

For KCC	Use:		
Effective	Date:		
District #			
00.40		п. .	

Spud date: _

_ Agent: _

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 October 2007 Form must be Typed Form must be Signed

	Spot Description:
month day year	Sec Twp S. R E \
PERATOR: License#	feet from N / S Line of Section
ame:	feet from E / W Line of Section
ddress 1:	Is SECTION: Regular Irregular?
dress 2:	(Note: Locate well on the Section Plat on reverse side)
ty:	County:
ntact Person:	Lease Name: Well #:
one:	Field Name:
DNTRACTOR: License#	Is this a Prorated / Spaced Field?
ime:	Target Formation(s):
	Nearest Lease or unit boundary line (in footage):
Well Drilled For: Well Class: Type Equipment:	Ground Surface Elevation:feet MS
Oil Enh Rec Infield Mud Rotary	Water well within one-quarter mile:
Gas Storage Pool Ext. Air Rotary	Public water supply well within one mile:
Disposal Wildcat Cable	Depth to bottom of fresh water:
Seismic ; # of Holes Other	Depth to bottom of usable water:
Other:	Surface Pipe by Alternate: I II
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
	Length of Conductor Pipe (if any):
Operator:	
Well Name:	Projected Total Depth:
Original Completion Date: Original Total Depth:	Formation at Total Depth:
rectional, Deviated or Horizontal wellbore?	Water Source for Drilling Operations:
/es, true vertical depth:	Well Farm Pond Other:
ottom Hole Location:	DWR Permit #:(Note: Apply for Permit with DWR)
CC DKT #:	Will Cores be taken?
	If Yes, proposed zone:
A = 1	FIDAVIT
ΔH	
AF1 ne undersigned hereby affirms that the drilling, completion and eventual plu	
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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

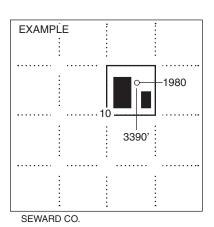
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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:
Lease:	feet from N / S Line of Section
Well Number:	feet from E / W Line of Section
Field:	Sec Twp S. R 🗌 E 🗍 W
Number of Acres attributable to well:	Is Section: Regular or Irregular
	If Section is Irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW

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.)

0505 (62 ft.							
2585 ft		:		:)		:	:
		: : :		:				:
		: : :		:	•••••		:	
		:	,					
		:					•	
		:		2	6			
		:		: :				
								,



NOTE: In all cases locate the spot of the proposed drilling locaton.

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

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



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

038934

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):			
Is the bottom below ground level? Yes No Pit dimensions (all but working pits): Depth from	Emergency Pit					
Distance to nearest water well within one-mile	of pit	Depth to shallo	west fresh waterfeet.			
feet Depth of water well	feet		redwell owner electric logKDWR			
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 flow into the pit? Yes No Submitted Electronically		Type of material Number of work Abandonment	bover and Haul-Off Pits ONLY: al utilized in drilling/workover:			
KCC OFFICE USE ONLY Steel Pit RFAC RFAS						
Date Received: Permit Num	ber:	Permi	it Date: Lease Inspection:			

BUDA PROSPECT

63U (Rev 1993)

