

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

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1060356

Form C-1

March 2010

Form must be Typed

Form must be Signed

All blanks must be Filled

NOTICE OF INTENT TO DRILL

	re (5) days prior to commencing well s Surface Owner Notification Act, MUST be submitted with this form.	
Expected Spud Date:	Spot Description:	
month day year		
OPERATOR 1: "	feet from N / S Line of Section	
OPERATOR: License#	feet from E / W Line of Section	
Name:		
Address 1:Address 2:		
City: State: Zip: +	(Note: Locate well on the Section Plat on reverse side)	
Contact Person:	County.	
Phone:	Lease Name: Well #:	
CONTRACTOR: Lineary	Field Name:	
CONTRACTOR: License#Name:	io tino di Fordica / Opacca Ficia.	
Name:	raiget i officiation(3).	
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary line (in footage):	
Oil Enh Rec Infield Mud Rotary	Ground Surface Elevation:feet MSL	
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile:	
Disposal Wildcat Cable	Public water supply well within one mile: Yes No	
Seismic ;# of Holes Other	Depth to bottom of fresh water:	
Other:	_ Depth to bottom of usable water:	
If OWWO: old well information as follows:	Surface Pipe by Alternate: III	
II OVVVVO. OIQ WEII IIIIOTTIAIIOTI AS IOIIOWS:	Length of Surface Pipe Planned to be set:	
Operator:	Length of Conductor Pipe (if any):	
Well Name:	Projected Total Depth:	
Original Completion Date: Original Total Depth:		
D: 1: 1 D : 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Water Source for Drilling Operations:	
Directional, Deviated or Horizontal wellbore? Yes No	Well Farm Pond Other:	
If Yes, true vertical depth:	DWR Permit #:	
KCC DKT #:	- (Note: Apply for Permit with DWR)	
	will cores be taken?	
	If Yes, proposed zone:	
AF	FIDAVIT	
The undersigned hereby affirms that the drilling, completion and eventual p	lugging of this well will comply with K.S.A. 55 et. seq.	
It is agreed that the following minimum requirements will be met:		
 The appropriate district office will be notified before well is either plug If an ALTERNATE II COMPLETION, production pipe shall be cement Or pursuant to Appendix "B" - Eastern Kansas surface casing order # 	by circulating cement to the top; in all cases surface pipe shall be set the underlying formation. Strict office on plug length and placement is necessary prior to plugging ;	
Submitted Electronically	Downstants	
For KCC Use ONLY	Remember to:	
API # 15 -	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;	
Conductor pipe requiredfeet	- File Completion Form ACO-1 within 120 days of spud date;	
Minimum surface pipe requiredfeet per ALT. UI	- File acreage attribution plat according to field proration orders;	
Approved by:	Notify appropriate district office 48 hours prior to workover or re-entry;	
This authorization expires:	- Submit plugging report (CP-4) after plugging is completed (within 60 days);	
(This authorization void if drilling not started within 12 months of approval date.)	Obtain written approval before disposing or injecting salt water.	
	If well will not be drilled or permit has expired (See: authorized expiration date)	

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

Agent:

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:		

Side Two



For KCC Use ONLY	
API # 15	-

Operator: _

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.

Location of Well: County: _

Lease:	feet from N / S Line of Section
Well Number:	feet from E / W Line of Section
Field:	SecTwp S. R 🗌 E 🔲 W
Number of Acres attributable to well:	Is Section: Regular or Irregular
QTR/QTR/QTR of acreage:	
	If Section is Irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW
	PLAT t lease or unit boundary line. Show the predicted locations of
	equired by the Kansas Surface Owner Notice Act (House Bill 2032).
rou may attach a	separate plat if desired. 2280 ft.
	LEGEND
	O Well Location Tank Battery Location Pipeline Location Electric Line Location Lease Road Location
11	280 ft.
	0=7 1980' FSL
	SEWARD CO. 3390' FEL

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 OIL & GAS CONSERVATION DIVISION

060356

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: Emergency Pit Burn Pit	Pit is:	Existing	SecTwp R		
Settling Pit Drilling Pit	If Existing, date con	structed:	Feet from North / South Line of Section		
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:	(bbls)	Feet from East / West Line of Section County		
Is the pit located in a Sensitive Ground Water A	rea? Yes 1	No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)		
Is the bottom below ground level? Yes No	Artificial Liner?	0	How is the pit lined if a plastic liner is not used?		
Pit dimensions (all but working pits):	Length (fee	t)	Width (feet) N/A: Steel Pits		
Depth fro	m ground level to dee	pest point:	(feet) No Pit		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.					
Distance to nearest water well within one-mile of pit:		Depth to shallor Source of inforr	west fresh water feet. mation:		
feet Depth of water wellfeet		measured	well owner electric log KDWR		
Emergency, Settling and Burn Pits ONLY:		Drilling, Worko	over and Haul-Off Pits ONLY:		
Producing Formation:		Type of materia	al utilized in drilling/workover:		
Number of producing wells on lease:		Number of working pits to be utilized:			
Barrels of fluid produced daily:		Abandonment p	procedure:		
Does the slope from the tank battery allow all spilled fluids to flow into the pit?		Drill pits must be closed within 365 days of spud date.			
Submitted Electronically					
	ксс	OFFICE USE OI	NLY Steel Pit RFAC RFAS		
Date Received: Permit Numb	ber:	Permi	t Date: Lease Inspection: Yes No		



