

Well will not be drilled or Permit Expired Date: _

Signature of Operator or Agent:

For KC	C Use:			
Effective	Date:			
District #	#			
SGA?	Yes	No		

SGA?

KANSAS CORPORATION COMMISSION 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

	Spot Description:
month day year	
OPERATOR: License#	feet from N / S Line of Section
Name:	
Address 1:	
Address 2:	(Note: Locate well on the Section Plat on reverse side)
City: State: Zip: +	County
Contact Person:Phone:	Lease Name: Well #:
none.	Field Name:
CONTRACTOR: License#	Is this a Prorated / Spaced Field? Yes N
lame:	Target Formation(s):
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary line (in footage):
Oil Enh Rec Infield Mud Rotary	Ground Surface Elevation:feet MS
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile:
Disposal Wildcat Cable	Public water supply well within one mile:
Seismic ; # of Holes Other	Depth to bottom of fresh water:
Other:	Depth to bottom of usable water:
If OWWO: old well information as follows:	Surface Pipe by Alternate: I II
	Length of Surface Pipe Planned to be set:
Operator:	
Well Name:	Projected Total Depth:
Original Completion Date: Original Total Depth:	
Directional, Deviated or Horizontal wellbore?	Water Source for Drilling Operations: No Well Farm Pond Other:
f Yes, true vertical depth:	
Bottom Hole Location:	(Note: Apply for Permit with DWR)
(CC DKT #:	
	If Yes, proposed zone:
	AFFIDAVIT
	AFFIDAVIT
The undersigned hereby affirms that the drilling, completion and eventu	ai plugging of this well will comply with K.S.A. 55 et. seq.
is agreed that the following minimum requirements will be met:	
 Notify the appropriate district office <i>prior</i> to spudding of well; A copy of the approved notice of intent to drill <i>shall be</i> posted on 	and drilling view
., .,	each drilling rig, e 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 in	
4. If the well is dry hole, an agreement between the operator and the	e district office on plug length and placement is necessary prior to plugging;
, ,	nlugged or production casing is comented in:
5. The appropriate district office will be notified before well is either	, 00 ,
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 The appropriate district office will be notified before well is either If an ALTERNATE II COMPLETION, production pipe shall be cem Or pursuant to Appendix "B" - Eastern Kansas surface casing ord 	nented from below any usable water to surface within 120 DAYS of spud date. ler #133,891-C, which applies to the KCC District 3 area, alternate II cementing
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5. The appropriate district office will be notified before well is either 6. If an ALTERNATE II COMPLETION, production pipe shall be cem Or pursuant to Appendix "B" - Eastern Kansas surface casing ord must be completed within 30 days of the spud date or the well sh Ubmitted Electronically For KCC Use ONLY API # 15	Remember to: - File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill; - File Completion Form ACO-1 within 120 days of spud date; - File acreage attribution plat according to field proration or re-entry;
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Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

_ Agent: .

Side Two



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.

Location of Well: County:

Operator:	Location of Well: County:
Lease:	feet from N / S Line of Section
Well Number:	feet from E / W Line of Section
Field:	SecTwpS. R 🗌 E 🔲 W
Number of Acres attributable to well:	Is Section: Regular or Irregular
QTR/QTR/QTR/QTR of acreage:	is Section. Regular of Integular
	If Section is Irregular, locate well from nearest corner boundary.
	Section corner used: NE NW SE SW
	occition control doca.
DI.	.AT
	ease or unit boundary line. Show the predicted locations of
	uired by the Kansas Surface Owner Notice Act (House Bill 2032).
	parate plat if desired.
1030 ft.	parate plat il desired.
: : : :	:
	LEGEND
	LEGEND
	O Well Location
	2580 ft. Tank Battery Location
	Pipeline Location
	: Electric Line Location
	Lease Road Location
	: Lease Road Location
	: : :
	EVANDIE
	EXAMPLE :
12	
	1980' FSL
	SEWARD CO. 3390' FEL

