



For KCC Use:  
 Effective Date: \_\_\_\_\_  
 District # \_\_\_\_\_  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION 1055139  
 OIL & GAS CONSERVATION DIVISION

Form C-1  
 March 2010

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

**NOTICE OF INTENT TO DRILL**

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

*Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.*

Expected Spud Date: \_\_\_\_\_  
month day year

OPERATOR: License# \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Address 1: \_\_\_\_\_  
 Address 2: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_  
 Contact Person: \_\_\_\_\_  
 Phone: \_\_\_\_\_

CONTRACTOR: License# \_\_\_\_\_  
 Name: \_\_\_\_\_

<b>Well Drilled For:</b>	<b>Well Class:</b>	<b>Type Equipment:</b>
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic ; _____ # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Mud Rotary
<input type="checkbox"/> Other: _____		<input type="checkbox"/> Air Rotary
		<input type="checkbox"/> Cable
<input type="checkbox"/> If OWWO: old well information as follows:		

Operator: \_\_\_\_\_  
 Well Name: \_\_\_\_\_  
 Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Directional, Deviated or Horizontal wellbore?  Yes  No  
 If Yes, true vertical depth: \_\_\_\_\_  
 Bottom Hole Location: \_\_\_\_\_  
 KCC DKT #: \_\_\_\_\_

Spot Description: \_\_\_\_\_  
 \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  E  W  
(Q/Q/Q/Q) \_\_\_\_\_ feet from  N /  S Line of Section  
 \_\_\_\_\_ feet from  E /  W Line of Section

Is SECTION:  Regular  Irregular?  
 (Note: Locate well on the Section Plat on reverse side)

County: \_\_\_\_\_  
 Lease Name: \_\_\_\_\_ Well #: \_\_\_\_\_

Field Name: \_\_\_\_\_  
 Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): \_\_\_\_\_  
 Nearest Lease or unit boundary line (in footage): \_\_\_\_\_

Ground Surface Elevation: \_\_\_\_\_ feet MSL  
 Water well within one-quarter mile:  Yes  No

Public water supply well within one mile:  Yes  No  
 Depth to bottom of fresh water: \_\_\_\_\_

Depth to bottom of usable water: \_\_\_\_\_  
 Surface Pipe by Alternate:  I  II

Length of Surface Pipe Planned to be set: \_\_\_\_\_  
 Length of Conductor Pipe (if any): \_\_\_\_\_

Projected Total Depth: \_\_\_\_\_  
 Formation at Total Depth: \_\_\_\_\_

Water Source for Drilling Operations:  
 Well  Farm Pond  Other: \_\_\_\_\_

DWR Permit #: \_\_\_\_\_  
 (Note: Apply for Permit with DWR )

Will Cores be taken?  Yes  No  
 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.  I  II

Approved by: \_\_\_\_\_

**This authorization expires:** \_\_\_\_\_  
(This authorization void if drilling not started within 12 months of approval date.)

Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

**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: \_\_\_\_\_

E  
 W



1055139

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: \_\_\_\_\_

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

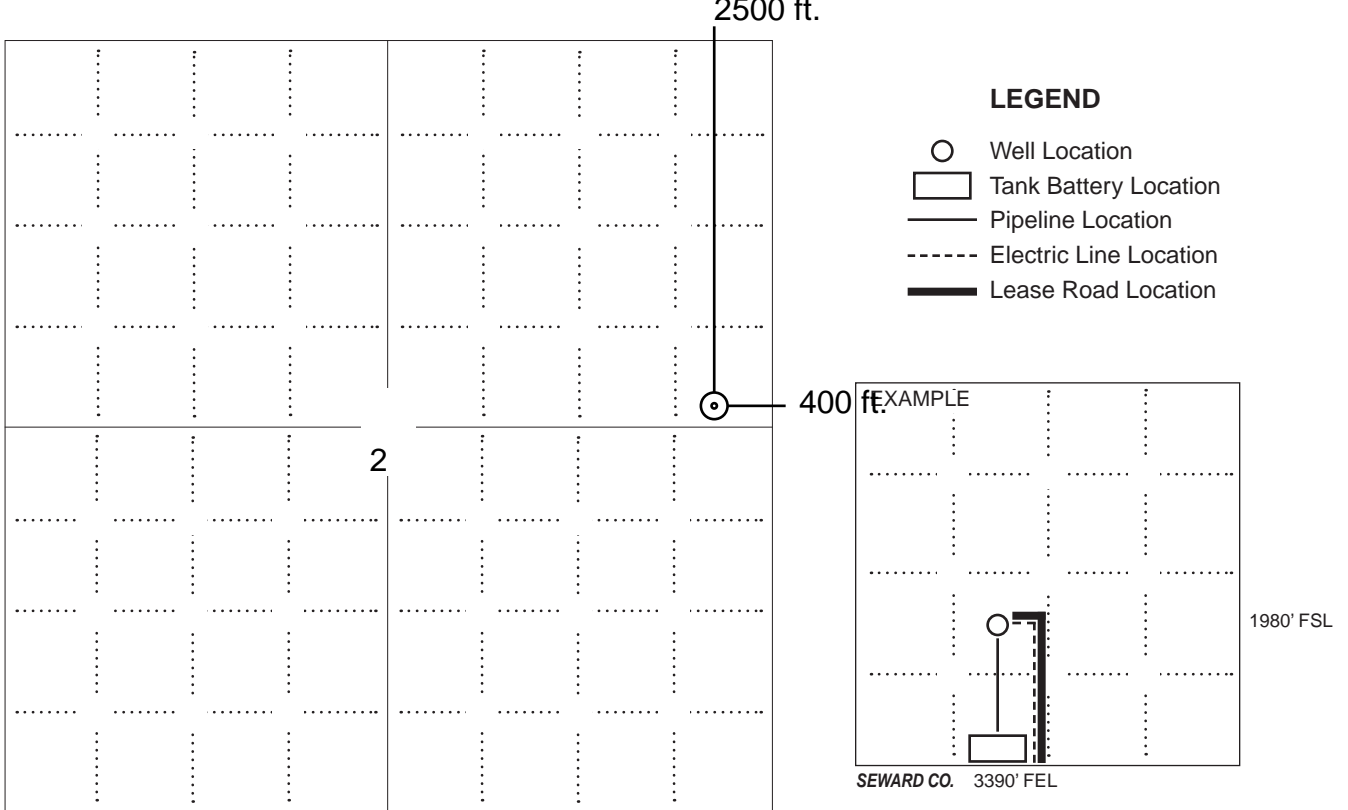
**If Section is Irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

**PLAT**

Show location of the well. 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).

You may attach a separate plat if desired.



**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.



KANSAS CORPORATION COMMISSION 1055139  
OIL & GAS CONSERVATION DIVISION

Form CDP-1  
May 2010  
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) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) <input type="checkbox"/> 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: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> 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.	
<p><b>Submitted Electronically</b></p>			

**KCC OFFICE USE ONLY**

Liner     Steel Pit     RFAC     RFAS

Date Received: \_\_\_\_\_ Permit Number: \_\_\_\_\_ Permit Date: \_\_\_\_\_ Lease Inspection:     Yes     No



### CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

*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 # \_\_\_\_\_  
Name: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Phone: ( \_\_\_\_\_ ) \_\_\_\_\_ Fax: ( \_\_\_\_\_ ) \_\_\_\_\_  
Email Address: \_\_\_\_\_

Well Location: \_\_\_\_\_  
\_\_\_\_ - \_\_\_\_ - \_\_\_\_ - \_\_\_\_ Sec. \_\_\_\_ Twp. \_\_\_\_ S. R. \_\_\_\_  East  West  
County: \_\_\_\_\_  
Lease Name: \_\_\_\_\_ Well #: \_\_\_\_\_

*If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:*

**Surface Owner Information:**

Name: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_

*When filing a Form T-1 involving multiple surface owners, attach an additional 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.*

