Spaced Field?
ame:	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 MS
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile:
Disposal Wildcat Cable	Public water supply well within one mile:
Seismic ;# of Holes Other	Depth to bottom of fresh water:
Other:	Depth to bottom of usable water:
If OMMAND, and well information as follows:	Surface Pipe by Alternate: III
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
Operator:	
Well Name:	Projected Total Depth:
Original Completion Date: Original Total Depth:	
irectional, Deviated or Horizontal wellbore?	Water Source for Drilling Operations:
irectional, Deviated or Horizontal wellbore?  YesYes, true vertical depth:	
ottom Hole Location:	DWA FEITHIL #.
CC DKT #:	Will Cores be taken?
	If Yes, proposed zone:
	AFFIDAVIT
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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

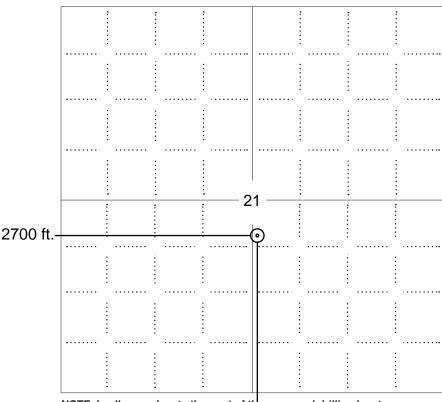
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please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

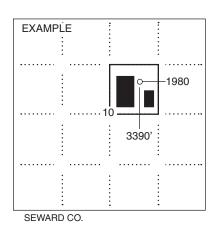
API No. 15 -	
Operator:	Location of Well: County:
_ease:	feet from N / S Line of Section
Well Number:	feet from E / W Line of Section
Field:	Sec Twp S. R 🗌 E 🗍 W
Number of Acres attributable to well:	Is Section: Regular or Irregular
	If Section is Irregular, locate well from nearest corner boundary.  Section corner used: NE NW SE SW

#### **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.

### 2150 ft.

#### In plotting the proposed location of the well, you must show:

- 1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
- 2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
- 3. The distance to the nearest lease or unit boundary line (in footage).
- 4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).



## KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1037857

Form CDP-1
April 2004
Form must be Typed

## **APPLICATION FOR SURFACE PIT**

### Submit in Duplicate

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

## **OIL AND GAS LEASE**



y and betweenJuanita	Janssen, Trustee of the Juanita Janssen Revo	cable Trust dated F	ebruary 19, 1990	
	- 2014	MELLE LANGE LEVEL	)1696. D. 6874E = 4 3 JAPA	
nose mailing address is70	01 College, Scott City, KS 67871		hereinafter called Lesson	(whether one or more
	y, Inc 1475 N. Ward Circle, Franktown, CO	80116		
		0	, h	ereinafter caller Lesse
investigating, exploring by a nstituent products, injecting a d things thereon to produce, a oducts manufactured therefro	e myalties herein provided and of the agreements of the lessee here geophysical and other means, prospecting drilling, mining and ope gas, water, other fluids, and air into subsurface strata, laying pipe lin save, take care of, treat, manufacture, process, store and transport sair m, and housing and otherwise caring for its employees, the followir	in contained, hereby grants, leating for and producing oil es, storing oil, building tanks doil, liquid hydrocarbons, ga	, liquid hydrocarbons, all gase , power stations, telephone lin ses and their respective constit ith any reversionary rights and	lessee for the purposes, and their respectives, and other structures, and other structure uent products and other
erein situated in County of _	Scott State of	Kansas	desc	noed as follows to-wit
	Township 17-South, Range 31-West Sec. 21: SE/4			
	Sec. 21. St/7			
Section	m		160 ger	es, more or less, and a
retions thereto.	Township Range	, and containing Three(3)		
oil, liquid hydrocarbons, gas	is herein contained, this lease shall remain in force for a term of or other respective constituent products, or any of them, is produced premises the said lessee covenants and agrees:	d from said land or land with	is date (colled "primary term") which said land is pooled.	. and as long thereatte
n the leased premises.	credit of lessor, free of cost, in the pipe line to which lessee may cor			
the market price at the well mises, or in the manufactur royalty One Dollar (\$1.00); aning of the preceding para, This lease may be ma this lease or any extension and in paying quantities, thi	gas of whatsoever nature or kind produced and sold, or used off to, (but, as to gas sold by lesses, in no event more than one-eighth (been of products therefrom, said payments to be made monthly. Where per year per net mineral acre retained hereunder, and if such payigraph.  intained during the primary term hereof without further payment thereof, the lessee shall have the right to drill such well to complet slease shall continue and be in force with like effect as if such well.	6) of the proceeds received by gas from a well producing ment or tender is made it will or drilling operations. If the ion with reasonable diligence	lessee from such sales), for the gas only is not sold or used, led be considered that gas is beinessee shall commence to drill and dispatch, and if oil or gas	ne gas sold, used off the essee may pay or tendeng produced within the la well within the term as, or either of them, b
If said lessor owns a l said lessor only in the prop	s lease shall confide and ober following the effect as it sach wen ess interest in the above described land than the entire and undiv ortion which lessor's interest bears to the whole and undivided fee.			
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- 1. It is agreed by the Lessor and Lessee that where all the references to "one-eighth (1/8)" royalty on oil and gas produced shall be changed to "fifteen percent (15%)".
- 2. No right is granted to the Lessee to erect on any part of said premises any plant or facility for gasoline extraction or for the processing of gas or petroleum substances, except the normal and necessary heater treater and separator customarily used. Lessee specifically agrees to build any meter houses, separators, heater treaters and storage tanks for the purpose of producing and saving any oil and gas upon the above described premises. No storage tanks shall be built farther than one hundred (100) feet from such county road or roadway adjoining such property without Lessor's consent.
- 3. In the event there is no production in paying quantities found by any operations undertaken by Lessee and there is an abandonment of said lease, Lessee shall fill all its, ponds and remove all structures and reasonably restore the premises to the condition existing at the time the lease was executed.
- 4. Lessee agrees to pay Lessor the sum of \$2,500 for each well drilled on the premises. Lessee agrees that this payment covers only those damages usually incurred in the preparation, drilling, completion and producing or plugging and abandonment of an oil and gas well. Lessee agrees to compensate Lessor for any extraordinary damages incurred in such activities. If Lessor and Lessee disagree on such damage, Lessee and Lessor agree to appoint an appraiser to review the damages and determine whether they are extraordinary and whether additional compensation is due.
- 5. Subject to all applicable rules and regulations of the appropriate governmental authorities, this lease contemplates the full prospecting and development of oil and gas of the land hereby leased, including the obligation to offset producing wells on the leased premises commensurate with practices of the oil and gas industry. After the primary term, Lessee agrees to drill as many offset wells as may be necessary and prudent and commensurate with practices in the oil and gas industry, to prevent any undue drainage of oil or gas from the land included herein which are being subject to drainage, upon written demand.
- 6. The Installation of any salt water disposal equipment by Lessee in the operation of the lease shall be subject to the approval of Lessor's tenant. Lessee shall not be permitted to use any well drilled on the leased premises as a salt water disposal well without the written consent of Lessor's tenant and without compensating the tenant for the use thereof. The compensation rate will be \$100 per month per well. The terms of this paragraph do no apply to the disposal of salt water produced from wells located on lands covered by this lease. Lessor agrees to allow Lessee the right to dispose of salt water from other leased tracts described as follows: NE/4, SE/4 & SW/4 of 17s-31w, NE/4 of 28-17s-31w and NW/4 and SE/4 of 22-17s-31w.
- 7. Lessee agrees to consult with Lessor concerning the route of all access roads located on the property and agrees to comply with all reasonable requests of Lessor concerning their location. There shall be no oil road surfaces of hard surfacing of any access roads without the written consent of Lessor.
- 8. All utility lines shall be buried to a depth of forth-eight inches ("48") upon written request by Lessor.
- 9. In the event of oil or gas production under this lease, if the annual royalty due under the lease terms is not equal to the sum of \$5.00 per acre per year, Lessee agrees to pay the additional sum due to equal said sum of \$5.00 per acre per year. Such sum shall be paid within thirty (30) days following the anniversary date of said lease. If not paid this lease shall terminate with respect to all parties, and in such event, Lessee agrees to file a written release of said lease of record.
- 10. Lessor and his representatives, at his own risk, shall have access to any and all wells drilled upon the land, and shall, at written request, be furnished with information pertaining to the drilling, testing and operation of such wells. In the event gas is encountered in paying quantities, Lessor, upon written request, shall be furnished with the results of periodic G.P.M. tests taken from any gas wells located thereon.
- 11. It is expressly agreed, notwithstanding anything to the contrary herein, if this lease is in force and effect at the time of expiration of the primary term, the lease shall thereupon terminate as to all depths 100 feet below the deepest depth penetrated by the drilling of a well or wells on the described land or lands pooled therewith, except if drilling is in progress at the end of the primary term. It is expressly agreed that if Lessee shall commence drilling operations at any time while this lease is in force, the lease shall remain in force and its terms shall continue so long as such operations are prosecuted. It is the intent for Lessee to earn all rights to 100' below the total depth drilled on the lease premises or lands pooled therewith.
- 12. Lessee shall not commence any drilling operations upon the leased premises without first consulting with Lessor as to the location of the proposed drilling site, and if at that time there is a growing crop on the premises and if the crop is ready for harvest, Lessee agrees to delay the commencement of drilling operations until after such crop has been harvested, and if the lease is within 60 days of expiration at such time then the lease will be extended by the amount of time equal to the number of days Lessee is delayed in commencing drilling operations as result of harvesting any such crop. If Lessee can compensate tenant and Lessor to their satisfaction for growing crop then drilling may proceed.

