



1080240

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

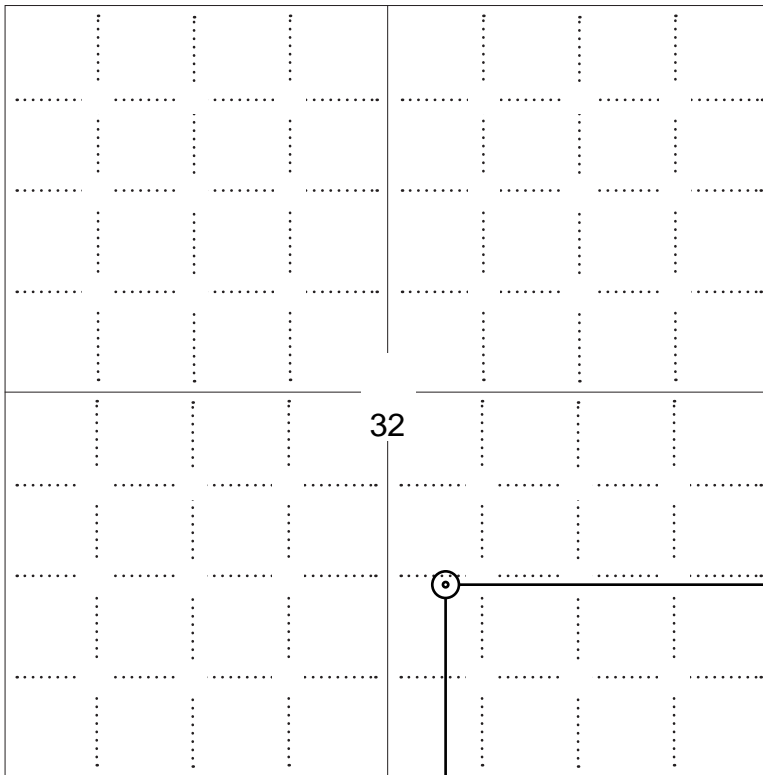
Is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

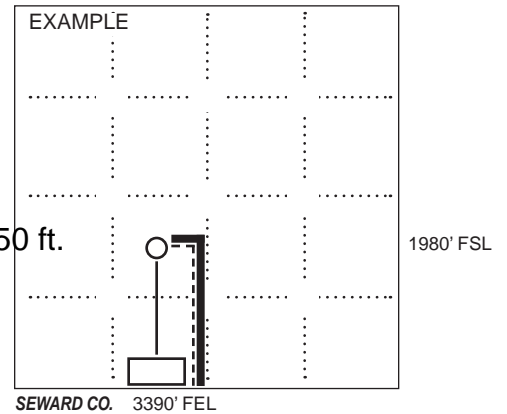
PLAT

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.

1320 ft.

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

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



KANSAS CORPORATION COMMISSION 1080240
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	
Emergency, Settling and Burn Pits ONLY: 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		Drilling, Workover and Haul-Off Pits ONLY: 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>Submitted Electronically</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



AGREEMENT, Made and entered into the 5th day of February 2011 by and between Maurice Rohr and Mary Rohr, husband and wife

whose mailing address is 747 240th Avenue, Hays, KS 67601 hereinafter called Lessor (whether one or more), and TDI Oil Operations, LLC 1310 Bison Road, Hays, KS 67601 hereinafter called Lessee:

Lessor, in consideration of Ten and additional Dollars (\$ 10.00+) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Ellis State of Kansas described as follows to-wit:

The North Half of the Southeast Quarter (N/2 SE/4)

Direct [initials] Numerical [initials] Checked [initials]

In Section 32 Township 14 South Range 18 West and containing 80 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of Three (3) years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said land is pooled.

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

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8) at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.

This lease may be maintained during the primary term hereof without further payment or drilling operations. If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed within the term of years first mentioned.

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

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operation thereon, except water from the wells of lessor.

When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of lessor.

Lessee shall pay for damages caused by lessee's operations to growing crops on said land.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

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

Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

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.

