



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

KANSAS CORPORATION COMMISSION 1062392  
 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: \_\_\_\_\_

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

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

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

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

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

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

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

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

Ground Surface Elevation: \_\_\_\_\_ feet MSL

Water well within one-quarter mile:  Yes  No

Public water supply well within one mile:  Yes  No

Depth to bottom of fresh water: \_\_\_\_\_

Depth to bottom of usable water: \_\_\_\_\_

Surface Pipe by Alternate:  I  II

Length of Surface Pipe Planned to be set: \_\_\_\_\_

Length of Conductor Pipe (if any): \_\_\_\_\_

Projected Total Depth: \_\_\_\_\_

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

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

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

Will Cores be taken?  Yes  No  
 If Yes, proposed zone: \_\_\_\_\_

**AFFIDAVIT**

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

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

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

**Submitted Electronically**

**For KCC Use ONLY**

API # 15 - \_\_\_\_\_

Conductor pipe required \_\_\_\_\_ feet

Minimum surface pipe required \_\_\_\_\_ feet per ALT.  I  II

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

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

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

**Remember to:**

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

**Well will not be drilled or Permit Expired** Date: \_\_\_\_\_  
 Signature of Operator or Agent: \_\_\_\_\_

E  
W



1062392

**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

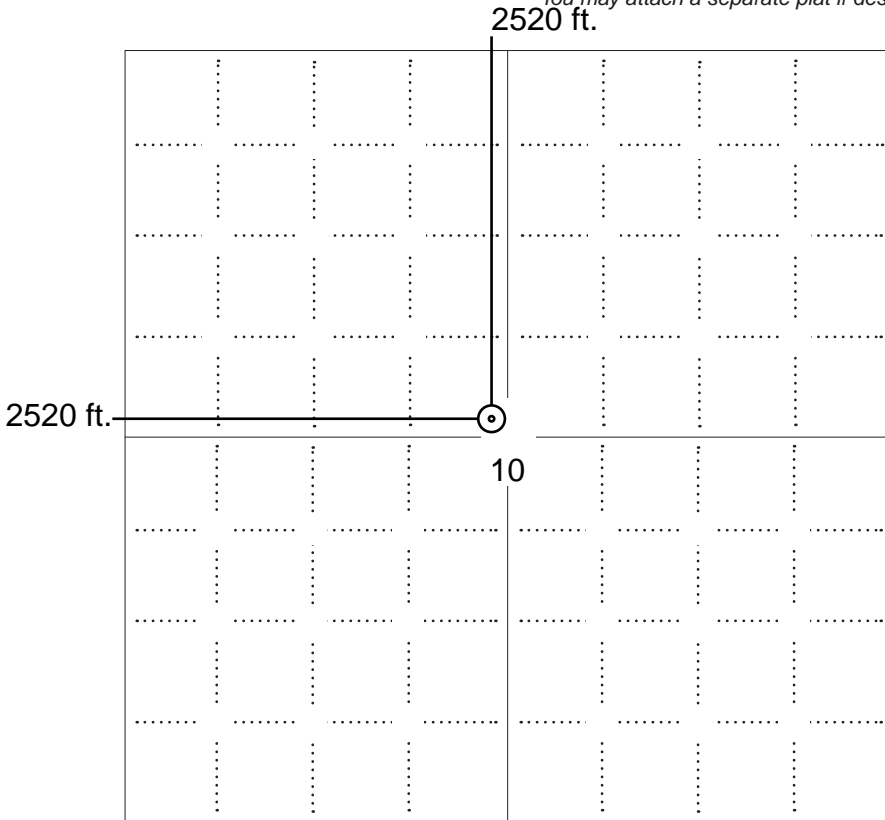
**If Section is Irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

### PLAT

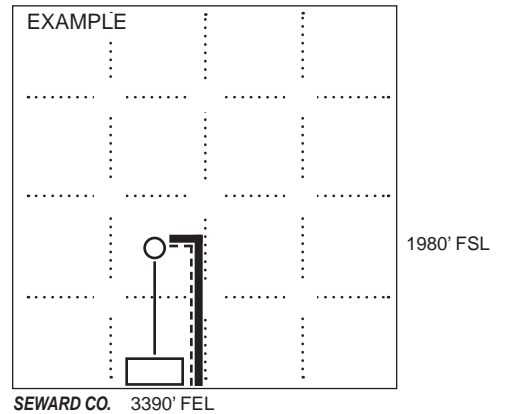
Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).

*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.**

### 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 1062392  
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

**OIL AND GAS LEASE**

THIS AGREEMENT, Entered into this the 12th day of October, 2009  
between: Carl G. Miller and Evelyn M. Miller, Trustees of the Miller Revocable Trust  
dated August 5, 1999, 508 Beverly Drive, Ellinwood, Kansas 67526; and,  
Keith L. Miller and Constance C. Miller, his wife, 363 NE 80 Avenue, Great Bend,  
Kansas 67530 hereinafter called lessor,  
and L. D. Davis, 7 SW 26th Avenue, Great Bend, Kansas 67530 hereinafter called lessee, does  
witness

1. That lessor, for and in consideration of Ten (\$10.00) and more DOLLARS, in hand paid, and of the covenants and agreements hereinafter contained to be performed by the lessee, has this day granted, leased and let and by these presents does hereby grant, lease and let exclusively unto the lessee the hereinafter described land, with any reversionary rights therein, and with the right to utilize this lease or any part thereof with other oil and gas leases as to all or any part of the land covered hereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casing head gasoline and their respective constituent vapors, and all other gases, fumes and thereon, the exclusive right of injecting water, brine, and gas condensate into the subsurface strata, and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of Barton

State of Kansas described as follows:

**Northeast Quarter (NE/4) of Section Ten (10), Township Nineteen (19) South, Range Twelve (12) West**

- containing 160 acres more or less.
- 2. This lease shall remain in force for a term of three (3) years (called "primary term") and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is or can be produced.
- 3. The lessee shall deliver to lessor as royalty, free of cost, or into the pipe line to which lessee may connect its wells the equal one-eighth part of all oil and gravity prevailing on the day such oil is run into the pipe line or into storage tanks.
- 4. The lessee shall pay to the lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the lessee from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased, if such gas is not sold by the lessee, lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to the daily rental provided in paragraph 5 hereof, and while said shut-in royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas.
- 5. This lease is a paid-up lease and may be maintained during the primary term without further payments or drilling operations.