Kansas Corporation Commission Oil & Gas Conservation Division

1060356

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

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 (CB-1)	Cathodic Protection Borehole Intent)		
OPERATOR: License #	Well Location:		
Name:	SecTwpS. R		
Address 1:	County:		
Address 2:	Lease Name: Well #:		
City: State: Zip:+	If filing a Form T-1 for multiple wells on a lease, enter the legal description of		
Contact Person:	the lease below:		
Phone: () Fax: ()			
Email Address:			
Surface Owner Information:			
Name:	When filing a Form T-1 involving multiple surface owners, attach an additional		
Address 1:	sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the		
Address 2:	county, and in the real estate property tax records of the county treasurer.		
City: State: Zip:+			
the KCC with a plat showing the predicted locations of lease roads, tank are preliminary non-binding estimates. The locations may be entered or	dic Protection Borehole Intent), you must supply the surface owners and k batteries, pipelines, and electrical lines. The locations shown on the plat n the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.		
owner(s) of the land upon which the subject well is or will be lo CP-1 that I am filing in connection with this form; 2) if the form I form; and 3) my operator name, address, phone number, fax, a I have not provided this information to the surface owner(s). I a KCC will be required to send this information to the surface owner.	Act (House Bill 2032), I have provided the following to the surface ocated: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form being filed is a Form C-1 or Form CB-1, the plat(s) required by this and email address. Acknowledge that, because I have not provided this information, the wher(s). To mitigate the additional cost of the KCC performing this I fee, payable to the KCC, which is enclosed with this form.		
If choosing the second option, submit payment of the \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-	fee with this form. If the fee is not received with this form, the KSONA-1 will be returned.		
Submitted Electronically			

Samuel Gary Jr & Associates, Inc 1515 Wynkoop Street, Suite 700 OPERATOR:

Denver, Colorado 80202 office: 303-831-4673; fax: 303-863-7285

WELL NAME: Younger et al 1-11

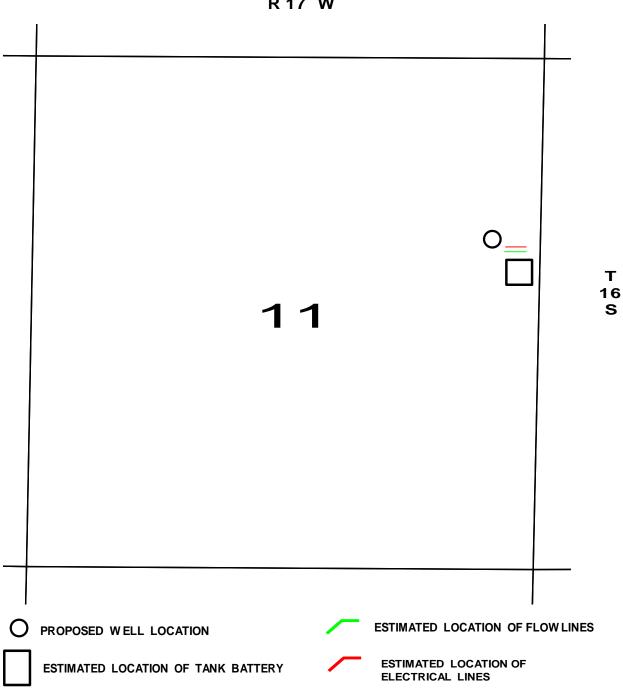
LOCATION: 2280 FNL / 280 FEL Sec. 11 - 16S - 17W

RUSH COUNTY, KS

SURFACE OWNER: Michael Younger

RR1 Box 102 Bison, KS 67520

R 17 W



EXTENSION OF OIL AND GAS LEASE

STATE OF KANSAS }	
COUNTY OF RUSH }	
KNOW ALL MEN BY THESE PRESENTS:	
THAT, an Oil and Gas Lease dated July 21, 2006 covering that certain tract of aggregate of 160.00 acres, more or less, being situated in the Northwest Quarter (NW/4) of Sec South, Range 17 West, Rush County, Kansas, was executed by:	land containing an tion 12, Township 16
ALEXANDER A. HERRMAN a/k/a/ Alex A. Herrman and TWILA MAE HERRMAN, husl address is declared to be 907 Washington Street, La Crosse, Kansas 67548, as Lessor (whether one or mo	oand and wife, whose
in favor of	10),
SAMUEL GARY, JR. & ASSOCIATES, INC., whose address is declared to be 1560 Broadway Colorado 80202, as Lessee;	, Suite 2100, Denver,
and being recorded in Book 150, Page 508 of the official records of the Register of Deeds, Rush Coun referred to hereinafter as the Subject Lease; and,	ty, Kansas, and being
WHEREAS, the term of the Subject Lease was granted for a period of Three (3) years with two (2) years; and	option to extend for
WHEREAS, Lessee exercised its option to extend the Subject Lease for two (2) years; and	
WHEREAS, Lessor has agreed to grant a second extenstion of the Subject Lease for an additional year;	One (1)
NOW THEREFORE, in consideration of Ten Dollars and No/100 and Other Good and Valuable & OVC) the receipt and adequacy of which are hereby acknowledged, the undersigned Lessor does hereby reform the Subject Lease, as follows:	Consideration (\$10.00 by amend, modify and
1.	
It is expressly declared to be the intention of the parties that the Subject Lease be extended for additional years plus One (1) year, to the same extent and effect as though the Subject Lease had bee instance for a primary term of Six (6) years with the intent that the Lease term shall expire July 21.	<u>. 2012</u> .
It is expressly declared to be the intention of the parties that the Subject Lease be further amended exclude from the terms of the Subject Lease any currently existing oil and/or gas well(s), bore hole(s) or located on the hereinabove described lease premises. Lessor and Lessee further agree that Lessee shall research to plug and abandon any of said existing oil and/or gas well(s), bore hole(s) or	other related facilities
2.	
Lessor herein acknowledges that the Subject Lease, as amended is in full force and effect, and amended, modified and reformed herein, the Subject Lease shall remain in full force and effect in accordance terms and provisions. That, the Lessor hereby adopts, ratifies and confirms the Subject Lease, and furth lets unto Samuel Gary, Jr. & Associates, Inc., as Lessee, in accordance with the terms and provisions of the	ance with its original
This instrument may be signed in any number of counterparts, each of which shall be binding on t signing regardless of whether all of the owners join in the granting of this instrument; and the failure of an as Lessor to sign this instrument shall not affect the validity as to those whose signatures appear hereof.	he party or parties so
The consideration paid by Lessee to Lessor is accepted as full and adequate consideration for a privileges herein granted.	ll rights, options and
IN WITNESS WHEREOF, this instrument is executed on May 19, 2009.	
LESSOR:	
Alexander a Herror	
ALEXANDER A. HERRMAN a/k/a Alex A. Herrman TWILA MAE HERRMAN	rrman