BOOK 2/5 PAGE 1/3

(PAGE \_ 3 OF 4/)

- 13. Lessee agrees that it will use its best efforts to obtain the best possible price for production under this lease. In no event shall the price received by Lessor be less than the price paid to the Lessee in a third-party transaction.
- 14. Lessee agrees to use and appropriate only so much ground water from the leased premises as is required for drilling operations on the leased premises.
- 15. In the event Lessee shall fail to perform any of the terms, covenants, or conditions contained in this lease, and should such default continue for ninety (90) days after Lessor has given written notice to Lessee at the address stated in the lease by certified mail, return receipt requested, of such default, then Lessor may declare this lease null and void and of no further force and effect. In the event of a default resulting in termination of this lease, Lessee shall retain all interest in any wells Lessee has developed which are then producing, however, Lessee shall lose its right to continue prospecting and developing the leased premises for oil and gas, and Lessor shall have the right to release the premises for oil and gas development and exploration as Lessor sees fit.
- 16. If this lease is assigned any assignment of any interest in said lease then any interest in said lease shall be placed on record, and the Lessee shall notify Lessor in writing of said assignment.
- 17. If gas is found lessor shall have free use of gas for Irrigation purposes
- 18. This lease and all its terms conditions and stipulations shall extend to and be binding on all heirs, grantees, administrators or assigns, of said Lessor or Lessee.

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

SIGNED FOR IDENTIFICATION:

Juanita Janssen Trustee

## **OIL AND GAS LEASE**



nd betweenJUA	nita Janssen,	Trustee of the Juan	ita Janssen Re	vocable Tru	ust dated	February 19, 1	.990
			NC REPUMPE	Entry Charles II 13	16 (34.5)	TOTAL TOTAL	
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	701 6-11	- CH C'H . NC C7	071				
se mailing address is		e, Scott City, KS 678	***************************************	0.00116		hereinafter ca	lled Lessor (whether one or m
Meridian E	nergy, Inc	1475 N. Ward Circle	, Franktown, C	0 80116			
			-			1 00 au Maua	, hereinafter caller Le
vestigating, explori ituent products, inj	nd of the royalties he ng by geophysical a ecting gas, water, oth oduce, save, take care therefrom, and house	nd other means, prospecting er fluids, and air into subsurf of, treat, manufacture, proce ng and otherwise caring for it	ace strata, laying pipe	lines, storing oil	hereby grants, d producing o , building tank ydrocarbons, g and, together	s, power stations, tele	in hand paid, receipt of w sively unto lessee for the pun s, all gases, and their respec- ephone lines, and other struct we constituent products and o rights and after-acquired inte
	Town	ship 17-South, Rang	ge 31-West				
	Sec. 2	21: SW/4					
ection	Townsh	p, R	ange	and cor	ntaining	160	acres, more or less, an
tions thereto.	rovisions herein cont	ained, this lease shall remain	in force for a term of	Three(3)	_ years from t	his date (called "prim	ary term"), and as long there
		ained, this lease shall remain ective constituent products, o		uced from said la	and or land wi	th which said land is	pooled.
1st. To deliver	to the credit of lesse	said lessee covenants and ag or, free of cost, in the pipe lin	e to which lessee may	connect wells on	said land, the	e equal one-eighth (1/4)	part of all oil produced and s
e market price at t	essor for gas of what he well, (but, as to g	as sold by lessee, in no even	t more than one-eight	h (%) of the proc	well producing	z zas only is not sold	products therefrom, one-eighth ales), for the gas sold, used of or used, lessee may pay or to t gas is being produced withi
This lease may	ng paragraph.  be maintained duri	ng the primary term hereof	without further payme	ent or drilling of	perations. If the	ne lessee shall comme	nce to drill a well within the if oil or gas, or either of the
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said lessor only in t	he proportion which	lessor's interest bears to the	whole and undivided I	ee.			herein provided for shall be
		ee of cost, gas, oil and water ill bury lessec's pipe lines belo		for lessee's oper	ation thereon,	except water from th	e wells of lessor.
		200 feet to the house or barn		without written	consent of less	sor.	
		l by lessee's operations to gro me to remove all machinery			neluding the ri	ight to draw and reme	ove casing.
If the estate of	f either party hereto	is assigned, and the privile	ge of assigning in w	hole or in part i	s expressly all	lowed, the covenants	hereof shall extend to their ading on the lessee until after shall be relieved of all oblige
respect to the assi	gned portion or porti	ons arising subsequent to the	date of assignment.				ve described premises and th
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mortgages, taxes of red lessors, for ther aid right of dower of	or other liens on the mselves and their he and homestead may	above described lands, in the irs, successors and assigns, n any way affect the purpose	e event of default of pa hereby surrender and as for which this lease	release all right is made, as recit	r, and be subre t of dower and ed herein.	homestead in the p	ne to redeem for lessor, by pay f the holder thereof, and the t remises described herein, in a
nediate vicinity the servation of oil, ga- units not exceeding ord in the conveyar oled into a tract or and on the pooled ac alties elsewhere he	ereof, when in lesse s or other minerals 40 acres each in the nce records of the co unit shall be treace creage, it shall be treace orein specified. lesso	's judgment it is necessary in and under and that may t e event of an oil well, or into bunty in which the land her for all purposes except the p	or advisable to do see produced from said a unit or units not execin leased is situated payment of royalties crom this lease, whether in from a unit so poo	premises, such properties, such properties, such properties, such properties, such production from the well or welled only such properties, su	pooling to be ones each in the identifying an im the pooled of the located or ortion of the identify of the identification o	and operate said lead for tracts contiguous to event of a gas well. I aid describing the poo unit, as if it were incl n the premises covere royalty stipulated her	h other land, lease or leases is premises so as to promo one another and to be into assess shall execute in writin led acreage. The entire actuded in this lease. If product d by this lease or not. In lieu rein as the amount of his ac
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					·	20.00	Register of Deeds
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IN WITNESS	WHEREOF the und	ersigned execute this instrum	ent as of the day and	year first above	written.	26.00	Register of Deed <b>g</b>
IN WITNESS	WHEREOF, the und	ersigned execute this instrum	ent as of the day and	year first above	written.	26.00	Register of Deed <b>s</b>
IN WITNESS	WHEREOF, the und	ersigned execute this instrum	ent as of the day and	year first above	to	tuna	Register of Deeds

