

Well will not be drilled or Permit Expired Date: \_

Signature of Operator or Agent:

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

## KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1080240

Form C-1

March 2010

Form must be Typed

Form must be Signed

All blanks must be Filled

## NOTICE OF INTENT TO DRILL

	(5) days prior to commencing well Surface Owner Notification Act, MUST be submitted with this form.
Expected Spud Date:	Spot Description:
month day year	
	- Sec. IWP. S. R. E V
OPERATOR: License#	feet from E / W Line of Section
Name:	
Address 1:	Is SECTION: Regular Irregular?
Address 2: State: Zip: +	(Note: Locate well on the Section Plat on reverse side)
Contact Person:	County:
Phone:	Lease Name: Well #:
Filone	Field Name:
CONTRACTOR: License#	Is this a Prorated / Spaced Field?
Name:	Target Formation(s):
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary line (in footage):
	Ground Surface Elevation:feet MSL
Oil Enh Rec Infield Mud Rotary  Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile:
Gas Storage Pool Ext. Air Rotary  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:
	Surface Pipe by Alternate: I III
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
Oneseter	Length of Conductor Pipe (if any):
Operator:	Projected Total Depth:
Well Name: Original Total Depth:	Formation at Total Depth:
Original Completion Date.	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?	Well Farm Pond Other:
If Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	(Note: Apply for Permit with DWR )
KCC DKT #:	Will Cores be taken?
	If Yes, proposed zone:
AFI	FIDAVIT
The undersigned hereby affirms that the drilling, completion and eventual plu	gging of this well will comply with K.S.A. 55 et. seq.
It is agreed that the following minimum requirements will be met:	
Notify the appropriate district office <i>prior</i> to spudding of well:	
<ol> <li>A copy of the approved notice of intent to drill shall be posted on each</li> <li>The minimum amount of surface pipe as specified below shall be set through all unconsolidated materials plus a minimum of 20 feet into the</li> <li>If the well is dry hole, an agreement between the operator and the dist</li> <li>The appropriate district office will be notified before well is either plugge</li> <li>If an ALTERNATE II COMPLETION, production pipe shall be cemente Or pursuant to Appendix "B" - Eastern Kansas surface casing order #1</li> </ol>	by circulating cement to the top; in all cases surface pipe <b>shall be set</b> e underlying formation.  rict office on plug length and placement is necessary <b>prior to plugging</b> ; and or production casing is cemented in;
Submitted Electronically	Remember to:
For KCC Use ONLY	- File Certification of Compliance with the Kansas Surface Owner Notification
API # 15	Act (KSONA-1) with Intent to Drill;
Conductor pipe requiredfeet	- File Drill Pit Application (form CDP-1) with Intent to Drill;
Minimum surface pipe requiredfeet per ALT. I	- File Completion Form ACO-1 within 120 days of spud date;
	- File acreage attribution plat according to field proration orders;
Approved by:	- Notify appropriate district office 48 hours prior to workover or re-entry;
This authorization expires:	<ul> <li>Submit plugging report (CP-4) after plugging is completed (within 60 days);</li> <li>Obtain written approval before disposing or injecting salt water.</li> </ul>
(This authorization void if drilling not started within 12 months of approval date.)	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.
Spud date: Agent:	

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



For KCC Use ONLY	
API # 15	

#### IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

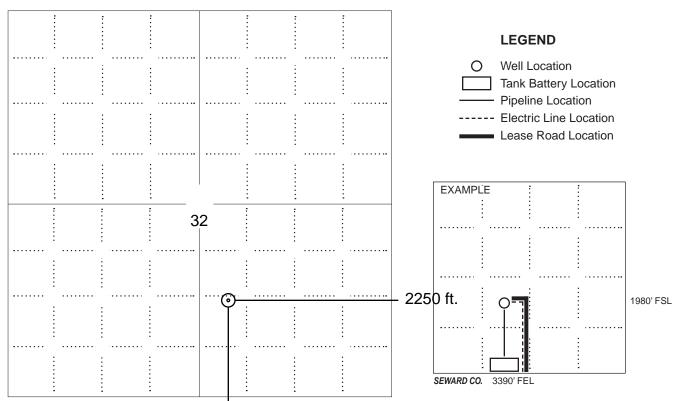
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

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
Number of Acres attributable to well:	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.