OIL AND GAS LEASE

AGREEMENT, Made and entered into the14 th day	of September , 2006, by and between
The Clyde L. Goodman and	Marla K. Goodman Family Trust
Clyde L. Goodman	n and Marla K. Goodman, Trustees
whose mailing address is 8012 Misty Trail, Fort Wort	th, TX 76123-1954 hereinafter called Lessor (whether one or more),
and Scout Exploration Corp., P.O. Box 1348, Edmon	nd, Oklahoma 73083-1348 , hereinafter called Lessee.
herein provided and of the agreements of the lessee herein contained, herel other means, prospecting drilling, mining and operating for and producing and air into subsurface strata, laying pipe lines, storing oil, building tanks	
The North Half of the Northeast Quarter and The North	th Half of the South Half of the Northeast Quarter (N ½ NE ¼ and N ½ S ½ NE ¼)
In Section 26 , Township 20 South , Range	26 West , and containing 120 acres, more or less, and all accretions thereto.
oil, liquid hydrocarbons, gas or other respective constituent products, or any In consideration of the premises the said lessee covenants and 1st. To deliver to the credit of lessor, free of cost, in and saved from the leased premises. 2nd. To pay lessor for gas of whatsoever nature or kind (1/8) at the market price at the well, (but, as to gas sold by lessee, in no ever premises, or in the manufacture of products therefrom, said payments to be royalty One Dollar (\$1.00) per year per net mineral acre retained hereunde the preceding paragraph. This lease may be maintained during the primary term hereof we lease or any extension thereof, the lessee shall have the right to drill such we quantities, this lease shall continue and be in force with like effect as if such that the said lessor owns a less interest in the above described land	the pipeline to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced d produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth ent more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as ar, and if such payment or tender is made it will be considered that gas is being produced within the meaning of without further payment or drilling operations. If the lessee shall commence to drill a well within the term of this well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying h well had been completed within the term of years first mentioned.
said lessor only in the proportion which lessor's interest bears to the whole Lessee shall have the right to use, free of cost, gas, oil and wat	and undivided fee. er 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	•
No well shall be drilled nearer than 200 feet to the house or ba Lessee shall pay for damages caused by lessee's operations to	
	y and fixtures placed on said premises, including the right to draw and remove casing.
executors, administrators, successors or assigns, but no change in the own been furnished with a written transfer or assignment or a true copy thereof. assigned portion or portions arising subsequent to the date of assignment. Lessee may at any time execute and deliver to lessor or place surrender this lease as to such portion or portions and be relieved of all obli All express or implied covenants of the lease shall be subject whole or in part, nor lessee held liable in damages, for failure to compl	ilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, tership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the e of record a release or releases covering any portion or portions of the above described premises and thereby igations as to the acreage surrendered. It is all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in y therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or
any mortgages, taxes or other liens on the above described lands, in the evelessors, for themselves and their heirs, successors and assigns, hereby sundower and homestead may in any way affect the purposes for which this lead tessee, at its option, is hereby given the right and power to primmediate vicinity thereof, when in lessee's judgment it is necessary or ad of oil, gas or other minerals in and under and that may be produced from sacres each in the event of an oil well, or into a unit or units not exceeding 6 the county in which the land herein leased is situated an instrument identification purposes except the payment of royalties on production from the pooled production is had from this lease, whether the well or wells be located on the	and sherein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment went of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned render and release all right of dower and homestead in the premises described herein, in so far as said right of ase is made, as recited herein. Sool or combine the acreage covered by this lease or any portion thereof with other land; lease or leases in the livisable to do so in order to property develop and operate said lease premises so as to promote the conservation aid 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 a gas well. Lessee shall execute in writing and record in the conveyance records of tying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive ulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis
Lessee agrees upon the completion of any test as a dry hole practicable and to remove all equipment within a reasonable time. Lessee shall have the option of renewing this lease for a period Scout Exploration Corp. has your permission to conduct a sei	or upon abandonment of any producing well, to restore the premises to their original condition as nearly as d of two (2) years under the same bonus consideration paid hereunder. smic survey across your lands as listed herein for the purpose of Oil & Gas Exploration. Our operations will be we agree to hold you free and harmless from any and all claims and damages that may result from our work by
	102 104 102 10
IN WITNESS WHEREOF, the undersigned execute this instru	ment as of the day and year first above written.
Witnesses: X Clyb I Hoodum	Marler K Loodyning
By: Clyde L. Goodman, Trustee	By: Marla K. Goodman, Trustee
SS/Tax ID#	SS/Tax ID#

State of Kansas Ness County

Book: 304 Page: 613

Receipt #: 1670
Pages Recorded: 2
Cashier Initials: MH

Date Recorded: 10/6/2006 1:40:00 PM

BUDA PROSPECT

63U (Rev 1993)

