



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

KANSAS CORPORATION COMMISSION 1059478  
 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**

<p><b>For KCC Use ONLY</b></p> <p>API # 15 - _____</p> <p>Conductor pipe required _____ feet</p> <p>Minimum surface pipe required _____ feet per ALT. <input type="checkbox"/> I <input type="checkbox"/> II</p> <p>Approved by: _____</p> <p><b>This authorization expires:</b> _____  <small>(This authorization void if drilling not started within 12 months of approval date.)</small></p> <p>Spud date: _____ Agent: _____</p>
--

**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



1059478

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

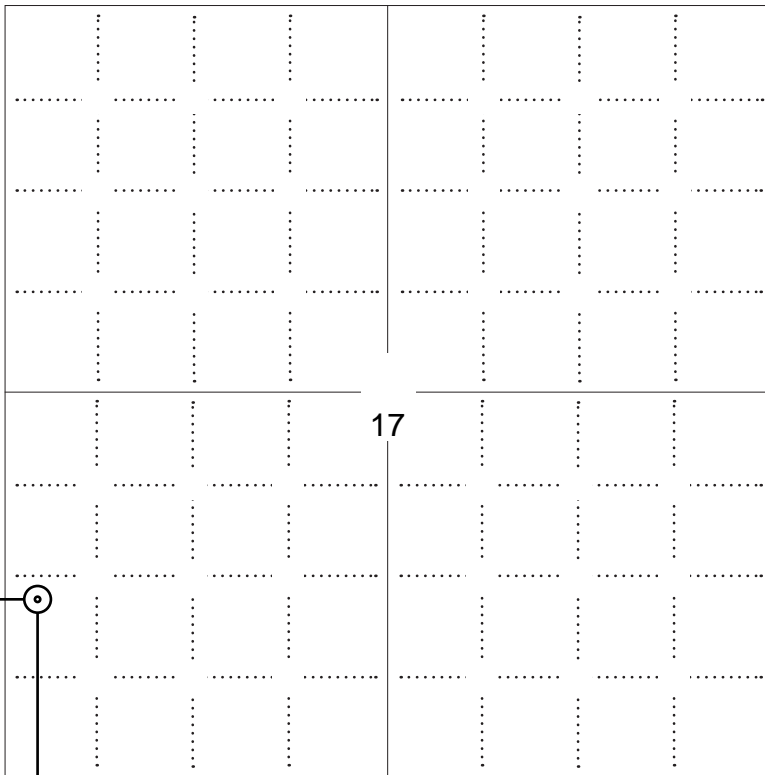
Is Section:  Regular or  Irregular

**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.



### LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location



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

1220 ft.

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

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



KANSAS CORPORATION COMMISSION 1059478  
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