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

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

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



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

072710

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name:			License Number:		
Operator Address:					
Contact Person:		Phone Number:			
Lease Name & Well No.:			Pit Location (QQQQ):		
Type of Pit: Emergency Pit Burn Pit	Pit is:	Existing	SecTwp R		
Settling Pit Drilling Pit If Existing, date cor			Feet from North / South Line of Section		
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:(bbls)		Feet from East / West Line of Section County		
Is the pit located in a Sensitive Ground Water A	rea? Yes N	No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)		
Is the bottom below ground level? Yes No	Artificial Liner?	0	How is the pit lined if a plastic liner is not used?		
Pit dimensions (all but working pits):	Length (fee	t)	Width (feet) N/A: Steel Pits		
Depth fro	om ground level to deep	pest point:	(feet) No Pit		
If the pit is lined give a brief description of the line material, thickness and installation procedure.	itei		dures for periodic maintenance and determining ncluding any special monitoring.		
Distance to nearest water well within one-mile of	of pit:	Depth to shallowest fresh water feet. Source of information:			
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:		Number of working pits to be utilized:			
Barrels of fluid produced daily:		Abandonment procedure:			
Does the slope from the tank battery allow all spilled fluids to flow into the pit?		Drill pits must be closed within 365 days of spud date.			
Submitted Electronically					
KCC OFFICE USE ONLY Liner Steel Pit RFAC RFAS					
Date Received: Permit Numb	ber:	Permi	t Date: Lease Inspection: Yes No		



Kansas Corporation Commission Oil & Gas Conservation Division

1072710

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

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application).

Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (C	Cathodic Protection Borehole Intent)			
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			
Address 1:	sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.			
Address 2:				
City: State: Zip:+				
the KCC with a plat showing the predicted locations of lease roads, tank	dic Protection Borehole Intent), you must supply the surface owners and batteries, pipelines, and electrical lines. The locations shown on the plat in the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.			
I certify that, pursuant to the Kansas Surface Owner Notice Adowner(s) of the land upon which the subject well is or will be lo CP-1 that I am filing in connection with this form; 2) if the form b form; and 3) my operator name, address, phone number, fax, are	ct (House Bill 2032), I have provided the following to the surface potential: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form the being filed is a Form C-1 or Form CB-1, the plat(s) required by this end email address. 1) cknowledge that, because I have not provided this information, the			
KCC will be required to send this information to the surface ow	ner(s). To mitigate the additional cost of the KCC performing this fee, payable to the KCC, which is enclosed with this form.			
If choosing the second option, submit payment of the \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1	fee with this form. If the fee is not received with this form, the KSONA-1 1 will be returned.			
Submitted Electronically				

Book 292 Page 530 OIL AND GAS LEASE

THIS AGREEMENT, Entered into this the <u>lst</u> day of <u>March</u> , 2005, between: <u>Jean Rumble, a widow and Gary Antenen, a single man</u>
hereinafter called lessor, and BlueRidge Petroleum Corporation P.O. Box 1913 Enid, OK 73702-1913 hereinafter called lessee:
1. That lessor, for and in consideration of Ten Dollars (\$10.00), 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, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core drilling and constituent vapors, and all other gases, found thereon, the exclusive right-of injecting water, brine, and other fluids and substances into the subsurface strata, 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.
into the subsurface strata, said tract of land being situated in the County of <u>Ness</u> State of <u>Kansas</u> , described as follows:
<u>Iownship 19 South, Range 26 West</u> Section 12: NE/4
containing 160 acres more or less.
2. This lease shall remain in force for a term of

- 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 1/8th part of all oil produced and saved from the leased premises.
- 4. The lessee shall pay to the lessor, as a royalty, 1/8th of the proceeds received by the lessee from the sale of gas, gas condensate, gas distillate, casing head 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. Lessor shall have the right to take such part of their share of the gas produced in kind, for domestic and agricultural purposes, for use on the lease risk and expense of lessor. 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, the sum of \$1.00 per acre (\$160.00), and while said shut-in royalty is so paid or tendered, it will be on the date the first well is completed for production of gas. The payment of shut-in gas royalty shall not extend this lease longer than Two (2) years. If gas is not being sold at the end of said two year period, this lease will terminate.
- 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 their 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 their heirs, or their grantees, this lease shall cover such reversion.
- 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. The lessee shall bury its pipe lines and electrical lines a minimum of 36 inches below the surface of the land and shall pay for damage caused by its after the expiration of this lease, remove all machinery, fixtures, houses, buildings and other structures placed on said premises, and shall properly plug all wells
- 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, 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 payments of rentals and royalties 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 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 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. If after the expiration of the primary term, production of oil or gas should cease from any cause, this lease shall not terminate if lessee commences additional drilling or reworking operations within Ninety (90) days thereafter, or if at the expiration of the primary term, oil or gas is not being produced on said land, but lessee is then engaged in drilling or reworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the same well or any other well thereafter commenced, with no cessation of more than Ninety (90) consecutive days, and if they result in production of oil or gas, this lease shall remain in effect so long thereafter as there is production of oil or gas under any provision of this lease.
- 12. 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 terminate, 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.