STATE OF houngas	
COUNTY OF RUSh ACKNOWLEDGMENT FOR INDIVIDUAL IK	sOkCoNe)
The foregoing instrument was acknowledged before me this 19th day of 100 1	09
William and the	
will mak Herrman Hursond + wiste	
MY HUTARY PUBLIC State of Kansas JERILYN STULL Notary	Stull
My Appt Exp. 17-8-09	
STATE OF	
COUNTY OF ACKNOWLEDGMENT FOR INDIVIDUAL (K	sOkCoNe)
The foregoing instrument was acknowledged before me this day of	
and	
Manage of the second se	
My commission expires	
Notary	Public
Yi	
STATE OF ACKNOWLEDGMENT FOR INDIVIDUAL.	
	(sOkCoNe)
The foregoing instrument was acknowledged before me this day of	
nno.	
Museumanianian	
My commission expires	
Notary	Public
STATE OF ACKNOWLEDGMENT FOR INDIVIDUAL (I	
COUNTY OF ACKNOWLEDGMENT FOR INDIVIDUAL (7-01-0-N-1
	(SUKCONE)
day of	
hy day of and	
The foregoing instrument was acknowledged before me this day of and and	
hy and	
hy and	
hy and	
hy and	
hy and	
hy and	
My commission expires	Public
hy and	Public
My commission expires	Public
My commission expires	Public
My commission expires Notary STATE OF KANSA	Public D S, RUSH COUNTY, S.S.
My commission expires Notary STATE OF KANSA: THIS INSTRUMEN	Public S, RUSH COUNTY, S.S. T WAS FILED FOR RECORD ON
My commission expires Notary MICROFILME STATE OF KANSA THIS INSTRUMEN THE	Public S, RUSH COUNTY, S.S. T WAS FILED FOR RECORD ON DAY OF JUNE A D
My commission expires Notary MICROFILME STATE OF KANSA THIS INSTRUMEN THE 20 097 AT	Public S, RUSH COUNTY, S.S. T WAS FILED FOR RECORD ON DAY OF CORD A.D. O'CLOCK M. AND
My commission expires Notary MICROFILME STATE OF KANSA THIS INSTRUMEN THE 20 07 AT DULY RECORDED	Public S, RUSH COUNTY, S.S. T WAS FILED FOR RECORD ON DAY OF O'CLOCK M. AND IN BOOK S OF MARCH
My commission expires Notary MICROFILME STATE OF KANSA THIS INSTRUMEN THE 20 097 AT	Public S, RUSH COUNTY, S.S. T WAS FILED FOR RECORD ON DAY OF O'CLOCK M. AND IN BOOK S OF MARCH
My commission expires Notary MICROFILME STATE OF KANSA THIS INSTRUMEN THE 20 07 AT DULY RECORDED	Public S, RUSH COUNTY, S.S. T WAS FILED FOR RECORD ON DAY OF CARE A.D. O'CLOCK M. AND IN BOOK 153 OF M. AND
My commission expires Notary MICROFILME STATE OF KANSA THIS INSTRUMEN THE 20 07 AT DULY RECORDED	Public S, RUSH COUNTY, S.S. T WAS FILED FOR RECORD ON DAY OF O'CLOCK M. AND IN BOOK S OF MARCH
My commission expires Notary MICROFILME STATE OF KANSA THIS INSTRUMEN THE 20 27 AT DULY RECORDED AT PAGE 923	Public S, RUSH COUNTY, S.S. T WAS FILED FOR RECORD ON DAY OF A.D. O'CLOCK M., AND IN BOOK SOF OF M.S. REGISTER OF DEEDS
My commission expires Notary MICROFILME STATE OF KANSA THIS INSTRUMEN THE 20 07 AT DULY RECORDED	Public S, RUSH COUNTY, S.S. T WAS FILED FOR RECORD ON DAY OF CARE A.D. O'CLOCK M. AND IN BOOK 153 OF M. AND

6. 4.