- 6. In the event said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein then the royalties and rentals herein provided for shall be paid to said lessor only in the proportion which his interest bears to the whole and undivided fee, however; in the event the title to any interest in said land should revert to lessor, or his heirs, or his or their grantees, this lease shall cover such reversion, and rentals hereunder shall be increased at the next succeeding rental anniversary after written notice of such reversion by lessor to lessee, provided said notice is received by lessee at least 30 days prior to any such rental anniversary.
- 7. The lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the lessor. When required by lessor, the lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the lessor. Lessee shall have the right at any time during, or after the expiration of this lease to remove all machinery, fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.
- 8. 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 the heirs, devisees, executors, administrators, successors and assigns, but no change or division in ownership of the land, rentals, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessors, and no change or division in the land or in the rentals or royalties or any sum due under this lease shall be binding on the lessee until it has been fulfilled with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, devisee, or administrator, executor, or heir of lessor.

9. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties and rentals accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on the part of the lessee to offset wells on separate tracts into which the land covered by this lease may now or hereafter be divided by sale, devise, descent or otherwise, or to furnish separate measuring or receiving tanks.

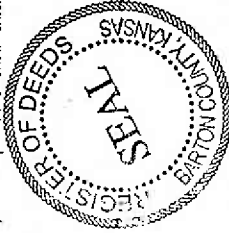
10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee, at its option, may pay and discharge in whole or in part, any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in event it exercises such options, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty or rentals accruing hereunder.

11. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the lessor, or by placing same of record in the proper county, in case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and determine and any rentals thereafter paid may be apportioned on an acreage basis, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

12. All provisions heretofore, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the lessee be liable in damages for failure to comply with any of the express or implied provisions heretofore if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended, but the lessee shall pay delay rentals herein provided during such extended time.

13. Lessee, at its option, is hereby given the right and power to pool or combine into one or more units the land covered by this lease, or any portion thereof, with other land covered by another lease, or leases when, in lessee's judgment, it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 40 acres each and the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas and/or condensate or distillate well, plus a tolerance of ten percent (10%), to conform to Governmental Survey quarter sections. Lessee shall execute in writing and file for record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units shall be treated for all purposes, except the payments of royalties on production from the pooled unit, as if it were included in this lease. If production is found on any part of the pooled acreage it shall be treated as if production of royalties on production from the pooled unit, as if it were included in this lease or not. Any well drilled on any such unit shall be and constitute a well hereunder. In lieu of the royalties elsewhere herein specified lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

14. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor and lessee.



Index	_____
Numerical	_____
Cross	_____
DC Book	_____
Plat Book	_____
Military Book	_____
Art of Inc Book	_____
Scanned	_____

REGISTER OF DEEDS  
MARCIA JOHNSON  
BARTON COUNTY, KS  
Book: 615 Page: 5943  
Receipt #: 97974  
Total Fees: \$12.80  
Pages Recorded: 2  
Date Recorded: 10/30/2009 3:53:50 PM

IN WITNESS WHEREOF, we sign the day and year first above written.

Carl G. Miller, Co-Trustee of the Miller Revocable Trust  
Carl G. Miller, Co-Trustee of the Miller Revocable Trust dated August 5, 1999

Evelyn M. Miller, Co-Trustee of the Miller Revocable Trust  
Evelyn M. Miller, Co-Trustee of the Miller Revocable Trust dated August 5, 1999

Keith L. Miller  
Keith L. Miller

Constance C. Miller  
Constance C. Miller

STATE OF Kansas

ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)

COUNTY OF Barton ss.

Before me, the undersigned, a Notary Public, within and for said county and state, on this 29th day of October, 2009, personally appeared Carl G. Miller and Evelyn M. Miller, Trustees of the Miller Revocable Trust dated August 5, 1999

to me personally known to be the identical person s who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires 12-18-09

Notary Public



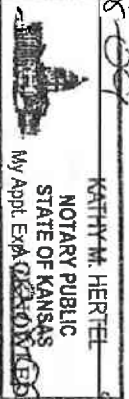
STATE OF Kansas  
COUNTY OF Barton

Before me, the undersigned, a Notary Public, within and for said county and state, on this 29th day of October, 2009, personally appeared Keith L. Miller and Constance C. Miller, his wife,

to me personally known to be the identical person s who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires 12-18-09

Notary Public



STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, A.D., \_\_\_\_\_, before me, the undersigned, a Notary Public in and for the county and state aforesaid, personally appeared \_\_\_\_\_, to me personally known to be the identical person who signed the name of the maker thereof to the within and foregoing instrument as its \_\_\_\_\_ President and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act and deed, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

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

Notary Public

No. \_\_\_\_\_

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

Date \_\_\_\_\_

Section \_\_\_\_\_ Twp. \_\_\_\_\_ Rge. \_\_\_\_\_

No. of Acres \_\_\_\_\_ Term \_\_\_\_\_

County \_\_\_\_\_

STATE OF \_\_\_\_\_

County of \_\_\_\_\_

This instrument was filed for record on the \_\_\_\_\_ day of \_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and duly recorded in Book \_\_\_\_\_ Page \_\_\_\_\_ of the records of this office.

Register of Deeds

By \_\_\_\_\_

When recorded, return to \_\_\_\_\_

NOTE: When signature by mark in Kansas, said mark to be witnessed by at least one person and also acknowledged. For acknowledgment by mark, use regular Kansas acknowledgment.