*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:**

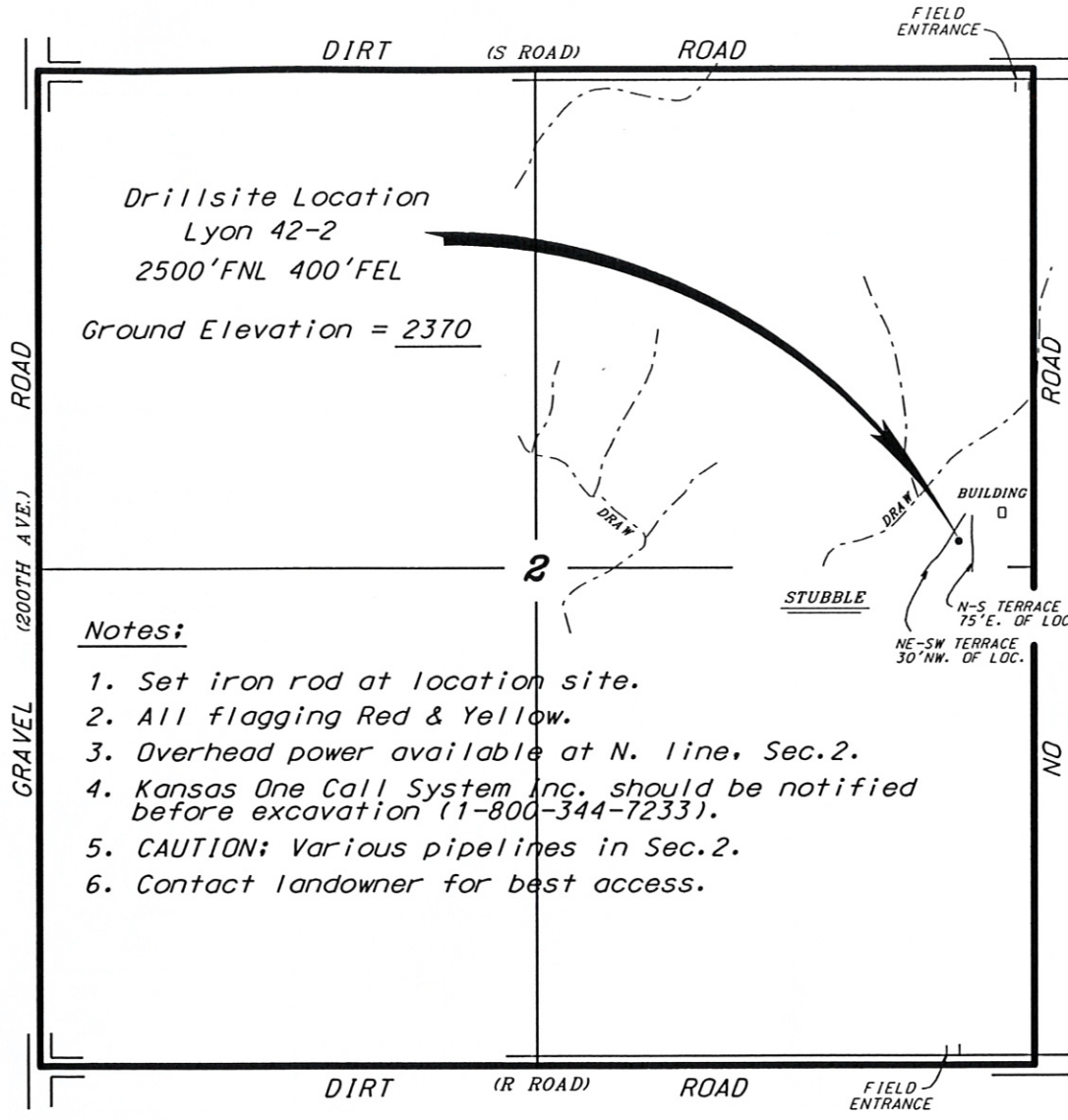
- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this 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.*

I Submitted Electronically

I

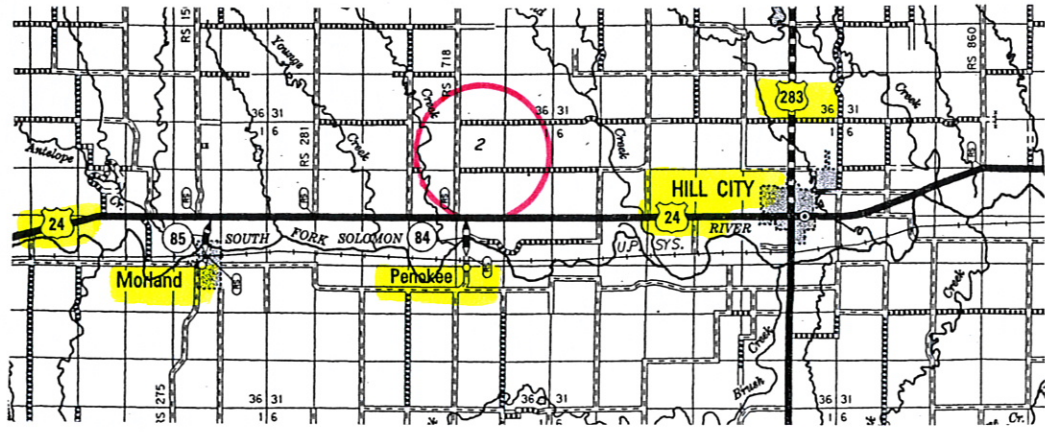
FLATIRONS RESOURCES, LLC  
 LYON LEASE  
 NE. 1/4, SECTION 2, T8S, R24W  
 GRAHAM COUNTY, KANSAS



**Notes:**

1. Set iron rod at location site.
2. All flagging Red & Yellow.
3. Overhead power available at N. line, Sec.2.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec.2.
6. Contact landowner for best access.

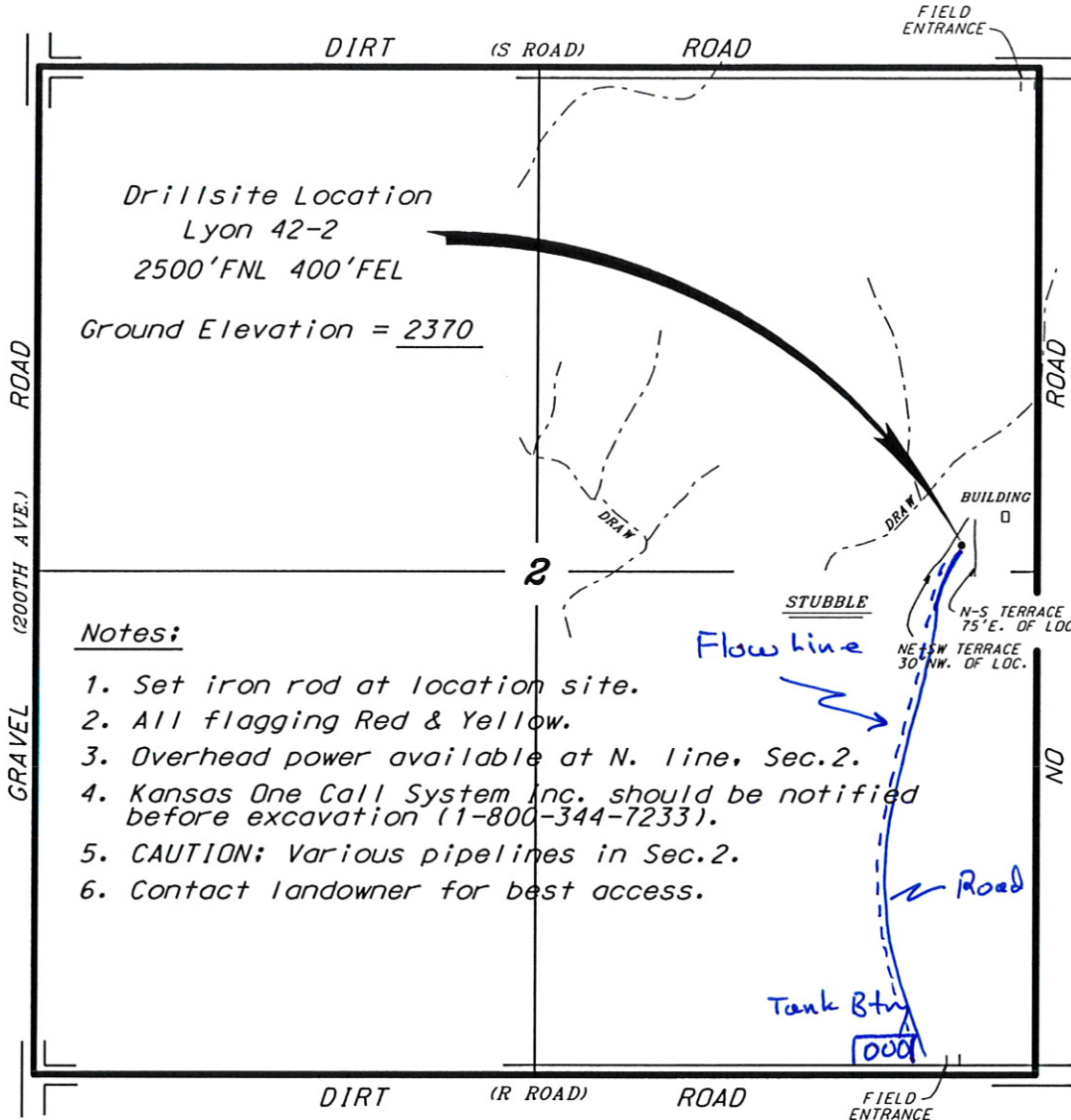
\*Ingress and egress to location as shown on this plat is for usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.



