For KCC Use:

Eff	ec	tiv	e	Date
-				

District	#	

SGA?	Yes	No

Form

KANSAS CORPORATION COMMISSION **OIL & GAS CONSERVATION DIVISION**

March 2010 Form must be Typed Form must be Signed All blanks must be Filled

Form C-1

1051439

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date:	Spot Description:
OPERATOR: License#	Sec Twp S. R E W
	feet from E / W Line of Section
Name:	Is SECTION: Regular Irregular?
Address 1:	
Address 2:	(Note: Locate well on the Section Plat on reverse side)
City: State: Zip: +	County:
Contact Person:	Lease Name: Well #:
Phone:	Field Name:
CONTRACTOR: License#	Is this a Prorated / Spaced Field?
Name:	Target Formation(s):
Well Drilled For: Well Class: Type Equipment: Oil Enh Rec Infield Mud Rotary Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable Seismic ; # of Holes Other Other:	Nearest Lease or unit boundary line (in footage): Ground Surface Elevation:
Directional, Deviated or Horizontal wellbore?	Well Farm Pond Other:
If Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	(Note: Apply for Permit with DWR)
KCC DKT #:	Will Cores be taken?
	If Yes, proposed zone:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

It is agreed that the following minimum requirements will be met:

- 1. Notify the appropriate district office *prior* to spudding of well;
- 2. A copy of the approved notice of intent to drill shall be posted on each drilling rig;
- 3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
- 4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
- 5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
- 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 DAYS of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. In all cases, NOTIFY district office prior to any cementing.

Submitted Electronically

For KCC Use ONLY	
API # 15	
Conductor pipe required	feet
Minimum surface pipe required	feet per ALT. II
Approved by:	
This authorization expires:	tarted within 12 months of approval date.)
Spud date: Ag	gent:

Remember to:

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed (within 60 days);
- Obtain written approval before disposing or injecting salt water.
- If well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.
 - Well will not be drilled or Permit Expired Date: _ Signature of Operator or Agent:

ш



For KCC Use ONLY

API # 15 - ____

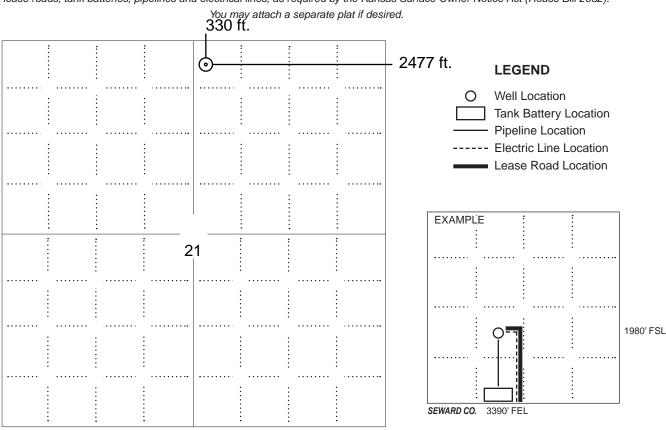
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

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: QTR/QTR/QTR/QTR of acreage:	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. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).



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).
- 5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