OIL AND GAS LEASE

**************************************	Roger A. Goodman Trust		
	Roger A. Goodman, Trustee		
whose mailing address is	PO BOX 401, Attica, KS 67009		hereinafter called Lessor (whether one
nore), and <u>Scout Explorat</u>	ion Corp., P.O. Box 1348, Edmond, C	Oklahoma 73083-1348	, hereinafter called Lessee.
herein provided and of the agree other means, prospecting drilling and air into subsurface strata, la manufacture, process, store and	ements of the lessee herein contained, hereby gr g, mining and operating for and producing oil, tying pipe lines, storing oil, building tanks, pov	ants, leases and lets exclusively unto less liquid hydrocarbons, all gases, and their wer stations, telephone lines, and other s and their respective constituent produc	d paid, receipt of which is here acknowledged and of the royalti- see for the purpose of investigating, exploring by geophysical ar respective constituent products, injecting gas, water, other fluid tructures and things thereon to produce, save, take care of, tree ts and other products manufactured therefrom, and housing an interest,
herein situated in County of	Ness State of Kansas	described as follows to-wit:	
	The N	Northwest Quarter (NW 1/4)	
In Section <u>26</u> , Town	ship <u>20 South</u> , Range <u>26</u>	6 West, and containing16	acres, more or less, and all accretions thereto.
oil, liquid hydrocarbons, gas or o	sions herein contained, this lease shall remain in other respective constituent products, or any of the the premises the said lessee covenants and agree	hem, is produced from said land or land v	from this date (called "primary term"), and as long thereafter with which said land is pooled.
and saved from the leased premi	ses.	•	ls on said land, the equal one-eighth (1/8) part of all oil produce
(1/8) at the market price at the voremises, or in the manufacture	well, (but, as to gas sold by lessee, in no event m of products therefrom, said payments to be many	ore than one-eighth (1/8) of the proceeds ade monthly. Where gas from a well pro-	or used in the manufacture of any products therefrom, one-eigh received by lessee from such sales), for the gas sold, used off the oducing gas only is not sold or used, lessee may pay or tender ill be considered that gas is being produced within the meaning
ease or any extension thereof, the partition of the parti	he lessee shall have the right to drill such well to ue and be in force with like effect as if such wel a less interest in the above described land than a which lessor's interest bears to the whole and to	o completion with reasonable diligence as il had been completed within the term of the entire and undivided fee simple esta undivided fee.	If the lessee shall commence to drill a well within the term of the dispatch, and if oil or gas, or either of them, be found in paying years first mentioned. It therein, then the royalties herein provided for shall be paid the
	lessor, lessee shall bury lessee's pipe lines belo		
	illed nearer than 200 feet to the house or barn no r damages caused by lessee's operations to grow		ent of lessor.
	ne right at any time to remove all machinery and		ng the right to draw and remove casing.
executors, administrators, succe been furnished with a written tra assigned portion or portions aris Lessee may at any surrender this lease as to such portion All express or impl whole or in part, nor lessee he	ssors or assigns, but no change in the ownershinsfer or assignment or a true copy thereof. In caing subsequent to the date of assignment, it me execute and deliver to lessor or place of ortion or portions and be relieved of all obligation ied covenants of the lease shall be subject to all	ip of the land or assignment of rentals or use lessee assigns this lease, in whole or i record a release or releases covering any uns as to the acreage surrendered. Federal and State Laws, Executive Orde	pressly allowed, the covenants hereof shall extend to their heir royalties shall be binding on the lessee until after the lessee he part, lessee shall be relieved of all obligations with respect to the portion or portions of the above described premises and there ers, Rules or Regulations, and this lease shall not be terminated, or if such failure is the result of, any such Law, Order, Rule
any mortgages, taxes or other li lessors, for themselves and thei dower and homestead may in an	ens on the above described lands, in the event of r heirs, successors and assigns, hereby surrende y way affect the purposes for which this lease is	of default of payment by lessor, and be set and release all right of dower and home made, as recited herein.	e shall have the right at any time to redeem for lessor, by payme subrogated to the rights of the holder thereof, and the undersign nestead in the premises described herein, in so far as said right lease or any portion thereof with other land; lease or leases in the
immediate vicinity thereof, whe of oil, gas or other minerals in a acres each in the event of an oil the county in which the land he purposes except the payment of production is had from this leas on production from a unit so po	n in lessee's judgment it is necessary or advisal and under and that may be produced from said p well, or into a unit or units not exceeding 640 ar rein leased is situated an instrument identifying f royalties on production from the pooled unit, e, whether the well or wells be located on the p	ole to do so in order to property develop remises, such pooling to be tracts contiguous each in the event of a gas well. Less and describing the pooled acreage. The as if it were included in this lease. If pi remises covered by this lease or not. In I	and operate said lease premises so as to promote the conservation us to one another and to be into a unit or units not exceeding a see shall execute in writing and record in the conveyance records entire acreage so pooled into a tract or unit shall be treated, for a roduction is found on the pooled acreage, it shall be treated as ieu of the royalties elsewhere herein specified, lessor shall receivaced in the unit or his royalty interest therein on an acreage bas
Lessee agrees upor practicable and to remove all eq Lessee shall have the Scout Exploration	n the completion of any test as a dry hole or u uipment within a reasonable time. he option of renewing this lease for a period of to Corp. has your permission to conduct a seismic good standard practices and careful manner; we a	wo (2) years under the same bonus considerative survey across your lands as listed herein	II, to restore the premises to their original condition as nearly deration paid hereunder. for the purpose of Oil & Gas Exploration. Our operations will any and all claims and damages that may result from our work
		\$. \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	
DI WHEN THE CO.	EDEOE 4	Color de la color	A. W.
Witnesses:	EREOF, the undersigned execute this instrument	i as of the day and year first above writter	
- 10gg/ 0. 210	municipal pulse	-	SER OF
By: Roger A. Goodman	Trustee	By:	· · · · · · · · · · · · · · · · · · ·
SS/Tax ID#		SS/Tax ID#	in in

