



1038469

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: _____

Lease: _____

Well Number: _____

Field: _____

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - _____ - _____ - _____

Location of Well: County: _____

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Sec. _____ Twp. _____ S. R. _____ E W

Is Section: Regular or Irregular

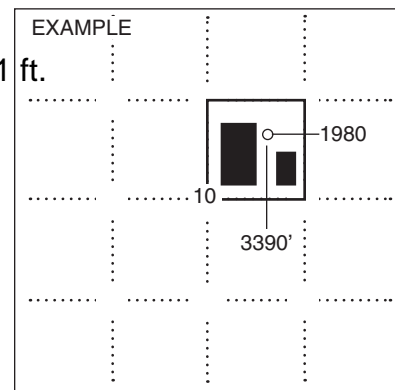
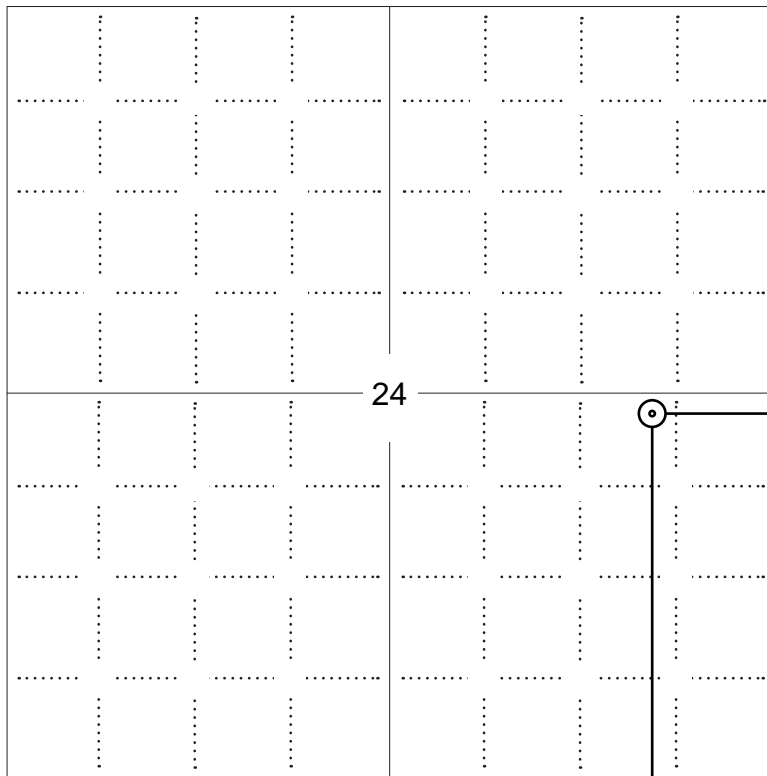
If Section is Irregular, locate well from nearest corner boundary.

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 location.

2495 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 1038469
OIL & GAS CONSERVATION DIVISION

Form CDP-1
April 2004
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: _____		License Number: _____	
Operator Address: _____			
Contact Person: _____		Phone Number: _____	
Lease Name & Well No.: _____		Pit Location (QQQQ): _____-_____-_____-_____	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	
How is the pit lined if a plastic liner is not used?		_____	
Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) _____ N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) _____ No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit _____ feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: _____ measured _____ well owner _____ electric log _____ KDWR	
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ _____ Drill pits must be closed within 365 days of spud date.	
Submitted Electronically			

KCC OFFICE USE ONLY		Steel Pit	RFAC	RFAS
Date Received: _____	Permit Number: _____	Permit Date: _____	Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Scout Exploration Corp.

January 15, 2006

Mr. and Mrs. Edwin McLeish
154 N. Lane-Ness Road
Dighton, KS 67839

RE: Corrected Date on OGLs
E 1/2 Sec 24-18S-27W
NE 1/4 Sec 25-18S-27W
Lane County, Kansas

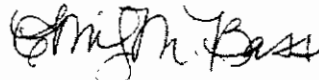
Dear Mr. and Mrs. McLeish,

Due to a typographical error, the leases that Scout Exploration Corp. recently obtained from you covering the above-referenced minerals were dated January 4, 2005. Jim Hutchison discovered this error and corrected the date on the leases before recording. We have included copies of the recorded leases for your files.

To indicate your acceptance of this correction, please sign at the bottom where provided and return one copy to our office so we can have a copy in our files.

Thank you for your prompt attention and assistance. If you have any questions, please do not hesitate to contact Jim at our office or on his cell phone 405-227-5055.

Sincerely,



Emily M. Bass

We are in agreement that the correct date of execution is January 4, 2006, for the following Oil and Gas Leases:

NE 1/4 Sec 24-18S-27W, Lane County, KS Book 112, Page 93
SE 1/4 Sec 24-18S-27W, Lane County, KS Book 112, Page 95
NE 1/4 Sec 25-18S-27W, Lane County, KS Book 112, Page 94


Thomas Edwin McLeish


Lois McLeish

STATE OF Kansas

COUNTY OF _____

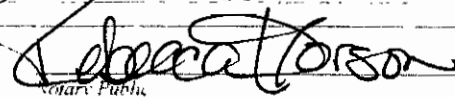
ACKNOWLEDGMENT FOR INDIVIDUAL (KsOKCoNet)

Signed and acknowledged before me this 17th day of
Thomas Edwin McLeish
Lois McLeish



2006 by _____

My Commission Expires 12/05/2009


Notary Public



63U (Rev 1993)

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 4th day of January, 2006, by and between

Thomas Edwin McLeish and wife, Lois McLeish

whose mailing address is 154 N. Lane-Ness Road, Dighton, Kansas 67839 hereinafter called Lessor (whether one or more), and Scout Exploration Corp., P.O. Box 1348, Edmond, Oklahoma 73083-1348 hereinafter called Lessee.