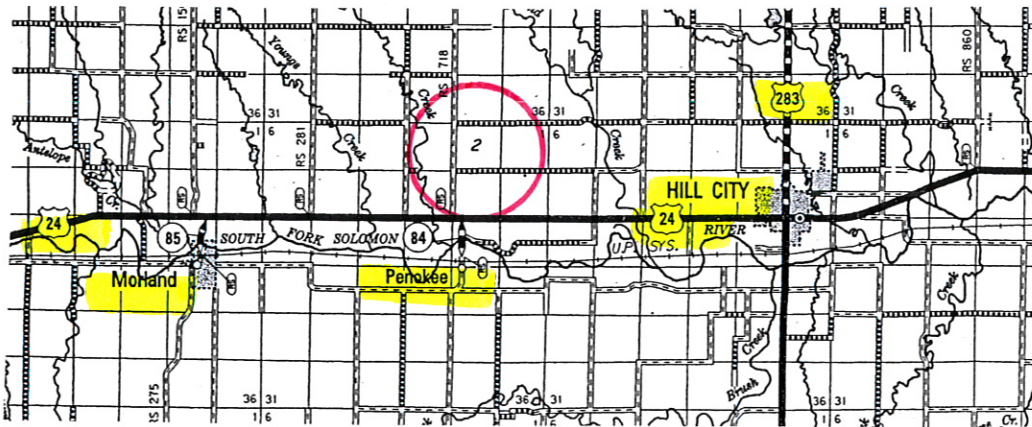
\* Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.  
 \* Approximate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drillsite location in the section is not guaranteed. Therefore, the operator securing this service and accepting this plat and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and said entities released from any liability from incidental or consequential damages.  
 \* Elevations derived from National Geodetic Vertical Datum.

Date April 18, 2011

FLATIRONS RESOURCES, LLC  
 LYON LEASE  
 NE. 1/4, SECTION 2, T8S, R24W  
 GRAHAM COUNTY, KANSAS

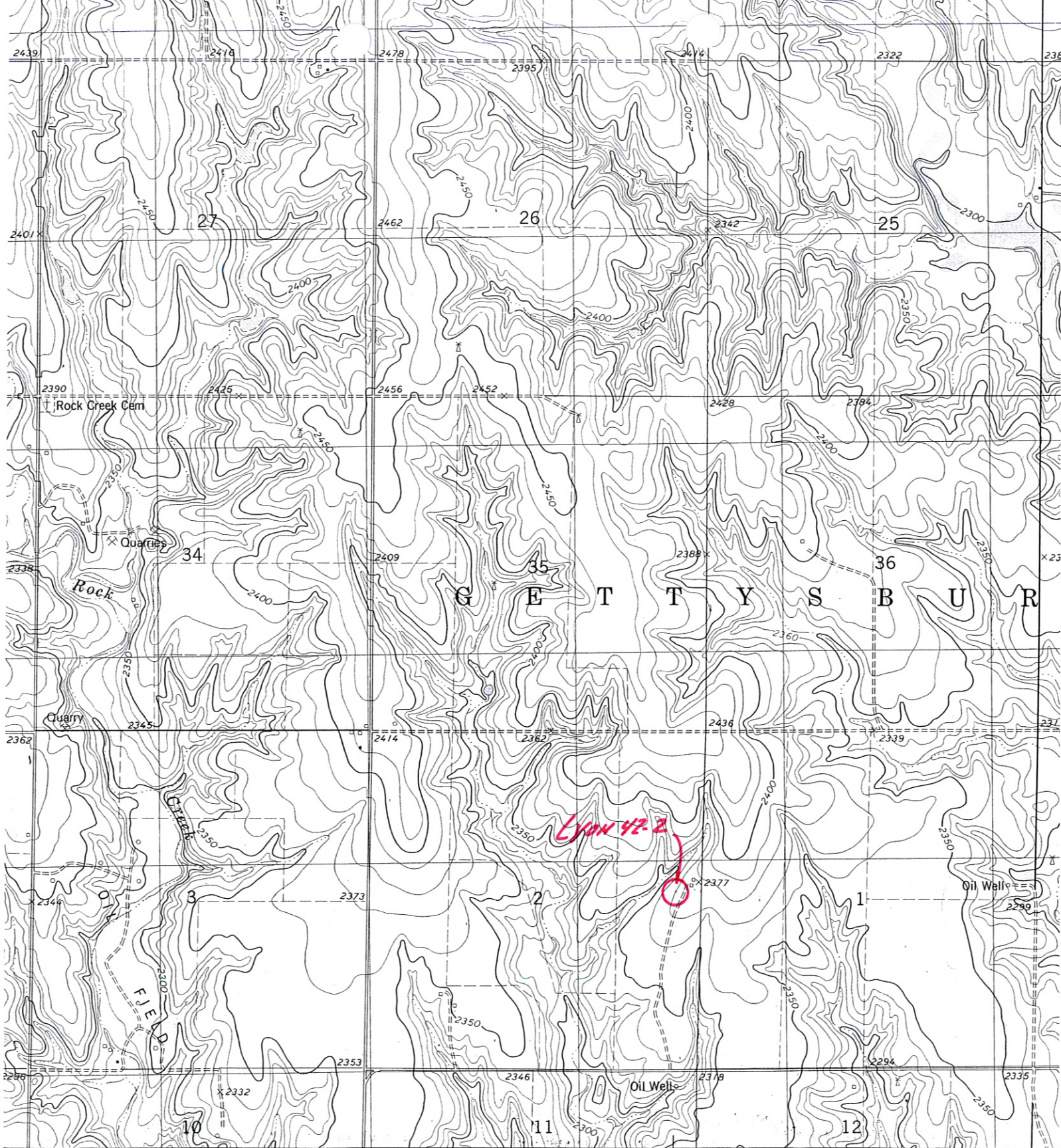


\* Ingress and egress to location as shown on this plat is per usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.

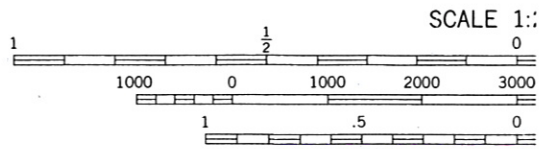
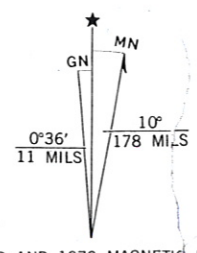


\* Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.  
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 \* Elevations derived from National Geodetic Vertical Datum.