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_ ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)

Before me, the undersigned, a Notary Public, within and for said county and state, on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, personally appeared \_\_\_\_\_ and \_\_\_\_\_

to me personally known to be the identical person \_\_\_\_\_ who executed the within and foregoing instrument and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act and deed for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

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

Notary Public

# OIL AND GAS LEASE

THIS AGREEMENT, Entered into this the 19th day of October 2009

between: Patricia Wess, a single person

275 Hickory Lane, Apt. A

Lake Barrington, Illinois 60010-1682

and L. D. Davis, 7 SW 26th Avenue, Great Bend, Kansas 67530 hereinafter called lessor,  
witness hereinafter called lessee, does

1. That lessor, for and in consideration of Ten (\$10.00) and more DOLLARS, in hand paid, and of the covenants and agreements hereinafter contained to be performed by the lessee, has this day granted, leased and let and by these presents does hereby grant, lease and let exclusively unto the lessee the hereinafter described land, with any reversionary rights therein, and with the right to utilize this lease or any part thereof with other oil and gas leases as to all or any part of the land covered thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate casing head gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata, and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of Barton

State of Kansas described as follows:

**East Half of the Southwest Quarter (E/2 SW/4) of Section Ten (10),  
Township Nineteen (19) South, Range Twelve (12) West**

containing 80 acres more or less.  
2. This lease shall remain in force for a term of three (3) years (called "primary term") and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is or can be produced.

3. The lessee shall deliver to lessor as royalty, free of cost, on the lease, or into the pipe line to which lessee may connect its wells the equal one-eighth part of all oil produced and saved from the leased premises, or at the lessee's option may pay to the lessor for such one-eighth royalty the market price at the wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipe line or into storage tanks.

4. The lessee shall pay to the lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the lessee from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other products, including their constituent parts, produced from the land herein leased. If such gas is not sold by the lessee, lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to the delay rental provided in paragraph 5 hereof, and while said shut-in royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas.

5. This lease is a paid-up lease and may be maintained during the primary term without further payments or drilling operations.

6. In the event said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein then the royalties and rentals herein provided for shall be paid to said lessor only in the proportion which his interest bears to the whole and undivided fee, however, in the event the title to any interest in said land should revert to lessor, or his heirs, or his or their grantees, this lease shall cover such reversion, and rentals hereunder shall be increased at the next succeeding rental anniversary after written notice of such reversion by lessor to lessee, provided said notice is received by lessee at least 30 days prior to any such rental anniversary.

7. The lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the lessor. When required by lessor, the lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the lessor. Lessee shall have the right at any time during, or after the expiration of this lease to remove all machinery, fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.

8. 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 the heirs, devisees, executors, administrators, successors and assigns, but no change or division in ownership of the land, rentals, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee, and no change of ownership in the land or in the rentals or royalties or any sum due under this lease shall be binding on the lessee until it has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or a certified copy of the proceedings showing appointment of an administrator for the estate of any deceased owner, whichever is appropriate, together with all original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, devisee, or administrator, executor, or heir of lessor.

9. If the leased premises are now or shall hereafter be owned in severally or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties and rentals accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on the part of the lessee to offset wells on separate tracts into which the land covered by this lease may now or hereafter be divided by sale, devise, descent or otherwise, or to furnish separate measuring or receiving tanks.

10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee, at its option, may pay and discharge in whole or in part any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty or rentals accruing hereunder.

11. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and determine and any rentals thereafter paid may be apportioned on an acreage basis, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

12. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended, but the lessee shall pay delay rentals herein provided during such extended time.

13. Lessee, at its option, is hereby given the right and power to pool or combine into one or more units the land covered by this lease, or any portion thereof, with other land covered by another lease, or leases, when, in lessee's judgment, it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas and/or condensate or distillate well, plus a tolerance of ten percent (10%) to conform to Governmental Survey quarter sections. Lessee shall execute in writing and file for record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units shall be treated for all purposes, except the payments of royalties on production from the pooled unit, as if it were included in this lease. If production is found on any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on any such unit shall be and constitute a well hereunder. In lieu of the royalties elsewhere herein specified lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

14. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor and lessee.



Numerical 1  
Cross \_\_\_\_\_  
DC Book \_\_\_\_\_  
Plat Book \_\_\_\_\_  
Military Book \_\_\_\_\_  
Art of Inc Book \_\_\_\_\_  
Scanned \_\_\_\_\_

REGISTER OF DEEDS  
MARCIA JOHANSON BARTON COUNTY, KS  
Book: **615** Page: **5913**  
Receipt #: 97548 Total Fees: \$12.00  
Pages Recorded: 2  
Date Recorded: 10/29/2009 4:04:20 PM

IN WITNESS WHEREOF, we sign the day and year first above written.

  
Patricia Wess

STATE OF Illinois

ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)

COUNTY OF LAKE ss.

Before me, the undersigned, a Notary Public, within and for said county and state, on this 23rd day of October, 2009, personally appeared Patricia Mess, a single person, and

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that she executed the same as her free and voluntary act and deed for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires 9-6-2010

Carol M. Henige

STATE OF ss.  
COUNTY OF

ACKNOWLEDGMENT FOR INDIVIDUAL



Before me, the undersigned, a Notary Public, within and for said county and state, on this day of , personally appeared and

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that executed the same as free and voluntary act and deed for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires

Notary Public

STATE OF

ACKNOWLEDGMENT FOR CORPORATION

COUNTY OF ss.

On this day of , A.D., before me, the undersigned, a Notary Public in and for the county and state aforesaid, personally appeared to me personally known to be the identical person who signed the name of the maker thereof to the within and foregoing instrument as its President and acknowledged to me that executed the same as free and voluntary act and deed, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

My commission expires

Notary Public

Form with fields for No., FROM, TO, Date, Section, Twp., Rge., No. of Acres, Term, County, STATE OF, County of, Register of Deeds, and When recorded, return to.

NOTE: When signature by mark in Kansas, said mark to be witnessed by at least one person and also acknowledged. For acknowledgment by mark, use regular Kansas acknowledgment.

STATE OF  
COUNTY OF ss.

ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)

Before me, the undersigned, a Notary Public, within and for said county and state, on this day of , personally appeared and

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that executed the same as free and voluntary act and deed for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires

Notary Public



**OIL AND GAS LEASE**

THIS AGREEMENT, Entered into this the 12th day of October 2009  
between: Clarence A. Lucas, Jr., and Marilyn J. Lucas, his wife  
5116 Rock Creek Lane  
Shawnee Mission, Kansas 66205-3048  
and L. D. Davis, 7 SW 26th Avenue, Great Bend, Kansas 67530  
witness hereinafter called lessor,  
hereinafter called lessee, does

1. That lessor, for and in consideration of Ten (\$10.00) and more DOLLARS, in hand paid, and of the covenants and agreements hereinafter contained to be performed by the lessee, has this day granted, leased and let and let exclusively unto the lessee the hereinafter described land, with any reversionary rights therein, and with the right to utilize this lease or any part thereof with other oil and gas leases as to all or any part of the land covered hereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core drilling and the drilling, mining and operating and saving all of the oil, gas, gas condensate, gas distillate, casing head gasoline and their respective constituent vapors, and all other gases, found hereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata, and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or jointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of Barton

**Northwest Quarter (NW/4) of Section Ten (10), Township Nineteen (19) South, Range Twelve (12) West**

State of Kansas, described as follows:

containing 160 acres more or less.  
2. This lease shall remain in force for a term of three (3) years (called "primary term") and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is or can be produced.  
3. The lessee shall deliver to lessor as royalty, free of cost, on the lease, or into the pipe line to which lessee may connect its wells the equal one-eighth part of all oil produced and saved from the leased premises, or at the lessee's option may pay to the lessor for such one-eighth royalty the market price at the wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipe line or into storage tanks.  
4. The lessee shall pay to the lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the lessee from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased, if such gas is not sold by the lessee, lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to the delay rental provided in paragraph 5 hereof, and while said shut-in royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas.  
5. This lease is a paid-up lease and may be maintained during the primary term without further payments or drilling operations.

6. In the event said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein then the royalties and rentals herein provided for shall be paid to said lessor only in the proportion which his interest bears to the whole and undivided fee, however; in the event the title to any interest in said land should revert to lessor, or his heirs, or his or their grantees, this lease shall cover such reversion, and rentals hereunder shall be increased at the next succeeding rental anniversary after written notice of such reversion by lessor to lessee, provided said notice is received by lessee at least 30 days prior to any such rental anniversary.  
7. The lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the lessor. When required by lessor, the lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the lessor. Lessee shall have the right at any time during, or after the expiration of this lease to remove all machinery, fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.  
8. 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 the heirs, devisees, executors, administrators, successors and assigns, but no change or division in ownership of the land, rentals, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee, and no change of ownership in the land or in the rentals or royalties or any sum due under this lease shall be binding on the lessee until it has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or a certified copy of the proceedings showing appointment of an administrator for the estate of any deceased owner, whichever is appropriate, together with all original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, devisee, or administrator, executor, or heir of lessor.

9. If the leased premises are now or shall hereafter be owned in severality or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties and rentals accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on the part of the lessee to offset wells on separate tracts into which the land covered by this lease may now or hereafter be divided by sale, devise, descent, or otherwise, or to furnish separate measuring or receiving tanks.

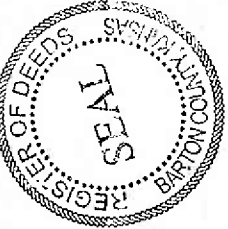
10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee, at its option, may pay and discharge in whole or in part any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty or rentals accruing hereunder.

11. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and determine and any rentals thereafter paid may be apportioned on an acreage basis, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

12. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction, hereover, the primary term of this lease shall continue until six months after said order is suspended, but the lessee shall pay delay rentals herein provided during such extended time.

13. Lessee, at its option, is hereby given the right and power to pool or combine into one or more units the land covered by this lease, or any portion thereof, with other land covered by another lease, or leases when, in lessee's judgment, it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 840 acres each in the event of a gas and/or condensate or distillate well, plus a tolerance of ten percent (10%) to conform to Governmental Survey quarter sections. Lessee shall execute in writing and file for record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units shall be treated for all purposes, except the payments of royalties on production from the pooled unit, as if it were included in this lease. If production is found on any part of the pooled acreage it shall be treated as if production from this lease whether any well is located on the land covered by this lease or not. Any well drilled on any such unit shall be and constitute a well hereunder. In lieu of the royalties elsewhere herein specified lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

14. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor and lessee.



Index \_\_\_\_\_  
Numerical 1  
Cross \_\_\_\_\_  
DC Book \_\_\_\_\_  
Plat Book \_\_\_\_\_  
Military Book \_\_\_\_\_  
Art of Inc Book \_\_\_\_\_  
Scanned \_\_\_\_\_

REGISTER OF DEEDS  
MARCIA JOHNSON  
BOOK: 615 PAGE: 729  
RECEIPT #: 9909 Total Fees: \$12.00  
Pages Recorded: 2  
Date Recorded: 1/20/2010 10:16:49 AM

IN WITNESS WHEREOF, we sign the day and year first above written.

Clarence A. Lucas, Jr.  
Clarence A. Lucas, Jr.  
Marilyn J. Lucas, his wife  
Marilyn J. Lucas, his wife

STATE OF Kansas ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)

COUNTY OF Johnson ss.

Before me, the undersigned, a Notary Public, within and for said county and state, on this 29th day of ~~October~~ December, 2009, personally appeared Clarence A. Lucas, Jr. and Marilyn J. Lucas, his wife,

to me personally known to be the identical person s who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

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

My commission expires 9-15-12 Angel Ramdorsingh  
Notary Public



STATE OF ~~Kansas~~ KANSAS ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)  
COUNTY OF ~~Johnson~~ JOHNSON ss.

~~Before me, the undersigned, a Notary Public, within and for said county and state, on this~~ 29th day of ~~December~~ December, 2009, personally appeared CLARENCE A. LUCAS JR and Marilyn J. Lucas

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that they executed the same as free and voluntary act and deed for the uses and purposes therein set forth.

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

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

STATE OF \_\_\_\_\_ ACKNOWLEDGMENT FOR CORPORATION  
COUNTY OF \_\_\_\_\_ ss.