#### 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 OIL & GAS CONSERVATION DIVISION

080240

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  Settling Pit  Drilling Pit  Workover Pit  Haul-Off Pit  (If WP Supply API No. or Year Drilled)  Is the pit located in a Sensitive Ground Water A	Pit is:  Proposed Existing  If Existing, date constructed:  Pit capacity:  (bbls)		SecTwp R East WestFeet from North / South Line of Section Feet from East / West Line of Section County mg/l	
Is the bottom below ground level?	Artificial Liner?	No	(For Emergency Pits and Settling Pits only)  How is the pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits):  Depth fro	Length (fee			
			dures for periodic maintenance and determining acluding any special monitoring.	
Distance to nearest water well within one-mile of pit:  Depth to shallow Source of inform		west fresh water feet. mation:		
feet Depth of water wellfeet measured		well owner electric log KDWR		
Producing Formation:			over and Haul-Off Pits ONLY:  all utilized in drilling/workover:  king pits to be utilized:  procedure:  de closed within 365 days of spud date.	
	KCC	OFFICE USE O	NLY  Liner Steel Pit RFAC RFAS	
Date Received: Permit Num	ber:	Permi	t Date: Lease Inspection: Yes No	



## Kansas Corporation Commission Oil & Gas Conservation Division

1080240

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	athodic Protection Borehole Intent)			
OPERATOR: License #	Well Location:			
Name:	SecTwpS. R			
Address 1:	County:			
Address 2:	Lease Name: Well #:			
City: State: Zip:+	If filing a Form T-1 for multiple wells on a lease, enter the legal description of			
Contact Person:	the lease below:			
Phone: ( ) Fax: ( )				
Email Address:				
Surface Owner Information:				
Name:	When filing a Form T-1 involving multiple surface owners, attach an additional			
Address 1:	owner information can be found in the records of the register of deeds for the			
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			
task, I acknowledge that I am being charged a \$30.00 handling	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 to 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 will be returned.			
Submitted Electronically				

63U (Rev. 1993)

#### OIL AND GAS LEASE



2011 AGREEMENT, Made and entered into the \_\_\_5th February \_ day of \_ by and between Maurice Rohr and Mary Rohr, husband and wife whose mailing address is 747 240th Avenue, Hays, KS 67601 and TDI Oil Operations, LLC 1310 Bison Road, Hays, KS 67601 Lessor, in consideration of Ten and additional—

Lessor, in consideration of Ten and paid, receipt of which is here a school beginning to the lessee herein constained, hereby grants, lessees and lest exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocathons, all gases, and their respective consistent 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 transports and transports and and transports as and their respective consistent products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, \_\_ State of Kansas therein situated in County of Ellis The North Half of the Southeast Quarter (N/2 SE/4) Numerical MAN Checked .... \_, and containing \_\_\_80 Township 14 South Range 18 West In Section 32 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 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: Ist. 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 (%) 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 (%), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (%) 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, lossee 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. 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 expected, 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 leasee until after the leasee 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 premis 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 y 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 undergrad lessors, for themselves and their hiers, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far said right of dower and homestead may in any way affect the purposes for which this lesse is made, as recited herein. 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 leases 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 640 acres each in the event of a gas well. Lessee shall exceute in writing and record in the covariance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acresge. The entire acreage so pooled into a tract or 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 careage, it shall be treated as if production is that 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, lease and lareview on production from a unit so pooled into 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 Jarry Maurice Rohr Mary Rohr

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	OUNTY OFe foregoing instrumen	t was acknowledged i	ACKNO	day of			
Notary Public					- / 0 - 4 /		