Date April 18, 2011



edited, and published by the Geological Survey  
 SGS and NOS/NOAA  
 by photogrammetric methods from aerial photographs  
 Field checked 1975. Map edited 1979  
 d 10,000-foot grid ticks: Kansas coordinate  
 1 zone (Lambert conformal conic)  
 Universal Transverse Mercator grid, zone 14  
 American datum  
 red lines indicate selected fence and field lines where



CONTOUR INTER  
 NATIONAL GEODETIC VERT

WITH GRID AND 1975 MAGNETIC NORTH

148 513  
17

**OIL AND GAS LEASE**

AGREEMENT, made and entered into this 5th day of JANUARY, 2011, by and between

Robert E. Lyon and Barbara Lyon, husband and wife whose mailing address is

1104 Prairie Wind, Stephenville, TX 76401, hereinafter called lessor (whether one or more), and

HOP Energies, L.L.C. PO Box 47911, Wichita, KS 67201, hereinafter called lessee.

\$25.00 NW

1. Lessor, in consideration of Ten Dollars (\$10.00) in hand paid, receipt of which is hereby acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids and air into subsurface strata, laying pipe lines, string 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 earning for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in the County of Graham, State of Kansas, described as follows, to wit:

**Township 8 South, Range 24 West**

**Section 1: W/2W/2**

**Section 2: E/2E/2**

3. In Section XX, Township XX, Range XX, and containing 320.00 Acres, more or less, and all accretions thereof. 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 as thereafter as oil, liquid hydrocarbons or gas or other respective constituent products, or any form of them is produced from said land or land with which said land is pooled.
3. In consideration of these premises Lessee covenants and agrees:
  - a. 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.
  - b. 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.
4. 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.
5. 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 to lessor only in the proportion which lessor's interest bears to the whole and undivided fee.
6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the leased premises for lessee's operations thereon, except water from wells of lessor.
7. When requested by the lessor, lessee shall bury lessee's pipelines below plow depth.
8. No well shall be drilled nearer than 200 feet to a house or barn now on said premises without the written consent of the lessor.
9. Lessee shall pay for all damages caused by lessee's operations to growing crops on said land.
10. 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.
11. 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 its heirs, executors, administrators, successors or assigns, but no change in the ownership of the lands or assignment of rentals or royalties shall be binding on 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.
12. 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.
13. 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.
14. 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.
15. 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 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 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.

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

X Robert E. Lyon  
Robert E. Lyon

X Barbara Lyon  
Barbara Lyon

X \_\_\_\_\_  
Tax ID #

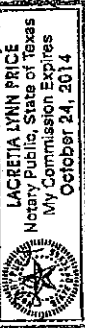
X \_\_\_\_\_  
Tax ID #



STATE of Texas ) ) Acknowledgment for Individual (KS, OK, CO)  
COUNTY of Xerata ) )

Before me, the undersigned, a Notary Public, within and for said County and State, on this 11<sup>th</sup> day of January, 2011, personally appeared Robert E. Lyon and Barbara Lyon, husband and wife, to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal above written.  
My commission expires October 24, 2014  
Lacretia Lynn Price, Notary Public



Lacretia Lynn Price

STATE of \_\_\_\_\_ ) ) Acknowledgment for Individual (KS, OK, CO)  
COUNTY of \_\_\_\_\_ ) )

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared \_\_\_\_\_ to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.  
My commission expires \_\_\_\_\_, Notary Public

STATE of \_\_\_\_\_ ) ) Acknowledgment for Individual (KS, OK, CO)  
COUNTY of \_\_\_\_\_ ) )

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared \_\_\_\_\_ to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.  
My commission expires \_\_\_\_\_, Notary Public

STATE of \_\_\_\_\_ ) ) Acknowledgment for Individual (KS, OK, CO)  
COUNTY of \_\_\_\_\_ ) )

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared \_\_\_\_\_ to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.  
My commission expires \_\_\_\_\_, Notary Public

OIL AND GAS LEASE

No. \_\_\_\_\_ FROM TO  
Date \_\_\_\_\_ 20 \_\_\_\_\_  
Section \_\_\_\_\_ Township \_\_\_\_\_ Range \_\_\_\_\_  
No. of Acres \_\_\_\_\_ Term \_\_\_\_\_  
County, \_\_\_\_\_ State of \_\_\_\_\_  
County of \_\_\_\_\_

STATE OF KANSAS GRAHAM COUNTY, KANSAS  
QUANTIA TOLL REGISTER OF DEEDS  
Book: 248 Page: 512  
Recording Fee: \$12.00  
Receipt #: 32463  
Recorded: 1/25/2011 10:15:22 AM

Register of Deeds  
When recorded, return to \_\_\_\_\_



STATE of \_\_\_\_\_ ) ) Acknowledgment for  
COUNTY of \_\_\_\_\_ ) )  
Be it remembered that on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned, in and for the county and state aforesaid, came \_\_\_\_\_, President of \_\_\_\_\_, a corporation of the State of \_\_\_\_\_, personally known to me to be such officer, and to me the same person who executed as such officer the foregoing instrument of writing in behalf of said corporation, and \_\_\_\_\_ duly acknowledged the execution of the same for \_\_\_\_\_ self and for said corporation for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.  
My commission expires \_\_\_\_\_, Notary Public

## OIL AND GAS LEASE

AGREEMENT, made and entered into this 5th day of January, 2011, by and between

Marilyn L. Powell, a single person, whose mailing address is

694 Cavalade Circle, Naperville, IL 60540, hereinafter called lessor (whether one or more), and

HOP Energies, LLC, PO Box 47911, Wichita, KS 67201, hereinafter called lessee.

1. Lessor, in consideration of Two Dollars (\$2.00) in hand paid, receipt of which is hereby acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and 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 lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, 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 the County of Graham, State of Kansas, described as follows, to wit:

Township 8 South, Range 24 West

Section 1: W/2W/2

Section 2: E/2E/2

- In Section XX, Township XX, Range XX, and containing 320.00 Acres, more or less, and all accretions thereon.
2. Subject to the provisions herein contained, this lease shall remain in force for a term of thirty (30) years from this date (called "primary term"), and as long as thereafter as oil, liquid hydrocarbons or gas or other respective constituent products, or any form of them is produced from said land or land with which said land is pooled.
3. In consideration of these premises lessee covenants and agrees:
4. 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.
  5. 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.
  6. 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.
  7. 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 to lessor only in the proportion which lessor's interest bears to the whole and undivided fee.
  8. Lessee shall have the right to use, free of cost, gas, oil and water produced on the leased premises for lessee's operations thereon, except water from wells of lessor.
  9. When requested by the lessor, lessee shall bury lessee's pipelines below plow depth.
  10. No well shall be drilled nearer than 200 feet to a house or barn now on said premises without the written consent of the lessor.
  11. Lessee shall pay for all damages caused by lessee's operations to growing crops on said land.
  12. 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.
  13. 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 its heirs, executors, administrators, successors or assigns, but no change in the ownership of the lands or assignment of rentals or royalties shall be binding on 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.
  14. 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.
  15. 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.
  16. 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.
  17. 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 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 leases 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 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.

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

Witness:

X Marilyn L. Powell  
Marilyn L. Powell

X [Redacted Signature]  
[Redacted Name]

Tax ID #



**OIL AND GAS LEASE**

AGREEMENT, made and entered into this 5th day of January, 2011, by and between

David Lynn Lyon and Margaret Lyon, husband and wife, whose mailing address is

2409 Locust Hill Boulevard, Beavercreek, OH 45431, hereinafter called lessor (whether one or more), and

HOP Energies, LLC, PO Box 47911, Wichita, KS 67201, hereinafter called lessee.