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

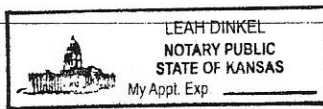
Witnesses:

Maurice Rohr signature and name

Mary Rohr signature and name

STATE OF KANSAS ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
 COUNTY OF ELLIS
 The foregoing instrument was acknowledged before me this 14th day of February, 2011,
 by Maurice Rohr and _____

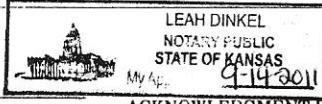
My commission expires 9-14-2011



Leah Dinkel
 Notary Public

STATE OF KANSAS ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
 COUNTY OF ELLIS
 The foregoing instrument was acknowledged before me this 14th day of February, 2011,
 by Mary Rohr and _____

My commission expires 9-14-2011



Leah Dinkel
 Notary Public

STATE OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
 COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____,
 by _____ and _____

My commission expires _____
 Notary Public

STATE OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
 COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____,
 by _____ and _____

My commission expires _____
 Notary Public

No. _____

OIL AND GAS LEASE

FROM _____

TO _____

Date _____

Section _____ Twp. _____ Rge. _____

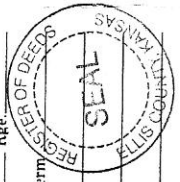
No. of Acres _____ Term _____

County _____

STATE OF Kansas
 County Ellis

This instrument was filed for record on the 18
 day of February, 2011,
 at 9:15 o'clock A.M., and duly recorded
 in Book 765 Page 203 of
 the records of this office.
Rebecca Horsey
 By \$12.00 Register (dd) deeds.

When recorded, return to _____
FBI, Inc.



STATE OF _____ ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)
 COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____,
 by _____
 of _____ a _____
 corporation, on behalf of the corporation.
 My commission expires _____

Notary Public

63U (Rev. 1993)

OIL AND GAS LEASE

Reorder No. 09-115

Kansas Blue Print 700 S. Broadway, P.O. Box 703 Wichita, KS 67201-0703 316-264-0344-264-5105 fax www.kbp.com - kbp@kbp.com

AGREEMENT Made and entered into the 5th day of February 2011 by and between The Ralph and Elsie Schmeidler Family Trust dated June 10, 2009, Ralph Schmeidler and Elsie Schmeidler, Trustees

whose mailing address is 23051 340th Avenue, Ogallah, KS and TDI Oil Operations, LLC hereinafter called Lessor (whether one or more), 1310 Bison Road, Hays, KS 67601 hereinafter called Lessee:

Lessor, in consideration of Ten and additional Dollars (\$ 10.00+) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Ellis State of Kansas described as follows to-wit:

The South Half of the South Half (S/2 S/2) less two tracts of land (fully described in EXHIBIT "A" attached hereto)

In Section 32 Township 14 South Range 18 West and containing 160 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of Three (3) years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said land is pooled.

In consideration of the said lessee covenants and agrees: 1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8) at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.

This lease may be maintained during the primary term hereof without further payment or drilling operations. If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed within the term of years first mentioned.

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

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operation thereon, except water from the wells of lessor. When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of lessor. Lessee shall pay for damages caused by lessee's operations to growing crops on said land.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

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

Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment of any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the under- signed lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

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.

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

Ralph Schmeidler, Trustee of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009

Elsie Schmeidler, Trustee of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009

STATE OF KANSAS ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
 COUNTY OF Ellis
 The foregoing instrument was acknowledged before me this 15 day of February, 2011
 by Elsie Schmeidler, Trustee of the Ralph and Elsie Schmeidler Family Trust
 and _____
 dated June 10, 2009

My commission expires 4-22-2014

 Nathan Legleiter
 Notary Public

STATE OF KANSAS ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
 COUNTY OF Ellis
 The foregoing instrument was acknowledged before me this 15 day of February, 2011
 by Ralph Schmeidler, Trustee of the Ralph and Elsie Schmeidler Family Trust
 and _____
 dated June 10, 2009

My commission expires 4-22-2014

 Nathan Legleiter
 Notary Public

STATE OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
 COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____,
 by _____ and _____

My commission expires _____
 Notary Public

STATE OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
 COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____,
 by _____ and _____

My commission expires _____
 Notary Public

No. _____
OIL AND GAS LEASE
 FROM _____
 TO _____
 Date _____ Section _____ Twp. _____ Rge. _____
 No. of Acres _____ Term _____ County _____
 STATE OF Kansas County Ellis
 This instrument was filed for record on the 17
 day of February, 2011.
 at 12:15 o'clock P. M., and duly recorded
 in Book 765 Page 171 of
 the records of this office.
 By Rebecca Berger Registered Deeds.
 When recorded, return to T.D.I., Inc.