On this \_\_\_\_\_ day of \_\_\_\_\_, A.D., \_\_\_\_\_, before me, the undersigned, a Notary Public in and for the county and state aforesaid, personally appeared \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned, a Notary Public to me personally known to be the identical person who signed the name of the maker thereof to the within and foregoing instrument as its \_\_\_\_\_ President and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act and deed, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.  
My commission expires \_\_\_\_\_  
Notary Public

No. \_\_\_\_\_ FROM TO \_\_\_\_\_  
Date \_\_\_\_\_ Section \_\_\_\_\_ Twp. \_\_\_\_\_ Rge. \_\_\_\_\_  
No. of Acres \_\_\_\_\_ Term \_\_\_\_\_ County \_\_\_\_\_  
STATE OF \_\_\_\_\_ County of \_\_\_\_\_  
This instrument was filed for record on the \_\_\_\_\_ day of \_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and duly recorded in Book \_\_\_\_\_ Page \_\_\_\_\_ of the records of this office.  
By \_\_\_\_\_ Register of Deeds  
When recorded, return to \_\_\_\_\_

NOTE: When signature by mark in Kansas, said mark to be witnessed by at least one person and also acknowledged. For acknowledgment by mark, use regular Kansas acknowledgment.

STATE OF \_\_\_\_\_ ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)  
COUNTY OF \_\_\_\_\_ ss.

Before me, the undersigned, a Notary Public, within and for said county and state, on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, personally appeared \_\_\_\_\_ and \_\_\_\_\_

to me personally known to be the identical person \_\_\_\_\_ who executed the within and foregoing instrument and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act and deed for the uses and purposes therein set forth.

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

# OIL AND GAS LEASE

TITLE AGREEMENT. Entered into this the 19th day of October 2009  
between: Mark A. Hammeke and Lori M. Hammeke, his wife, 265 NE 100th Avenue, Ellinwood, Kansas 67526; and Mathew F. Hammeke and Amy Hammeke, his wife, 301 E. 2nd St., Ellinwood, Kansas 67526

and L. D. Davis, 7 SW 26th Avenue, Great Bend, Kansas 67530  
witness hereinafter called lessor, hereinafter called lessee, does

1. That lessor, for and in consideration of Ten (\$10.00) and more DOLLARS, in hand paid, and of the covenants and agreements hereinafter contained to be performed by the lessee, has this day granted, leased and let and by these presents does hereby grant, lease and let exclusively unto the lessee the hereinafter described land, with any reversionary rights therein, and with the right to ~~convey~~ convey ~~to all or any part of the land covered thereby at his/her discretion~~ for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casing head gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine and other fluids, and substances into the subsurface strata, and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of Barton

State of Kansas described as follows:

See Exhibit "A" attached hereto and made a part hereof by reference for legal description.

REGISTRY OF DEEDS  
MARCOIA JOHNSON BARTON COUNTY, KS  
BOOK: 615 Page: 7312  
Receipt #: 99289 Total Fees: \$24.00  
Pages Recorded: 5  
Date Recorded: 1/25/2010 4:03:59 PM

containing 156 acres more or less.  
2. This lease shall remain in force for a term of three (3) years (called "primary term") and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is or can be produced.

3. The lessee shall deliver to lessor as royalty, free of cost, on the lease, or into the pipe line to which lessee may connect its wells the equal one-eighth part of all oil produced and saved from the leased premises, or at the lessee's option may pay to the lessor or such one-eighth royalty the market price at this wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipe-line or into storage tanks.

4. The lessee shall pay to the lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the lessee from the sale of gas, gas condensate, gas distillate, casinghead gas, used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased, if such gas is not sold by the lessee, lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to the shut-in royalty provided in paragraph 5 hereof, and while said shut-in royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. ~~The shut-in royalty shall be paid during the first yearly period~~ \$10.00 per acre

5. This lease is a paid-up lease and may be maintained during the primary term without further payments or drilling operations.

6. In the event said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein then the royalties and rentals herein provided for shall be paid to said lessor only in the proportion which his interest bears to the whole and undivided fee, however; in the event the title to any interest in said land should revert to lessor, or his heirs, or his or their grantee, this lease shall cover such reversion, and rentals hereunder shall be increased at the next succeeding rental anniversary after written notice of such reversion by lessor to lessee, provided said notice is received by lessee at least 30 days prior to any such rental anniversary.

7. The lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the lessor, ~~required by lessor~~, the lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations ~~to existing wells~~ on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the lessor. Lessee shall have the right at any time during, or after the expiration of this lease to remove all machinery, fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.

8. If the estate of either party hereto is assigned (and the privilege of assigning in whole or in part is expressly reserved), the covenants hereof shall extend to the heirs, devisees, executors, administrators, successors and assigns, but no change or division in ownership of the land, rentals, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee, and no change of ownership in the land or in the rentals or royalties or any sum due under this lease shall be binding on the lessee until it has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or a certified copy of the proceedings showing appointment of an administrator for the estate of any deceased owner, whichever is appropriate, together with all original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to lessor or the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, devisee, or administrator, executor or heir of lessor.

9. If the leased premises are now or shall hereafter be owned in severally or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties and rentals accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on the part of the lessee to offset wells on separate tracts into which the land covered by this lease may now or hereafter be divided by sale, devise, descent or otherwise, or to furnish separate measuring or receiving tanks.

10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee, at its option, may pay and discharge in whole or in part any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty or rentals accruing hereunder.

11. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and determine and any rentals thereafter paid may be apportioned on an acreage basis, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

12. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereof, the primary term of this lease shall continue until six months after said order is suspended, but the lessee shall pay delay rentals herein provided during such extended time.

13. Lessee, at its option, is hereby given the right and power to pool or combine into one or more units the land covered by this lease, or any portion thereof, with all land covered by another lease, or leases when, in lessee's judgment, it is necessary or advisable to do so in order to properly develop and operate said premises so as to promote the conservation of such wells, and under said land, such pooling to be in a unit or units not exceeding 40 acres, or in a unit or units not exceeding 100 acres, or into a quarter sections. Lessee shall execute in writing and file for record in the public records of ten percent (10%) to conform to Governmental Survey requirements. Lessee shall execute in writing and file for record in the public records of royalties on production from the pooled acreage. The entire acreage so pooled into a unit or units shall be treated as one acreage, except the payment of royalties on production from the pooled acreage. This lease shall be in full force and effect from the date of recording of this lease, and shall be binding on all parties to this lease, and shall constitute a well hereunder. In lieu of the royalties otherwise herein specified lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest herein on an acreage basis bears to the total net acreage so pooled in the particular unit involved.

14. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor and lessee.

See Exhibit "B" attached hereto and made a part hereof by reference.



IN WITNESS WHEREOF, we sign the day and year first above written.

Mark A. Hammeke  
Mark A. Hammeke

Mathew F. Hammeke  
Mathew F. Hammeke

Lori M. Hammeke  
Lori M. Hammeke

Amy Hammeke  
Amy Hammeke

Index \_\_\_\_\_  
Numerical d  
Cross \_\_\_\_\_  
DC Book \_\_\_\_\_  
Pat Book \_\_\_\_\_  
Military Book \_\_\_\_\_  
Art of Inc Book \_\_\_\_\_  
Scanned \_\_\_\_\_

STATE OF Kansas ss.  
COUNTY OF Barton

ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)

Before me, the undersigned, a Notary Public, within and for said county and state, on this 20th day of January, ~~October~~ 2010, ~~2009~~, personally appeared Mark A. Hammeke and Lori M. Hammeke, his wife,

to me personally known to be the identical person s, who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

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

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



*Timothy R. Kennan*  
Notary Public

STATE OF Kansas ss.

ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)

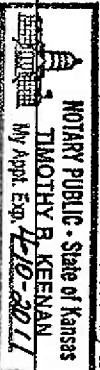
COUNTY OF Barton

Before me, the undersigned, a Notary Public, within and for said county and state, on this 20th day of January, ~~October~~ 2010, ~~2009~~, personally appeared Mathew F. Hammeke and Amy Hammeke, his wife,

to me personally known to be the identical person s, who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

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

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



*Timothy R. Kennan*  
Notary Public

STATE OF \_\_\_\_\_ ss.

ACKNOWLEDGMENT FOR CORPORATION

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, A.D., \_\_\_\_\_, before me, the undersigned, a Notary Public in and for the county and state aforesaid, personally appeared \_\_\_\_\_ to me personally known to be the identical person who signed the name of the maker thereof to the within and foregoing instrument as its \_\_\_\_\_ President and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act and deed, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

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

Notary Public

No. \_\_\_\_\_

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

Date \_\_\_\_\_ Section \_\_\_\_\_ Twp. \_\_\_\_\_ Rge. \_\_\_\_\_

No. of Acres \_\_\_\_\_ Term \_\_\_\_\_ County \_\_\_\_\_

STATE OF \_\_\_\_\_ County of \_\_\_\_\_

This instrument was filed for record on the \_\_\_\_\_ day of \_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and duly recorded in Book \_\_\_\_\_ Page \_\_\_\_\_ of the records of this office.

Register of Deeds

By \_\_\_\_\_

When recorded, return to \_\_\_\_\_

NOTE: When signature by mark in Kansas, said mark to be witnessed by at least one person and also acknowledged. For acknowledgment by mark, use regular Kansas acknowledgment.

STATE OF \_\_\_\_\_ ss.  
COUNTY OF \_\_\_\_\_

ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)

Before me, the undersigned, a Notary Public, within and for said county and state, on this \_\_\_\_\_ day of \_\_\_\_\_, personally appeared \_\_\_\_\_ and \_\_\_\_\_

to me personally known to be the identical person \_\_\_\_\_ who executed the within and foregoing instrument and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act and deed for the uses and purposes therein set forth.

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

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

Notary Public

EXHIBIT "A"

Southeast Quarter (SE/4) of Section Ten (10), Township Nineteen (19) South, Range Twelve (12) West of the 6<sup>th</sup> P.M. in Barton County, Kansas, EXCEPT the following described tract: Commencing at the Northeast corner of the Southeast Quarter (SE/4) of said Section 10; thence on an assumed bearing of South along the East line of said Southeast Quarter (SE/4) 412 feet to the point of beginning of the land to be excepted; thence continuing on a bearing of South along the East line of said Southeast Quarter (SE/4) 440 feet; thence on a bearing of West 380 feet; thence on a bearing of North 440 feet; thence on a bearing of East 380 feet to the point of beginning

EXHIBIT "B"

The provisions of this addendum shall supersede and control the printed portions of the oil and gas lease which are attached hereto.

1. All electric transmission lines used in the production of oil and/or gas shall be buried below plow depth and no overhead lines will be utilized by lessee.
2. No rock, oil, salt water or other deleterious substance, will be spread on the surface of the leased premises, including the roads. Lessee will mow and maintain all roads and use a single path and not establish roads or paths outside the single path.
3. All surface locations selected by lessee, including without limitation, all tank batteries, roads and pipelines shall be at locations approved by lessor, which approval shall not be reasonably withheld.
4. In the event oil or gas is discovered and produced from this land, roads, equipment and other production facilities, as well as any dwellings or other structures, shall be fenced and cattle guards installed at lessee's expense to protect the livestock in the lessor's ranching operations on said land. The fence must conform to lessor's specifications.
5. Lessee agrees to pay lessor for all damages, including, but not limited to, crop damages, sustained as a result of drilling and/or completion of any and all test wells on the property. The parties agree that damages to be paid to lessor shall be not less than \$800.00 per drill site. Upon the conclusion of drilling, or completion activities, lessee agrees to pay such additional amounts as are appropriate to fully compensate lessor for damages suffered.
6. All crude oil payments will be made directly from the crude purchaser to lessor, without such payments being paid through lessee.
7. Lessee shall be responsible for all damages to the leased premises caused by lessee's operations from oil, salt water, or other fluids used in lessee's operations. In the event said liquids are spilled upon the leased premises, lessee agrees to remove damaged soil to the depth of saturation and any depressions resulting therefrom shall be refilled with undamaged top soil and leveled to the surrounding surface.
8. Upon the completion of drilling operations or seismic operations, lessee shall leave no waste material, litter, or other debris upon the leased premises and lessee shall fill the drilling pits and otherwise restore the leased premises as nearly as practicable to the condition prior to lessee's operations. Lessee shall restore the surface in such a manner as to cause the least amount of interference as possible to lessor's present or future farming operations.
9. Upon abandoning any lease roads, drill sites, tank batteries or pipe lines, lessee agrees that all oiled surface and any and all other road building material that may have been placed on the leased premises shall be cleaned up and restored as nearly as practicable to the condition of the leased premises prior to lessee's operations.
10. Lessee agrees to pay lessor \$5.00 per acre for each acre in the leased premises on which seismic operations are conducted, payable in advance of the commencement of seismic operations. Lessor agrees to execute a seismic permit in exchange for the \$5.00 per acre payment. Lessee agrees that lessor will be contacted and consulted in advance of any seismic activity on the subject property and a separate written geophysical permit must be obtained from lessor by the seismic company before seismic work commences. In addition and separate from apart from the \$5.00 per acre to be paid for the seismic permit, lessee agrees to compensate lessor for damage to crops, land, and other improvements as a result of the seismic operations. Payment for such damages must be made within fifteen (15) days following the conclusion of seismic operations on lessor's property.
11. Seismic work is prohibited on the leased premises between the dates of April 1 through November 1 of each year. All seismic must be concluded after November 1 and before April 1 of the following calendar year.
12. Lessee shall provide lessor with a copy of any division order or title opinion prepared by lessee's attorney, and copies of logs of wells drilled and copies of the three dimensional seismic maps, if any, at the end of the primary term of this oil and gas lease.