1. Lessor, in consideration of Ten Dollars (\$10.00) in hand paid, receipt of which is hereby acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to 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 the County of Griffin, State of Kansas, described as follows, to wit:

**Township 8 South, Range 24 West**


**Section 1: W/2W/2**

**Section 2: E/2E/2**

- In Section XX, Township XX, Range XX, and containing 320.00 Acres, more or less, and all accretions thereto.
2. Subject to the provisions herein contained, this lease shall remain in force for a term of Two (2) years from this date (called "primary term"), and as long as thereafter as oil, liquid hydrocarbons or gas or other respective constituent products, or any form of them is produced from said land or land with which said land is pooled.
3. In consideration of these premises lessee covenants and agrees:
- a. 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.
  - b. 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.
4. 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.
5. 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 to lessor only in the proportion which lessor's interest bears to the whole and undivided fee.
6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the leased premises for lessee's operations thereon, except water from wells of lessor.
7. When requested by the lessor, lessee shall bury lessee's pipelines below plow depth.
8. No well shall be drilled nearer than 200 feet to a house or barn now on said premises without the written consent of the lessor.
9. Lessee shall pay for all damages caused by lessee's operations to growing crops on said land.
10. 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.
11. 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 its heirs, executors, administrators, successors or assigns, but no change in the ownership of the lands or assignment of rentals or royalties shall be binding on 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.
12. 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.
13. 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, or if such failure is the result of, any such Law, Order, Rule or Regulation.
14. 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 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 leases is made, as recited herein.
15. 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 mineral, in and under and that may be produced from said premises, such pooling to be of 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 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.

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

  
David Lynn Lyon

  
Margaret Lyon

 Tax ID #

 Tax ID #

348 667



JAMIE J. IRONS  
NOTARY PUBLIC  
STATE OF OHIO  
Recorded in  
My Comm. Exp. 12/19/11

STATE of Ohio  
COUNTY of X Greene

Before me, the undersigned, a Notary Public, within and for said County and State, on this 14 day of January, 2011, personally appeared David Lynn Lyon and Margaret Lyon, husband and wife, to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

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

My commission expires X 12/19/2011

*[Signature]*  
JAMES J. IRONS  
Notary Public

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ ) ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

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

My commission expires \_\_\_\_\_

\_\_\_\_\_, Notary Public

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ ) ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

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

My commission expires \_\_\_\_\_

\_\_\_\_\_, Notary Public

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ ) ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

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

My commission expires \_\_\_\_\_

\_\_\_\_\_, Notary Public

No. \_\_\_\_\_  
FROM \_\_\_\_\_  
TO \_\_\_\_\_

Date \_\_\_\_\_ 20\_\_\_\_  
Section \_\_\_\_\_ Twp \_\_\_\_\_ Rng \_\_\_\_\_  
No. of Acres \_\_\_\_\_ Term \_\_\_\_\_

STATE OF KANSAS  
JUANITA TOLL REGISTER OF DEEDS  
Book: 248 Page: 661  
Recording Fee: \$12.00  
Data Recorded: 2/3/2011 10:45:18 AM

at \_\_\_\_\_ o'clock \_\_\_\_\_ M and \_\_\_\_\_ day \_\_\_\_\_  
recorded in Book \_\_\_\_\_ Page \_\_\_\_\_  
of the records of this office \_\_\_\_\_  
By \_\_\_\_\_  
Register of Deeds \_\_\_\_\_  
When recorded, return to \_\_\_\_\_

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ ) ss:

Be it remembered that on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, President of \_\_\_\_\_ personally known to me to be such officer, and to be the same person who executed as such officer the foregoing instrument of writing in behalf of said corporation, and \_\_\_\_\_ duly acknowledged the execution of the same for \_\_\_\_\_ self and for said corporation for the uses and purposes therein set forth.

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

My commission expires \_\_\_\_\_

\_\_\_\_\_, Notary Public



OIL AND GAS LEASE

249 91

AGREEMENT, made and entered into this 5th day of January, 2011, by and between

Robert A. Adams and Jan Adams, husband and wife whose mailing address is

P. O. Box 940644, Simi Valley, CA 93094, hereinafter called lessor (whether one or more), and

HOP Energies, LLC, PO Box 47911, Wichita, KS 67201, hereinafter called lessee.

1. Lessor, in consideration of Ten Dollars (\$ 10.00) in hand paid, receipt of which is hereby acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee, for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon in 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 the County of Graham, State of Kansas, described as follows, to wit:

Township 8 South, Range 24 West  
Section 1: W/2W/2  
Section 2: E/2E/2

2. In Section XX, Township XX, Range XX, and containing 320.00 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 as thereafter as oil, liquid hydrocarbons or gas or other respective constituent products, or any form of them is produced from said land or land with which said land is pooled.
3. In consideration of these premises, lessee covenants and agrees:
  - a. 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.
  - b. 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.
4. 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.
5. 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 to lessor only in the proportion which lessor's interest bears to the whole and undivided fee.
6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the leased premises for lessee's operations thereon, except water from wells of lessor.
7. When requested by the lessor, lessee shall bury lessee's pipelines below plow depth.
8. No well shall be drilled nearer than 200 feet to a house or barn now on said premises without the written consent of the lessor.
9. Lessee shall pay for all damages caused by lessee's operations to growing crops on said land.
10. 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.
11. 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 its heirs, executors, administrators, successors or assigns, but no change in the ownership of the lands or assignment of rentals or royalties shall be binding on 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.
12. 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.
13. 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.
14. 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.
15. 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 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 leases 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.

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

Witness:  
Robert A. Adams  
Tax ID #

Jan Adams  
Tax ID #

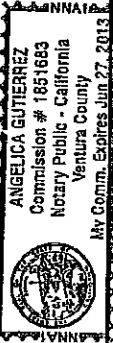
249 92

STATE of California  
COUNTY of Ventura

ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this 22<sup>nd</sup> day of January, 2011, personally appeared Robert A. Adams and Jan Adams, husband and wife, to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act(s) and deed(s) for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires 3/1/2015



Angelica Gutierrez, Notary Public

STATE of \_\_\_\_\_  
COUNTY of \_\_\_\_\_

ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires \_\_\_\_\_

\_\_\_\_\_, Notary Public

STATE of \_\_\_\_\_  
COUNTY of \_\_\_\_\_

ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires \_\_\_\_\_

\_\_\_\_\_, Notary Public

STATE of \_\_\_\_\_  
COUNTY of \_\_\_\_\_

ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires \_\_\_\_\_

\_\_\_\_\_, Notary

OIL AND GAS LEASE

FROM \_\_\_\_\_ TO \_\_\_\_\_

Date \_\_\_\_\_ 20\_\_\_\_  
Section \_\_\_\_\_ Twp. \_\_\_\_\_ Rng. \_\_\_\_\_  
No. of Acres \_\_\_\_\_  
County \_\_\_\_\_ State of \_\_\_\_\_  
This instrument was filed for record on the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ at \_\_\_\_\_ and duly \_\_\_\_\_

STATE OF KANSAS GRAHAM COUNTY, KANSAS  
JUANITA TOLL REGISTER OF DEEDS  
Book: 249 Page: 91-92  
Recording Fee: \$12.00  
Recorded: 2/25/2011 10:13:56 AM



STATE of \_\_\_\_\_  
COUNTY of \_\_\_\_\_

ss: Acknowledgment for Corporation (KS, OK, CO)

Be it remembered that on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned, a Notary Public, duly commissioned, to-wit: for the county and state aforesaid, came \_\_\_\_\_ personally known to me to be such officer, and to be the same person who executed as such officer the foregoing instrument of writing in behalf of said corporation, and \_\_\_\_\_ duly acknowledged the execution of the same for \_\_\_\_\_ self and for said corporation for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires \_\_\_\_\_

\_\_\_\_\_, Notary Public

## OIL AND GAS LEASE

AGREEMENT, made and entered into this 5th day of January, 2011, by and between

Janet L. Dickerson and Floyd D. Dickerson, wife and husband, whose mailing address is

900 SW Robinson Ave. #1507, Topeka, KS 66606, hereinafter called lessor (whether one or more), and

HOP Energies, LLC, PO Box 47911, Wichita, KS 67201, hereinafter called lessee.

1. Lessor, in consideration of Ten Dollars (\$10.00) in hand paid, receipt of which is hereby acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephonic 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 the County of Graham, State of Kansas, described as follows, to wit:

Township 8 South, Range 24 West

Section 1: W2W/2

Section 2: E2E/2

- In Section XX, Township XX, Range XX, and containing 320.00 Acres, more or less, and all accretions thereto.
2. Subject to the provisions herein contained, this lease shall remain in force for a term of Two (2) years from this date (called "primary term"), and as long as is pooled.
3. In consideration of these premises, 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 land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.
  - 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.
4. 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 in 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.
5. 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 to lessor only in the proportion which lessor's interest bears to the whole and undivided fee.
6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the leased premises for lessee's operations thereon, except water from wells of lessor.
7. When requested by the lessor, lessee shall bury lessee's pipelines below plow depth.
8. No well shall be drilled nearer than 200 feet to a house or barn now on said premises without the written consent of the lessor.
9. Lessee shall pay for all damages caused by lessee's operations to growing crops on said land.
10. 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, excavators, administrators, accessories or assigns, but no change in the ownership of the lands or assignment of rentals or royalties shall be binding on 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.
11. 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.
12. 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.
13. 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 herein.
14. 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 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 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 acreage, 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.