63U (Rev. 1993)

#### OIL AND GAS LEASE



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 hereinafter called Lessor (whether one or main and TDI Oil Operations, LLC 1310 Bison Road, Hays, KS 67601  Lessor, in consideration of Ten and additional between the contained, hereby grants, leases and lets exclusively unto lessee for the purpose at the contained products, injecting as, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, liquid hydrocarbons, all gases, and their respect and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, all gases, and their respect and things thereon to produce as, cave, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, all gases, and their respective constituent products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest care of the contained of the South Half (S/2 S/2)  The South Half of the South Half (S/2 S/2)  Less two tracts of land (fully described in EXHIBIT "A" attached hereto)  Renner 18 West  Renner 18 West	AGREEMENT, Made and entered into the 5th day of February	
whose milling address is 23051 340th Avenue, Ogallah, KS  International DIOI Operations, LLC  1310 Bison Road, Hays, KS 67601  Lours, it amanders and Target and the process of the proces		lated June 10, 2000 Palat Cal (2)
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The South Half of the South Half (\$/2 \$/2)  less two tracts of land (fully described in EXHIBIT "A" attached hereto)  Divided Section 32  Township 14 South Rang 18 West and containing 160  serve, more or less, and so the previous herion contained, this beams shall rouse in force for sever of The The C(3)  year from this date Galled "primary term", and we long threat of the long of the primary term is all less contained the less	Lessor, in consideration of Ten and additional—  here acknowledged and of the royalites herein provided and of the agreements of the lessee herein containe investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for inditional products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing inditings thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid oducts manufactured therefrom, and housing and otherwise caring for its employees, the following describe	ed, hereby grants, leases and lets exclusively unto lessee for the purpo and producing oil, liquid hydrocathons, laces, and their respecti oil, building tanks, power stations, telephone lines, and other structure hydrocathons, gases and their respective constituent products and oth d land, together with any reversionary rights and after-acquired interes
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his lease or any extension thereon throng the primary term hered without further payment or drilling operations. If the lease shall commence to drill a well veit him had been completed within the term of year first untertained.  If and leaser owns a less interest in the above described bent then, by the standard of t	10 pay reasor tor gas of whatsoever nature or kind produced and sold, or used off the premises, the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (%) of the provoyalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tending of the preceding paragraph. This leases much paragraph.	or used in the manufacture of any products therefrom, one-eighth (% ceeds received by lessee from such sales), for the gas sold, used off the well producing gas only is not sold or used, lessee may pay or tende er is made it will be considered that gas is being produced within th
Lesses shall pay for damping control which lessor's interest bears to the whole and undvided fee.  Lesses shall have the right to saw, fee of cost, say, as of any water produced on asid land for lessor's operation thereon, except water from the wells of lessor.  When requested by lessor, lesses shall bary lessor'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.  Lesses shall pay for damages caused by lesser's operations to growing crops on said land.  Lesses shall pay for damages caused by lesser's operations to growing crops on said premises, including the right to draw and remove casing.  If the estate of either party heroto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heir, administratives, successor or assignab, to ton does assigned in land or assignment of rentals or royalties shall be hinding on the lesses until after the respective furnished with a written transfer or assignment or a true copy thereof in land or assignment of rentals or royalties shall be hinding on the lesses until after the respective furnished with a written transfer or assignment or a true copy thereof all obligations as to the acrees assigns the lesses, in whole or related in the lesses until after the respective furnished with a written portion or protions of the above described premises and thereby all express or implicative and the relative of all obligations as to the acreege surrendered.  All express or implied overants to desire of a surrendered and state laws. Executive Orders, Rules or Regulations, and this lesses shall here between the control of the surrendered and the result of a party of the result of the result of	his lease or any extension thereof, the lessee shall have the right to drill such well to completion with reas did in paying quantities, this lesses shall continue and be in force with like effect as if such well had been con If anid lessor owns a less interest in the above described land thus the satisfact.	perations. If the lessee shall commence to drill a well within the terr sonable diligence and dispatch, and if oil or gas, or either of them, b apleted within the term of years first mentioned.