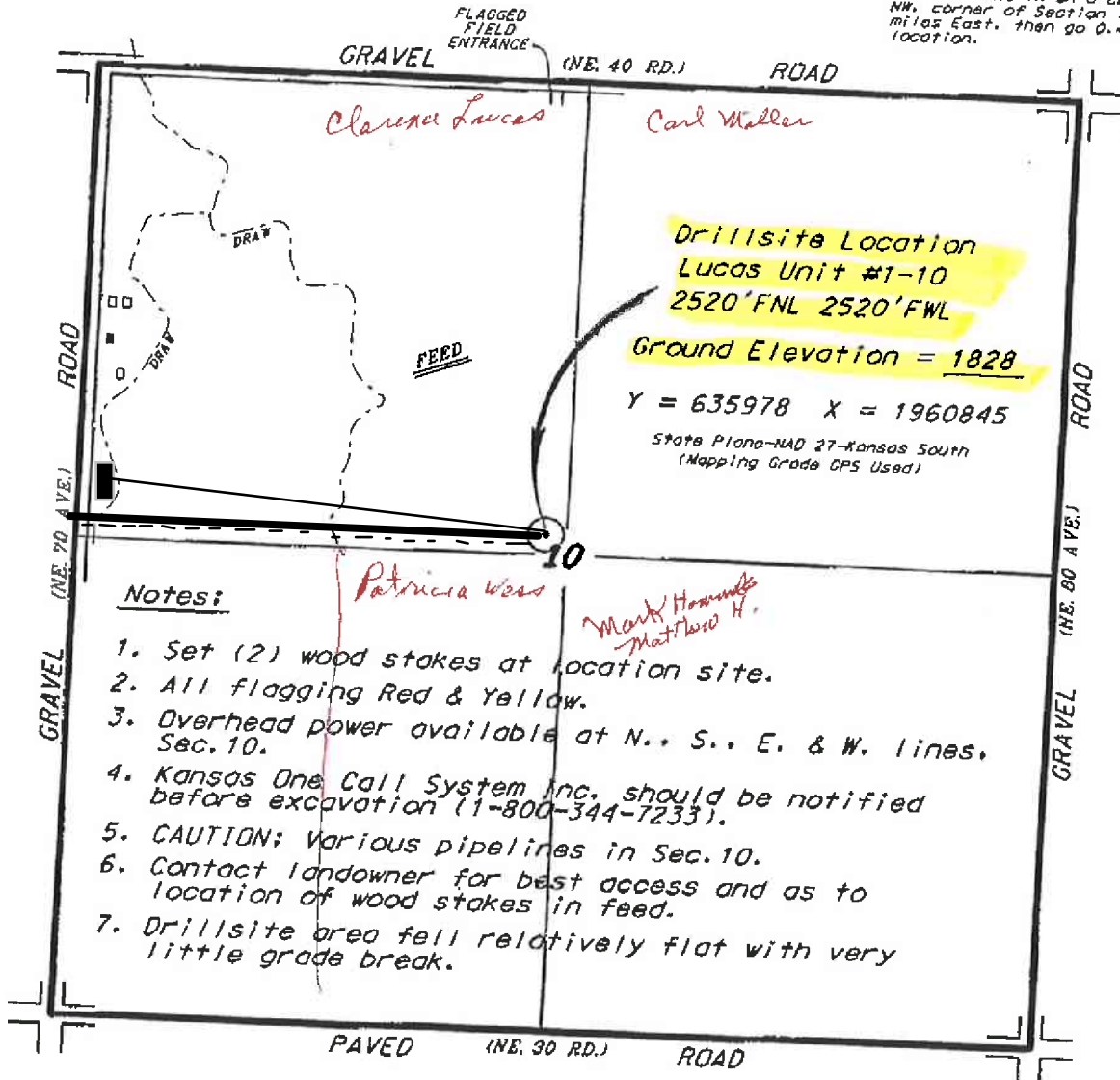
Page 2- Exhibit "A"

13. Lessee agrees to compensate lessor and hold them harmless from any claims or losses made or suffered by lessor due to non-compliance with United States Farm Service Agency programs caused as a result of lessee's operations on the lease premises. In the event the lease premises is part of the Conservation Reserve Program, lessee will pay the costs of preparation and reseeding of the native grass, if needed.
14. Lessee shall not have the right to dispose of salt water on the leased premises from wells that are not located on the leased premises without obtaining prior written agreement from the lessor. No salt water or other deleterious substances may be piped or trucked onto the leased premises from well or wells not located on the leased premises.
15. Lessee shall not have an ownership interest in any companies purchasing oil from the lease premises.