State of Kansas Ness County

Book: 303 Page: 569

Receipt *: 1551
Pages Recorded: 2
Cashier Initials: MH Date Recorded: 9/5/2006 2:35:00 PM

63U (Rev 1993)

TANOS SS.

BUDA PROSPECT

AGREEMENT, Made and entered into the 15th day of December, 2008, by and between	
AGREEMENT, Made and entered into the 15th day of December, 2008, by and between	638
Davis Dean McVicker and Harriet Ruth McVicker, Co-Trustees of the	··········
Davis Dean McVicker Revocable Trust No. Land the Harriet Ruth McVicker Revocable Trust No. 1	I. dated June 19 1989
by Cheryl Lewis as Power of Attorney	WALL ZI, MO
hose mailing address is6518 Rodeo, Bel Aire, Kansas 67226	, hereinafter called Lessor (whether one or more),
Scout Exploration Corp. P.O. Box 1410 Edmond, Oklahoma 73083-1410	, hereinafter called Lessee.
Lessor, in consideration of Ten and other Dellaw (\$10.00)	
Lessor, in consideration of Ten and other Dollars (\$10.00) in hand paid, receipt of which is here acknown greements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, rata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to product said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured there is following described land, together with any reversionary rights and after-acquired interest,	injecting gas water at and other means, prospecting
erein situated in County of <u>Ness</u> State of <u>Kansas</u> described as follows to-wit:	372
The Southeast Quarter (SE 1/4)	7 H
Section 23 Township 20 South Range 26 West and containing 160 acres more of	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 th. In consideration of the premises the said lessee covenants and agrees: To deliver to the credit of lessor, free of cost, in the pipeline to which lessee may connect wells on said saved from the leased premises.	is date (called "primary term"), and as long thereafter as ch said land is pooled.
(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 emises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing garyer by the Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be controlled by the producing paragraph.	in the manufacture of any products therefrom, one-eighth I by lessee from such sales), for the gas sold, used off the as only is not sold or used, lessee may pay or tender as sidered that gas is being produced within the meaning of
This lease may be maintained during the primary term hereof without further payment or drilling operations. If the lesse or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispate antities, this lease shall continue and be in force with like effect as if such well had been completed within the term of years first If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein dlessor 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.	t mentioned. a, then the royalties herein provided for shall be paid the
Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operations thereo When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.	n, except water from the wells of lessor.
No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of less	or.
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 rig	ht 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 all ecutors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties in furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns this lease, in whole or in part, lessigned portion or portions arising subsequent to the date of assignment.	see shall be relieved of all obligations with respect to the
ole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such gulation.	or Regulations, and this lease shall not be terminated, in failure is the result of, any such Law, Order, Rule or
All express or implied covenants of the lease shall be subject to all Federal and State Laws, Executive Orders, Rules to or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such gulation. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated sors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in wer 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 an emediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operation of 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 excounty in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acre proses except the payment of royalties on production from the pooled unit, as if it were included in this lease. 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 production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the use to the total acreage so pooled in the particular unit involved. Lessee agrees upon the completion of any test as a dry hole or upon abandonment of any producing well, to resto cticable and to remove all equipment within a reasonable time.	or Regulations, and this lease shall not be terminated, in failure is the result of, any such Law, Order, Rule or we the right at any time to redeem for lessor, by payment to the rights of the holder thereof, and the undersigned the premises described herein, in so far as said right of any portion thereof with other land; lease or leases in the te said lease premises so as to promote the conservation e another and to be into a unit or units not exceeding 40 ecute in writing and record in the conveyance records of age so pooled into a tract or unit shall be treated, for all is found on the pooled acreage, it shall be treated as if royalties elsewhere herein specified, lessor shall receive a unit or his royalty interest therein on an acreage basis are the premises to their original condition as nearly as
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All express or implied covenants of the lease shall be subject to all Federal and State Laws, Executive Orders, Rules role or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such gulation. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have ymortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated stores, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in wer 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 an mediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and opera or other minerals in and under and that may be produced from said premises, such pooling to be tracts contiguous to on reseach 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 exproses except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production oduction 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 production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the ars to the total acreage so pooled in the particular unit involved. Lessee agrees upon the completion of any test as a dry hole or upon abandonment of any producing well, to resto acticable and to remove all equipment within a reasonable time. Scout Exploration Corp. has your permission to conduct a seismic survey across your lands as listed herein for the punducted in accordance with good standard practices and carefu	or Regulations, and this lease shall not be terminated, in failure is the result of, any such Law, Order, Rule or we the right at any time to redeem for lessor, by payment to the rights of the holder thereof, and the undersigned the premises described herein, in so far as said right of any portion thereof with other land; lease or leases in the te said lease premises so as to promote the conservation e another and to be into a unit or units not exceeding 40 ecute in writing and record in the conveyance records of age so pooled into a tract or unit shall be treated, for all is found on the pooled acreage, it shall be treated as if royalties elsewhere herein specified, lessor shall receive the unit or his royalty interest therein on an acreage basis are the premises to their original condition as nearly as
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All express or implied covenants of the lease shall be subject to all Federal and State Laws, Executive Orders, Rules the country of the state of th	or Regulations, and this lease shall not be terminated, in failure is the result of, any such Law, Order, Rule or we the right at any time to redeem for lessor, by payment to the rights of the holder thereof, and the undersigned the premises described herein, in so far as said right of any portion thereof with other land; lease or leases in the te said lease premises so as to promote the conservation e another and to be into a unit or units not exceeding 40 ecute in writing and record in the conveyance records of age so pooled into a tract or unit shall be treated, for all is found on the pooled acreage, it shall be treated as if royalties elsewhere herein specified, lessor shall receive the unit or his royalty interest therein on an acreage basis are the premises to their original condition as nearly as