508

OIL AND GAS LEASE

AGREEMENT, Made and entered into the	ne 21st day of	July	2006
by and between	Alexander A. Herrn		Wila Mae Herrman,
	husband and wife		
whose mailing address is		eet, La Crosse Kansas 67548	
and	Communal Community Pro	Annadata Tar	_ , , , , , , , , , , , , , , , , , , ,
			,hereinafter called Lessee
exploring by geophysical and other means, prosp gas, water, other fluids, and air into subsurface st	rata, laying pipe lines, storing oil, building tan rata, laying pipe lines, storing oil, building tan nsport said oil, liquid hydrocarbons, gases and	contained, nereby grants, leases and lets exctu- producing oil, liquid hydrocarbons, all gases, ks, power stations, telephone lines, and other s	00) in hand paid, receipt of which is hereby sively unto lessee for the purpose of investigating and their respective constituent products, injecting structures and things thereon to produce, save, take her products manufactured therefrom, and housing
therein situated in County of	Rush State of	Kansas	described as follows to-wit
	TACHED HERETO AND MAD		
			160.00 acres, more or less, and al
Subject to the provisions herein contain liquid hydrocarbons, gas or other respect pursuant to the provisions hereof.	ed, this lease shall remain in force for a term of them, is products, or any of them, is products.	of <u>Three (3)</u> years from this date (ca produced from said land or land pooled there	alled "primary term") and as long thereafter as oil with or this lease is otherwise maintained in effective the state of t
In consideration of the premises the said	_		
me reased premises.			ighth (1/8) part of all oil produced and saved from
			used in the manufacture of any products therefrom cived by Lessee from such sales, such net proceed removal of nitrogen, helium or other impurities in acture of products therefrom, said payments to be
This lease may be maintained during the produced on the leased premises or on acreage p as operations are being continuously prosecuted than one hundred and twenty (120) days shall discovery of oil or gas on the leased premises Lessee commences additional drilling or rework. If oil or gas shall be discovered and produced as acreage pooled or unitized therewith.	primary term hereof without further payment coled or unitized therewith but Lessee is then on the leased premises or on acreage pooled or elapse between the completion or abandonme on acreage pooled or unitized therewith, the ng operations within one hundred and twenty is a result of such operations, this lease shall continue the property of the pr	or drilling operations. If at the expiration of the engaged in drilling, reworking operations then unitized therewith; and operations shall be cont of one well and the beginning of operation production should cease from any cause after (120) days from the date of cessation of produce on the full force and effect so long as oil	ne primary term of this lease, oil or gas is not bein reon, then this lease shall continue in force so lon nsidered to be continuously prosecuted if not mor ms for the drilling of a subsequent well. If after the primary term, this lease shall not terminate action or from the date of completion of a dry hole or gas is produced from the leased premises or o
			or gas or other substances covered hereby, but suc ducing for the purpose of maintaining the lease. I an aggregate shut-in royalty of One Dollar (\$1.00 expiration of the said ninety (90) day period an expiration of this lease is in its primary teriod or unitized therewith, no shut-in royalty shall be. Lessee's failure to properly pay shut-in royalty
If said lessor owns a less interest in the for shall be paid the said lessor only in the proportion	above described land than the entire and undiv tion which lessor's interest bears to the whole	ided fee simple estate therein, then the royaltic and undivided fee.	es (including any shut-in royalties) herein provide
Lessee shall have the right to use, free or	f cost, gas, oil and water produced on said land	for lessee's operation thereon, except water fr	rom the wells of lessor.
	ury lessee's pipe lines below plow depth. feet to the house or barn now on said premises	24	
	lessee's operations to growing crops on said la		
Lessee shall have the right at any time to	remove all machinery and fixtures placed on	said premises, including the right to draw and	remove casing.
If the estate of either party hereto is as	signed, and the privilege of assigning in what are in the ownership of the land or assignment thereof. In case lesses assigns this lesse in what	ole or in part is expressly allowed, the cover	nants hereof shall extend to their heirs, executor lessee until after the lessee has been furnished with obligations with respect to the assigned portion of
			bove described premises and thereby surrender th
All express or implied covenants of this in part, nor lessee held liable in damages, for fai restrictions on the drilling and production of we operations or obligations under this lease are pre electricity, fuel, access or easements, or by an a other act of nature, explosion, governmental actic take or transport such production, or by any othe terminate because of such prevention or delay, a provision or implied covenants of this lease wher	lease shall be subject to all Federal and State lure to comply therewith, if compliance is prells, and regulation of the price or transportation of the price or transportation of the state of the strike, lockout, or other industrial of the strike, lockout, or other industrial of the strike, lockout, or other industrial of the strike, lockout, or cause, whether of the kind specifically enumed, at Lessee's option, the period of such prediction, production, or other operations are such present drilling, production, or other operations are such present of the strike of the	Laws, Executive Orders, Rules or Regulations vented by, or if such failure is the result of, an in of oil, gas or other substance covered herelitons or orders, or by inability to obtain neces listurbance, act of the public enemy, war, blo r by inability to obtain a satisfactory market for a satisfactory market for a satisfactory market for erated above or otherwise, which is not reasovention or delay shall be added to the term here or prevented or delayed.	and this lease shall not be terminated, in whole only such Law, Order, Rule or Regulation, including you. When drilling, reworking, production or othe sary permits, equipment, services, material, waterclade, public riot, lightening, fire, storm, flood or production, or failure of purchasers or carriers to mably within control of Lessee, this lease shall nureof. Lessee shall not be liable for breach of an
Lessor hereby warrants and agrees to d mortgages, taxes or other liens on the above dese themselves and their heirs, successors and assi homestead may in any way affect the purposes for	ribed lands, in the event of default of paymen	and agrees that the lessee shall have the right to by lessor, and be subrogated to the rights of dower and homestead in the premises described.	at any time to redeem for lessor, by payment an the holder thereof, and the undersigned lessors, for ibed herein, in so far as said right of dower an
Lessee, at its option, is hereby given the immediate vicinity thereof, when in lessee's judges or other minerals in and under and that may 40 acres each in the event of an oil well, or into the county in which the land herein leased is sittle treated, for all purposes except the payment of shall be treated as if production is had from this I shall receive on production from a unit so poole basis bears to the total acreage so pooled or unitial.	e right and power to pool, unitize or combine ment it is necessary or advisable to do so in one produced from said premises, such pooling a a unit or units not exceeding 640 acres each mated an instrument identifying and describing of royalties on production from the pooled unit ease, whether the well or wells be located on the don't such portion of the royalty stipulated hered in the particular unit involved.	or unitization to be of tracts contiguous to one the event of a gas well. Lessee shall execute the pooled or unitized acreage. The entire acret, as if it were included in this lease. If produce premises covered by this lease or not. In lie erein as the amount of his acreage placed in the	tion thereof with other land, lease or leases in the premises so as to promote the conservation of of another and to be into a unit or units not exceeding in writing and record in the conveyance records of eage so pooled or unitized into a tract or unit shaution is found on the pooled or unitized acreage, u of the royalties elsewhere herein specified, lesson unit or his royalty interest therein on an acreage unit or his royalty interest therein on an acreage.
This lease may be signed in any number signing, notwithstanding some of the Lessors at execute this lease as Lessor, although not named	or numbers of counterparts and shall be effective named who may not have joined in the above.	tive as to each Lessor on execution hereof as execution hereof. The word "Lessor" as used	to his or her interest and shall be binding on thos I in this lease shall mean the party or parties wh
Lessee shall have the exclusive right to a known or not, including the drilling of holes, use of securing geological and geophysical informat sell such information without Lessor's consent associated with seismograph operations (ie: tire the tenant (if Lessor has a tenant) will be compensated.	explore the land herein described by geological of torsion balance, seismograph explosions, n ion. All information obtained by Lessee as a Lessor and Lessee herein agree that a port racks in the wheat, pasture or field, road use, and accordingly, or Lessee may elect to repair the	, geophysical or other methods, whether simil- lagnetometer, or other geophysical or geologic result of such activity shall be the exclusive p ion of the consideration paid herein is for a compaction etc.) If any extraordinary damage be damages in lieu of compensation.	ar to those herein specified or not and whether no all instruments, tests or procedures, for the purpos or operty of Lessee, and Lessee may disseminate divance payment of usual and customary damage is should occur, at Lessor's discretion, Lessor or i
SEE EXHIBIT A ATTACHE	D HEKE I'U AND MADE A PA	RT HEREOF FOR ADDITIONA	AL TERMS AND PROVISIONS.
IN WITNESS WHEREOF, the undersigned exec	ute this instrument as of the day and year first	above written.	
Witnesses:		ly A Here	· ·
	ALEX	KANDER ALHERRMAN a/k/a ALEX A. HEI	RRMAN
	TWI	A MAE HERRMAN	eman