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

Witnesses:

Janet L. Dickerson  
Janet L. Dickerson

Floyd D. Dickerson  
Floyd D. Dickerson

Tax ID #

Tax ID #



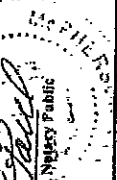
244 637

STATE of KANSAS )  
COUNTY of McPherson )  
ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this 17th day of January, 2011, personally appeared Janet L. Dickerson and Floyd D. Dickerson, wife and husband, to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

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

*Linda K. Paul*  
Linda K. Paul  
Notary Public



My commission expires 1-12-13

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ )  
ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

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

My commission expires \_\_\_\_\_, Notary Public

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ )  
ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

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

My commission expires \_\_\_\_\_, Notary Public

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ )  
ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

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

My commission expires \_\_\_\_\_, Notary Public

OIL AND GAS LEASE

No. \_\_\_\_\_ FROM \_\_\_\_\_ TO \_\_\_\_\_  
Date \_\_\_\_\_ 20\_\_\_\_  
Section \_\_\_\_\_ Twp. \_\_\_\_\_ Rng. \_\_\_\_\_  
No. of Acres \_\_\_\_\_  
County, \_\_\_\_\_ State of \_\_\_\_\_

STATE OF KANSAS GRAHAM COUNTY, KANSAS  
JUANITA TOLL REGISTER OF DEEDS  
Book: 248 Page: 688 - 689  
Recording Fee: \$12.00  
Date Recorded: 2/7/2011 10:40:40 AM



STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ )  
ss: Acknowledgment

Be it remembered that on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the county and state aforesaid, came \_\_\_\_\_, President of \_\_\_\_\_, personally known to me to be such officer, and to be the same person who executed as such officer the foregoing instrument of writing in behalf of said corporation, and \_\_\_\_\_ duly acknowledged the execution of the same for \_\_\_\_\_ self and for said corporation for the uses and purposes therein set forth.

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

My commission expires \_\_\_\_\_, Notary Public

## OIL AND GAS LEASE

AGREEMENT, made and entered into this 5th day of January, 2011, by and between

Linda K. Paul and Robert D. Paul, wife and husband, whose mailing address is

711 Harvest Ct., McPherson, KS 67460, hereinafter called lessor (whether one or more), and

ROP Energies, LLC, PO Box 47911, Wichita, KS 67201, hereinafter called lessee.

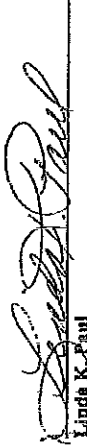
1. Lessor, in consideration of Ten Dollars (\$10.00) in hand paid, receipt of which is hereby acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to 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 the County of Gregham, State of Kansas, described as follows, to wit:

**Township 8 South, Range 24 West**  
**Section 1: W/2W/2**  
**Section 2: E/2E/2**

- In Section XX, Township XX, Range XX, and containing 320.00 Acres, more or less, and all accretions thereto.
2. Subject to the provisions herein contained, this lease shall remain in force for a term of Two (2) years from this date (called "primary term"), and as long as thereafter as oil, liquid hydrocarbons or gas or other respective constituent products, or any form of them is produced from said land or land with which said land is pooled.
3. In consideration of these premises lessee covenants and agrees:
- a. 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.
  - b. 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.
4. 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 this effect as if such well had been completed within the term of years first mentioned.
5. 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 to lessor only in the proportion which lessor's interest bears to the whole and undivided fee.
6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the leased premises for lessee's operations thereon, except water from wells of lessor.
7. When requested by the lessor, lessee shall bury lessee's pipelines below plow depth.
8. No well shall be drilled nearer than 200 feet to a house or barn now on said premises without the written consent of the lessor.
9. Lessee shall pay for all damages caused by lessee's operations to growing crops on said land.
10. 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.
11. 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 its heirs, executors, administrators, successors or assigns, but no change in the ownership of the lands or assignment of rentals or royalties shall be binding on 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.
12. 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.
13. 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.
14. 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 (or lessor, by payment any mortgages, leases 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 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 made, as recited herein.
15. 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 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.

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

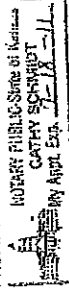
Witness:

  
 Linda K. Paul

  
 Robert D. Paul

X Tax ID #

Tax ID #

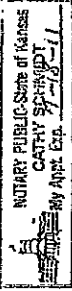


  
 Cathy Schmitt

218 666

STATE of Kansas )  
COUNTY of McPherson )  
ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this 14 day of January, 2011, personally appeared Linda K. Paul and Robert D. Paul, wife and husband, to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that they, executed the same as their, free and voluntary act(s) and deed(s) for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires 1/11/11  
  
Cathy Schmidt, Notary Public

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ )  
ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires \_\_\_\_\_  
\_\_\_\_\_, Notary Public

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ )  
ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires \_\_\_\_\_  
\_\_\_\_\_, Notary Public

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ )  
ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires \_\_\_\_\_  
\_\_\_\_\_, Notary Public

OIL AND GAS LEASE

FROM \_\_\_\_\_ TO \_\_\_\_\_  
Date \_\_\_\_\_ 20\_\_\_\_  
Section \_\_\_\_\_ Twp. \_\_\_\_\_ King \_\_\_\_\_

STATE OF KANSAS GRAHAM COUNTY, KANSAS  
JUANITA TOLL REGISTER OF DEEDS  
Book: 248 Page: 665 - 666  
Pages Recorded: 2  
Receipt #: 32484  
Recording Fee: \$12.00  
Date Recorded: 2/3/2011 10:45:20 AM

at \_\_\_\_\_ o'clock \_\_\_\_\_ M and duly \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_  
recorded in Book \_\_\_\_\_ Page \_\_\_\_\_  
of the records of this office  
Register of Deeds  
By \_\_\_\_\_  
When recorded, return to \_\_\_\_\_

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ )  
ss: Acknowledgment of Corporation (KS, OK, CO)

Be it remembered that on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me, the undersigned, a Notary Public, duly commissioned, in and for the county and state aforesaid, came \_\_\_\_\_ personally known to me to be such officer, and to be the same person who executed as such officer the foregoing instrument of writing in behalf of said corporation, and \_\_\_\_\_ duly acknowledged the execution of the same for \_\_\_\_\_ self and for said corporation for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires \_\_\_\_\_  
\_\_\_\_\_, Notary Public

## OIL AND GAS LEASE

AGREEMENT, made and entered into this 5th day of January, 2011, by and between

Cheryl Christine Pitts (f/k/a Cheryl Christine Paul &/s/ Chris Paul) and Ralph Pitts, her husband whose mailing address is

22618 Air Park Drive, Golden, MO 65658, hereinafter called lessor (whether one or more), and

HOP Energies, LLC, P.O. Box 47911, Wichita, KS 67201, hereinafter called lessee.

1. Lessor, in consideration of Ten Dollars (\$10.00) in hand paid, receipt of which is hereby acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to 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 the County of Graham, State of Kansas, described as follows, to wit:

Township 8 South, Range 24 West

Section 1: W/2W/2

Section 2: E/2E/2

- In Section XX, Township XX, Range XX, and containing 320.00 Acres, more or less, and all accretions thereto.
2. Subject to the provisions herein contained, this lease shall remain in force for a term of Two (2) years from this date (called "primary term"), and as long as thereafter as oil, liquid hydrocarbons or gas or other respective constituent products, or any form of them is produced from said land or land with which said land is pooled.
3. In consideration of these premises 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 land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.
  - 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.
4. 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 or of 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.
5. 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 to lessor only in the proportion which lessor's interest bears to the whole and undivided fee.
6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the leased premises for lessee's operations thereon, except water from wells of lessor.
7. When requested by the lessor, lessee shall bury lessee's pipelines below plow depth.
8. No well shall be drilled nearer than 200 feet to a house or barn now on said premises without the written consent of the lessor.
9. Lessee shall pay for all damages caused by lessee's operations to growing crops on said land.
10. 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.
11. 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 its heirs, executors, administrators, successors or assigns, but no change in the ownership of the lands or assignment of rentals or royalties shall be binding on 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.
12. 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 so such portion or portions and be relieved of all obligations as to the acreage surrendered.
13. 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.
14. 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.
15. 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 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 acreage. 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.