# ADVANTAGE ELEVATIONS

OIL FIELD SURVEYORS

BOX 8604 - PRATT, KS 67124  
(620) 672-6491

74116  
INVOICE NO.

WILDCAT OIL & GAS LLC  
OPERATOR

1  
NO

Johnson Farms # /  
FARM

Kingman      17    30s    7w  
COUNTY      S      T      R

1220' FSL & 220' FWL of Sec.  
LOCATION

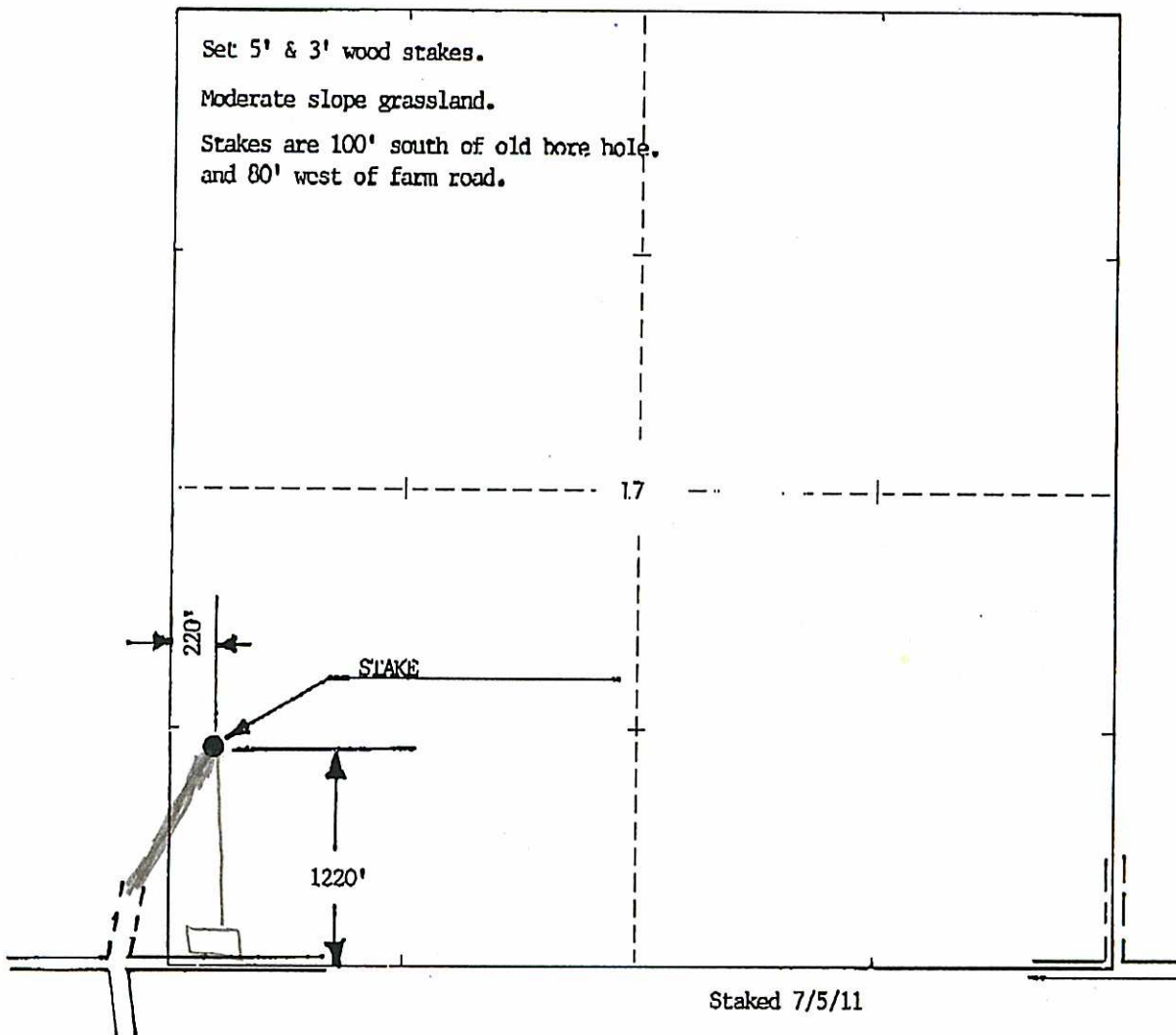
ELEVATION: 1501' GR

WILDCAT OIL & GAS LLC  
PO Box 40  
Spivey, KS 67142-0040

AUTHORIZED BY: Gary Adelhardt

SCALE: 1" = 1000'

Set 5' & 3' wood stakes.  
Moderate slope grassland.  
Stakes are 100' south of old bore hole,  
and 80' west of farm road.



Staked 7/5/11



## CORRECTED - OIL AND GAS LEASE

Agreement made and entered into the 1st day of March, 2011, by and between JOHNSON FARMS OF RAGO, LLC, hereinafter called Lessor, and WILDCAT OIL AND GAS, LLC, hereinafter called Lessee:

Lessor, in consideration of One Dollar (\$1) and other good and valuable consideration, 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, 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 pipelines, storing oil, building tanks, power stations, telephone lines, and other structures and things 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 revisionary rights and after-acquired interest, therein situated in County of Kingman, State of Kansas, described as follows, to-wit:

Southwest Quarter (SW/4) of Section Seventeen (17), Township Thirty (30) South, Range Seven (7)  
West of the 6<sup>th</sup> P.M., 160 acres, more or less.

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 thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land. In addition thereto, Lessor hereby grants Lessee an option to extend said lease for an additional 2-year period upon the same terms and conditions as the lease terms set forth herein.

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

1st. To deliver to the credit of Lessor, free of cost, in the pipeline to which Lessee may connect wells on said land, the equal three-sixteenths (3/16) part of all oil (including but not limited to condensate and distillate) produced and saved from the leased premises.

