

please check the box below and return to the address below.

Well will not be drilled or Permit Expired Date: _

Signature of Operator or Agent:

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

SGA?

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 March 2010 Form must be Typed Form must be Signed All blanks must be Filled

NOTICE OF INTENT TO DRILL

•	Surface Owner Notification Act, MUST be submitted with this form.
Expected Spud Date:	Spot Description:
o.a udy you.	Sec Twp S. R E
OPERATOR: License#	feet from N / S Line of Section
Name:	feet from E / W Line of Section
Address 1:	Is SECTION: Regular Irregular?
Address 2:	(Note: Locate well on the Section Plat on reverse side)
City:	County:
Contact Person:	Lease Name: Well #:
Phone:	Field Name:
CONTRACTOR: License#	Is this a Prorated / Spaced Field?
Name:	Target Formation(s):
Well Drilled For: Well Class: Type Equipment:	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:
Operator:	Length of Conductor Pipe (if any):
Well Name:	Projected Total Depth:
Original Completion Date: Original Total Depth:	Formation at Total Depth:
	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore? Yes No	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:
A E.	EIDAV/IT
	FIDAVIT
The undersigned hereby affirms that the drilling, completion and eventual plu	agging 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; 	
2. A copy of the approved notice of intent to drill shall be posted on each	9 0,
The minimum amount of surface pipe as specified below shall be set through all unconsolidated materials plus a minimum of 20 feet into th	
4. If the well is dry hole, an agreement between the operator and the dis	
5. The appropriate district office will be notified before well is either plugg	, , , , , , , , , , , , , , , , , , , ,
6. If an ALTERNATE II COMPLETION, production pipe shall be cemente	d from below any usable water to surface within 120 DAYS of spud date.
• • • • • • • • • • • • • • • • • • • •	133,891-C, which applies to the KCC District 3 area, alternate II cementing
must be completed within 30 days of the spud date or the well shall be	e plugged. In all cases, NOTIFY district office prior to any cementing.
ubmitted Electronically	
For KCC Use ONLY	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.	- File Completion Form ACO-1 within 120 days of spud date;
	 File acreage attribution plat according to field proration orders; Notify appropriate district office 48 hours prior to workover or re-entry;
Approved by:	- Notify appropriate district office 46 flours prior to workover of re-entry, - Submit plugging report (CP-4) after plugging is completed (within 60 days);
This authorization expires:	Obtain written approval before disposing or injecting salt water.
(This authorization void if drilling not started within 12 months of approval date.)	- Opiaili wiilleli appioval pelole dispositiu di illectifiu sait water.

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

Spud date: _

Side Two



For KCC Use ONLY	
API # 15	

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

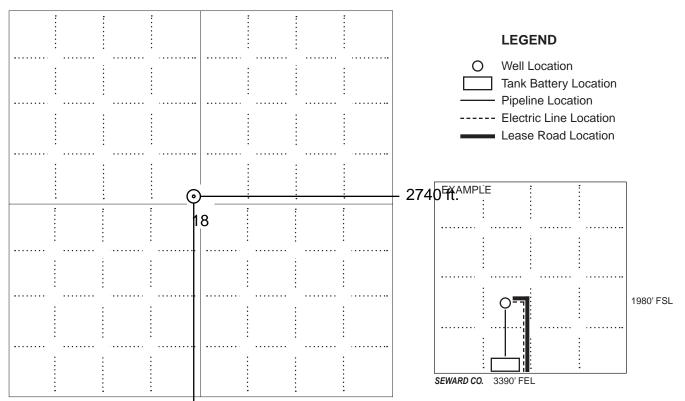
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

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.

2740 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

86500 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)	Pit is: Proposed Existing If Existing, date constructed: Pit capacity: (bbls)		SecTwpR East WestFeet from North / South Line of SectionFeet from East / West Line of SectionCounty
Is the pit located in a Sensitive Ground Water A	rea? Yes	No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)
Is the bottom below ground level?	Artificial Liner?	No	How is the pit lined if a plastic liner is not used?
Pit dimensions (all but working pits):	Length (fee	et)	Width (feet) N/A: Steel Pits
If the pit is lined give a brief description of the li material, thickness and installation procedure.	ner		dures for periodic maintenance and determining any special monitoring.
Distance to nearest water well within one-mile of pit:		Depth to shallo Source of infor	west fresh water feet. nation:
feet Depth of water well	feet	measured	well owner electric log 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 s flow into the pit? Yes No Submitted Electronically		Type of materia Number of wor Abandonment	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
Date Received: Permit Num	ber:	Perm	Liner Steel Pit RFAC RFAS t Date: Lease Inspection: Yes No