STATE OF _____ ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)
 COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____
 by _____
 of _____ a _____
 corporation, on behalf of the corporation.

My commission expires _____
 Notary Public

Attached to an Oil and Gas Lease dated February 5th, 2011 by and between the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009, Ralph Schmeidler and Elsie Schmeidler Trustees, as Lessor and TDI Oil Operations, LLC as Lessee.

EXHIBIT "A"

Tract #1

A tract of land in the South Half of the South Half (S/2 S/2) of Section Thirty-two (32) in Township Fourteen (14) South, Range Eighteen (18) West of the Sixth Principal Meridian, Ellis County, Kansas and further described as follows:

Beginning at the Southeast Corner (SE/c) of the above described section Thirty-two (32): thence North along the East Section line a distance of 1048.16 feet to point of beginning; thence West on a bearing of North 88 degrees 30 minutes 00 seconds West a distance of 295.16 feet; thence North on a bearing of North 00 degrees 00 minutes 00 seconds West a distance of 295.16 feet to the North boundary line of the South Half of the South Half (S/2 S/2) of said Section Thirty-two (32); thence East on a bearing of South 88 degrees 30 minutes 00 seconds East a distance of 295.16 feet to the East Section line of the above described Section; thence South along said Section line on a bearing of South 00 degrees 00 minutes 00 seconds East a distance of 295.16 feet to point of beginning.

This tract of land contains 2.00 acres.

Tract #2

A tract of land in the South Half of the South Half (S/2 S/2) of Section Thirty-two (32) in Township Fourteen (14) South, Range Eighteen (18) West of the Sixth Principal Meridian, Ellis County, Kansas and further described as follows:

A tract of land conveyed to AMERICAN TELEPHONE AND TELEGRAPH COMPANY by Warranty Deed recorded at the Register of Deeds Office of Ellis County, Kansas on November 24, 1962 in Book 109, Page 611.

This tract contains 0.34 acre.

Ralph Schmeidler

Ralph Schmeidler, Trustee of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009

Elsie Schmeidler

Elsie Schmeidler, Trustee of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009

FEB 17 2011

TRUSTEE'S AFFIDAVIT

765 of Record page 174
Rebecca S. V. J. P.
Fees 0.00 Register of Deeds



PK
Direct RK
Direct RK
Remitted RH
Noted

The South Half of the South Half (S/2 S/2) of
Section 32, Township 14S, Range 18W, Ellis County, Kansas
containing 160 acres more or less.

We, Ralph Schmeidler and Elsie Schmeidler, Trustees of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009, being first duly sworn and under oath, state of our personal knowledge that:

1. We are the Trustees, under a trust dated June 10, 2009, to which the above described real estate was conveyed by deed to the Ralph and Elsie Schmeidler Family Trust, Ralph Schmeidler and Elsie Schmeidler, Trustees, pursuant to a deed recorded on the 6th day of July, 2009, in the office of the Register of Deeds in Ellis County, Kansas, in Book 723, Page 412.
2. We are the existing Trustees under the Trust and any amendments thereto, and we are authorized to convey the above described real estate, without any qualification whatsoever.
3. The Trust is in existence and we, as Trustees, are authorized to transfer the interests in the above described real estate.

Ralph Schmeidler 2-14-11
Ralph Schmeidler, Trustee of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009

Elsie Schmeidler 2-14-2011
Elsie Schmeidler, Trustee of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009

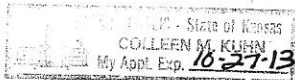
ACKNOWLEDGEMENT

State of Kansas, County of Ellis

Subscribed and sworn to before me, this 14 day of February, 2011 by Ralph Schmeidler, Trustee of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009.

Colleen M. Kuhn
Notary Public

My Appointment Expires:

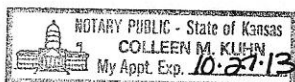


State of Kansas, County of Ellis

Subscribed and sworn to before me, this 14 day of February, 2011 by Elsie Schmeidler, Trustee of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009.