Jean Rumble

- (a) In the drilling of wells on the said land, segregate the surface soil when pits are dug, and when the pits are filled, return the surface soil to the top of the (a) In the drilling of wells on the said land, segregate the surface soil when pits are dug, and when the pits are tilled, return the surface soil to the top of the pit;
 (b) Fence all producing wells and tank battery in such a manner that livestock cannot reach the lease equipment and install cattle guards at all road enfrances, as requested by lessor;
 (c) If a salt water disposal well is completed on the said tract, water may not be disposed of in the well from any wells outside the above lease premises unless the parties enter into a separate salt water disposal agreement;
 (d) Tank batteries and lease roads shall be placed at locations mutually agreeable between the lessor and lessee;
 (e) Complete a three dimensional seismic survey over the lands covered by this lease.
 (f) 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, following the end of the primary term of this lease.
 (g) Upon termination of this lease, Lessee shall restore the surface of the land to its original condition as nearly as practical.

- 14. 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 forty (40) 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 their net royalty shall be square in size with the producing oil or gas well being in the approximate center of the unit.
- 15. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor and lessee and is further subject to the rights of the surface owners of the leased premises as appearing of record.
- 16. If, in the judgment of Lessee, any 160 acre tract is identified as a drilling prospect, Lessee shall have the right and option to extend the primary term of this lease for an additional two (2) year period of time, commencing on March 1, 2008. In the event Lessee elects to exercise its option, an additional payment shall be made to Lessor in the amount of \$5.00 per acre, for a total payment of \$800.00, payable on or before March 1, 2008. Payment shall be made in the form of a check made payable to the Lessor, or their successors in title.

IN WITNESS WHEREOF, the undersigned has hereunto set their hand the day and year fist above written.

Book 292 Page 528

OIL AND GAS LEASE

THIS AGREEMENT, Entered into this the	1st day of	March , 2005, bet	ween:Jean Rumble	, a widow and Gary Antenen, a single mar
hereinafter called lessor, and <u>BlueR</u>	lidge Petroleum Corporat	ion P.O. Box 1913 Enid, C	OK 73702-1913	hereinafter called lessee:
the lessee, has this day granted, leased land, with any reversionary rights therein the drilling, mining, and operating for, I constituent vapors, and all other gases, and for constructing roads, laying pipe	and let and by these pro , for the purpose of carryity oroducing and saving all found thereon, the exclusional lines, building tanks, state on of said land alone or constant	esents does hereby grant, ing on geological, geophy I of the oil, gas, gas con sive right of injecting wate oring oil, building power conjointly with neighboring	, lease and let exclusively sical and other explorate densate, gas distillate, c er, brine, and other fluids stations, electrical lines of	hereinafter contained to be performed by y unto the lessee the hereinafter described by work thereon, including core drilling and asing head gasoline and their respective and substances into the subsurface strata and other structures thereon necessary of take care of, and manufacture all of such
into the subsurface strata, said tract of Ic	and being situated in the (County of <u>Ness</u>	State of	Kansas described as follows:
<u>Iownship 19 South,</u> Section 12: NW/4	Range 26 West			
containing 160 acres more or	less.			
2. This lease shall remain in force for a ter	rm of <u>Three (3)</u> years (c	alled "primary term") and	as long thereafter as oil, g	as, casing head gas, casing head gasoline