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e has been interestable, auccessors or assigna, but no change in the ownership of the land or assignment of rentable the coverants hereof shall extend to their heirs, respect to the assigned portion assignated portions arising subsequent to the date of assignment.  Lessee may at any time succute and deliver to lessor or places of record a release or releases covering any portion or portions of the above described premises and the releved of all obligations as to the acreage surrendered.  All express or implied evenuants of this lease shall be subject to all Federal and State Laws. Executive Orders, Roles or Regulations, and this lease shall not be terminated, lation.  Lessor hereby warrants and agrees to default the title to tall Federal and State Laws. Executive Orders, Roles or Regulations, and this lease shall not be terminated, lation.  Lessor hereby warrants and agrees to default the title to tall Federal and State Laws. Executive Orders, Roles or Regulations, and this lease shall not be terminated, lation.  Lessor hereby warrants and agrees to default the title to the lands herein described, and agrees that the leases shall have the right at any time to redeem for leasor, by payment of descore, for themselves and their heirs, auccessors and lation of the state of th	If the cetate of the right at any time to remove all machinery and fixtures placed on said premises, in	cluding the right to draw and
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, 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, all one or in part, nor leases 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 Regulations, and the subject to the lands herein described, and agrees that the leases shall have the right at any time to redeem for leasor, by payment of default of payment by leasor, and be subrogated to the rights of the holder thereof, and the under-dright of dower and homested and may in any way affect the series, hereby surrender and release all right of dower and homested on the premise described lends, in the event of default of payment by leasor, and homested in the premise described herein, liate vicinity thereof, when in leases's judgment it is necessary, affect the series, 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 lends (see or leases in this leave) in the control of the premise described herein, in so far Leases, at its option, is hereby given the right and power to pool or combine the acreage overed by this lease or any portion thereof with other lends (see or leases in the control of the premise of the holder thereof, and the remains of the holder thereof, and the control of the holder thereof, and the control of the holder thereof, and the control of the holder thereof, and the premise of the holder thereof, and the control of the holder thereof and the premise of the holder thereof the ho	e has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assignment or service to the assigned portion or partians are copy thereof. In case lessee assigns the	expressly allowed, the covenants hereof shall extend to their heirs, of rentals or royalties shall be binding on the lessee until after the is lesse in whole or is now.
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 Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the rights of the holder threef, and the 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 understand of right of dower and homestead may in any event of a feature of payment by lessor, and be subrogated to the rights of the holder thereof, and the understand of right of dower and homestead may in any event of the holder thereof, and the understand the payment of the holder thereof, and the understand the premises described herein, in so far Lessee, at its option, in hereby given the right and power to pool or combine the acreage covered by this lessee or any portion thereof with other land; less or lesses in the value of oil, gas or other minerals in additional time is necessary or advisable to do so in order to properly develop and operate said lessor premises so as to promote the not exceeding 40 acres each in the event of an oil well, may be produced from said premises, such pooling to be of tracts continuous one another and to be into a unit in the conveyance records of the county in which the land he unit or units not exceeding 640 acres each in the event of a gas well. In writing and the strength of the premises of the county in which the land he unit or units and be treated, for all purposes except the payments is situated an instrument identifying and describing the pooled correspect of the payment is affected to the premises covered by the lesses of the instrument day of the payment is a situated an instrument identifying and describing the pooled to the payment of the payment is a situated an instrument identifying and describing the payment is a situated an instrument identifying and descr	ander this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered	any portion or portions of the above described premises and thereby
In witnesses, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the right of the holder thereof, and the under disposed for the theorem and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in sold dissors, for the holder thereof, and the under displat 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 vicinity thereof, when in leases are made in the that may be produced from said premises, auch pooling to be of trace and to be into a unit on the conveyance records of the country in which the lease is a converted to the country in which the lease of the country in which the lease of royalties on production from its net exceeding 640 acres each in the event of an all well of the country in which the lease of royalties on production from the conveyance records of the country in which the lease of royalties on production from the production from one of the royalty stipulated herein as the amount of his acreage as an expensive herein specified, lesser shall receive on production from an its opposed only such portion of the royalty stipulated herein as the amount of his acreage in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.  New York Market Marke	nole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented	Orders, Rules or Regulations, and this lease shall not be terminated, d by, or if such failure is the result of, any such Law, Order, Rule or