Colleen M. Kuhn
Notary Public

My Appointment Expires:



BOOK 765 PAGE 174

T. D. I., Inc.

OIL AND GAS LEASE



AGREEMENT, Made and entered into the 5th day of February 2011 by and between Rosaline Rome, a widow

whose mailing address is Box 104, Victoria, KS hereinafter called Lessor (whether one or more), and TDI Oil Operations, LLC 1310 Bison Road, Hays, KS 67601 hereinafter called Lessee:

Lessor, in consideration of Ten and additional Dollars (\$ 10.00+) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Ellis State of Kansas described as follows to-wit:

rk Direct in Dired Numerical checked

The South Half of the South Half (S/2 S/2) less two tracts of land (fully described in EXHIBIT "A" attached hereto)

In Section 32 Township 14 South Range 18 West and containing 160 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of Three (3) years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said land is pooled.

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

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.

This lease may be maintained during the primary term hereof without further payment or drilling operations. If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed within the term of years first mentioned.

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

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operation thereon, except water from the wells of lessor.

When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of lessor.

Lessee shall pay for damages caused by lessee's operations to growing crops on said land.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

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

Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

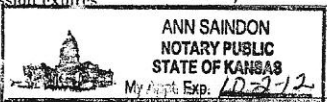
Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate 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.

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

Witnesses: Rosaline Rome

STATE OF KANSAS
COUNTY OF ELLIS ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
The foregoing instrument was acknowledged before me this 9th day of February, 2011,
by Rosaline Rome and _____

My commission expires 10-2-12
Ann Saindon
Notary Public



STATE OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____,
by _____ and _____

My commission expires _____
Notary Public

STATE OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____,
by _____ and _____

My commission expires _____
Notary Public

STATE OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____,
by _____ and _____

My commission expires _____
Notary Public

No. _____
OIL AND GAS LEASE
FROM _____
TO _____
Date _____
Section _____ Twp. _____ Rge. _____
No. of Acres _____ Term _____
County _____
STATE OF Kansas
County Ellis
This instrument was filed for record on the 17
day of February, 2011.
at 12:18 o'clock P.M., and duly recorded
in Book 765 Page 168 of
the records of this office.
By Rebecca Boyer Registrar of Deeds.
When recorded, return to T.A.I. JAC.



STATE OF _____ ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____,
by _____
of _____ a _____
corporation, on behalf of the corporation.
My commission expires _____

Notary Public

Attached to an Oil and Gas Lease dated February 5th, 2011 by and between Rosaline Rome, a widow as Lessor and TDI Oil Operations, LLC as Lessee.

EXHIBIT "A"

Tract #1

A tract of land in the South Half of the South Half (S/2 S/2) of Section Thirty-two (32) in Township Fourteen (14) South, Range Eighteen (18) West of the Sixth Principal Meridian, Ellis County, Kansas and further described as follows:

Beginning at the Southeast Corner (SE/c) of the above described section Thirty-two (32): thence North along the East Section line a distance of 1048.16 feet to point of beginning; thence West on a bearing of North 88 degrees 30 minutes 00 seconds West a distance of 295.16 feet; thence North on a bearing of North 00 degrees 00 minutes 00 seconds West a distance of 295.16 feet to the North boundary line of the South Half of the South Half (S/2 S/2) of said Section Thirty-two (32); thence East on a bearing of South 88 degrees 30 minutes 00 seconds East a distance of 295.16 feet to the East Section line of the above described Section; thence South along said Section line on a bearing of South 00 degrees 00 minutes 00 seconds East a distance of 295.16 feet to point of beginning.

This tract of land contains 2.00 acres.

Tract #2

A tract of land in the South Half of the South Half (S/2 S/2) of Section Thirty-two (32) in Township Fourteen (14) South, Range Eighteen (18) West of the Sixth Principal Meridian, Ellis County, Kansas and further described as follows:

A tract of land conveyed to AMERICAN TELEPHONE AND TELEGRAPH COMPANY by Warranty Deed recorded at the Register of Deeds Office of Ellis County, Kansas on November 24, 1962 in Book 109, Page 611.

This tract contains 0.34 acre.

x *Rosaline Rome*

Rosaline Rome

TDI, Inc.
License #4787
1310 Bison Road
Hays, Kansas 67601

H: (785) 628-2593
C: (785) 259-3141

LEGEND

- Well Location
- Tank Batter Location
- Lead Line Location
- - - Electric Line Location
- Lease Road Location

The Surface Notification Act requires notification to surface owner of proposed well site, tank battery, roads and etc. This notification is non-binding and locations can be changed by oil operator.

ROHR-SCHMEIDLER UNIT #1