BOOK 215 PAGE 114

(PAGE \_\_\_\_\_ OF \_\_\_\_\_)

Notwithstanding any provisions to the contrary in the printed portion of the oil and gas lease stated above, the parties hereto agree that the following provisions of this addendum hereafter set forth shall apply:

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BOOK 215 PAGE 114

(PAGE <u>3</u> OF <u>4</u>)

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

SIGNED FOR IDENTIFICATION:

Juanita Janssen, Trustee

## **OIL AND GAS LEASE**



	Made and entered into the <u>8th</u> rk Janssen and Peggy J. Jan	day ofJune ssen_ his wife			
by and between	ik Janasan ana reggy J. Jan	ascii, ilis vviic	14/2 - 1946		
4					
	***				
	2121 Hillview Dr, Manhat	tan KS 66502		Landa after collect	Lessor (whether one or more),
12					LEBBOT (WILLIAM ONE OF MISSES)
andMELIUIAII E	nergy, Inc 1475 N. Ward	Circle, Franktown, CO o	OLIO		
			- 889 Min	1.00 M	, hereinafter caller Lessee:
of investigating, explori- constituent products, injury	nd of the royalties herein provided and of t ng by geophysical and other means, pros- cetting gas, water, other fluids, and air into oduce, save, take care of, treat, manufacture herefrom, and housing and otherwise cari	he agreements of the lessee herein pecting drilling, mining and operat subsurface strata, laying pipe lines, process, store and transport said o	contained, hereby grants ing for and producing o storing oil, building tan il, liquid hydrocarbons, s	, leases and lets exclusive oil, liquid hydrocarbons, ks, power stations, teleph cases and their respective	all gases, and their respective one lines, and other structures constituent products and other
	Township 17-South,	Pange 31-Mest			
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In Section accretions thereto.	, Township	, Range	and containing		acres, more or less, and all
as oil, liquid hydrocarbo In consideration	rovisions herein contained, this lease shall ons, gas or other respective constituent pro- a of the premises the said lessee covenants	ducts, or any of them, is produced t and agrees:	rom said land or land w	ith which said land is poo	neu.
from the leased premise					
at the market price at t premises, or in the man as royalty One Dollar (	ssor for gas of whatsoever nature or kind he well, (but, as to gas sold by lessee, in r sufacture of products therefrom, said paym \$1.00) per year per net mineral acre retai	no event more than one-eighth (%)	of the proceeds received as from a well producin	g gas only is not sold or	used, lessee may pay or tender
of this lease or any ext	be maintained during the primary term	ght to drill such well to completion	with reasonable diliger	nce and dispatch, and it o	ni or gas, or either of them, be
If said lessor o	ies, this lease shall continue and be in fore wns a less interest in the above described	land than the entire and undivid	ed fee simple estate ther	ein, then the royalties he	rein provided for shall be paid
the said lessor only in t	he proportion which lessor's interest bears ve the right to use, free of cost, gas, oil and	to the whole and undivided fee.			
When requested	by lessor, lessee shall bury lessee's pipe li	nes below plow depth.			
	e drilled nearer than 200 feet to the house of y for damages caused by lessee's operation		out written consent of les	sor.	
Lessee shall ha	ve the right at any time to remove all mac	hinery and fixtures placed on said	premises, including the r	ight to draw and remove	easing.
executors, administrato lessee has been furnish with respect to the assig	either party hereto is assigned, and the rs, successors or assigns, but no change ed with a written transfer or assignment 4 gned portion or portions arising subsequen	in the ownership of the land or a or a true copy thereof. In case lesse t to the date of assignment.	e assigns this lease, in v	vhole or in part, lessee sh	all be relieved of all obligations
Lessee may at surrender this lease as	any time execute and deliver to lessor or to such portion or portions and be relieved	place of record a release or release of all obligations as to the acreage	es covering any portion surrendered.	or portions of the above o	lescribed premises and thereby
All express or i in whole or in part, no Regulation.	mplied covenants of this lease shall be su · lessee held liable in damages, for failure	bject to all Federal and State Law to comply therewith, if compliance	Executive Orders, Rule is prevented by, or if s	uch failure is the result of	i, any such Law, Order, Rule of
any mortgages, taxes o signed lessors, for then as said right of dower a	varrants and agrees to defend the title to t r other liens on the above described lands nselves and their heirs, successors and as and homestead may in any way affect the p	, in the event of default of paymen signs, hereby surrender and releas purposes for which this lease is ma-	t by lessor, and be subr se all right of dower and de, as recited herein.	d homestead in the prem	ises described herein, in so far
immediate vicinity the conservation of oil, gas or units not exceeding record in the conveyar peoled into a tract or a	ption, is hereby given the right and power reof, when in lessee's judgment it is nec or other minerals in and under and that 40 acres each in the event of an oil well, ce cords of the county in which the la unit shall be treated, for all purposes exce	ressary or advisable to do so in o t may be produced from said premi or into a unit or units not exceedir and herein leased is situated an ir or the payment of royalties on pro-	rder to properly develor ses, such pooling to be o gg 640 acres each in the estrument identifying as fuction from the pooled	o and operate said lease of tracts contiguous to on event of a gas well. Less ad describing the pooled unit, as if it were include	premises so as to produce uni e another and to be into a uni ee shall execute in writing and acreage. The entire acreage so d in this lease. If production is
found on the pooled acr royalties elsewhere her	reage, it shall be treated as if producition i rein specified, lessor shall receive on pro s royalty interest therein on an acreage ba	s had from this lease, whether the viducition from a unit so pooled or	well or wells be located on the located portion of the	n the premises covered by royalty stipulated herein	this lease of that, in nea of the
CEE ADDENIDUM	4 ATTACHED HERETO AND I	MADE A BART HEREOF			* Seal *
SEE ADDENDOR	TATTACHED HERETO AND I	HADE A PART HEREOT.	STATE OF KAN This instrum	ISAS, SCOTT COUNTY, SS	rd on the
		ah)		Y DIZYOVEMDE A.D.	
		COMPUTER A	0'0	lock M., and duly recor	ded in book
		Million V Cho	Det	bis Muss	sky
			\$2	Register	r of Deeds
IN WITNESS Witnesses:	WHEREOF, the undersigned execute this i	nstrument as of the day and year f	rst above written.	10	
Don	. 110	AL STROM	Mes	(hu	
	11 - 1 - 1/1/1 / 1/2				
- 1299	Acabul Inner	* ESTA OT ASSESSED	100	Mark Janssen	

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Notwithstanding any provisions to the contrary in the printed portion of the oil and gas lease stated above, the parties hereto agree that the following provisions of this addendum hereafter set forth shall apply:

- 1. It is agreed by the Lessor and Lessee that where all the references to "one-eighth (1/8)" royalty on oil and gas produced shall be changed to "fifteen percent (15%)".
- 2. No right is granted to the Lessee to erect on any part of said premises any plant or facility for gasoline extraction or for the processing of gas or petroleum substances, except the normal and necessary heater treater and separator customarily used. Lessee specifically agrees to build any meter houses, separators, heater treaters and storage tanks for the purpose of producing and saving any oil and gas upon the above described premises. No storage tanks shall be built farther than one hundred (100) feet from such county road or roadway adjoining such property without Lessor's consent.
- 3. In the event there is no production in paying quantities found by any operations undertaken by Lessee and there is an abandonment of said lease, Lessee shall fill all its, ponds and remove all structures and reasonably restore the premises to the condition existing at the time the lease was executed.
- 4. Lessee agrees to pay Lessor the sum of \$2,500 for each well drilled on the premises. Lessee agrees that this payment covers only those damages usually incurred in the preparation, drilling, completion and producing or plugging and abandonment of an oil and gas well. Lessee agrees to compensate Lessor for any extraordinary damages incurred in such activities. If Lessor and Lessee disagree on such damage, Lessee and Lessor agree to appoint an appraiser to review the damages and determine whether they are extraordinary and whether additional compensation is due.
- 5. Subject to all applicable rules and regulations of the appropriate governmental authorities, this lease contemplates the full prospecting and development of oil and gas of the land hereby leased, including the obligation to offset producing wells on the leased premises commensurate with practices of the oil and gas industry. After the primary term, Lessee agrees to drill as many offset wells as may be necessary and prudent and commensurate with practices in the oil and gas industry, to prevent any undue drainage of oil or gas from the land included herein which are being subject to drainage, upon written demand.
- 6. The Installation of any salt water disposal equipment by Lessee in the operation of the lease shall be subject to the approval of Lessor's tenant. Lessee shall not be permitted to use any well drilled on the leased premises as a salt water disposal well without the written consent of Lessor's tenant and without compensating the tenant for the use thereof. The compensation rate will be \$100 per month per well. The terms of this paragraph do no apply to the disposal of salt water produced from wells located on lands covered by this lease. Lessor agrees to allow Lessee the right to dispose of salt water from other leased tracts described as follows: NE/4, SE/4 & SW/4 of 17s-31w, NE/4 of 28-17s-31w and NW/4 and SE/4 of 22-17s-31w.
- 7. Lessee agrees to consult with Lessor concerning the route of all access roads located on the property and agrees to comply with all reasonable requests of Lessor concerning their location. There shall be no oil road surfaces of hard surfacing of any access roads without the written consent of Lessor.
- 8. All utility lines shall be buried to a depth of forth-eight inches ("48") upon written request by Lessor.
- 9. In the event of oil or gas production under this lease, if the annual royalty due under the lease terms is not equal to the sum of \$5.00 per acre per year, Lessee agrees to pay the additional sum due to equal said sum of \$5.00 per acre per year. Such sum shall be paid within thirty (30) days following the anniversary date of said lease. If not paid this lease shall terminate with respect to all parties, and in such event, Lessee agrees to file a written release of said lease of record.
- 10. Lessor and his representatives, at his own risk, shall have access to any and all wells drilled upon the land, and shall, at written request, be furnished with information pertaining to the drilling, testing and operation of such wells. In the event gas is encountered in paying quantities, Lessor, upon written request, shall be furnished with the results of periodic G.P.M. tests taken from any gas wells located thereon.
- 11. It is expressly agreed, notwithstanding anything to the contrary herein, if this lease is in force and effect at the time of expiration of the primary term, the lease shall thereupon terminate as to all depths 100 feet below the deepest depth penetrated by the drilling of a well or wells on the described land or lands pooled therewith, except if drilling is in progress at the end of the primary term. It is expressly agreed that if Lessee shall commence drilling operations at any time while this lease is in force, the lease shall remain in force and its terms shall continue so long as such operations are prosecuted. It is the intent for Lessee to earn all rights to 100' below the total depth drilled on the lease premises or lands pooled therewith.
- 12. Lessee shall not commence any drilling operations upon the leased premises without first consulting with Lessor as to the location of the proposed drilling site, and if at that time there is a growing crop on the premises and if the crop is ready for harvest, Lessee agrees to delay the commencement of drilling operations until after such crop has been harvested, and if the lease is within 60 days of expiration at such time then the lease will be extended by the amount of time equal to the number of days Lessee is delayed in commencing drilling operations as result of harvesting any such crop. If Lessee can compensate tenant and Lessor to their satisfaction for growing crop then drilling may proceed.

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(PAGE 4 0F 4)

- 13. Lessee agrees that it will use its best efforts to obtain the best possible price for production under this lease. In no event shall the price received by Lessor be less than the price paid to the Lessee in a third-party transaction.
- 14. Lessee agrees to use and appropriate only so much ground water from the leased premises as is required for drilling operations on the leased premises.
- 15. In the event Lessee shall fail to perform any of the terms, covenants, or conditions contained in this lease, and should such default continue for ninety (90) days after Lessor has given written notice to Lessee at the address stated in the lease by certified mail, return receipt requested, of such default, then Lessor may declare this lease null and void and of no further force and effect. In the event of a default resulting in termination of this lease, Lessee shall retain all interest in any wells Lessee has developed which are then producing, however, Lessee shall lose its right to continue prospecting and developing the leased premises for oil and gas, and Lessor shall have the right to release the premises for oil and gas development and exploration as Lessor sees fit.
- 16. If this lease is assigned any assignment of any interest in said lease then any interest in said lease shall be placed on record, and the Lessee shall notify Lessor in writing of said assignment.
- 17. If gas is found lessor shall have free use of gas for Irrigation purposes
- 18. This lease and all its terms conditions and stipulations shall extend to and be binding on all heirs, grantees, administrators or assigns, of said Lessor or Lessee.

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

SIGNED FOR IDENTIFICATION:

Mark Janssen

## **OIL AND GAS LEASE**



	le and entered into the <u>8th</u> day of Janssen and Peggy J. Janssen, his	June wife		
		AND STREET	THE CONTRACTOR OF THE CONTRACT	11 110 110 110
hose mailing address is	2121 Hillview Dr, Manhattan, KS 6	6502	hereina	fter called Lessor (whether one or more),
nd <u>Meridian Ene</u>	rgy, Inc 1475 N. Ward Circle, Fra	nktown, CO 80116		
				, hereinafter caller Lessee:
f investigating, exploring bonstituent products, injection	f the royalties herein provided and of the agreements by geophysical and other means, prospecting drilling ag gas, water, other fluids, and air into subsurface strace, save, take care of, treat, manufacture, process, ston from, and housing and otherwise caring for its emplo	g, mining and operating for ta, laying pipe lines, storing e and transport said oil, liquic pyees, the following describe	ed, hereby grants, leases and let- and producing oil, liquid hydro oil, building tanks, power statio hydrocarbons, gases and their r	ocarbons, all gases, and their respective ns, telephone lines, and other structures espective constituent products and other
	Township 17-South, Range 3: Sec. 21: SW/4	1-West		
	Sec. 21: 500/4			
			150	
n Section	, Township, Range _	8	containing160	acres, more or less, and all
	sions herein contained, this lease shall remain in force gas or other respective constituent products, or any o	te for a term of <u>I Nree(</u> f them, is produced from said	3) years from this date (called I land or land with which said l	"primary term"), and as long thereafter and is pooled.
	the premises the said lessee covenants and agrees: he credit of lessor, free of cost, in the pipe line to wh	ich lessee may connect wells	on said land, the equal one-eigh	nth (%) part of all oil produced and saved
rom the leased premises.	for you of whateacuse nature or kind produced and	sold or used off the premise	s or used in the manufacture o	f any products therefrom, one-eighth (1/s),
t the market price at the v	vell, (but, as to gas sold by lessee, in no event more cture of products therefrom, said payments to be ma- (0) per year per net mineral acre retained hereunder	than one-eighth (%) of the pi	a well producing gas only is n	ot sold or used, lessee may pay or tender
This lease may be	maintained during the primary term hereof without on thereof, the lessee shall have the right to drill su this lease shall continue and be in force with like eff	ch well to completion with re	asonable diligence and dispatc	n, and it on or gas, or either or them, or
If said lessor owns	a less interest in the above described land than th roportion which lessor's interest bears to the whole a	e entire and undivided fee s	mple estate therein, then the ro	yalties herein provided for shall be paid
Lessee shall have the	ne right to use, free of cost, gas, oil and water produc	ed on said land for lessee's o	peration thereon, except water for	rom the wells of lessor.
	lessor, lessee shall bury lessee's pipe lines below plow lled nearer than 200 feet to the house or barn now on		en consent of lessor.	
	damages caused by lessee's operations to growing cone right at any time to remove all machinery and fixt		including the wight to draw an	d ramova caging
If the estate of eith xecutors, administrators, a essee has been furnished w	ner party hereto is assigned, and the privilege of a successors or assigns, but no change in the owners with a written transfer or assignment or a true copy	ssigning in whole or in par hip of the land or assignm thereof. In case lessee assign	t is expressly allowed, the cove	nants hereof shall extend to their heirs, be binding on the lessee until after the
Lessee may at any	portion or portions arising subsequent to the date of time execute and deliver to lessor or place of record	a release or releases cover	ng any portion or portions of th	ne above described premises and thereby
All evarens or impl	ich portion or portions and be relieved of all obligation ied covenants of this lease shall be subject to all Fec see held liable in damages, for failure to comply the	leral and State Laws Execu	tive Orders, Rules or Regulation	s, and this lease shall not be terminated e result of, any such Law, Order, Rule of
any mortgages, taxes or ot signed lessors, for themsel as said right of dower and l	ants and agrees to defend the title to the lands herein her liens on the above described lands, in the event ves and their heirs, successors and assigns, hereby nomestead may in any way affect the purposes for wl	of default of payment by les surrender and release all rig hich this lease is made, as re	or, and he subrogated to the right of dower and homestead in cited herein.	the premises described herein, in so far
immediate vicinity thereof, conservation of oil, gas or or units not exceeding 40 a record in the conveyance in pooled into a tract or unit found on the pooled acreag rovalties elsewhere herein	n, is hereby given the right and power to pool or con, when in lessee's judgment it is necessary or advother minerals in and under and that may be producted as the property of the county in which the land herein leas shall be treated, for all purposes except the paymene, it shall be treated as if production is had from this specified, lessor shall receive on production from all yith the production from the county in the county in the production from the producti	isable to do so in order to judged from said premises, such or units not exceeding 640 a sed is situated an instrument of royalties on production a lease, whether the well or way in the proposed only such a unit so pooled only such	properly develop and operate is n pooling to be of tracts contiguence each in the event of a gas at identifying and describing the from the pooled unit, as if it we rells be located on the premises portion of the royally stipulate.	nous to one another and to be into a uni- well. Lessee shall execute in writing and ne pooled acreage. The entire acreage so re included in this lease. If production is covered by this lease or not. In lieu of the
SEE ADDENDUM A	ATTACHED HERETO AND MADE A P	ART HEREOF:	STATE OF KANSAS, SCOTT ( This instrument was file	COUNTY, SS and for record on the County with
		COMPUTER OF ME		nd duly recorded in book
			\$ 20.00	Register of Deeds
			Projective to be designed	CL VV
IN WITNESS WHE	EREOF, the wadersigned execute this instrument as o	f the day and year first abov	e written.	
Pose	110110	(Maria	Med	All the second s
race	(Pendy 1 Janssen	HOUSE OF WHILE	Maul 3-	nccen
1 1 11 11	Chax 2. Aniissell		/ Mark Ja	HOOCH

BOOK <u>2/5</u> PAGE <u>9/</u>

Notwithstanding any provisions to the contrary in the printed portion of the oil and gas lease stated above, the parties hereto agree that the following provisions of this addendum hereafter set forth shall apply:

- 1. It is agreed by the Lessor and Lessee that where all the references to "one-eighth (1/8)" royalty on oil and gas produced shall be changed to "fifteen percent (15%)".
- 2. No right is granted to the Lessee to erect on any part of said premises any plant or facility for gasoline extraction or for the processing of gas or petroleum substances, except the normal and necessary heater treater and separator customarily used. Lessee specifically agrees to build any meter houses, separators, heater treaters and storage tanks for the purpose of producing and saving any oil and gas upon the above described premises. No storage tanks shall be built farther than one hundred (100) feet from such county road or roadway adjoining such property without Lessor's consent.
- 3. In the event there is no production in paying quantities found by any operations undertaken by Lessee and there is an abandonment of said lease, Lessee shall fill all its, ponds and remove all structures and reasonably restore the premises to the condition existing at the time the lease was executed.
- 4. Lessee agrees to pay Lessor the sum of \$2,500 for each well drilled on the premises. Lessee agrees that this payment covers only those damages usually incurred in the preparation, drilling, completion and producing or plugging and abandonment of an oil and gas well. Lessee agrees to compensate Lessor for any extraordinary damages incurred in such activities. If Lessor and Lessee disagree on such damage, Lessee and Lessor agree to appoint an appraiser to review the damages and determine whether they are extraordinary and whether additional compensation is due.
- 5. Subject to all applicable rules and regulations of the appropriate governmental authorities, this lease contemplates the full prospecting and development of oil and gas of the land hereby leased, including the obligation to offset producing wells on the leased premises commensurate with practices of the oil and gas industry. After the primary term, Lessee agrees to drill as many offset wells as may be necessary and prudent and commensurate with practices in the oil and gas industry, to prevent any undue drainage of oil or gas from the land included herein which are being subject to drainage, upon written demand.
- 6. The Installation of any salt water disposal equipment by Lessee in the operation of the lease shall be subject to the approval of Lessor's tenant. Lessee shall not be permitted to use any well drilled on the leased premises as a salt water disposal well without the written consent of Lessor's tenant and without compensating the tenant for the use thereof. The compensation rate will be \$100 per month per well. The terms of this paragraph do no apply to the disposal of salt water produced from wells located on lands covered by this lease. Lessor agrees to allow Lessee the right to dispose of salt water from other leased tracts described as follows: NE/4, SE/4 & SW/4 of 17s-31w, NE/4 of 28-17s-31w and NW/4 and SE/4 of 22-17s-31w.
- 7. Lessee agrees to consult with Lessor concerning the route of all access roads located on the property and agrees to comply with all reasonable requests of Lessor concerning their location. There shall be no oil road surfaces of hard surfacing of any access roads without the written consent of Lessor.
- 8. All utility lines shall be buried to a depth of forth-eight inches ("48") upon written request by Lessor.
- 9. In the event of oil or gas production under this lease, if the annual royalty due under the lease terms is not equal to the sum of \$5.00 per acre per year, Lessee agrees to pay the additional sum due to equal said sum of \$5.00 per acre per year. Such sum shall be paid within thirty (30) days following the anniversary date of said lease. If not paid this lease shall terminate with respect to all parties, and in such event, Lessee agrees to file a written release of said lease of record.
- 10. Lessor and his representatives, at his own risk, shall have access to any and all wells drilled upon the land, and shall, at written request, be furnished with information pertaining to the drilling, testing and operation of such wells. In the event gas is encountered in paying quantities, Lessor, upon written request, shall be furnished with the results of periodic G.P.M. tests taken from any gas wells located thereon.
- 11. It is expressly agreed, notwithstanding anything to the contrary herein, if this lease is in force and effect at the time of expiration of the primary term, the lease shall thereupon terminate as to all depths 100 feet below the deepest depth penetrated by the drilling of a well or wells on the described land or lands pooled therewith, except if drilling is in progress at the end of the primary term. It is expressly agreed that if Lessee shall commence drilling operations at any time while this lease is in force, the lease shall remain in force and its terms shall continue so long as such operations are prosecuted. It is the intent for Lessee to earn all rights to 100' below the total depth drilled on the lease premises or lands pooled therewith.
- 12. Lessee shall not commence any drilling operations upon the leased premises without first consulting with Lessor as to the location of the proposed drilling site, and if at that time there is a growing crop on the premises and if the crop is ready for harvest, Lessee agrees to delay the commencement of drilling operations until after such crop has been harvested, and if the lease is within 60 days of expiration at such time then the lease will be extended by the amount of time equal to the number of days Lessee is delayed in commencing drilling operations as result of harvesting any such crop. If Lessee can compensate tenant and Lessor to their satisfaction for growing crop then drilling may proceed.