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

Witness:

Cheryl Christine Pitts  
Cheryl Christine Pitts

Ralph Pitts  
Ralph Pitts

Tax ID #

Tax ID #

STATE of Missouri )  
COUNTY of Barry ) ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this 22 day of January, 2011, personally appeared Cheryl Christine Pitts (fka) Cheryl Christine Paul &/s/ Chris Paul and Ralph Pitts, her husband, to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

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

My commission expires 1 year from this date.  
BRITTANY L. MIZER  
Notary Public-Notary Seal  
STATE OF MISSOURI  
Barry County  
Brittany L. Mizer  
Notary Public

STATE of Missouri )  
COUNTY of Barry ) ss: Acknowledgment for Individual (KS, OK, CO)  
My Commission Expires 6/8/2013  
Commission # 03613211

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.  
My commission expires \_\_\_\_\_  
\_\_\_\_\_  
Notary Public

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ ) ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.  
My commission expires \_\_\_\_\_  
\_\_\_\_\_  
Notary Public

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ ) ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.  
My commission expires \_\_\_\_\_  
\_\_\_\_\_  
Notary Public

TO \_\_\_\_\_  
FROM \_\_\_\_\_  
No. \_\_\_\_\_  
Date \_\_\_\_\_ 20\_\_\_\_  
Section \_\_\_\_\_ Twp \_\_\_\_\_ Kang \_\_\_\_\_  
No. of Acres \_\_\_\_\_  
Term \_\_\_\_\_

STATE OF KANSAS  
JUANITA TOLL REGISTER OF DEEDS  
Junction, Kansas  
Book: 248 Page: 667 - 668  
Recording Fee \$12.00  
DATE RECORDED: 2/3/2011 10:45:21 AM  
Receipt # 32184  
Pages Recorded: 2

at \_\_\_\_\_ o'clock \_\_\_\_\_ M and duly  
recorded in Book \_\_\_\_\_ Page \_\_\_\_\_  
of the records of this office  
Register of Deeds  
When recorded, return to \_\_\_\_\_

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ ) ss: \_\_\_\_\_  
Be it remembered that on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, \_\_\_\_\_  
the county and state aforesaid, came \_\_\_\_\_ personally known to me to be such officer, and to be the same person who executed as such officer  
corporation of the State of \_\_\_\_\_ the foregoing instrument of writing in behalf of said corporation, and \_\_\_\_\_ duly acknowledged the execution of the same for \_\_\_\_\_ self and for said corporation for  
the uses and purposes therein set forth.  
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

\_\_\_\_\_  
Notary Public, duly commissioned, in and for  
\_\_\_\_\_  
(KS, OK, CO)

My commission expires \_\_\_\_\_  
\_\_\_\_\_  
Notary Public

## OIL AND GAS LEASE

AGREEMENT, made and entered into this 5th day of January, 2011, by and between

Paul Holloway and Grace Holloway, husband and wife whose mailing address is

1309 Comanche, McPherson, KS 67460, hereinafter called lessor (whether one or more), and

HOP Energies, LLC, PO Box 47911, Wichita, KS 67201, hereinafter called lessee.

1. Lessor, in consideration of Ten Dollars (\$10.00) in hand paid, receipt of which is hereby acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to 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 the County of Graham, State of Kansas, described as follows, to wit:

Township 8 South, Range 24 West

Section 1: W/2W/2

Section 2: E/2E/2

- In Section XX, Township XX, Range XX, and containing 320.00 Acres, more or less, and all accretions thereto.
2. Subject to the provisions herein contained, this lease shall remain in force for a term of Two (2) years from this date (called "primary term"), and as long as thereafter as oil, liquid hydrocarbons or gas or other respective constituent products, or any form of them is produced from said land or land with which said land is pooled.
3. In consideration of these premises lessee covenants and agrees:
1. 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.
  2. 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.
4. 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.
5. 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 to lessor only in the proportion which lessor's interest bears to the whole and undivided fee.
6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the leased premises for lessee's operations thereon, except water from wells of lessor.
7. When requested by the lessor, lessee shall bury lessor's pipelines below plow depth.
8. No well shall be drilled nearer than 200 feet to a house or barn now on said premises without the written consent of the lessor.
9. Lessee shall pay for all damages caused by lessee's operations to growing crops on said land.
10. 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.
11. If the estate of either party herein is assigned and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to its heirs, executors, administrators, successors or assigns, but no change in the ownership of the lands or assignment of rentals or royalties shall be binding on 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.
12. 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.
13. 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.
14. 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.
15. 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 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 leases 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 wells, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production 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.

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

Witness:

Paul Holloway

Tax ID #

Grace Holloway

Tax ID #

147 390

STATE of Kansas )  
 )  
COUNTY of McPherson ) ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this 2nd day of March, 2011, personally appeared Paul Holloway and Grace Holloway, husband and wife, to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.  
My commission expires 3/31/11



Kay Graham, Notary Public

STATE of \_\_\_\_\_ )  
 )  
COUNTY of \_\_\_\_\_ ) ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared \_\_\_\_\_ to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

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

\_\_\_\_\_, Notary Public

STATE of \_\_\_\_\_ )  
 )  
COUNTY of \_\_\_\_\_ ) ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared \_\_\_\_\_ to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

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

\_\_\_\_\_, Notary Public

STATE of \_\_\_\_\_ )  
 )  
COUNTY of \_\_\_\_\_ ) ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared \_\_\_\_\_ to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

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

\_\_\_\_\_, Notary Public

OIL AND GAS LEASE

No. \_\_\_\_\_ FROM TO \_\_\_\_\_  
Date \_\_\_\_\_, 20\_\_\_\_  
Section \_\_\_\_\_ Twp. \_\_\_\_\_ Rng. \_\_\_\_\_  
No. of Acres \_\_\_\_\_  
County, \_\_\_\_\_

STATE OF KANSAS  
GRAHAM COUNTY, KANSAS  
JUANITA TOLL REGISTER OF DEEDS  
Quanita Toll  
Book: 248 Page: 338 - 340  
Recording Fee: \$12.00  
Recorded: 3/10/2011 11:06:45 AM  
Receipt #: 32818  
Pages Recorded: 2

Recorded in Book \_\_\_\_\_ Page \_\_\_\_\_  
of the records of this office  
By \_\_\_\_\_  
Register of Deeds  
When received, return to \_\_\_\_\_

STATE of \_\_\_\_\_ )  
 )  
COUNTY of \_\_\_\_\_ ) ss: Acknow

Be it remembered that on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before \_\_\_\_\_, President of \_\_\_\_\_ the county and state aforesaid, came \_\_\_\_\_ personally known to me to be \_\_\_\_\_ a corporation of the State of \_\_\_\_\_, \_\_\_\_\_ duly acknowledged the execution of the same for \_\_\_\_\_ self and for said corporation for the foregoing instrument of writing in behalf of said corporation, and \_\_\_\_\_ duly acknowledged the execution of the same for \_\_\_\_\_ self and for said corporation for the uses and purposes therein set forth.

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

\_\_\_\_\_, Notary Public





MS 658 37

### OIL AND GAS LEASE

AGREEMENT, made and entered into this 5th day of JANUARY, 2011, by and between

Margaret Elizabeth Gould and S. Jay Gould, wife and husband whose mailing address is

5510 Mgenolia, Whittier, CA 90601, hereinafter called lessor (whether one or more), and

HOP Energies, LLC, PO. Box 47911, Wichita, KS 67201, hereinafter called lessee.