*16. No pooling or unitization of this lease is authorized.*

L.D. DRILLING, INC.  
LUCAS LEASE  
NW. 1/4, SECTION 10, T19S. R12W  
BARTON COUNTY, KANSAS

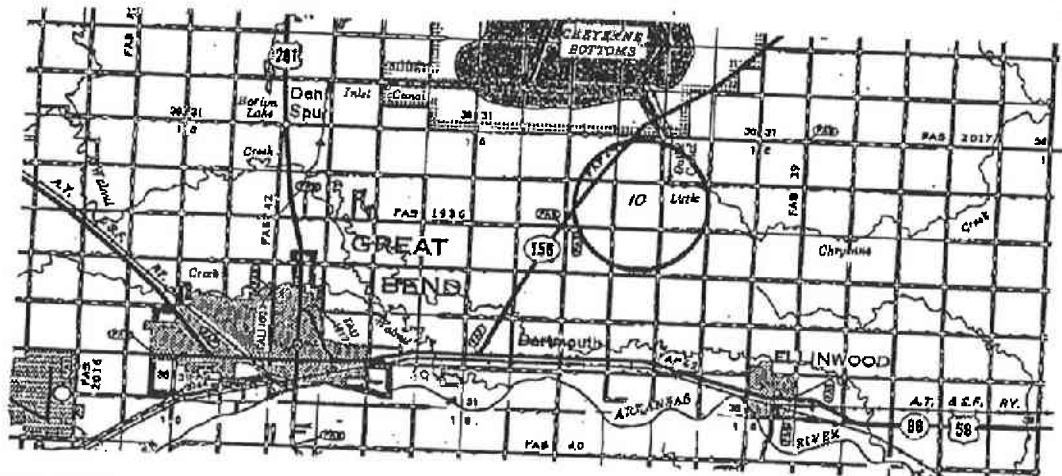
Directions:  
From the intersection of Highway 281 and Highway 56-96 in Great Bend, Kansas go 6.5 miles East on Highway 56-96, then go 3.8 miles North on a county road to the NW. corner of Section 10, then go 0.48 miles East, then go 0.48 miles South to location.



Notes:

1. Set (2) wood stakes at location site.
2. All flagging Red & Yellow.
3. Overhead power available at N., S., E. & W. lines. Sec. 10.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec. 10.
6. Contact landowner for best access and as to location of wood stakes in feed.
7. Drillsite area fell relatively flat with very little grade break.

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



\* Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.  
 \* Approximate section lines were determined using the normal standards of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drillsite location in the section is not guaranteed. Therefore, the operator assuming this service and occupying this plat and all other employees heretofore or hereafter, holds Central Kansas Oilfield Services, Inc., its officers and their incidental or consequential damages.  
 \* Elevations derived from National Geodetic Vertical datum.

Date AUGUST 5, 2011



AMENDMENT TO OIL AND GAS LEASE

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, MARK A. HAMMEKE and LORI M. HAMMEKE, his wife; and MATHEW F. HAMMEKE and AMY HAMMEKE, his wife, hereinafter called "LESSORS", and L. D. DAVIS, hereinafter called "LESSEE"; do hereby modify the terms and conditions of a certain oil and gas lease recorded in Book 615, page 7312, in the office of the Register of Deeds of Barton County, Kansas, as follows:

1. Lessors do hereby agree that the oil and gas lease dated October 19, 2009, and recorded in Book 615, page 7312, covering the following described property, to-wit:

Southeast Quarter (SE/4) of Section Ten (10), Township Nineteen (19) South, Range Twelve (12) West of the 6<sup>th</sup> P.M. in Barton County, Kansas, EXCEPT the following described tract: Commencing at the Northeast corner of the Southeast Quarter (SE/4) of said Section 10; thence on an assumed bearing of South along the East line of said Southeast Quarter (SE/4) 412 feet to the point of beginning of the land to be excepted; thence continuing on a bearing of South along the East line of said Southeast Quarter (SE/4) 440 feet; thence on a bearing of West 380 feet; thence on a bearing of North 440 feet; thence on a bearing of East 380 feet to the point of beginning, containing 156 acres, more or less,

shall be amended as follows:

The following clause shall be inserted into said lease as an additional new paragraph:

"Lessee, at its option, is hereby given the right and power to create one pooled unit from the land covered by this lease, or any portion thereof, with lands contiguous to the real estate described above covered by another lease, or leases when, in lessee's judgment, it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of such minerals in and under said land, such unit not to exceed 40 acres in the event of an oil well, or 640 acres in the event of a gas and/or condensate or distillate well. The unit well must be located in the center of the unit. Lessee shall execute in writing and file for record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit shall be treated for all purposes, except the payments of royalties on production from the pooled unit, as if it were included in this lease. If production is found on any part of the pooled acreage, it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Notwithstanding anything herein to the contrary, acreage not included in the unit will not be perpetuated beyond the primary term of the lease by production outside the unit, but this lease will be perpetuated beyond its primary term with respect to the portion of the lease included in the unit. With respect to the "Lucas Unit" well planned to be drilled in the next 60 days, no roads or production equipment such as tank batteries will be located on the above tract. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved."

2. In all other respects said oil and gas lease shall remain unchanged.

Executed this 29 day of August, 2011.

"LESSORS"

  
Mark A. Hammeke

  
Lori M. Hammeke

Mathew F. Hammeke  
Mathew F. Hammeke

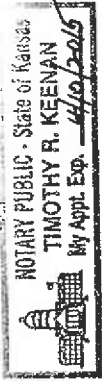
Amy Hammeke  
Amy Hammeke

L.D. Davis  
L.D. Davis

"LESSEE"

STATE OF KANSAS, COUNTY OF BARTON, ss:

The forgoing instrument was acknowledged before me this 29<sup>th</sup> day of August, 2011,  
by Mark A. Hammeke and Lori M. Hammeke, his wife; and Mathew F. Hammeke and Amy  
Hammeke, his wife.



Timothy R. Keenan  
Notary Public

My appointment expires: \_\_\_\_\_

STATE OF KANSAS, COUNTY OF BARTON, ss:

The forgoing instrument was acknowledged before me this 29<sup>th</sup> day of August, 2011,  
by L. D. Davis.



Timothy R. Keenan  
Notary Public

My appointment expires: \_\_\_\_\_