2nd. To pay Lessor for gas (including casing head gas and coal bed methane gas) of whatsoever nature or kind (with all its constituents) produced and sold, or used off the leased premises, or used in the manufacture of any products therefrom, three-sixteenths (3/16) of the gross proceeds received for the gas sold, used off the premises, or in the manufacture of products therefrom, less a proportionate part of any production, severance and other excise taxes. 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 it is being produced within the meaning of the preceding paragraph. Such shut-in royalty provision may not be used to extend the lease for more than two (2) years, however.

3rd. 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.

4th. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the said Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

5th. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor. Lessor shall have the right to use gas produced from the Lessor's land for any home located on the leased premises.

6th. Lessee shall bury Lessee's pipelines below plow depth.

7th. Lessee shall pay for damages caused by Lessee's operation on said land. Lessee shall restore the surface of the real estate as nearly as possible to its pre-drilling condition.

8th. 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.



Pages Recorded: 2

STATE OF KANSAS, KINGMAN COUNTY, AS:  
THIS INSTRUMENT WAS FILED FOR RECORD ON  
AND DULY RECORDED IN

Book: OG31 Page: 22

SUSAN M HUBBELL  
RECORDER OF DEEDS:

Recording Fee: \$12.00

*Susan M Hubbell*



9th. Lessee is hereby granted the right to pool or unitize this lease, the land covered by it or any part thereof with any other land, lease, leases, mineral estates or parts thereof, for the production of oil, liquid hydrocarbons and all gases and their respective constituent products, or any of them, such pooling to be into a unit or units not exceeding eighty (80) acres in the event of an oil well, or into a unit or units not exceeding six hundred forty (640) acres each in the event of a gas well, plus a tolerance of ten percent (10%) thereof, provided that if any federal or state law, executive order, rule or regulation shall prescribe a spacing pattern for the development of the field or allocate a producing allowable on acreage per well, then any such units may embrace as much additional acreage as may be so prescribed or as may be used in such allocation or allowable. The term "gas well" as used in this paragraph shall be deemed to include wells producing, or capable of producing natural gas, gas condensate, gas distillate, or any gaseous substance, as said terms, or any of them are commonly understood in the oil and gas industry, or as they may be used by any governmental authority. Lessee shall file written unit designations in the county in which the premises are located. Such units may be designated either before or after the completion of wells. Drilling operations and production on any part of the pooled acreage shall be treated as if such drilling operations were upon or such production was from the land described in this lease, whether the well or wells be located on the land covered by this lease or not. The entire acreage pooled into a 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. In lieu of the royalties herein provided, 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.

Two (2) years following the expiration of the primary term of this lease or the expiration of any extension or renewal of the primary term, whichever occurs last, in the event a portion or portions of the leased premises is pooled with other land so as to form a pooled unit or units, operations on such unit or units will not maintain this lease in force as to the land not included in such unit or units. This lease may be maintained in force as to any land covered hereby and not included in such unit or units in any manner provided for herein. Upon the occurrence of any partial termination of this lease, Lessee shall have, and expressly reserves, an easement on, over, through and under all released tracts as shall be reasonably necessary for rights of ingress and egress, in order to enable the exploration and/or production of oil, gas and/or other minerals in and from any depths and lands retained by Lessee under this lease, and Lessee shall not be required to relocate any pipelines or equipment used in connection with production of oil and gas from the leased premises. If this lease is not otherwise held by production by a well located hereon, wherein said production is not unitized, and this lease is unitized for production of oil or gas, then at the end of the primary term (or primary term as extended with option to extend) Lessee shall release to Lessor all acreage not included in said unit.

10th. If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the Lessee until after the Lessee has been furnished with a written transfer or assignment or a true copy thereof. In case Lessee assigns this lease in whole or in part, Lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

11th. 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.

12th. All expressed 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.

13th. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agree 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.

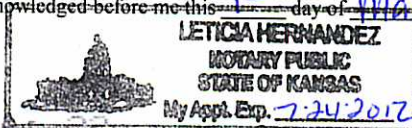
IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.

JOHNSON FARMS OF RAGO, LLC

By: Cheryl Howlett  
CHERYL HOWLETT, Lessor

STATE OF KANSAS, COUNTY OF KINGMAN, ss:

The foregoing instrument was acknowledged before me this 1st day of March, 2011, by CHERYL HOWLETT, of Johnson Farms of Rago, LLC.