Lessor, in consideration of ***** ten and other ***** Dollars (\$ **10.00**) in hand paid, receipt of which is here 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 produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest,

therein situated in County of Lane State of Kansas described as follows to-wit:

The Northeast Quarter (NE 1/4)

In Section 24 Township 18 South Range 27 West and containing 160 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of three (3) years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said land is pooled.

In consideration of the premises the said lessee covenants and agrees:

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

2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, 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 proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.

This lease may be maintained during the primary term hereof without further payment or drilling operations. If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed within the term of years first mentioned.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided 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 operations 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, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or 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 and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

All express or implied covenants of the lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land; lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be tracts contiguous to one another and to be into a unit or units not exceeding 40 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 county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so 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 basis bears to the total acreage so pooled in the particular unit involved.

Lessee shall have the option of renewing this lease for a period of two (2) years under the same bonus consideration paid hereunder.

Scout Exploration Corp. has your exclusive permission to conduct a seismic survey across your lands as listed herein for the purpose of Oil & Gas Exploration. Our operations will be conducted in accordance with good standard practices and careful manner; we agree to hold you free and harmless from any and all claims and damages that may result from our work by virtue of your permission herein granted

IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.

Witness

Thomas Edwin McLeish Lois McLeish

By: Thomas Edwin McLeish

By: Lois McLeish

SS#

SS#

NOTICE FOR EXTENSION
OF OIL AND GAS LEASE

WHEREAS, **Scout Exploration Corp.** P.O. Box 1410, Edmond, OK 73083 is the owner and holder of an oil and gas lease on the following described land in Lane County, State of Kansas:

- The Northeast Quarter (NE /4) of Section 24, Township 18 South, Range 27 West Recorded Book 112 Page 93
- The Southeast Quarter (SE/4) of Section 24, Township 18 South, Range 27 West Recorded Book 112 Page 95
- The Northeast Quarter (NE /4) of Section 25, Township 18 South, Range 27 West Recorded Book 112 Page 94

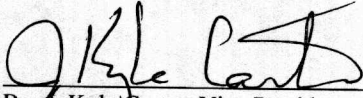
dated January 4, 2006 and recorded in Book and Page as listed above of the records of said county, and

IN ACCORDANCE with the provision for extension on the referenced Oil and Gas Lease, notice is hereby given that the required Ten and Other Dollars have been paid in order to extend and keep in effect that certain Oil and Gas Lease for an additional two (2) years as provided.

IN WITNESS WHEREOF, this instrument is signed on this 15th of December, 2008.

SCOUT EXPLORATION CORP.

ATTEST



By: J. Kyle Carter, Vice President



By: Emily M. Bass, Secretary

ACKNOWLEDGEMENT

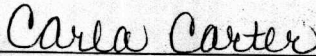
State of Oklahoma)
County of Oklahoma)

Before me the undersigned, a notary public, within and for said county and state, on this 15th day of December, 2008, personally appeared J. Kyle Carter, known to me to be the person who executed the foregoing instrument on behalf of Scout Exploration Corp., and such person duly acknowledged to me the execution of the same for the purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My Commission Expires: 11/21/12

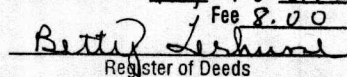
My Commission Number: 08011736



Notary Public- Carla Carter

RECORD & RETURN TO:
SCOUT EXPLORATION CORP.
P.O. BOX 1410
EDMOND, OK 73083-1410

STATE OF KANSAS, LANE COUNTY, SS
This instrument was filed for record on the
5 day of January
A.D. 2008 at 11:30 o'clock AM and on
recorded in Book 124 on page 296
Fee 8.00


Register of Deeds

NUMERICAL
DIRECT
INDIRECT
COMP. ORIG.
COMPUTER

63U (Rev 1993)

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 4th day of January 2006, by and between

Thomas Edwin McLeish and wife, Lois McLeish

whose mailing address is 154 N. Lane-Ness Road, Dighton, Kansas 67839

hereinafter called Lessor (whether one or

more), and Scout Exploration Corp., P.O. Box 1348, Edmond, Oklahoma 73083-1348

hereinafter called Lessee.

Lessor, in consideration of ***** ten and other ***** Dollars (\$ **10.00**) in hand paid, receipt of which is here 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 produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest,

therein situated in County of Lane State of Kansas described as follows to-wit:

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In Section 24, Township 18 South, Range 27 West, and containing 160 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of three (3) years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said land is pooled.

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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, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or 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 and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

All express or implied covenants of the lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

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Lessee shall have the option of renewing this lease for a period of two (2) years under the same bonus consideration paid hereunder.

Scout Exploration Corp. has your permission to conduct a seismic survey across your lands as listed herein for the purpose of Oil & Gas Exploration. Our operations will be conducted in accordance with good standard practices and careful manner; we agree to hold you free and harmless from any and all claims and damages that may result from our work by virtue of your permission herein granted.

IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.

Witnesses: Thomas Edwin McLeish Lois McLeish

By: Thomas Edwin McLeish

By: Lois McLeish

SS#

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