My commission expires

STATE OF

corporation, on behalf of the corporation.

aint эт этојес редрејмога вам запитани је формација и страног вија ви странога и страно

1600

Notary Public

ACKNOWLEDGMENT FOR CORPORATION (K&OkCoNe)

EXHIBIT "A"

Attached to and made a part of that Certain Oil and Gas Lease dated July 21, 2006, by and between, ALEXANDER A. HERRMAN a/k/a ALEX A. HERRMAN, as Lessor, and SAMUEL GARY, JR. & ASSOCIATES, INC., as Lessee.

PROPERTY DESCRIPTION:

TOWNSHIP 16 SOUTH - RANGE 17 WEST

SECTION 12:

That certain tract or parcel of land estimated to contain <u>160.00</u> acres, more or less, and being described as the Northwest Quarter (NW/4) of Section 12, Township 16 South, Range 17 West, Rush County, Kansas.

It is the intention of this lease to cover and include any mineral interest which the Lessor may own in and to the above described tract, including streets, roads, canals, drainage ditches, rights of way or other servitudes, including, but not limited to, any reversionary interest which Lessor may acquire in the same, by prescription of nonuse.

ADDITIONAL TERMS AND PROVISIONS:

- 1. The provisions of this EXHIBIT "A" shall control and supersede the terms of the attached oil and gas lease when such terms conflict.
- 2. Lessee shall bury and maintain all pipelines below ordinary plow depth (36").
- 3. Lessee shall pay all damages, caused by Lessee's operations hereunder to crops, including grass, and restore as nearly as practical, said premises to the same conditions and contour as previously existed, upon termination of this lease.
- 4. Lessee is hereby granted the option to extend the primary term of this lease for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee, in total, on or before the expiration date of lease by paying and delivering to Lessor at the above address, the sum of \$12.00 per acre covered by the lease. In the event Lessee exercises this option, Lessee must renew all acreage covered by this lease. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a term of five (5) years.

EXTENSION OF OIL AND GAS LEASE

STATE OF KANSAS }

COUNTY OF RUSH }

KNOW ALL MEN BY THESE PRESENTS:

THAT, an Oil and Gas Lease dated <u>January 25, 2007</u> covering that certain tract of land containing an aggregate of <u>160.00</u> acres, more or less, being situated in the <u>South Half of the North Half</u> of Section <u>11</u>, Township <u>16</u> South, Range <u>17</u> West, Rush County, Kansas, was executed by:

MICHAEL J. YOUNGER and SARAH L. YOUNGER, husband and wife, whose address is declared to be Rural Route 1, Box 102, Bison, Kansas 67520, as Lessor (whether one or more);

in favor of

Colorado 80202, as Lessee;

SAMUEL GARY, JR. & ASSOCIATES, in c., whose address is declared to be 1515 Wynkoop, Suite 700, Denver,

and being recorded in Book 151, Page 72, of the official records of the Register of Deeds, Rush County, Kansas, and being referred to hereinafter as the Subject Lease; and,

WHEREAS, the term of the Subject Lease was granted for a period of Three (3) years with option to extend for two (2) years; and

WHEREAS, Lessee exercised its option to extend the Subject Lease for two (2) years; and

WHEREAS, Lessor has agreed to grant a second extension of the Subject Lease for an additional One (1) year;

NOW THEREFORE, in consideration of Ten Dollars and No/100 and Other Good and Valuable Consideration (\$10.00 & OVC) the receipt and adequacy of which are hereby acknowledged, the undersigned Lessor does hereby amend, modify and reform the Subject Lease, as follows:

1.