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(PAGE 4 OF 4)

- 13. Lessee agrees that it will use its best efforts to obtain the best possible price for production under this lease. In no event shall the price received by Lessor be less than the price paid to the Lessee in a third-party transaction.
- 14. Lessee agrees to use and appropriate only so much ground water from the leased premises as is required for drilling operations on the leased premises.
- 15. In the event Lessee shall fail to perform any of the terms, covenants, or conditions contained in this lease, and should such default continue for ninety (90) days after Lessor has given written notice to Lessee at the address stated in the lease by certified mail, return receipt requested, of such default, then Lessor may declare this lease null and void and of no further force and effect. In the event of a default resulting in termination of this lease, Lessee shall retain all interest in any wells Lessee has developed which are then producing, however, Lessee shall lose its right to continue prospecting and developing the leased premises for oil and gas, and Lessor shall have the right to release the premises for oil and gas development and exploration as Lessor sees fit.
- 16. If this lease is assigned any assignment of any interest in said lease then any interest in said lease shall be placed on record, and the Lessee shall notify Lessor in writing of said assignment.
- 17. If gas is found lessor shall have free use of gas for Irrigation purposes
- 18. This lease and all its terms conditions and stipulations shall extend to and be binding on all heirs, grantees, administrators or assigns, of said Lessor or Lessee.

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

SIGNED FOR IDENTIFICATION:

Mark Janssen

## **OIL AND GAS LEASE**



- Anre	d Janssen III and Sally	A. Janssen, Trustees of th	e Alfred Janssen II	I-Revocable Trus	t, dated
Octo	ber 6, 2003.			×	
	PO Box 168, Scott City	77110-07-07-1		hereinafter called Le	ssor (whether one or more),
and —Meridian-En	ergy, Inc 1475 N. Wa	rd Circle, Franktown, CO-8	30116		
				00 M N-	_, hereinafter caller Lessee:
constituent products, inject	ting gas, water, other fluids, and air uce, save, take care of, treat, manufa refrom, and housing and otherwise	OFE of the agreements of the lessee herein prospecting drilling, mining and oper- into subsurface strata, laying pipe lines cture, process, store and transport said caring for its employees, the following State of	, storing oil, building tanks, oil, liquid hydrocarbons, gase described land, together wit	power stations, telephone es and their respective cor h any reversionary rights	lines, and other structures
	Township 17-Sou Sec. 21: SE/4	uth, Range 31-West			
In Section accretions thereto.	, Township	, Indige	, and containing	100	acres, more or less, and all
as oil, liquid hydrocarbons	risions herein contained, this lease ; , gas or other respective constituen: f the premises the said lessee coven	shall remain in force for a term of t products, or any of them, is produced ants and agrees:	from said land or land with	date (called "primary ter which said land is pooled	m ), and as long thereafter
1st. To deliver to from the leased premises.	the credit of lessor, free of cost, in	the pipe line to which lessee may conn			
at the market price at the premises, or in the manuf as royalty One Dollar (\$1	well, (but, as to gas sold by lessee, acture of products therefrom, said p .00) per year per net mineral acre	kind produced and sold, or used off the in no event more than one-eighth (%) onyments to be made monthly. Where retained hereunder, and if such paym	of the proceeds received by	lessee from such sales), i- as only is not sold or use	d, lessee may pay or tender
of this leage or any extent	e maintained during the primary to	erm hereof without further payment o he right to drill such well to completio 1 force with like effect as if such well h	n with reasonable diligence	and dispatch, and it on t	or gua, or either or them, be
If said lessor own the said lessor only in the	s a less interest in the above desc proportion which lessor's interest b	ribed land than the entire and undividence to the whole and undivided fee.	led fee simple estate therein	, then the royalties herein	n provided for shall be paid
	the right to use, free of cost, gas, oi y lessor, lessee shall bury lessee's pi	I and water produced on said land for l pe lines below plow depth.	essee's operation thereon, ex	cept water from the wells	of lessor.
		use or barn now on said premises with stions to growing crops on said land.	out written consent of lessor		
Lessee shall have	the right at any time to remove all	machinery and fixtures placed on said	e in part is expressly allow	ed the covenants hereof	shall extend to their heirs,
executors, administrators, lessee has been furnished	successors or assigns but no chi	ange in the ownership of the land or ent or a true copy thereof. In case less	assignment of rentals of ro	values shall be blinding t	Ill the teaper atten after the
Lessee may at an surrender this lease as to	y time execute and deliver to lesso such portion or portions and be relie	r or place of record a release or releas eved of all obligations as to the acreage	surrendered.		
All express or imp in whole or in part, nor le Regulation.	olied covenants of this lease shall b ssee held liable in damages, for fa	e subject to all Federal and State Law ilure to comply therewith, if compliance	s, Executive Orders, Rules o e is prevented by, or if such	r Regulations, and this le failure is the result of, as	ase shall not be terminated, ny such Law, Order, Rule or
Lessor hereby was any mortgages, taxes or o signed lessors, for themse	ther liens on the above described l elves and their heirs, successors ar	to the lands herein described, and agre ands, in the event of default of payme d assigns, hereby surrender and relea	nt by lessor, and be subrogs se all right of dower and b	ted to the rights of the no	nger thereof, and the under
Lessee, at its opti immediate vicinity thereconservation of oil, gas or units not exceeding 40 record in the conveyance pooled into a tract or unifound on the pooled acrearyouties elsewhere herei	on, is hereby given the right and p of, when in lessee's judgment it is r other minerals in and under and acres each in the event of an oil v records of the county in which the t shall be treated, for all purposes ge, it shall be treated as if producit a specified, lessor shall receive on a specified, lessor shall receive on	the purposes for which this lease is me ower to pool or combine the acreage or necessary or advisable to do so in or that may be produced from said prem well, or into a unit or units not exceedi le land herein leased is situated an i except the payment of royalties on pre- ion is had from this lease, whether the production from a unit so pooled o	overed by this lease or any profer to properly develop aises, such pooling to be of ting 640 acres each in the eventure of the tight of the control of the roy.	nd operate said lease pre- eacts contiguous to one ai- ent of a gas well. Lessee a describing the pooled acr t, as if it were included ir ne premises covered by the alty stipulated herein as	mises so as to promote the nother and to be into a unit shall execute in writing and eage. The entire acreage so a this lease. If production is is lease or not. In lieu of the
placed in the unit or his re	oyalty interest therein on an acreag	e basis bears to the total acreage so po	olea in the particular unit in	volveu.	MINIMUM MANAGER OF THE
SEE ADDENDUM	ATTACHED HERETO AN	ND MADE A PART HEREOF	:		Seal S
		COMPUTED ON	STATE OF KANSAS, S	COTT COUNTY, SS as filed for record on	the Very Kon and
		NUMERICAL 80	day of Z	M., and duly recorded in	
			21.5	page/2/	LUCK
			\$ 20.0	Register of De	eds
	IEREOF, the undersigned execute t	his instrument as of the day and year t	īrst above written.	THE PARTY	
IN WITNESS WE Witnesses:				O -	
	J. Jansen		alful (	Jalossen I	T