Side Two



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION 1051439

Form CDP-1 May 2010 Form must be Typed

٦

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Г

Operator Address: Priore Number: Contact Person: Priore Number: Lease Name & Well No:: Pri Location (QQQQ): Type of Pit: Prit is: Emergency. Pit Burn Pit Diffing Pit Driffing Pit If Emergency. Pit Driffing Pit If Emergency Pit Attificial Line? If Emergency Pit Attificial Line? No No Pit dimensions (all but working pits):	Operator Name:			License Number:
Lease Name & Well No: Pit Location (QQQQ): Type of Pt: Pti is:	Operator Address:			
Pret: Pet is:	Contact Person:			Phone Number:
Image: construction of the liner material, thickness and installation procedure. Image: construction of the liner material, thickness and installation procedure. Sec:	Lease Name & Well No.:			Pit Location (QQQQ):
Setting Pit □ brilling Pit If Existing, date constructed:				
Workover Pit Haul-Off Pit (I'WP Supply API No. or Year Divilica) Pit capacity:				
If WP Supply AP No. or Year Duffect] Pit capacity:		IT EXISTING, date col	nstructed:	
Is the pit located in a Sensitive Ground Water Area? Yes No Chloride concentration: mgil Is the bottom below ground level? Artificial Liner? How is the pit lined if a plastic liner is not used? Pit dimensions (all but working pits):		Pit capacity:		Feet from East / West Line of Section
Is the bottom below ground level? Artificial Liner? How is the pit lined if a plastic liner is not used? I' Yes No How is the pit lined if a plastic liner is not used? Pit dimensions (all but working pits):			(bbls)	County
Yes No Pit dimensions (all but working pits): Length (feet) Uepth 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. Distance to nearest water well within one-mile of pit: feet	Is the pit located in a Sensitive Ground Water A	irea? Yes	No	0
Depth from ground level to deepest point:			٧o	How is the pit lined if a plastic liner is not used?
If the pit is lined give a brief description of the liner material, thickness and installation procedure. Distance to nearest water well within one-mile of pit: feet Depth of water wellfeet feet Depth of water wellfeet Producing Formation: feet Number of producing wells on lease:	Pit dimensions (all but working pits):	Length (fee	et)	Width (feet) N/A: Steel Pits
material, thickness and installation procedure. liner integrity, including any special monitoring. Distance to nearest water well within one-mile of pit: Depth to shallowest fresh water feet. Source of information:	Depth fro	om ground level to dee	epest point:	(feet) No Pit
Source of information: feet Depth of water well feet measured well owner electric log KDWR Producing A Burn Pits ONLY: Producing Formation: Number of producing wells on lease: Number of produced daily: Abandonment procedure: Joes the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Drill pits must be closed within 365 days of spud date. KCC OFFICE USE ONLY Liner Steel Pit RFAC				
Emergency, Settling and Burn Pits ONLY: Producing Formation: Mumber 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? Yes No Drill pits must be closed within 365 days of spud date. KCC OFFICE USE ONLY Liner Steel Pit	Distance to nearest water well within one-mile of	of pit:		
Producing Formation: Type of material utilized in drilling/workover: Number of producing wells on lease: Number of working pits to be utilized: Barrels of fluid produced daily: Abandonment procedure: Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Drill pits must be closed within 365 days of spud date.	feet Depth of water wellfeet		measured	well owner electric log KDWR
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? Yes No Drill pits must be closed within 365 days of spud date. Submitted Electronically KCC OFFICE USE ONLY Liner Steel Pit	Emergency, Settling and Burn Pits ONLY:		Drilling, Worko	over and Haul-Off Pits ONLY:
Barrels of fluid produced daily: Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Drill pits must be closed within 365 days of spud date. Submitted Electronically KCC OFFICE USE ONLY Liner Steel Pit	Producing Formation:		Type of material utilized in drilling/workover:	
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Drill pits must be closed within 365 days of spud date. Submitted Electronically KCC OFFICE USE ONLY Liner Steel Pit RFAS				
flow into the pit? Yes Drill pits must be closed within 365 days of spud date. Submitted Electronically KCC OFFICE USE ONLY Liner Steel Pit RFAS			Abandonment p	procedure:
Submitted Electronically KCC OFFICE USE ONLY Liner Steel Pit RFAC RFAS			Drill pits must be closed within 365 days of spud date.	
Liner Steel Pit RFAC RFAS				
Date Received: Permit Number: Permit Date: Lease Inspection: Yes No				
	Date Received: Permit Num	ber:	Permi	t Date: Lease Inspection: Yes No

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



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1051439

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

Form KSONA-1 July 2010 Form Must Be Typed Form must be Signed All blanks must be Filled

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License #	Well Location:		
Name:			
Address 1:	County:		
Address 2:	Lease Name: Well #:		
City: Zip: Contact Person:	If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:		
Phone: () Fax: ()			
Email Address:			
Surface Owner Information:			
Name:	When filing a Form T-1 involving multiple surface owners, attach an additional		
Address 1:	sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.		
Address 2:			
City: State: Zip:+			

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- □ I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

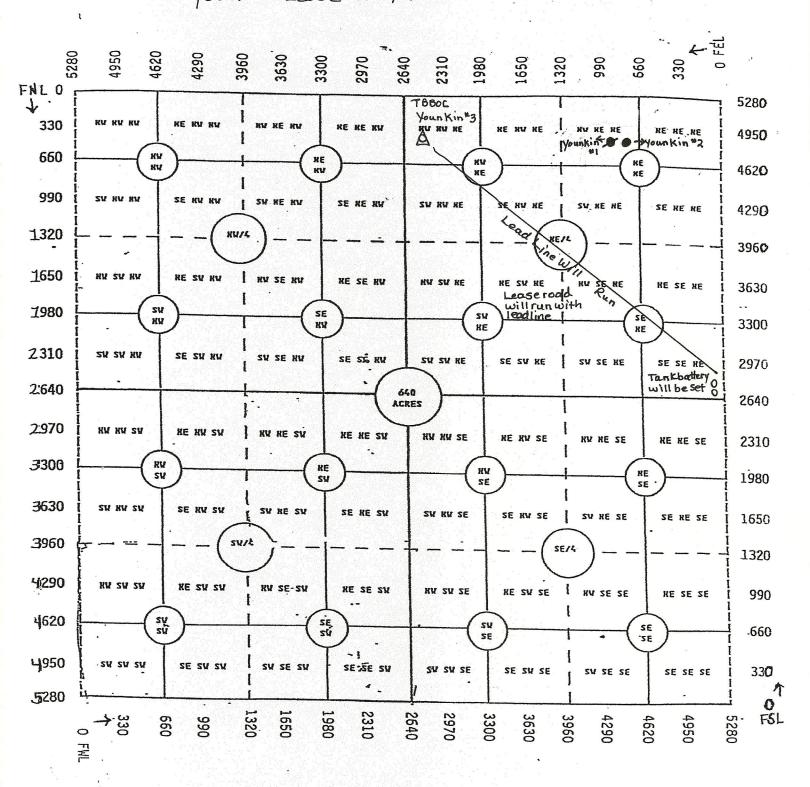
Submitted Electronically

[

I

The Bill Bowman Oil Company

Younkin Lease NE/4 of 21-12-32 Logan County, Kansas



Form 88 - (Producer's Special) (PAID-UP)