Date Recorded: 10/13/2009 10:10:00 AM

ORM 88 – (Producer's Special) (Paid-Up)		BUDA PŘOSPECT
63U (Rev 1993) OIL AN	ID GAS LEASE	
	2007	
AGREEMENT, Made and entered into the16 th	_day of <u>January</u> , 2009, by and bel	tween
Bradley Dinges and	Tanya Dinges, his wife	14 July 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
hose mailing address is HC 61 Box 8, Ness City, KS 6	67560	hereinafter called Lessor (whether on
more), and Scout Exploration Corp., P.O. Box 1348	8. Edmond Oklahoma 73083-1348	
	5, Bamona, Okianoma 75083-1548	, hereinafter called Lessee.
Lessor, in consideration of ***** ten and other ** ne royalties herein provided and of the agreements of the lesse nvestigating, exploring by geophysical and other means, prospective expective constituent products, injecting gas, water, other fluids elephone lines, and other structures and things thereon to produce, asses and their respective constituent products and other product escribed land, together with any reversionary rights and after-acqui	ing drilling, mining and operating for an ing drilling, mining and operating for an is, and air into subsurface strata, laying save, take care of, treat, manufacture, p	d producing oil, liquid hydrocarbons, all gases, and their pipe lines, storing oil, building tanks, power stations
erein situated in County of <u>Ness</u> State of <u>Kansas</u>	described as follows to-wit:	
n Section 14 – The West Half (W ½ -Sec 14-20S-26W) n Section 15 – The East Half, The East Half of the Northwon n Section 22 – The Northeast Quarter and The East 20 Acro n Section 23 – The West Half (W ½ - Sec 23-20S-26W) all located in:	est Quarter and the Southwest Quarters of the Southeast Quarter (NE ¼ & See attached "Exhibit	t E 20 S SE ¹ / ₄ - Sec 22-20S-26W)
n Section <u>XXX</u> , Township <u>20 South</u> , Range	26 West, and containing	1,380 acres, more or less, and all accretion
nereto.		
Subject to the provisions herein contained, this lease sha is long thereafter as oil, liquid hydrocarbons, gas or other respective pooled.	ve constituent products, or any of them,	1) years from this date (called "primary term"), an is produced from said land or land with which said land
In consideration of the premises the said lessee covenam 1st. To deliver to the credit of lessor, free of cost	ts and agrees: t, in the pipeline to which lessee may co	onnect wells on said land, the equal one-eighth (1/8) pa
all oil produced and saved from the leased premises.	or kind produced and sold, or used off the to gas sold by lessee, in no event more manufacture of products therefrom, said royalty One Dollar (\$1.00) per year per within the meaning of the preceding parage hereof without further payment or drilling hall have the right to drill such well to or	the premises, or used in the manufacture of any product than one-eighth (1/8) of the proceeds received by lessed payments to be made monthly. Where gas from a we made mineral acre retained hereunder, and if such payment graph. If the lessee shall commence to drill a we completion with reasonable diligence and dispatch, and
rm of years first mentioned. If said lessor owns a less interest in the above described a shall be paid the said lessor only in the proportion which lessor?	d land than the entire and undivided fee	simple estate therein, then the royalties herein provide
Lessee shall have the right to use, free of cost, gas, oil and was When requested by lessor, lessee shall bury lessee's pipe		operations thereon, except water from the wells of lesso
No well shall be drilled nearer than 200 feet to the house		written consent of lessor.
Lessee shall pay for damages caused by lessee's operation		
Lessee shall have the right at any time to remove all made		· ·