instructionity thereof, when in lease's judgement it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the tander that may be produced from said premises, such pooling to be of tracts another and to be into a unit or the convergence provides of the country in which the land herein leased is situated an instrument identifying and describes as the lease as the tract of the country in which the land herein leased is situated an instrument identifying and describes the pooled acrosure. The country is the convergence records of the country in which the land herein leased is situated an instrument identifying and describes the pooled acrosure. The entire across con the pooled across, it shall be treated as if production is the convergence of the country in which the country is the pooled across. The production is the convergence of the country in the convergence of the country in the convergence of the country in which the same and the country is the pooled across. The country is the pooled across. The country is the production is the from this lease, whether the well or wells be located on the premises covered by this lease or not. In fleu of the see elsewhere herein specified, leasor shall receive on production from a unit so pooled only such portion of the royalty situated herein as the amount of his acrosses elsewhere herein specified, leasor shall receive on production from a unit so pooled only such portion of the royalty situated herein as the amount of his acrosses elsewhere herein specified, leasor shall receive on production from a unit so pooled only such portion of the royalty situated herein as the amount of his acrosses where the country is the country of the co	nortgages, taxes or other liens on the above described lands, in the event of default of payment by leasor, in diessors, for themselves and their heirs, successors and sasigns, hereby surrender and release all right of dower and homestead may in any way affect the purposes for which this lease is made a release all right of	sees shall have the right at any time to redeem for lessor, by payment and be subrogated to the rights of the holder thereof, and the underfolder and homestead in the premises described herein, in so far
IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.  **Roll of Schmeddler, Trustee of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009  **When the Schmeddler, Trustee of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009  **When the Schmeddler, Trustee of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009  **When the Schmeddler, Trustee of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009	diate vicinity thereof, when in lessee's judgment it is accessary or advisable to do so in order to prope vication of oil, gas or other micrals in and under and that may be produced from said premises, such pool is not exceeding 40 acres each in the event of an oil all, or into a unit or units not exceeding 40 dares e	lease or any portion thereof with other land, lease or leases in the rly develop and operate said lease premises so as to promote the ling to be of tracts contiguous to one another and to be into a unit each in the event of a gar well lease and the said of the land of t
IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.  Ralph Lhmeiller  A Schmeidler, Trustee of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009	ies elsewhere hereign it shall be treated as if production is had from this lesse what hereign is shall be treated as if production is had from this lesse what hereign is shall be treated as if production is had from the lesse what hereign is shall be treated as if production is had from the lesses what hereign is shall be treated as if production is had from the lesses where hereign is shall be treated as if production is had from the lesses where hereign is shall be treated as if production is had from the lesses where hereign is shall be treated as if production is had from the lesses where hereign is shall be treated as if production is had from the lesses where hereign is shall be treated as if production is had from the lesses where hereign is the lesses where hereign is shall be treated as if production is had from the lesses where hereign is the lesses where here hereign is the lesses where here hereign is the lesses where here hereign is the lesses where here hereign is the lesses where hereign is the lesses where hereign is the lesses where here hereign is the lesses where here hereign is the lesses where hereign is the le	the pooled unit, as if it were included in this lease if mediate
Schmedder, Trustee of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009		
Schmedder, Trustee of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009		
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Athligh Schmedler  a Schmedder, Trustee of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009  Seine S. Luneidle.	N WITNESS WHEREOU ALL	
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are & femerale	1 Schmeldler, Trustee of the Palph and Fi	
Schmeidler The Market Control of the		lly Trust dated June 10, 2009
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STATE OF KANSAS	ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)	
COUNTY OF 2///S		2011
by Elsie Schmeidler, Trustee of the	emethis /5 day of February he Ralph and Elsie Schmeidler Family Trust	
dated June 10, 2009		
My commission expires 4-22-2014	CA Nother Land in the them No lister	
My commission expires 4 82 8011	Nathan Logleiter College Notary Public Notary Public	
	My Appi. Exp. 4-22-2014	
KANGAG	The second secon	
STATE OF KANSAS	ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)	
COUNTY OF	e me this 15 day of February	2011
by Ralph Schmeidler, Trustee of th	e me this	
dated June 10, 2009		
My commission expires 4-22-2014	glather Select	ac .
₩	A Nathan Legieiter Notary Public	
	MOTARY PUBLIC - State of Kansae My Appl. Exc. 4-22-2014	
STATE OF	Commenced Control of System Control Co	
COUNTY OF	ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)	
The foregoing instrument was acknowledged before	me this day of	
hy	and	
	Section 1997	
My commission expires		
	Notary Public	
STATE OF		
COUNTY OF	ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)	
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UNTY OF	ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)	
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poration, on behalf of the corporation.	aa	
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, 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

