For KCC Use:

Eff	e	ct	iv	е	Date	

District	±	
DISTINCT	TT .	

SGA?	Yes	No

Forn

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

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

Form C-1

1071905

NOTICE OF INTENT TO DRILL

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

Expected Spud Date:	Spot Description:
month day year	(<u>a/a/a/a)</u> Sec Twp S. R E W
OPERATOR: License#	feet from N / S Line of Section
Name:	feet from L E / W Line of Section
Address 1:	Is SECTION: Regular Irregular?
Address 2:	(Note: Locate well on the Section Plat on reverse side)
City: State: Zip: +	County:
Contact Person:	Lease Name: Well #:
Phone:	Field Name:
CONTRACTOR: License#	Is this a Prorated / Spaced Field?
Name:	Target Formation(s):
Well Drilled For: Well Class: Type Equipment: Oil Enh Rec Infield Mud Rotary Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable Seismic ; # of Holes Other If OWWO: old well information as follows: Operator: Well Name:	Nearest Lease or unit boundary line (in footage):
Original Completion Date: Original Total Depth:	Formation at Total Depth:
Directional, Deviated or Horizontal wellbore? Yes No If Yes, true vertical depth: Bottom Hole Location:	Water Source for Drilling Operations: Well Farm Pond Other: DWR Permit #: (Note: Apply for Permit with DWR)
KCC DKT #:	Will Cores be taken?
	If Yes, proposed zone:

AFFIDAVIT

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

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

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

Submitted Electronically

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

Remember to:

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

ш

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



For KCC Use ONLY

API # 15 - ____

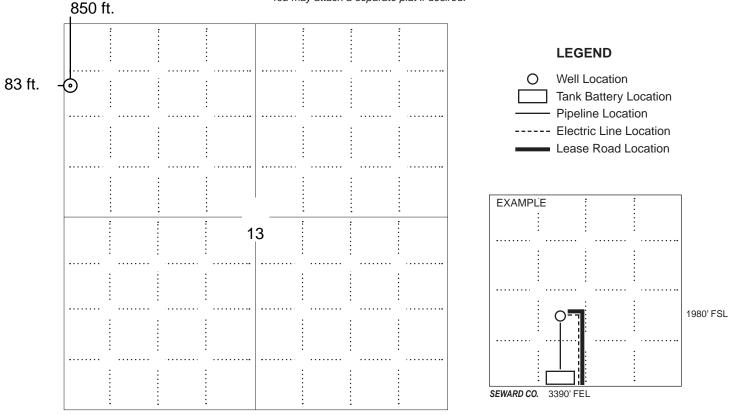
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

Operator:	Location of Well: County:
Lease:	feet from N / S Line of Section
Well Number:	feet from E / W Line of Section
Field:	Sec Twp S. R E 📃 W
Number of Acres attributable to well: QTR/QTR/QTR/QTR of acreage:	Is Section: Regular or Irregular
	If Section is Irregular, locate well from nearest corner boundary.
	Section corner used: NE NW SE SW

PLAT

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



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

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

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

Side Two



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION 1071905

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:	Pit is:		- 	
Emergency Pit Burn Pit	Proposed	Existing	SecTwpR East West	
Settling Pit Drilling Pit	If Existing, date co	nstructed:	Feet from North / South Line of Section	
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:		Feet from East / West Line of Section	
		(bbls)	County	
Is the pit located in a Sensitive Ground Water A	rea? Yes	No	Chloride concentration:	Pits and Settling Pits only)
Is the bottom below ground level?	Artificial Liner?	No	How is the pit lined if a plastic l	liner is not used?
Pit dimensions (all but working pits):	Length (fe	et)	Width (feet)	N/A: Steel Pits
Depth fro	m ground level to dee	epest point:	(feet)	No Pit
			west fresh water nation:	
feet Depth of water wellfeet		measured well owner electric log KDWR		
Emergency, Settling and Burn Pits ONLY:		Drilling, Workover and Haul-Off Pits ONLY:		
Producing Formation:		Type of material utilized in drilling/workover:		
Number of producing wells on lease: Barrels of fluid produced daily:		Number of working pits to be utilized: Abandonment procedure:		
Does the slope from the tank battery allow all s flow into the pit?	Drill pits must be closed within 365 days of spud date.			
Submitted Electronically				
KCC OFFICE USE ONLY				
Date Received: Permit Number: Perr		Permi	t Date: Lease	e Inspection: Yes No

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



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

ON 1071905

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

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

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

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

OPERATOR: License #	Well Location:		
Name:			
Address 1:	County:		
Address 2:	Lease Name: Well #:		
City: 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 sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.		
Address 1:			
Address 2:			
City: State: Zip:+			

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

Select one of the following:

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

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

Submitted Electronically

I

I

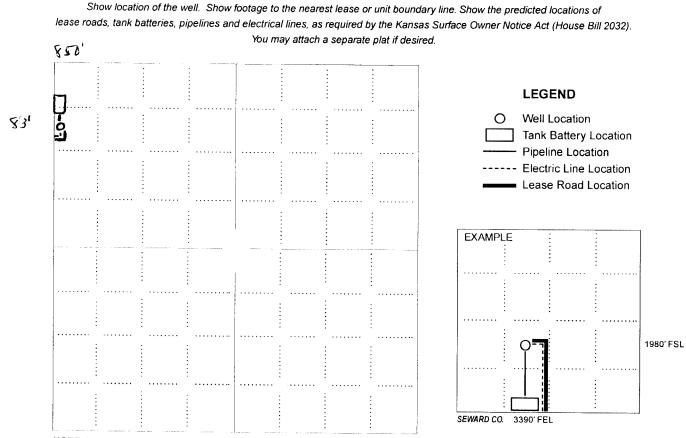
For KCC Use ONLY
API # 15

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: Royal Drilling, Inc.	Location of Well: County: Ellis
Lease: Unrein-Staab Unit	850 feet from X N / S Line of Section
Well Number:1	83 feet from E / X W Line of Section
Field: Ubert South	Sec. <u>13</u> Twp. <u>13</u> S. R. <u>18</u> E 🔀 W
Number of Acres attributable to well: QTR/QTR/QTR/QTR of acreage: NW - SW - NW - NW	Is Section: Regular or Irregular
	If Section is Irregular, locate well from nearest corner boundary. Section corner used:NENWSESW

PLAT



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.

DECLARATION OF POOLED UNIT

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, Royal Drilling, Inc., is the operator of the following described

oil and gas leases, to-wit:

Marion Lease:

An oil and gas lease dated November 5, 1985, from Marion F. Staab and Patricia J. Staab, husband and wife, lessors, to R.P. Nixon Operations, Inc., lessee, recorded in Book 355 of Oil and Gas Leases at page 412 in the office of the Register of Deeds for Ellis County, Kansas, and covering the following described lands, to-wit:

The Northwest Quarter (NW/4) of Section Thirteen (13), Township Thirteen (13) South, Range Eighteen (18) West of the 6^{th} P.M., Ellis County, Kansas;

Unrein Lease:

An oil and gas lease dated March 9, 2010, from Peter C. Unrein, Jr. and Dorothy M. Unrein, husband and wife, lessors, to Starr F. Schlobohm, Trustee of the Starr F. Schlobohm Revocable Trust dated December 9, 2004, lessee, recorded in Book 738 at page 250 in the office of the Register of Deeds for Ellis County, Kansas, and covering the following described lands, to-wit:

The Northeast Quarter (NE/4) of Section Fourteen (14), Township Thirteen (13) South, Range Eighteen (18) West of the 6^{th} P.M., Ellis County, Kansas;

AND WHEREAS, each of the above described leases contains the following

described pooling clause, to-wit:

"Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in

writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease; whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved."

NOW THEREFORE, the undersigned hereby declares that the following

described real estate is hereby unitized for production of oil and gas, to-wit:

A 10 acre unit beginning 520' South of the NW/C NW/4 of Section 14, Township 13 South, Range 18 West of the 6th P.M., Ellis County, Kansas; thence East 413'; thence South 660'; thence West 660'; thence North 660' thence East 247' to the point of origin.

This unitization shall be effective as of the 9th day of January, 2012.

ROYAL DRILLING, INC. By________ John L. Driscoll, President

ACKNOWLEDGMENT

STATE OF KANSAS, COUNTY OF RUSSELL, SS.

Before me, the undersigned, a notary public, within and for said county and state, on this <u>31 st</u> day of <u>January</u>, 2012, came John L. Driscoll, President of Royal Drilling, Inc., a corporation of the State of Kansas, personally known to me to be such officer and to be the same person who executed as such officer the foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same for himself and for said corporation for the uses and purposes therein set forth.

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

GLENDA R. PHILLIPS State of Kansas My Appt. Exp. Sept. 1, 2015

My appointment expires: Sept. 1. 2015

Glenda R Phillips Notary Public

AMENDMENT OF OIL AND GAS LEASE

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, on November 5, 1985, Marion F. Staab and Patricia J. Staab, husband and wife, as lessors, granted an oil and gas lease to R.P. Nixon Operations, Inc., as lessee, which lease has been recorded in Book 355 of Oil and Gas Leases at page 412 in the office of the Register of the Deeds for Ellis County, Kansas, and covers the following described lands, to-wit:

The Northwest Quarter (NW/4) of Section Thirteen (13), Township Thirteen (13) South, Range Eighteen (18) West of the 6^{th} P.M., Ellis County, Kansas;

AND WHEREAS, the above described oil and gas lease is valid and subsisting and has been extended indefinitely by virtue of production obtained within the primary term of said lease and continuing to date;

AND WHEREAS, it is in the best interest of continued production from the above described lease and for prospects for production from other lands adjacent to the lands covered by said oil and gas lease that the above described lease be amended to provide for the pooling of acreage.

NOW THEREFORE, the undersigned owners of the minerals in and under the lands covered by the above described lease hereby amend the term of said lease to provide as follows:

> "Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in

writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease; whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved."

This Amendment of Oil and Gas Lease has been executed this <u>25</u>[#] day of

January_, 2012, by

Marion F. Staab Marion F. Staab Patricia J. Staab Patricia J. Staab

LESSORS

Before me, the undersigned, a Notary Public, within and for the County and State, on this $\frac{25^{1}h}{100}$ day of $\frac{1600}{1000}$, 2012, personally appeared Marion F. Staab and Patricia J. Staab, husband and wife, to the personally known to be the identical persons who executed the within and foregoing Amendment Of Oil And Gas Lease 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 appointment expires:

Notary Public Printed Name Chery M. Peyne

NOTARY PUBLIC - State of Kansas CHERYL M. PAYNE My Appl. Exp. 23-15