If the estate of either party hereto is assigned, and the precipitation in the precipitation of the precipitation	change in the ownership of the land or a sifer or assignment or a true copy there and portion or portions arising subsequent or place of record a release or releases or ions and be relieved of all obligations as subject to all Federal and State Laws, Excamages, for failure to comply therewith the the lands herein described, and agrees to cove described lands, in the event of defease and their heirs, successors and assign	assignment of rentals or royalties shall be binding on the of. In case lessee assigns this lease, in whole or in part to the date of assignment. Covering any portion or portions of the above describe to the acreage surrendered. Coutive Orders, Rules or Regulations, and this lease shart, if compliance is prevented by, or if such failure is the that the lessee shall have the right at any time to redee that of payment by lessor, and be subrogated to the right is, hereby surrender and release all right of dower and
omestead in the premises described herein, in so far as said right cited herein.	t of dower and homestead may in any v	way affect the purposes for which this lease is made, a
Lessee, at its option, is hereby given the right and powers asse or leases in the immediate vicinity thereof, when in lessee's jumples asset or leases in the immediate vicinity thereof, when in lessee's jumples as to promote the conservation of oil, gas or other nontiguous to one another and to be into a unit or units not exceed in the event of a gas well. Lessee shall execute in writing and restrument identifying and describing the pooled acreage. The entity of the production from the pooled unit, as if it were included ad from this lease, whether the well or wells be located on the prescribe on production from a unit so pooled only such portion of the interior on an acreage basis bears to the total acreage so pooled in the Lessee agrees upon the completion of any test as a different pooled.	judgment it is necessary or advisable to a ninerals in and under and that may be a ing 40 acres each in the event of an oil va- record in the conveyance records of the ire acreage so pooled into a tract or unit d in this lease. If production is found on emises covered by this lease or not. In lie the royalty stipulated herein as the amoun- the particular unit involved.	do so in order to property develop and operate said leas produced from said premises, such pooling to be tractivell, or into a unit or units not exceeding 640 acres each county in which the land herein leased is situated at shall be treated, for all purposes except the payment of the pooled acreage, it shall be treated as if production in u of the royalties elsewhere herein specified, lessor shant of his acreage placed in the unit or his royalty interest.
ondition as nearly as practicable and to remove all equipment with	nin a reasonable time.	
Lessee shall have the option of renewing this lease for a Scout Exploration Corp. has your permission to conduct	ct a seismic survey across your lands as	listed herein for the purpose of Oil & Gas Exploration
ur operations will be conducted in accordance with good standar nd damages that may result from our work by virtue of your permi	d practices and careful manner; we agre ission herein granted.	e to hold you free and harmless from any and all claim
The intent by and between the parties hereto that this led IN WITNESS WHEREOF, the undersigned execute this instrum	ase is in effect a separate lease for each nent as of the day and year first above written.	separate 160 acre quarter section or portion there of.
Bradly Dinge	, 17/2 MG	a d Closes
	1 July	
By:Bradley Dinges	Page	State of Kansas - Ness County Book: 314 Page: 223 ipt #: 3581 is Recorded: 4 ier Initials: MH