1. Lessor, in consideration of Ten Dollars (\$ 10.00) in hand paid, receipt of which is hereby acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and opening 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 the County of Graham, State of Kansas, described as follows, to wit:

Township 8 South, Range 24 West

Section 1: W/2W/2

Section 2: E/2E/2

2. In Section XX, Township XX, Range XX, and containing 320.00 Acres, more or less, and all accretions thereto. Subject to the provisions herein contained, this lease shall remain in force for a term of 63 years from this date (called "primary term"), and as long as thereafter as oil, liquid hydrocarbons or gas or other respective constituent products, or any form of them is produced from said land or land with which said land is pooled.

3. In consideration of these premises lessee covenants and agrees:

- a. 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.
- b. 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.

4. 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.

5. 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 to lessor only in the proportion which lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the leased premises for lessee's operations thereon, except water from wells of lessor.

7. When requested by the lessor, lessee shall bury lessee's pipelines below plow depth.

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

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

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land.

11. 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 its heirs, executors, administrators, successors or assigns, but no change in the ownership of the lands or assignment of rentals or royalties shall be binding on 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.

12. 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.

13. 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.

14. 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.

15. 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 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 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.

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

Witnesses:

Margaret Elizabeth Gould X S. Jay Gould

Margaret Elizabeth Gould

S. Jay Gould

X 

X 

Tax ID #

Tax ID #

298 657

STATE of California )  
COUNTY of X ) ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this X day of January, 2011, personally appeared Margaret Elizabeth Gould and S. Jay Gould, wife and husband, to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.  
My commission expires X \_\_\_\_\_, Notary Public

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ ) ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared \_\_\_\_\_, to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.  
My commission expires \_\_\_\_\_, Notary Public

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ ) ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared \_\_\_\_\_, to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.  
My commission expires \_\_\_\_\_, Notary Public

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ ) ss: Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared \_\_\_\_\_, to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.  
My commission expires \_\_\_\_\_, Notary Public

OIL AND GAS LEASE

No. \_\_\_\_\_ TO \_\_\_\_\_ FROM \_\_\_\_\_

Date \_\_\_\_\_ 20 \_\_\_\_\_  
Section \_\_\_\_\_ Twp. \_\_\_\_\_ Rang. \_\_\_\_\_  
Term \_\_\_\_\_  
No. of Acres \_\_\_\_\_  
County, \_\_\_\_\_

STATE OF KANSAS  
GRAHAM COUNTY, KANSAS  
QUANTIA TOLL REGISTER OF DEEDS  
Book: 248 Page: 55B - 660  
Recording Fee: \$18.00  
Recorded: 2/3/2011 10:45:17 AM  
Record of: 32484  
Pages Recorded: 3

Recorded in Book \_\_\_\_\_ Page \_\_\_\_\_  
of the records of this office \_\_\_\_\_  
Register of Deeds \_\_\_\_\_  
By \_\_\_\_\_  
When recorded, return to \_\_\_\_\_

STATE of \_\_\_\_\_ )  
COUNTY of \_\_\_\_\_ ) ss: Acknowledgment for Individual (KS, OK, CO)  
Be it remembered that on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, duly commissioned, in and for the county and state aforesaid, came \_\_\_\_\_, President of \_\_\_\_\_, a corporation of the State of \_\_\_\_\_, personally known to me to be such officer, and to be the same person who executed as such officer the foregoing instrument of writing in behalf of said corporation, and \_\_\_\_\_, duly acknowledged the execution of the same for \_\_\_\_\_ self and for said corporation for the uses and purposes therein set forth.  
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.  
My commission expires \_\_\_\_\_, Notary Public

OIL AND GAS LEASE

AGREEMENT, made and entered into this 5th day of January, 2011, by and between

Kathryn A. Boone and Michael W. Boone, wife and husband, whose mailing address is:

1214 West 67<sup>th</sup> St., Shawnee, KS 66212, hereinafter called lessor (whether one or more); and

JOE EASTMAN, L.L.C., P.O. Box 47011, Wichita, KS 67201, hereinafter called lessee.

1. Lessor, in consideration of Ten Dollars (\$10.00) in hand paid, receipt of which is hereby acknowledged and of the royalties herein provided and of the operations of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee, for the purpose of investigating, exploring for, producing and otherwise recovering, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective associated products, including gas, vapor, other fluids and air into subsurface strata, laying pipe lines, string oil, building tanks, power stations, telephone lines, and other pipelines and things thereon to produce, save, take care of, collect, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective associated products and other products manufactured therefrom, and handling and otherwise caring for its employees, the following described land, hereinafter called land, together with any necessary rights and the assigned survey, being situated in the County of Cornwall, State of Kansas, described as follows, to wit:

Township 8 South Range 24 West  
Section 17 W2NW2  
Section 2, E2E2E

2. Subject to the provisions herein contained, this lease shall remain in force for a term of Three (3) years from this date (referred "primary term"), and in every event shall terminate on or before the expiration of said term, or any term of such term if produced from said land or land with which said land is pooled.

- 3. In consideration of these premises lessee covenants and agrees:
  - a. To deliver to the credit of lessee, from to time to time, in the proportion 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.
  - b. To pay lessee for gas of substances nature or kind produced and sold or used off the premises, or used in the manufacture of any products described herein such as (LPG), at the market price at the well (plus, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sale), for the gas sold, used off the premises, or in the manufacture of products therefrom, and payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender to royalty (see Order 31,000) per year per acre, except where required otherwise, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.
- 4. This lease may be maintained during the primary term hereof without further payment or delivery of rentals. 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 in conjunction with reasonable diligences and expense, and if not or not to the extent desired, the lessee shall covenant and be in force with like effect as if such well had been completed within the term of years first mentioned.
- 5. If said lessee owns a fee interest in the above described land (less the oil and gas) and undivided fee simple estate therein, then the royalties herein provided for shall be paid to lessee only in the proportion which lessee's interest bears to the whole and undivided fee.
- 6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the leased premises for lessee's operations thereon, except water from wells of lessee.
- 7. When requested by the lessee, lessee shall bury lessee's pipelines below plow depth.
- 8. No well shall be drilled nearer than 200 feet to a house or barn on said premises without the written consent of the lessee.
- 9. Lessee shall pay for all damages caused by lessee's operations in plowing crops on said land.
- 10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to drive and remove casing.
- 11. If the estate of either party hereto is assigned and the privilege of assigning is whole or in part is expressly allowed, the covenants hereof shall remain in effect after the lessee has been furnished with a written transfer or assignment on a non-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, written assignment to the date of assignment.
- 12. Lessee may at any time connect and deliver to lessee or place of record a pipeline or pipelines conveying any portion 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.
- 13. All covenants 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.
- 14. Lessee 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 remove the lessee, by process, any mortgages, liens or other liens on the above described lands, in the event of default of payment by lessee, and be subrogated to the rights of the holder thereof; and the undersigned lessors, the descendants and their heirs, successors and assigns, hereby surrender and release all right of claim and interest in the premises described herein, in so far as said right of claim and interest may in any way affect the purposes for which this lease is made, or interest therein.
- 15. Lessee, in 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 produce the concentration of oil, gas or other minerals in and under and thereon to be produced from said premises, such pooling to be of such character as not to be in violation of any laws or regulations, and to be subject to the terms of an oil well, or lease or other unit or unitizing agreement, and pooling or unitizing shall be in accordance therewith and shall be subject to the terms of such pooling or unitizing agreement. Lessee shall connect by writing and record in the appropriate records of the county in which the land herein leases is situated, an instrument describing and describing the pooling acreage. The entire acreage so pooled into a unit or unit shall be treated, for all purposes except the payment of royalties or production from the pooled well, 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 case of the royalties otherwise herein specified, lessee shall receive no production from a well so pooled only such portion of the royalty separated herein as the amount of the acreage pooled in the unit or the royalty income therein on an acreage basis bears to the total acreage so pooled in the particular well involved.

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

Kathryn A. Boone  
Kathryn A. Boone

Michael W. Boone  
Michael W. Boone

Tax ID #

Tax ID #