BOOK 2/5 PAGE /2/

Notwithstanding any provisions to the contrary in the printed portion of the oil and gas lease stated above, the parties hereto agree that the following provisions of this addendum hereafter set forth shall apply:

- 1. It is agreed by the Lessor and Lessee that where all the references to "one-eighth (1/8)" royalty on oil and gas produced shall be changed to "fifteen percent (15%)".
- 2. No right is granted to the Lessee to erect on any part of said premises any plant or facility for gasoline extraction or for the processing of gas or petroleum substances, except the normal and necessary heater treater and separator customarily used. Lessee specifically agrees to build any meter houses, separators, heater treaters and storage tanks for the purpose of producing and saving any oil and gas upon the above described premises. No storage tanks shall be built farther than one hundred (100) feet from such county road or roadway adjoining such property without Lessor's consent.
- 3. In the event there is no production in paying quantities found by any operations undertaken by Lessee and there is an abandonment of said lease, Lessee shall fill all its, ponds and remove all structures and reasonably restore the premises to the condition existing at the time the lease was executed.
- 4. Lessee agrees to pay Lessor the sum of \$2,500 for each well drilled on the premises. Lessee agrees that this payment covers only those damages usually incurred in the preparation, drilling, completion and producing or plugging and abandonment of an oil and gas well. Lessee agrees to compensate Lessor for any extraordinary damages incurred in such activities. If Lessor and Lessee disagree on such damage, Lessee and Lessor agree to appoint an appraiser to review the damages and determine whether they are extraordinary and whether additional compensation is due.
- 5. Subject to all applicable rules and regulations of the appropriate governmental authorities, this lease contemplates the full prospecting and development of oil and gas of the land hereby leased, including the obligation to offset producing wells on the leased premises commensurate with practices of the oil and gas industry. After the primary term, Lessee agrees to drill as many offset wells as may be necessary and prudent and commensurate with practices in the oil and gas industry, to prevent any undue drainage of oil or gas from the land included herein which are being subject to drainage, upon written demand.
- 6. The Installation of any salt water disposal equipment by Lessee in the operation of the lease shall be subject to the approval of Lessor's tenant. Lessee shall not be permitted to use any well drilled on the leased premises as a salt water disposal well without the written consent of Lessor's tenant and without compensating the tenant for the use thereof. The compensation rate will be \$100 per month per well. The terms of this paragraph do no apply to the disposal of salt water produced from wells located on lands covered by this lease. Lessor agrees to allow Lessee the right to dispose of salt water from other leased tracts described as follows: NE/4, SE/4 & SW/4 of 17s-31w, NE/4 of 28-17s-31w and NW/4 and SE/4 of 22-17s-31w.
- 7. Lessee agrees to consult with Lessor concerning the route of all access roads located on the property and agrees to comply with all reasonable requests of Lessor concerning their location. There shall be no oil road surfaces of hard surfacing of any access roads without the written consent of Lessor.
- 8. All utility lines shall be buried to a depth of forth-eight inches ("48") upon written request by Lessor.
- 9. In the event of oil or gas production under this lease, if the annual royalty due under the lease terms is not equal to the sum of \$5.00 per acre per year, Lessee agrees to pay the additional sum due to equal said sum of \$5.00 per acre per year. Such sum shall be paid within thirty (30) days following the anniversary date of said lease. If not paid this lease shall terminate with respect to all parties, and in such event, Lessee agrees to file a written release of said lease of record.
- 10. Lessor and his representatives, at his own risk, shall have access to any and all wells drilled upon the land, and shall, at written request, be furnished with information pertaining to the drilling, testing and operation of such wells. In the event gas is encountered in paying quantities, Lessor, upon written request, shall be furnished with the results of periodic G.P.M. tests taken from any gas wells located thereon.
- 11. It is expressly agreed, notwithstanding anything to the contrary herein, if this lease is in force and effect at the time of expiration of the primary term, the lease shall thereupon terminate as to all depths 100 feet below the deepest depth penetrated by the drilling of a well or wells on the described land or lands pooled therewith, except if drilling is in progress at the end of the primary term. It is expressly agreed that if Lessee shall commence drilling operations at any time while this lease is in force, the lease shall remain in force and its terms shall continue so long as such operations are prosecuted. It is the intent for Lessee to earn all rights to 100' below the total depth drilled on the lease premises or lands pooled therewith.
- 12. Lessee shall not commence any drilling operations upon the leased premises without first consulting with Lessor as to the location of the proposed drilling site, and if at that time there is a growing crop on the premises and if the crop is ready for harvest, Lessee agrees to delay the commencement of drilling operations until after such crop has been harvested, and if the lease is within 60 days of expiration at such time then the lease will be extended by the amount of time equal to the number of days Lessee is delayed in commencing drilling operations as result of harvesting any such crop. If Lessee can compensate tenant and Lessor to their satisfaction for growing crop then drilling may proceed.

BOOK 215 PAGE 121

(PAGE \_ 3 OF 4 )

## BOOK 2/5 PAGE 12/

(PAGE\_4\_0F\_4\_)

- 13. Lessee agrees that it will use its best efforts to obtain the best possible price for production under this lease. In no event shall the price received by Lessor be less than the price paid to the Lessee in a third-party transaction.
- 14. Lessee agrees to use and appropriate only so much ground water from the leased premises as is required for drilling operations on the leased premises.
- 15. In the event Lessee shall fail to perform any of the terms, covenants, or conditions contained in this lease, and should such default continue for ninety (90) days after Lessor has given written notice to Lessee at the address stated in the lease by certified mail, return receipt requested, of such default, then Lessor may declare this lease null and void and of no further force and effect. In the event of a default resulting in termination of this lease, Lessee shall retain all interest in any wells Lessee has developed which are then producing, however, Lessee shall lose its right to continue prospecting and developing the leased premises for oil and gas, and Lessor shall have the right to release the premises for oil and gas development and exploration as Lessor sees fit.
- 16. If this lease is assigned any assignment of any interest in said lease then any interest in said lease shall be placed on record, and the Lessee shall notify Lessor in writing of said assignment.
- 17. If gas is found lessor shall have free use of gas for Irrigation purposes
- 18. This lease and all its terms conditions and stipulations shall extend to and be binding on all heirs, grantees, administrators or assigns, of said Lessor or Lessee.

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

SIGNED FOR IDENTIFICATION:

Alfred Janssen III, Trustee

Sally A. Janssen, Trustee

## AFFIDAVIT BYTRUSTEES

1. That this affidavit is made in connection with the following lands inScettCounty,Kansas, to-wit:	COMES NOW the undersigned, of lawful age and upon their oath(s) being first duly s	sworn, and
to-wit:    Township 17-South, Range 31-West   Sec. 21: NE/4; SE/4; SW/4   Sec. 22: NW/4; Sec. 2	state(s) as follows:	
Sec. 21: NP/4; SE/4; SW/4 Sec. 28: NP/4 2. That we are the presently-existing trustee(s) of that trust known as _Alfred Janssen_III.Revocable Trust, dated October 6, 2003 to which the above-described property was conveyed by deed recorded in Book at Page of the records of the Register of Deeds of said county.  3. That said trust is revocable, and is presently in existence.  4. That we are authorized, without limitation, to execute and deliver to _Meridian Energy, Inc 1475 N. Ward Circle, Franktown, CO 80116 as lessee, an oil and gas lease or leases covering the above-described lands for a primary term of _Three(3) or to (describe the transfer)  [NOTE: Complete the following only if the trust is revocable.]  5. That the original grantor-settlor of said trust was _Alfred Janssen III and Sally A. Janssen, husband and wife Said grantor-settlor is presently living on or about _June 8, 2002.  6. [If grantor-settlor is presently living on or about _June 8, 2002.  6. [If grantor-settlor is presently living on or about _June 8, 2002.  7. [If grantor-settlor is presently living on or about _June 8, 2007.  8. [If grantor-settlor is presently living on the deed of said lands into the trust.  7. [If grantor-settlor deceased] The grantor-settlor is deceased, and the surviving spouse is said surviving spouse is/ is not the same spouse who joined in execution of the deed of said lands into the trust.  FURTHER AFFIANT(S) SAITH NAUGHT.  Sally A. Janssen, Trustee  SUBSCRIBED AND SWORN TO this _8th _ day of _ June 2007  Steven L. James 2007  Steven L. James 2007  Steven L. James 2007 appeared _Alfred Janssen III and Sally A. Janssen, Trustees of the Alfred Janssen 2007  BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 2007  BEFORE ME, the undersigned, a Notary Public, within and for said Coun		, Kansas ,
Trust, dated October 6, 2003 to which the above-described property was conveyed by deed recorded in Book	Sec. 21: NE/4; SE/4; SW/4 Sec. 22: NW/4; SE/4) **	
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	executed the within and foregoing instrument and acknowledged to me that he executed the s	same as his free
	and voluntary act and deed for the uses and purposes therein set forth.	
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above		last above
written.	written.	
	My Commission Expires 9-19-09 Notary Public Steven L. James	S