Date Recorded: 1/17/2008 1:10:00 PM

63U

(Rev 1993)

OIL AND GAS LEASE

AGREEMENT. Made an	nd entered into the 16 th	day of Januar	200, 7y and betw	reen iii	- E	***
	mes Gillenwaters and Sund			ccii	5. W	\$
	D BOX 437, Bushland, TX			hereinafter cal	lled Lessor (wheth	or one or more)
	rp., P.O. Box 1348, Edmond		083-1348		reinafter called Les	
Lessor, in consideration he royalties herein provided and onvestigating, exploring by geophys espective constituent products, injelephone lines, and other structures gases and their respective constituellescribed land, together with any re-	ical and other means, prospect ecting gas, water, other fluids and things thereon to produce ent products and other produce	ee herein contained ing drilling, mining s, and air into sul e, save, take care of ts manufactured the	d, hereby grants, leases g and operating for and osurface strata, laying p f, treat, manufacture, pro	s and lets exclusive producing oil, lique pipe lines, storing ocess, store and tra	vely unto lessee for aid hydrocarbons, a oil, building tanks ansport said oil ligh	or the purpose of all gases, and their s, power stations, and hydrocarbons
herein situated in County ofN	ess State of Kansas	descri	bed as follows to-wit:			
In Section 14 – The West Half (In Section 15 – The East Half, T In Section 22 – The Northeast Q In Section 23 – The West Half (All located in:	he East Half of the Northw Juarter and The East 20 Acr	es of the Southe	the Southwest Quarter ast Quarter (NE ¼ & ned "Exhibit	E 20 S SE ¼ - Se	¹ / ₄ & SW ¹ / ₄ - Sec ec 22-20S-26W)	c 15-20S-26W)
n Section <u>XXX</u> , Township	20 South, Range	26 West	_, and containing	1,380 acr	res, more or less, a	and all accretions
Subject to the provisions s long thereafter as oil, liquid hydr s pooled.	herein contained, this lease sh	all remain in force	for a term of One (1)	years from	January	16, 2009 mary term"), and
of all oil produced and saved from the 2nd. To pay lessor therefrom, one-eighth (1/8) at the moreon such sales), for the gas sold, us to reducing gas only is not sold or use or tender is made it will be considered. This lease may be maintained within the term of this lease or any boil or gas, or either of them, be four erm of years first mentioned. If said lessor owns a less for shall be paid the said lessor only	for gas of whatsoever nature larket price at the well, (but, as used off the premises, or in the ed, lessee may pay or tender as ed that gas is being produced valued during the primary term extension thereof, the lessee sl and in paying quantities, this lesse is interest in the above describes	or kind produced as to gas sold by less manufacture of p royalty One Dolla within the meaning thereof without fur hall have the right asse shall continue ad land than the en's interest bears to	and sold, or used off the see, in no event more throducts therefrom, said or (\$1.00) per year per no of the preceding paragrather payment or drilling to drill such well to con and be in force with lik tire and undivided fee s the whole and undivided	e premises, or used an one-eighth (1/8 payments to be mat mineral acre reta aph. operations. If the lopetion with reason effect as if such imple estate therein differ.	I in the manufactur B) of the proceeds a ade monthly. When lined hereunder, an elessee shall comme onable diligence are well had been con n, then the royaltie	e of any product received by lesser e gas from a wel d if such paymen nece to drill a wel ad dispatch, and in appleted within the
	r, lessee shall bury lessee's pip					
	nearer than 200 feet to the hous			ritten consent of les	ssor.	
	ages caused by lessee's operat	0 0	*			4-50 L