Leticia Hernandez  
Notary Public



## OIL AND GAS LEASE

Book: 0631 Page: 18

Agreement made and entered into the 15<sup>th</sup> day of March, 2011, by and between JOHNSON FARMS OF RAGO, LLC, hereinafter called Lessor, and WILDCAT OIL AND GAS, LLC, hereinafter called Lessee:

Lessor, in consideration of One Dollar (\$1) and other good and valuable consideration, 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, 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 pipelines, storing oil, building tanks, power stations, telephone lines, and other structures and things 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 revisionary rights and after-acquired interest, therein situated in County of Kingman, State of Kansas, described as follows, to-wit:

Southeast Quarter of Southwest Quarter (SE/4 SW/4) of Section Eighteen (18), Township Thirty (30) South, Range Seven (7) West of the 6<sup>th</sup> P.M.

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 thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land. In addition thereto, Lessor hereby grants Lessee an option to extend said lease for an additional 2-year period upon the same terms and conditions as the lease terms set forth herein.

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

- 1st. To deliver to the credit of Lessor, free of cost, in the pipeline to which Lessee may connect wells on said land, the equal three-sixteenths (3/16) part of all oil (including but not limited to condensate and distillate) produced and saved from the leased premises.
- 2nd. To pay Lessor for gas (including casing head gas and coal bed methane gas) of whatsoever nature or kind (with all its constituents) produced and sold, or used off the leased premises, or used in the manufacture of any products therefrom, three-sixteenths (3/16) of the gross proceeds received for the gas sold, used off the premises, or in the manufacture of products therefrom, less a proportionate part of any production, severance and other excise taxes. 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 it is being produced within the meaning of the preceding paragraph. Such shut-in royalty provision may not be used to extend the lease for more than two (2) years, however.
- 3rd. 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.
- 4th. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the said Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.
- 5th. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor. Lessor shall have the right to use gas produced from the Lessor's land for any home located on the leased premises.
- 6th. Lessee shall bury Lessee's pipelines be low plow depth.
- 7th. Lessee shall pay for damages caused by Lessee's operation on said land. Lessee shall restore the surface of the real estate as nearly as possible to its pre-drilling condition.
- 8th. 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.



STATE OF KANSAS, KINGMAN COUNTY, AS:  
THIS INSTRUMENT WAS FILED FOR RECORD ON  
AND DULY RECORDED IN

Book: 0631 Page: 18

Pages Recorded: 2

SUSAN M HUBBELL  
RECORDER OF DEEDS:

Recording Fee: \$12.00

*Susan M Hubbell*



9th. Lessee is hereby granted the right to pool or unitize this lease, the land covered by it or any part thereof with any other land, lease, leases, mineral estates or parts thereof, for the production of oil, liquid hydrocarbons and all gases and their respective constituent products, or any of them, such pooling to be into a unit or units not exceeding eighty (80) acres in the event of an oil well, or into a unit or units not exceeding six hundred forty (640) acres each in the event of a gas well, plus a tolerance of ten percent (10%) thereof, provided that if any federal or state law, executive order, rule or regulation shall prescribe a spacing pattern for the development of the field or allocate a producing allowable on acreage per well, then any such units may embrace as much additional acreage as may be so prescribed or as may be used in such allocation or allowable. The term "gas well" as used in this paragraph shall be deemed to include wells producing, or capable of producing natural gas, gas condensate, gas distillate, or any gaseous substance, as said terms, or any of them are commonly understood in the oil and gas industry, or as they may be used by any governmental authority. Lessee shall file written unit designations in the county in which the premises are located. Such units may be designated either before or after the completion of wells. Drilling operations and production on any part of the pooled acreage shall be treated as if such drilling operations were upon or such production was from the land described in this lease, whether the well or wells be located on the land covered by this lease or not. The entire acreage pooled into a 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. In lieu of the royalties herein provided, 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.