STEVEN L JAMES
State of Kansas
My Apot. Exp. 9-19-09

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## **OIL AND GAS LEASE**



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in witness where witnesses:  Sally A	EOF, the undersigned execu	ite this instrument as of t	he day and year fire	ay		ister of Deeds

BOOK 215 PAGE 119

Notwithstanding any provisions to the contrary in the printed portion of the oil and gas lease stated above, the parties hereto agree that the following provisions of this addendum hereafter set forth shall apply:

- 1. It is agreed by the Lessor and Lessee that where all the references to "one-eighth (1/8)" royalty on oil and gas produced shall be changed to "fifteen percent (15%)".
- 2. No right is granted to the Lessee to erect on any part of said premises any plant or facility for gasoline extraction or for the processing of gas or petroleum substances, except the normal and necessary heater treater and separator customarily used. Lessee specifically agrees to build any meter houses, separators, heater treaters and storage tanks for the purpose of producing and saving any oil and gas upon the above described premises. No storage tanks shall be built farther than one hundred (100) feet from such county road or roadway adjoining such property without Lessor's consent.
- 3. In the event there is no production in paying quantities found by any operations undertaken by Lessee and there is an abandonment of said lease, Lessee shall fill all its, ponds and remove all structures and reasonably restore the premises to the condition existing at the time the lease was executed.
- 4. Lessee agrees to pay Lessor the sum of \$2,500 for each well drilled on the premises. Lessee agrees that this payment covers only those damages usually incurred in the preparation, drilling, completion and producing or plugging and abandonment of an oil and gas well. Lessee agrees to compensate Lessor for any extraordinary damages incurred in such activities. If Lessor and Lessee disagree on such damage, Lessee and Lessor agree to appoint an appraiser to review the damages and determine whether they are extraordinary and whether additional compensation is due.
- 5. Subject to all applicable rules and regulations of the appropriate governmental authorities, this lease contemplates the full prospecting and development of oil and gas of the land hereby leased, including the obligation to offset producing wells on the leased premises commensurate with practices of the oil and gas industry. After the primary term, Lessee agrees to drill as many offset wells as may be necessary and prudent and commensurate with practices in the oil and gas industry, to prevent any undue drainage of oil or gas from the land included herein which are being subject to drainage, upon written demand.
- 6. The Installation of any salt water disposal equipment by Lessee in the operation of the lease shall be subject to the approval of Lessor's tenant. Lessee shall not be permitted to use any well drilled on the leased premises as a salt water disposal well without the written consent of Lessor's tenant and without compensating the tenant for the use thereof. The compensation rate will be \$100 per month per well. The terms of this paragraph do no apply to the disposal of salt water produced from wells located on lands covered by this lease. Lessor agrees to allow Lessee the right to dispose of salt water from other leased tracts described as follows: NE/4, SE/4 & SW/4 of 17s-31w, NE/4 of 28-17s-31w and NW/4 and SE/4 of 22-17s-31w.
- 7. Lessee agrees to consult with Lessor concerning the route of all access roads located on the property and agrees to comply with all reasonable requests of Lessor concerning their location. There shall be no oil road surfaces of hard surfacing of any access roads without the written consent of Lessor.
- 8. All utility lines shall be buried to a depth of forth-eight inches ("48") upon written request by Lessor.
- 9. In the event of oil or gas production under this lease, if the annual royalty due under the lease terms is not equal to the sum of \$5.00 per acre per year, Lessee agrees to pay the additional sum due to equal said sum of \$5.00 per acre per year. Such sum shall be paid within thirty (30) days following the anniversary date of said lease. If not paid this lease shall terminate with respect to all parties, and in such event, Lessee agrees to file a written release of said lease of record.
- 10. Lessor and his representatives, at his own risk, shall have access to any and all wells drilled upon the land, and shall, at written request, be furnished with information pertaining to the drilling, testing and operation of such wells. In the event gas is encountered in paying quantities, Lessor, upon written request, shall be furnished with the results of periodic G.P.M. tests taken from any gas wells located thereon.
- 11. It is expressly agreed, notwithstanding anything to the contrary herein, if this lease is in force and effect at the time of expiration of the primary term, the lease shall thereupon terminate as to all depths 100 feet below the deepest depth penetrated by the drilling of a well or wells on the described land or lands pooled therewith, except if drilling is in progress at the end of the primary term. It is expressly agreed that if Lessee shall commence drilling operations at any time while this lease is in force, the lease shall remain in force and its terms shall continue so long as such operations are prosecuted. It is the intent for Lessee to earn all rights to 100' below the total depth drilled on the lease premises or lands pooled therewith.
- 12. Lessee shall not commence any drilling operations upon the leased premises without first consulting with Lessor as to the location of the proposed drilling site, and if at that time there is a growing crop on the premises and if the crop is ready for harvest, Lessee agrees to delay the commencement of drilling operations until after such crop has been harvested, and if the lease is within 60 days of expiration at such time then the lease will be extended by the amount of time equal to the number of days Lessee is delayed in commencing drilling operations as result of harvesting any such crop. If Lessee can compensate tenant and Lessor to their satisfaction for growing crop then drilling may proceed.

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- 13. Lessee agrees that it will use its best efforts to obtain the best possible price for production under this lease. In no event shall the price received by Lessor be less than the price paid to the Lessee in a third-party transaction.
- 14. Lessee agrees to use and appropriate only so much ground water from the leased premises as is required for drilling operations on the leased premises.
- 15. In the event Lessee shall fail to perform any of the terms, covenants, or conditions contained in this lease, and should such default continue for ninety (90) days after Lessor has given written notice to Lessee at the address stated in the lease by certified mail, return receipt requested, of such default, then Lessor may declare this lease null and void and of no further force and effect. In the event of a default resulting in termination of this lease, Lessee shall retain all interest in any wells Lessee has developed which are then producing, however, Lessee shall lose its right to continue prospecting and developing the leased premises for oil and gas, and Lessor shall have the right to release the premises for oil and gas development and exploration as Lessor sees fit.
- 16. If this lease is assigned any assignment of any interest in said lease then any interest in said lease shall be placed on record, and the Lessee shall notify Lessor in writing of said assignment.
- 17. If gas is found lessor shall have free use of gas for Irrigation purposes
- 18. This lease and all its terms conditions and stipulations shall extend to and be binding on all heirs, grantees, administrators or assigns, of said Lessor or Lessee.

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

SIGNED FOR IDENTIFICATION:

Alfred Janssen III, Trustee

Sally A. Janssen, Trustee