- 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 1/8th part of all oil produced and saved from the leased premises.
- 4. The lessee shall pay to the lessor, as a royalty, 1/8th of the proceeds received by the lessee from the sale of gas, gas condensate, gas distillate, casing head 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. Lessor shall have the right to take such part of their share of the gas produced in kind, for domestic and agricultural purposes, for use on the lease premises. All costs associated with lessor taking their share of gas in kind, including all necessary connections for metering and transportation, shall be at the sale risk and expense of lessor. 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, the sum of \$1.00 per acre (\$160.00), 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. The payment of shut-in gas royalty shall not extend this lease longer than Two (2) years. If gas is not being sold at the end of said two year period, this lease will terminate.
- 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 their 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 their heirs, or their grantees, this lease shall cover such reversion.
- 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. The lessee shall bury its pipe lines and electrical lines a minimum of 36 inches below the surface of the land and shall pay for damage caused by its operations 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, after the expiration of this lease, remove all machinery, fixtures, houses, buildings and other structures placed on said premises, and shall properly plug all wells
- 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 payments of rentals and royalties 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 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 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. If after the expiration of the primary term, production of oil or gas should cease from any cause, this lease shall not terminate if lessee commences additional drilling or reworking operations within Ninety (90) days thereafter, or if at the expiration of the primary term, oil or gas is not being produced on said land, but lessee is then engaged in drilling or reworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the same well or any other well thereafter commenced, with no cessation of more than Ninety (90) consecutive days, and if they result in production of oil or gas, this lease shall remain in effect so long thereafter as there is production of oil or gas under any provision of this lease.
- 12. 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 terminate, 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.
- 13. Lessee also shall:

 (a) In the drilling of wells on the said land, segregate the surface soil when pits are dug, and when the pits are filled, return the surface soil to the top of the pit:
 - (b) Fence all producing wells and tank battery in such a manner that livestock cannot reach the lease equipment and install cattle guards at all road entrances, as requested by lessor;
 (c) If a salt water disposal well is completed on the said tract, water may not be disposed of in the well from any wells outside the above lease premises

 - (c) If a salt water disposal well is completed on the sald tract, water may not be disposed of in the well from any wells outside the above lease premises unless the parties enter into a separate salt water disposal agreement;
 (d) Tank batteries and lease roads shall be placed at locations mutually agreeable between the lessor and lessee;
 (e) Complete a three dimensional seismic survey over the lands covered by this lease.
 (f) 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, following the end of the primary term of this lease.
 (g) Upon termination of this lease, Lessee shall restore the surface of the land to its original condition as nearly as practical.
- 14. 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 forty (40) acres each in the event of an oil well, or into a unit or units not exceeding 320 acres each in the event of a gas and/or condensate or distillate well. 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 dilled 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 their net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved. Any unit created pursuant to these provisions shall be square in size with the producing oil or gas well being in the approximate center of the unit.
- 15. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor and lessee and is further subject to the rights of the surface owners of the leased premises as appearing of record.
- 16. If, in the judgment of Lessee, any 160 acre tract is identified as a drilling prospect, Lessee shall have the right and option to extend the primary term of this lease for an additional two (2) year period of time, commencing on March 1, 2008. In the event Lessee elects to exercise its option, an additional payment shall be made to Lessor in the amount of \$5.00 per acre, for a total payment of \$800.00, payable on or before March 1, 2008. Payment shall be made in the form of a check made payable to the Lessor, or their successors in title.

Lary Cintenen

IN WITNESS WHEREOF, the undersigned has hereunto set their hand the day and year fist above written.

Jean Rumble

BLUERIDGE PETROLEUM CORPORATION ANTENEN LEASE Battery NE. 1/4. SECTION 12. T19S. R26W NESS COUNTY. KANSAS Flowline NO ROAD Drivisite Location Antenen #2-12 1025'FNL 2565'FEL Ground Elevation = 2498 $Y = 642133 \quad X = 1529040$ State Plane-NAD 27-Kansas South (Mapping Grade &PS Used) Road ANTENEN º1-12 2526 NO TRAIL NO ROAD CATTLE-GUARD **LEGEND** Well Location Tank Battery Location Pipeline Location ---- Electric Line Location Lease Road Location January 30, 2012 Date

CENTRAL KANSAS OILFIELD SERVICES, INC. (620)792-1977

Conservation Division Finney State Office Building 130 S. Market, Rm. 2078 Wichita, KS 67202-3802



Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Sam Brownback, Governor

Mark Sievers, Chairman Ward Loyd, Commissioner Thomas E. Wright, Commissioner

February 06, 2012

JONATHAN ALLEN
Blue Ridge Petroleum Corporation
PO BOX 1913
ENID, OK 73702-1913

Re: Drilling Pit Application ANTENEN 2-12 NE/4 Sec.12-19S-26W Ness County, Kansas

Dear JONATHAN ALLEN:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit within 96 hours of completion of drilling operations. KEEP PITS on West side of stake.

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

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through KOLAR within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to **Drill**. If you have any questions or concerns please feel free to contact the District Office at (620) 225-8888.