Two (2) years following the expiration of the primary term of this lease or the expiration of any extension or renewal of the primary term, whichever occurs last, in the event a portion or portions of the leased premises is pooled with other land so as to form a pooled unit or units, operations on such unit or units will not maintain this lease in force as to the land not included in such unit or units. This lease may be maintained in force as to any land covered hereby and not included in such unit or units in any manner provided for herein. Upon the occurrence of any partial termination of this lease, Lessee shall have, and expressly reserves, an easement on, over, through and under all released tracts as shall be reasonably necessary for rights of ingress and egress, in order to enable the exploration and/or production of oil, gas and/or other minerals in and from any depths and lands retained by Lessee under this lease, and Lessee shall not be required to relocate any pipelines or equipment used in connection with production of oil and gas from the leased premises. If this lease is not otherwise held by production by a well located hereon, wherein said production is not unitized, and this lease is unitized for production of oil or gas, then at the end of the primary term (or primary term as extended with option to extend) Lessee shall release to Lessor all acreage not included in said unit.

10th. If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the Lessee until after the Lessee has been furnished with a written transfer or assignment or a true copy thereof. In case Lessee assigns this lease in whole or in part, Lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

11th. 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.

12th. All expressed 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.

13th. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agree 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.

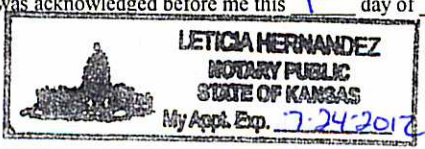
IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.

JOHNSON FARMS OF RAGO, LLC

By: Cheryl Howlett  
CHERYL HOWLETT, Lessor

STATE OF KANSAS, COUNTY OF KINGMAN, ss:

The foregoing instrument was acknowledged before me this 1st day of March, 2011, by CHERYL HOWLETT, of Johnson Farms of Rago, LLC.



[Signature]  
Notary Public



## CORRECTED - OIL AND GAS LEASE

Agreement made and entered into the 1st day of March, 2011, by and between JOHNSON FARMS OF RAGO, LLC, hereinafter called Lessor, and WILDCAT OIL AND GAS, LLC, hereinafter called Lessee:

Lessor, in consideration of One Dollar (\$1) and other good and valuable consideration, 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, 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 pipelines, storing oil, building tanks, power stations, telephone lines, and other structures and things 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 revisionary rights and after-acquired interest, therein situated in County of Kingman, State of Kansas, described as follows, to-wit:

South Half of Southeast Quarter (S/2 SE/4) of Section Eighteen (18), Township Thirty (30) South, Range Seven (7) West of the 6<sup>th</sup> P.M., 80 acres, more or less.

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 thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land. In addition thereto, Lessor hereby grants Lessee an option to extend said lease for an additional 2-year period upon the same terms and conditions as the lease terms set forth herein.

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

1st. To deliver to the credit of Lessor, free of cost, in the pipeline to which Lessee may connect wells on said land, the equal three-sixteenths (3/16) part of all oil (including but not limited to condensate and distillate) produced and saved from the leased premises.

2nd. To pay Lessor for gas (including casing head gas and coal bed methane gas) of whatsoever nature or kind (with all its constituents) produced and sold, or used off the leased premises, or used in the manufacture of any products therefrom, three-sixteenths (3/16) of the gross proceeds received for the gas sold, used off the premises, or in the manufacture of products therefrom, less a proportionate part of any production, severance and other excise taxes. 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 it is being produced within the meaning of the preceding paragraph. Such shut-in royalty provision may not be used to extend the lease for more than two (2) years, however.

3rd. 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.

4th. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the said Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

5th. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor. Lessor shall have the right to use gas produced from the Lessor's land for any home located on the leased premises.

6th. Lessee shall bury Lessee's pipelines below plow depth.

7th. Lessee shall pay for damages caused by Lessee's operation on said land. Lessee shall restore the surface of the real estate as nearly as possible to its pre-drilling condition.

8th. 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.





9th. Lessee is hereby granted the right to pool or unitize this lease, the land covered by it or any part thereof with any other land, lease, leases, mineral estates or parts thereof, for the production of oil, liquid hydrocarbons and all gases and their respective constituent products, or any of them, such pooling to be into a unit or units not exceeding eighty (80) acres in the event of an oil well, or into a unit or units not exceeding six hundred forty (640) acres each in the event of a gas well, plus a tolerance of ten percent (10%) thereof, provided that if any federal or state law, executive order, rule or regulation shall prescribe a spacing pattern for the development of the field or allocate a producing allowable on acreage per well, then any such units may embrace as much additional acreage as may be so prescribed or as may be used in such allocation or allowable. The term "gas well" as used in this paragraph shall be deemed to include wells producing, or capable of producing natural gas, gas condensate, gas distillate, or any gaseous substance, as said terms, or any of them are commonly understood in the oil and gas industry, or as they may be used by any governmental authority. Lessee shall file written unit designations in the county in which the premises are located. Such units may be designated either before or after the completion of wells. Drilling operations and production on any part of the pooled acreage shall be treated as if such drilling operations were upon or such production was from the land described in this lease, whether the well or wells be located on the land covered by this lease or not. The entire acreage pooled into a 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. In lieu of the royalties herein provided, 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.