It is expressly declared to be the intention of the parties that the Subject Lease be extended for <u>Three (3)</u> additional years, to the same extent and effect as though the Subject Lease had been granted in the first instance for a primary term of <u>Six (6) years</u> with the intent that the Lease term shall expire <u>January 25, 2013</u>.

It is expressly declared to be the intention of the parties that the Subject Lease be further amended by Lessor to hereby exclude from the terms of the Subject Lease any currently existing oil and/or gas well(s), bore hole(s) or other related facilities located on the hereinabove described lease premises. Lessor and Lessee further agree that Lessee shall not be liable nor shall Lessee have the obligation to plug and abandon any of said existing oil and/or gas well(s), bore hole(s) or related facilities.

2.

Lessor herein acknowledges that the Subject Lease, as amended is in full force and effect, and except as expressly amended, modified and reformed herein, the Subject Lease shall remain in full force and effect in accordance with its original terms and provisions. That, the Lessor **hereby adopts, ratifies and confirms** the Subject Lease, and further **grants, leases and lets** unto Samuel Gary, Jr. & Associates, Inc., as Lessee, in accordance with the terms and provisions of the Subject Lease.

This instrument may be signed in any number of counterparts, each of which shall be binding on the party or parties so signing regardless of whether all of the owners join in the granting of this instrument; and the failure of any party named herein as Lessor to sign this instrument shall not affect the validity as to those whose signatures appear hereon or on a counterpart hereof.

The consideration paid by Lessee to Lessor is accepted as full and adequate consideration for all rights, options and privileges herein granted.

IN WITNESS WHEREOF, this instrument is executed on

_____, 2010.

LESSOR:

Michael J. Younger

Sarah L. Younger

commission expires			
	cor	ration, on behalf of the corporat	.tion.
wonds as was morument was acknow	sint am erfore me this	To yab	, 2010
OF TO YTVU			
ATE OF			
OIL AND GAS LEASE FROM TO	Date Rge Rge No. of Acres Term County County	STATE OF HAUDAS County KUSH This instrument was filed for record on the 18th day of 12th. o-clock M., and duly recorded in Book 155-105C. Page 304 of	his office. MONU return to p, Suite 7
commission expires		Notary Public	
foregoing instrument was acknowl	eint om orotod begbelwon	To yeb	, 20102
TO YTVU			
ATE OF	constant of the constant of th	7107-11-5	
səniqxə noissimmoə	7107-1	Notary Public	077
foregoing instrument was acknowl	nowledged before me this <u>.</u> h L. Younger	To yeb Janua	40102 ·

STATE OF // 01505

104

63U (Rev. 1993)