If the estate of either partheir heirs, executors, administrators lessee until after the lessee has bee lessee shall be relieved of all obligate Lessee may at any time premises and thereby surrender this All express or implied of not be terminated, in whole or in presult of, any such Law, Order, Rule Lessor hereby warrants a for lessor, by payment any mortgage of the holder thereof, and the under thomestead in the premises describe	n furnished with a written tratitions with respect to the assign execute and deliver to lessor lease as to such portion or portovenants of the lease shall be so art, nor lessee held liable in de or Regulation. and agrees to defend the title to es, taxes or other liens on the acrsigned lessors, for themselve	rivilege of assigning change in the ownsfer or assignment of portion or portion place of recorditions and be relievely ubject to all Feder lamages, for failure of the lands herein bove described larges and their heirs,	ng in whole or in part is nership of the land or as it or a true copy thereof ons arising subsequent to a release or releases co ed of all obligations as to all and State Laws, Exec to comply therewith, in described, and agrees the ds, in the event of defau successors and assigns	expressly allowed, signment of rental: In case lessee as: to the date of assign overing any portion the acreage surrectivitive Orders, Rule if compliance is put at the lessee shall all tof payment by let, hereby surrender	the covenants here so royalties shall signs this lease, in ment. In or portions of the ndered. Is or Regulations, a revented by, or if so have the right at an essor, and be subror and release all ri	cof shall extend to be binding on the whole or in part e above described and this lease shal such failure is the my time to redeen gated to the rights ght of dower and
ease or leases in the immediate vicoremises so as to promote the constanting on the event of a gas well. Lessee instrument identifying and describing oyalties on production from the post and from this lease, whether the welf eccive on production from a unit subsection on an acreage basis bears to be a lessee agrees upon the condition as nearly as practicable and Lessee shall have the opt shall be conducted in the damages that may result from on the intent by and between	servation of oil, gas or other is into a unit or units not exceeds shall execute in writing and ang the pooled acreage. The ent oled unit, as if it were included in or wells be located on the proposed only such portion of the total acreage so pooled in the completion of any test as a condition of renewing this lease for a has your permission to conduct accordance with good standar	judgment it is nec minerals in and ur ling 40 acres each record in the con- tire acreage so pood d in this lease. If p emises covered by the royalty stipulat the particular unit if dry hole or upon a hin a reasonable ti a period of two (2) act a seismic surve ard practices and ca assission herein gran	essary or advisable to do der and that may be prin the event of an oil we reyance records of the electric of the electric or unit is roduction is found on the this lease or not. In lieu ed herein as the amount nvolved. Abandonment of any prome. Years under the same be y across your lands as l'ureful manner; we agree ted.	o so in order to provoduced from said ell, or into a unit o county in which the the treated, for the pooled acreage, of the royalties els of his acreage planducing well, to reconstruct on the to hold you free and	perty develop and premises, such por units not exceeding the land herein lear all purposes except it shall be treated as except the unit or herein the unit or herein the premise paid hereunder. The purpose of Oil & and harmless from a such premise the purpose of Oil & and harmless from a such paid hereunder.	operate said lease coling to be tracting 640 acres each sed is situated at pt the payment of as if production is cified, lessor shall his royalty interest to their original Gas Exploration any and all claims
By: James Gillenwaters		<u>By:</u>	Sundy Gillenwaters	<u>'</u>		
					Kansas - Ness	