Two (2) years following the expiration of the primary term of this lease or the expiration of any extension or renewal of the primary term, whichever occurs last, in the event a portion or portions of the leased premises is pooled with other land so as to form a pooled unit or units, operations on such unit or units will not maintain this lease in force as to the land not included in such unit or units. This lease may be maintained in force as to any land covered hereby and not included in such unit or units in any manner provided for herein. Upon the occurrence of any partial termination of this lease, Lessee shall have, and expressly reserves, an easement on, over, through and under all released tracts as shall be reasonably necessary for rights of ingress and egress, in order to enable the exploration and/or production of oil, gas and/or other minerals in and from any depths and lands retained by Lessee under this lease, and Lessee shall not be required to relocate any pipelines or equipment used in connection with production of oil and gas from the leased premises. If this lease is not otherwise held by production by a well located hereon, wherein said production is not unitized, and this lease is unitized for production of oil or gas, then at the end of the primary term (or primary term as extended with option to extend) Lessee shall release to Lessor all acreage not included in said unit.

10th. If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the Lessee until after the Lessee has been furnished with a written transfer or assignment or a true copy thereof. In case Lessee assigns this lease in whole or in part, Lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

11th. 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.

12th. All expressed 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.

13th. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agree 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.

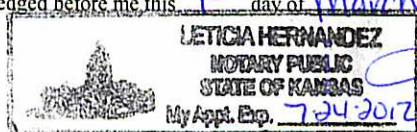
IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.

JOHNSON FARMS OF RAGO, LLC

By: Cheryl Howlett  
CHERYL HOWLETT, Lessor

STATE OF KANSAS, COUNTY OF KINGMAN, ss:

The foregoing instrument was acknowledged before me this 1st day of March, 2011, by CHERYL HOWLETT, of Johnson Farms of Rago, LLC.



[Signature]  
Notary Public



## OIL AND GAS LEASE

Agreement made and entered into the 1st day of March, 2011, by and between JOHNSON FARMS OF RAGO, LLC, hereinafter called Lessor, and WILDCAT OIL AND GAS, LLC, hereinafter called Lessee:

Lessor, in consideration of One Dollar (\$1) and other good and valuable consideration, 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, 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 pipelines, storing oil, building tanks, power stations, telephone lines, and other structures and things 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 revisionary rights and after-acquired interest, therein situated in County of Kingman, State of Kansas, described as follows, to-wit:

Southeast Quarter of Northeast Quarter (SE/4 NE/4) of Section Eighteen (18), Township Thirty (30) South, Range Seven (7) West of the 6<sup>th</sup> P.M., and North Half of Southeast Quarter (N/2 SE/4) of Section Eighteen (18), Township Thirty (30) South, Range Seven (7) West of the 6<sup>th</sup> P.M.

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 thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land. In addition thereto, Lessor hereby grants Lessee an option to extend said lease for an additional 2-year period upon the same terms and conditions as the lease terms set forth herein.

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

1st. To deliver to the credit of Lessor, free of cost, in the pipeline to which Lessee may connect wells on said land, the equal three-sixteenths (3/16) part of all oil (including but not limited to condensate and distillate) produced and saved from the leased premises.

2nd. To pay Lessor for gas (including casing head gas and coal bed methane gas) of whatsoever nature or kind (with all its constituents) produced and sold, or used off the leased premises, or used in the manufacture of any products therefrom, three-sixteenths (3/16) of the gross proceeds received for the gas sold, used off the premises, or in the manufacture of products therefrom, less a proportionate part of any production, severance and other excise taxes. 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 it is being produced within the meaning of the preceding paragraph. Such shut-in royalty provision may not be used to extend the lease for more than two (2) years, however.

3rd. 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.

4th. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the said Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

5th. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor. Lessor shall have the right to use gas produced from the Lessor's land for any home located on the leased premises.

6th. Lessee shall bury Lessee's pipelines below plow depth.