OIL AND GAS LEASE

AGREEMENT, Made and entered into	the 25 th day o	of January	200′
by and between	MICHAEL J.	YOUNGER and SARAH L. YOUNGE	ER, husband and wife
whose mailing address is	Rural Route 1.	Box 102, Bison, Kansas 67520	harainefar called Lagran (. 1.41.
and	Samuel Gary J	r. & Associates, Inc. y, Suite 3300, Denver, CO 80202	neternation cannot be soon (whether one or more
Lessor, in consideration ofT	en and Other Valuable Consi	derations Dollars (\$ 10.00	0) in hand paid, receipt of which is hereb
gas, water, other fluids, and air into subsurface	strata, laying pipe lines, storing oil, build	or and producing oil, liquid hydrocarbons, all gases, and ling tanks, power stations, telephone lines, and other str	nd their respective constituent products, injecting
herein situated in County of	Rush State of	Kansas	described as follows to-wi
SEE EXHIBIT "A" A	TTACHED HERETO AND N	MADE A PART HEREOF FOR PROP	ERTY DESCRIPTION.
		ge17 West and containing	
•		a term of <u>Three (3)</u> years from this date (call em, is produced from said land or land pooled therewi	ed "primary term") and as long thereafter as of th or this lease is otherwise maintained in effe
In consideration of the premises the sa 1st. To deliver to the credit of Lessor, he leased premises.		ssee may connect wells on said land, the equal one-eig	hth (1/8) part of all oil produced and saved fro
		kind produced and sold, or used off the premises, or usen the more than one-eighth (1/8) of the net proceeds received incurred by Lessee in delivering, treating for the rethe gas sold, used off the premises, or in the manufacture.	
This lease may be maintained during the roduced on the leased premises or on acreage is operations are being continuously prosecute han one hundred and twenty (120) days shall iscovery of oil or gas on the leased premises essee commences additional drilling or reworf oil or gas shall be discovered and produced creage pooled or unitized therewith.	ne primary term hereof without further pa pooled or unitized therewith but Lessee: if on the leased premises or on acreage po lelapse between the completion or abar or on acreage pooled or unitized therew king operations within one hundred and t as a result of such operations, this lease	yment or drilling operations. If at the expiration of the is then engaged in drilling, reworking operations therecoled or unitized therewith; and operations shall be considered on the operation of one well and the beginning of operations th, the production should cease from any cause after the wenty (120) days from the date of cessation of product shall continue in full force and effect so long as oil or	primary term of this lease, oil or gas is not being on, then this lease shall continue in force so lor bidered to be continuously prosecuted if not most for the drilling of a subsequent well. If afthe primary term, this lease shall not terminate ion or from the date of completion of a dry hole gas is produced from the leased premises or complete.
If after the primary term one or more vell or wells are either shut in or production the or a period of ninety (90) consecutive days such acre then covered by this lease, such paymhereafter on or before each anniversary date of or otherwise being maintained by operations, of the until the end of the next following annivershall render Lessee liable for the amount due, but the control of the con	vells on the lease premises or lands poole erefrom is not being sold by Lessee, such the well or wells are shut in or production ent to be made to Lessor on or before the this lease while the well or wells are shu if production is being sold by Lessee freary date of this lease that cessation of su ut shall not operate to terminate this lease ut shall not operate to terminate this lease.	d or unitized therewith are capable of producing oil or well or wells shall nevertheless be deemed to be produtherefrom is not sold by Lessee, the Lessee shall pay are anniversary date of this lease next ensuing after the at in or production therefrom is not being sold by Lessee on another well on the leased premises or lands pooled choperations or production occurs, as the case may be as t	gas or other substances covered hereby, but suc noing for the purpose of maintaining the lease. In aggregate shut-in royalty of One Dollar (\$1.00 expiration of the said ninety (90) day period are exprovided that if this lease is in its primary ten- or unitized therewith, no shut-in royalty shall to Lessee's failure to properly pay shut-in royalty
or shall be paid the said lessor only in the prop	e above described land than the entire and ortion which lessor's interest bears to the	I undivided fee simple estate therein, then the royalties whole and undivided fee.	(including any shut-in royalties) herein provide
Lessee shall have the right to use, free	of cost, gas, oil and water produced on sa bury lessee's pipe lines below plow depth	id land for lessee's operation thereon, except water from	m the wells of lessor.
No well shall be drilled nearer than 20	ofeet to the house or barn now on said pr	emises without written consent of lessor.	
Lessee shall pay for damages caused b Lessee shall have the right at any time	y lessee's operations to growing crops on to remove all machinery and fixtures place	said land. ced on said premises, including the right to draw and rea	
If the estate of either party hereto is	assigned, and the privilege of assigning	in whole or in part is expressly allowed, the covenar	move casing. nts hereof shall extend to their heirs, executor
		in whole or in part is expressly allowed, the covenar emment of rentals or royalties shall be binding on the les to, in whole or in part, lessee shall be relieved of all ob	
Lessee may at any time execute and de ase as to such portion or portions and be relie	liver to lessor or place of record a release wed of all obligations as to the acreage sur	or releases covering any portion or portions of the aborrendered.	we described premises and thereby surrender th
All express or implied covenants of the part, nor lessee held liable in damages, for festrictions on the drilling and production of we perations or obligations under this lease are plectricity, fuel, access or easements, or by an other act of nature, explosion, governmental acake or transport such production, or by any other act of the production of the production or implied covenants of this lease who recommend the production or implied covenants of this lease who	is lease shall be subject to all Federal and ailure to comply therewith, if compliance rells, and regulation of the price or transprevented or delayed by such laws, rules, act of God, strike, lockout, or other indition, governmental delay, restraint or inaction, governmental delay, restraint or inactions, governmental delay, restraint or processing and, at Lessee's option, the period of such drilling, production, or other operations.	State Laws, Executive Orders, Rules or Regulations, a e is prevented by, or if such failure is the result of, any portation of oil, gas or other substance covered hereby regulations or orders, or by inability to obtain necessa istrial disturbance, act of the public enemy, war, block tion, or by inability to obtain a satisfactory market for y enumerated above or otherwise, which is not reasona ich prevention or delay shall be added to the term here s are so prevented or delayed.	and this lease shall not be terminated, in whole of such Law, Order, Rule or Regulation, including. When drilling, reworking, production or other y permits, equipment, services, material, water cade, public riot, lightening, fire, storm, flood of production, or failure of purchasers or carriers subly within control of Lessee, this lease shall not be liable for breach of an
nortgages, taxes or other liens on the above de nemselves and their heirs, successors and assomestead may in any way affect the nurnoses	scribed lands, in the event of default of p signs, hereby surrender and release all r	ayment by lessor, and be subrogated to the rights of the right of dower and homestead in the premises describ	any time to redeem for lessor, by payment an e holder thereof, and the undersigned lessors, for ed herein, in so far as said right of dower an
Lessee, at its option, is hereby given a mmediate vicinity thereof, when in lessee's jugas or other minerals in and under and that may 0 acres each in the event of an oil well, or inthe county in which the land herein leased is si he treated, for all purposes except the payment hall be treated as if production is had from this hall receive on production from a unit so pool passis hears to the total agreege so pooled or with the state of the total agreege so pooled or with the state of the total agreege so pooled or with the state of the total agreege so pooled or with the state of the total agreege so pooled or with the state of the total agreege so pooled or with the state of the total agreege so pooled or with the state of the total agreege so pooled or with the state of the total agreege so pooled or with the state of the	the right and power to pool, unitize or column it is necessary or advisable to do be produced from said premises, such pool a unit or units not exceeding 640 acres to tasted an instrument identifying and description of royalties on production from the pool lease, whether the well or wells be located only such portion of the royalty stipul	rem. The property develop and operate said lease problem of the property develop and operate said lease probling or unitization to be of tracts contiguous to one an each in the event of a gas well. Lessee shall execute in cribing the pooled or unitized acreage. The entire acrea led unit, as if it were included in this lease. If productied on the premises covered by this lease or not. In lieue atted herein as the amount of his acreage placed in the	on thereof with other land, lease or leases in the remises so as to promote the conservation of on their and to be into a unit or units not exceeding writing and record in the conveyance records of the conveyance of the royalties elsewhere herein specified, less of the royalties elsewhere herein specified, less unit or his royalty interest therein on an access.
signing, notwithstanding some of the Lessors execute this lease as Lessor, although not name	above named who may not have joined in above.	in the execution hereof. The word "Lessor" as used i	his or her interest and shall be binding on thos in this lease shall mean the party or parties wh
Lessee shall have the exclusive right to nown or not, including the drilling of holes, us of securing geological and geophysical informa- ell such information without Lessor's consen- associated with seismograph operations (ie: tire count (if Lessor has a tenant) will be compensa-	explore the land herein described by geo se of torsion balance, seismograph explos ation. All information obtained by Lesse t. Lessor and Lessee herein agree that tracks in the wheat, pasture or field, roat the descondingly of lessee with the second profiled.	ological, geophysical or other methods, whether similar ions, magnetometer, or other geophysical or geological se as a result of such activity shall be the exclusive pro a portion of the consideration paid herein is for advaduse, compaction etc.) If any extraordinary damages sepair the damages in lieu of compensation.	to those herein specified or not and whether no instruments, tests or procedures, for the purpos perty of Lessee, and Lessee may disseminate of ance payment of usual and customary damage should occur, at Lessor's discretion. Lessor or i
SECEMBEL A ALLACHI	ED HEKETO AND MADE A	A PART HEREOF FOR ADDITIONAL	L TERMS AND PROVISIONS.
N WITNESS WHEREOF, the undersigned executions:	ecute this instrument as of the day and year	ar first above written.	
1440305.		Michaeld, younger	and the second s
		Sarah Y. Gounge SARAH L. YOUNGER	