his Instrument was filed for record

FEB 1 7 201

#### TRUSTEE'S AFFIDAVIT

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 of 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.
- The Trust is in existence and we, as Trustees, are authorized to transfer the interests in the above described real estate.

× Relph Schmedler	2~14~N
Ralph Schmeidler, Trustee of the Ralph and Elsie Schmeidl	er Family Trust dated June 10, 2009
XElsie Schneidle	2-14-2011
Elsie Schmeidler, Trustee of the Ralph and Elsie Schmeidle	r Family Trust dated June 10, 2009
ACKNOWLEDGEM	1ENT

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.

My Appointment Expires:

- State of Kensas COLLEEN M. KUHN My Appl. Exp. 10:27

State of Kansas, County of

Subscribed and sworn to before me, this \( \frac{14}{2} \) day of February, 2011 by Elsie Schmeidler, Trustee of the Ralph and Elsie Schmeidler Family Trust dated June 10, 2009.

My Appointment Expires:

MOTARY PUBLIC - State of Kansas COLLEEN M. KUHN 13

> 765 PAGE 174 BOOK

T. D. I., Inc.

63U (Rev. 1993)

## **OIL AND GAS LEASE**



by and betw	Rosalin	e Rome, a wide	oww				
whose maili	ng address is BO	x 104, Victori	a, KS			hereins	fter called Lessor (whether or
	Oil Operations						
		Hays, KS 67601					, hereinafter ca
is here acknown of investigate constituent pand things the products ma	owledged and of the ing, exploring by go products, injecting go person to produce, so	eophysical and other mean as, water, other fluids, and : ave, take care of, treat, manu m, and housing and otherwi	nd of the agreen s, prospecting d if into subsurfac- ifacture, process, se caring for its	nents of the lessee he rilling, mining and o te strata, laying pipe , store and transports	erein contained, herel perating for and pro lines, storing oil, buil- aid oil, liquid hydroc: ving described land, t	by grants, leases and lete ducing oil, liquid hydro ding tanks, power statio arbons, gases and their r ogether with any revers	) in hand paid, receip exclusively unto lessee for it carbons, all gases, and their ns, telephone lines, and other espective constituent products ionary rights and after-acquire described as folk
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K	The Sou	th Half of the	South H	Malf (S/2 S	(/2)		
RH	less tw	o tracts of la	ind (full	y describe	d in EXHIB	IT "A" attac	hed hereto)
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THE OCCUPANT _	32	, Township 14 SO	uth Ran	ge 18 West	, and containing	160	acres, more or le
accretions th Subj	iereto.			Ñ			"primary term"), and as long
as oil, liquid	hydrocarbons, gas	or other respective constitue remises the said lessee cove	nt products, or a	ny of them, is produ	ced from said land or	land with which said la	nd is pooled.
	To deliver to the cr				onnect wells on said	and, the equal one-eigh	h (%) part of all oil produced
2nd. at the marke premises, or as royalty O	To pay lessor for a et price at the well, in the manufacture one Dollar (\$1.00) pe	(but, as to gas sold by lesse of products therefrom, said or year per net mineral acr	e, in no event m payments to be	ore than one-eighth made monthly. Whe	(%) of the proceeds regre gas from a well p	eceived by lessee from s	any products therefrom, one- uch sales), for the gas sold, u t sold or used, lessee may pay I that gas is being produced
This of this lesse found in pay	or any extension th ing quantities, this l	tained during the primary ereof, the lessee shall have lease shall continue and be	the right to dril in force with like	I such well to comple effect as if such wel	etion with reasonable I had been completed	diligence and dispatch within the term of year	mmence to drill a well within , and if oil or gas, or either o s first mentioned.