63U (Rev. 1993)

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 14th day of December, 2010, by and between Randall A. Younkin and Donella M. Younkin, Trustees of the Revocable Intervivos Trust of Randall A. Younkin dated May 20, 1993; and Donella M. Younkin and Randall A. Younkin, Trusees of the Revocable Intervivos Trust of Donella M. Younkin dated May 20, 1993,

whose mailing address is 420 Elm Ave., Oakley, Kansas 67748, hereinafter called Lessor (whether one or more).

and Bill Bowman Oil Company, hereinafter caller Lessee:

Lessor, in consideration of Ten Dollars and other consideration in hand paid, receipt of whichis here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessec 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, injection 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 there from, and housing and otherwise caring for its employees, the following described land, together with any reversionary right and after-acquired interest,

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

The Northeast Quarter (NE/4)

In Section 21, Township 12, Range 32, and containing 160 acres, more or less, and all accretions hereto.

Subject to the provisions herein contains, this lease shall remain in force for a term of <u>until July 1, 2011</u>, 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 aid lessee covenants and agrees:

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

 2^{nd} . 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 product there from, one-eighth (1/8), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products there from, said payment 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 al well with 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.

SCHOFTMED -

State of Kansas ss Logen County Filed For Record Mar. 4 20 11 AD arth: 450'clock A. M. Book 155 . Page 129 - 631 Joyce L. Bosserman Ball: 2 Hatting A Harnish Deputz. 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 operation thereon, except water from the wells of Lessor.

When requested by Lessor, lessee shall bury lessee's pipe lines below plow depth.

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

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

Lessee shall have the right at anytime 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 this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole 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 land 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 land, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof, and the undersigned Lessor, 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 mad, 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 of tracts continuous 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 lice

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.

Randall A. Younkin, Trustee of the Revocable Intervivos Trust of Randall A. Younkin dated May 20, 1993; and Trustee of the Revocable Intervivos Trust of Donella M. Younkin dated May 20, 1993

Onel

Donella M. Younkin, Trus e of the Revocable Intervivos Trust of Randall A. Younkin dated May 20, 1993; and Trustee of the Revocable Intervivos Trust of Donella M. Younkin dated May 20, 1993

ACKNOWLEDGMENT

STATE OF KANSAS COUNTY OF

FOR INDIVIDUAL (KsOkCoNe)

STACY SMITH

The foregoing instrument was acknowledged before me this day of 2011, by Randall A. Younkin and Donella M. Panliarg . Younkin, Trustees of the Revocable Intervivos Trust of Randall A. Younkin dated May 20, 1993; and Donella M. Younkin and Randall A. Younkin, Trusees of the Revocable Intervivos Trust of Donella M. Younkin dated May 20, 1993.

Notary Public - State of Kan My Appt. Erpitos My commission 126/2012 expires

Notary Public

Form 88- (Producer's Special) (PAID-UP)

63U (Rev. 1993)

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 14th day of December, 2010, by and between Todd W. Poore and Tamera L. Poore, husband and wife, whose mailing address is <u>Glendele, Az S5310-3752</u>, hereinafter called Lessor (whether one or more). and Bill Bowman Oil Company, hereinafter caller Lessee:

Lessor, in consideration of Ten Dollars and other consideration 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, injection 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 there from, and housing and otherwise caring for its employees, the following described land, together with any reversionary right and after-acquired interest,

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

The Northwest Quarter (NW/4)

In Section 21, Township 12, Range 32, and containing 160 acres, more or less, and all accretions hereto.

Subject to the provisions herein contains, this lease shall remain in force for a term of <u>until July 1, 2011</u>, 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 aid lessee covenants and agrees:

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

 2^{nd} . 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 product there from, one-eighth (1/8), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products there from, said payment 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 al well with 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.

MICROFILMED



Logen County Filed For Record Mar. 4 2011 AD adl: 45 o'clock A. M. Book 155 Page 626-628 Dayle L. Bossernan \$ 16.00 Register of Decus Bathryn B. Harrish Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operation thereon, except water from the wells of Lessor.

When requested by Lessor, lessee shall bury lessee's pipe lines below plow depth.

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

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

Lessee shall have the right at anytime 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 this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole 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 land 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 land, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof, and the undersigned Lessor, 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 mad, 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 of tracts continuous 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.

Todd W. Poore

menu Tamera L. Poore

ACKNOWLEDGMENT

STATE OF Arizona COUNTY OF Maricopo FOR INDIVIDUAL

The foregoing instrument was acknowledged before me this 24+h day of January, 2011, by Todd W. Poore and Tamera L. Poore, husband and wife.

My commission 2014 expires Smachamana a Notary Public JAMES G. MACNAMARA Notary Public—Arizona Maricopa County Expires 02/28/2014