የጥለጥሮ ብር	Kansas	
TATE OF	Rush	ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkÇoNe)
he foregoing instrument	was acknowledged hefore m	e this 25 day of January 2007
y <u>Michael</u>	J. Younger	and Sarah L. Younger
		illa sezari B. rounger
le commission and	July 15, 2008	18/11/14
ly commission expires _	2 7 - 0 0	A. N. Jadyal
	A	Notary Public Notary Public James D. Tidwell III
338	(2) (3) (4	7/5/5/
		ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
OUNTY OF	4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	,
ne loregoing instrument	was acknowledged before m	e this day of
		and
ly commission expires 🔔		
		Notary Public
	6	
TATE OF		
OUNTY OF		MONTH OF THE PORT OF THE PROPERTY OF THE PROPE
he foregoing instrument	was acknowledged before m	e this day of
ν		and
ly commission expires		÷
tre press to que		Notary Public
rame on		
LATE OF		ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
OUNTI OF		
V		e this day of and
		and
ly commission expires _		
		Notary Public
₩.		w
1	1 10	***************************************
2		Line Leads.
		ti the
OIL AND GAS LEASE		
E		record on Table 1
-		
15		Term For re For r
¥ X	- 1	County County Log Ro
G/A		B W. F. L. S. L. B. G. I.
		STATE OF HARA County And A This instrument was at a o-clock in Book Med 15 the records of this office. By E695 When recorded, return to when recorded, return to the recorded of the return to the recorded of return to the return to the recorded of return to the return to
A		4 4 ma 2 0 0 ma 1 ma 1
4		1 日 日 日 日 日 日 日 日 日 日 日 日 日 日 日 日 日 日 日
waters.		Acres Acres of Cords
0		Ac A
	TO Date	
~	15 Jat '	No Co St No
·		ACKNOWLEDGMENT FOR CORRORATION (4-0)
		ACKNOWLEDGMENT FOR CORPORATION (KsOkCone)
OUNTY OF		
ne foregoing instrument		e this day of,,
ne foregoing instrument		

Notary Public

EXHIBIT "A"

Attached to and made a part of that Certain Oil and Gas Lease dated January 25, 2007, by and between, MICHAEL J. YOUNGER, ET UX, as Lessor, and SAMUEL GARY, JR. & ASSOCIATES, INC., as Lessee.

PROPERTY DESCRIPTION:

TOWNSHIP 16 SOUTH - RANGE 17 WEST

SECTION 11:

That certain tract or parcel of land estimated to contain <u>160.00</u> acres, more or less, and being described as the South Half of the North Half (S/2 of the N/2) of Section 11, Township 16 South, Range 17 West, Rush County, Kansas.

It is the intention of this lease to cover and include any mineral interest which the Lessor may own in and to the above described tract, including streets, roads, canals, drainage ditches, rights of way or other servitudes, including, but not limited to, any reversionary interest which Lessor may acquire in the same, by prescription of nonuse.

ADDITIONAL TERMS AND PROVISIONS:

- 1. The provisions of this **EXHIBIT** "A" shall control and supersede the terms of the attached oil and gas lease when such terms conflict.
- 2. Lessee shall bury and maintain all pipelines below ordinary plow depth (36").
- 3. Lessee shall pay all damages to crops, including grass, and restore as nearly as practical, said premises to the same conditions and contour as previously existed, upon termination of this lease.
- 4. Lessee is hereby granted the option to extend the primary term of this lease for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee, in total, on or before the expiration date of lease by paying and delivering to Lessor at the above address, the sum of \$15.00 per acre covered by the lease. In the event Lessee exercises this option, Lessee must renew all acreage covered by this lease. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a term of five (5) years.
- 5. In addition to the other provisions set forth herein, it is agreed and understood, the Lessee shall pay all damages caused by Lessee in investigating, exploring by geophysical and other means, drilling or operating for production of oil or gas upon the subject land that is enrolled in the Conservation Reserve Program including but not limited to all liquidated damages, all repayment of annual payments, all repayment of cost share for cover crop, all repayments for cost share for grass seed and planting thereof, and any and all payments of penalty or interest together with all loss of payments through the Conservation Reserve Program. These payments would be in addition to other damage provisions provided in this lease.
- 6. Lessee agrees not to damage, destroy or remove any tress now located on the above described tract of land without prior written consent of Lessor.