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Less When	ec shall have the rig	ht to use, free of cost, gas, o r, lessee shall bury lessee's ;	il and water pro	duced on said land fo	or lessee's operation t	hereon, except water fro	m the wells of lessor.
No w	ell shall be drilled n	earer than 200 feet to the h	ouse or barn nov	v on said premises w	ithout written consen	t of lessor.	
Less	e shall have the rig	ages caused by lessee's ope ht at any time to remove al	machinery and	fixtures placed on sa	id premises, includin	g the right to draw and	remove casing.
executors, ad lessee has be with respect t	e estate of either pa ministrators, succes en furnished with a to the assigned porti	arty hereto is assigned, an seors or assigns, but no ch written transfer or assigns on or portions arising subs	d the privilege of ange in the own ment or a true co equent to the dat	of assigning in whol nership of the land oppy thereof. In case le e of assignment.	e or in part is expre or assignment of ren ssee assigns this lead	ssly allowed, the coven- tals or royalties shall b se, in whole or in part, l	ents hereof shall extend to the binding on the lessee untilessee shall be relieved of all o
	reme as so sacu po	reson or porcious and be ren	eved of all oblig	ations as to the acres	ige surrendered		above described premises an
Regulation.		re nation in demages, for to	state to compty	merewith, it compila	nce is prevented by,	or if such failure is the	and this lesse shall not be te result of, any such Law, Orde
signed lessors as said right	o, for themselves an of dower and homes e. at its option, is be	d their heirs, successors ar tead may in any way affect	d assigns, herel the purposes for	by surrender and rel which this lease is r	ease all right of downade, as recited herei	e sucrogated to the right er and homestead in th n.	y time to redeem for lessor, by is of the holder thereof, and t e premises described herein, with other land, lesse or less
or units not e record in the pooled into a found on the royalties elsey	of oil, gas or other exceeding 40 acres e conveyance records tract or unit shall l pooled acreage, it shall where herein specifi	minerals in and under and ach in the event of an oil we of the county in which the be treated, for all purposes	that may be provell, or into a un the land herein le except the paymon is had from t	duced from said pre it or units not excess eased is situated an ent of royalties on po his lease, whether th	mises, such pooling to ding 640 acres each in instrument identifying roduction from the poet well or wells be located	evelop and operate said to be of tracts contiguous in the event of a gas we ng and describing the soled unit, as if it were tited on the premises cov	with other land, lease or leas lease premises so as to pro s to one another and to be in II. Leases shall execute in wr pooled acreage. The entire as included in this lease. If prod ered by this lease or not. In li herein as the amount of his
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commission expires	W
	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.

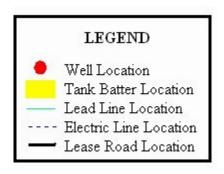
This tract contains 0.34 acre.

Rosaline Rome

## TDI, Inc.

License #4787 1310 Bison Road Hays, Kansas 67601

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



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**