7th. Lessee shall pay for damages caused by Lessee's operation on said land. Lessee shall restore the surface of the real estate as nearly as possible to its pre-drilling condition.

8th. 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.



STATE OF KANSAS, KINGMAN COUNTY, AS:  
THIS INSTRUMENT WAS FILED FOR RECORD ON  
AND DULY RECORDED IN

Book: 0631 Page: 19

Pages Recorded: 2

Recording Fee: \$12.00

SUSAN M HUBBELL  
RECORDER OF DEEDS:

*Susan M Hubbell*



9th. Lessee is hereby granted the right to pool or unitize this lease, the land covered by it or any part thereof with any other land, lease, leases, mineral estates or parts thereof, for the production of oil, liquid hydrocarbons and all gases and their respective constituent products, or any of them, such pooling to be into a unit or units not exceeding eighty (80) acres in the event of an oil well, or into a unit or units not exceeding six hundred forty (640) acres each in the event of a gas well, plus a tolerance of ten percent (10%) thereof, provided that if any federal or state law, executive order, rule or regulation shall prescribe a spacing pattern for the development of the field or allocate a producing allowable on acreage per well, then any such units may embrace as much additional acreage as may be so prescribed or as may be used in such allocation or allowable. The term "gas well" as used in this paragraph shall be deemed to include wells producing, or capable of producing natural gas, gas condensate, gas distillate, or any gaseous substance, as said terms, or any of them are commonly understood in the oil and gas industry, or as they may be used by any governmental authority. Lessee shall file written unit designations in the county in which the premises are located. Such units may be designated either before or after the completion of wells. Drilling operations and production on any part of the pooled acreage shall be treated as if such drilling operations were upon or such production was from the land described in this lease, whether the well or wells be located on the land covered by this lease or not. The entire acreage pooled into a 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. In lieu of the royalties herein provided, 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.

Two (2) years following the expiration of the primary term of this lease or the expiration of any extension or renewal of the primary term, whichever occurs last, in the event a portion or portions of the leased premises is pooled with other land so as to form a pooled unit or units, operations on such unit or units will not maintain this lease in force as to the land not included in such unit or units. This lease may be maintained in force as to any land covered hereby and not included in such unit or units in any manner provided for herein. Upon the occurrence of any partial termination of this lease, Lessee shall have, and expressly reserves, an easement on, over, through and under all released tracts as shall be reasonably necessary for rights of ingress and egress, in order to enable the exploration and/or production of oil, gas and/or other minerals in and from any depths and lands retained by Lessee under this lease, and Lessee shall not be required to relocate any pipelines or equipment used in connection with production of oil and gas from the leased premises. If this lease is not otherwise held by production by a well located hereon, wherein said production is not unitized, and this lease is unitized for production of oil or gas, then at the end of the primary term (or primary term as extended with option to extend) Lessee shall release to Lessor all acreage not included in said unit.

10th. If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the Lessee until after the Lessee has been furnished with a written transfer or assignment or a true copy thereof. In case Lessee assigns this lease in whole or in part, Lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

11th. 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.

12th. All expressed 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.

13th. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agree 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.

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

JOHNSON FARMS OF RAGO, LLC

By: *Ceryl Howlett*  
CHERYL HOWLETT, Lessor

STATE OF KANSAS, COUNTY OF KINGMAN, ss:

The foregoing instrument was acknowledged before me this 1<sup>st</sup> day of March, 2011, by CHERYL HOWLETT, of Johnson Farms of Rago, LLC.



*Leticia Hernandez*  
Notary Public

July 26, 2011

Gary Adelhardt  
Wildcat Oil & Gas LLC  
. Box 40  
Spivey, KS 67142

Re: Drilling Pit Application  
Johnson Farms 1  
SW/4 Sec.17-30S-07W  
Kingman County, Kansas

Dear Gary Adelhardt:

District staff has inspected the above referenced location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has recommended that the reserve pit be lined with bentonite or native clay, constructed **without slots**, the bottom shall be flat and reasonably level and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again within 72 hours after drilling operations have ceased.

**If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.**

The fluids should be taken to an authorized disposal well. Please call the District Office at (316) 630-4000 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through KOLAR within 30 days of fluid removal.

**A copy of this letter should be posted in the doghouse along with the approved Intent to Drill.** If you have any questions or concerns please feel free to contact the District Office at (316) 630-4000.