Kansas Corporation Commission Oil & Gas Conservation Division

1086500

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

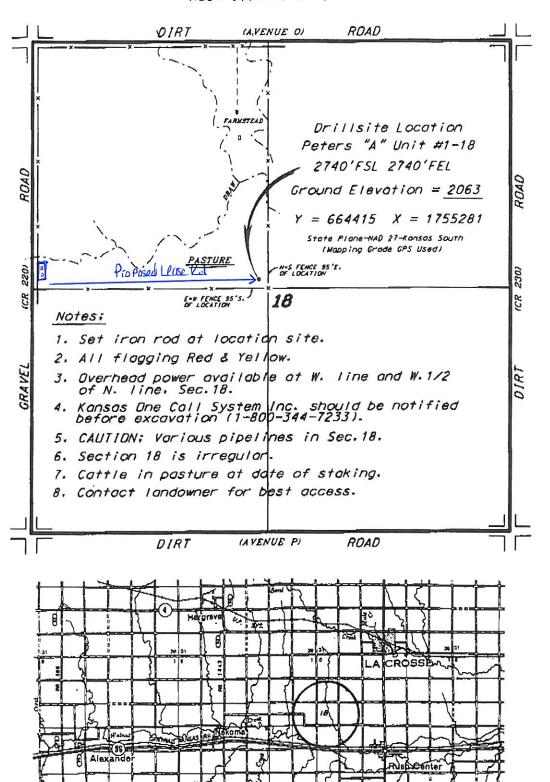
CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

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 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)			
OPERATOR: License #	Well Location:			
	County:			
Address 1:	Lease Name: Well #:			
Address 2: City: State: Zip:+				
Contact Person:	If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:			
Phone: () Fax: ()				
Email Address:				
Surface Owner Information:				
Name:	When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface			
Address 1:	owner information can be found in the records of the register of deeds for the			
Address 2:	county, and in the real estate property tax records of the county treasurer.			
City:				
the KCC with a plat showing the predicted locations of lease roads, tank are preliminary non-binding estimates. The locations may be entered of Select one of the following: I certify that, pursuant to the Kansas Surface Owner Notice A owner(s) of the land upon which the subject well is or will be ICP-1 that I am filing in connection with this form; 2) if the form form; and 3) my operator name, address, phone number, fax, a I have not provided this information to the surface owner(s). I a	acknowledge that, because I have not provided this information, the vner(s). To mitigate the additional cost of the KCC performing this			
If choosing the second option, submit payment of the \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-	fee with this form. If the fee is not received with this form, the KSONA-1 vill be returned.			
Submitted Electronically				
	_			

TRANS PACIFIC OIL CORPORATION PETERS LEASE NW. 1/4, SECTION 18, T185, R18W RUSH COUNTY, KANSAS



Eartruiting data is based upon the best maps and photographs available to us and upon a requier section of long containing 640 occes.

July 3. 2012

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

OIL AND GAS LEASE

Collins, husband and wife whose mailing address is 2200 HWY 96, Rush Center, KS 67575 hereinafter called Lessor called Lessee: e^{th} Agreement, Made and entered into the Collins, husband and wife whose mailing

Lessor, in consideration of Ten and more Dollars (\$10.00+) in hand paid, receipt of which is here by acknowledged and 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 the County of Rush, State of Kansas, described as follows, to-wit:

Northeast Quarter (NE/4)

160 acres, more or less, and all accretions thereto, and containing. 18S Range Township In Section 18

(called "primary term"), and as long thereagher as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land with which said land is pooled. Subject to the provisions herein contained, this lease shall remain in force for a term of Two (2)

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

To deliver to the credit of lessor, free of cost, in the pipe line which lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises. annufacture of any products therefrom, one-eighth (1/8th), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8th) of the proceeds received by lessee 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 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 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. the

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operations 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.

essee 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 he right to draw and remove casing.

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. If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the

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 mortgage, taxes or other liens on the above described lands, in the event of default of payment by the lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessor, 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.

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 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 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 of units not exceeding Lessee shall execute in writing and record in the conveyance records of the county in Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or 640 acres each in the event of a gas well. which the land herein leased is situated pooled in the particular unit involved.

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

Collins Tax ID or SSN:

ACKNOWLEDGEMENT

KANSAS

STATE OF

COUNTY OF RUSH)	The foregoing instrument was acknowledged before me this 6th day of May 2011 By John L. Collins and Teresa A. Collins, husband and wife	IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.	My commission expires 10/1/12	ADAM PETZ NOTARY PUBLIC STATE OF KANSAS //2		The corded of th
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TO 2/18	MDEXED G A N
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	When recorded, return to
	BY
Register of Deeds	Jaroy n. 1900
	the records of this office.
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WICHO!!! WHO

Page 2 of 2

OIL AND GAS LEASE

n, John Lawrence Miller and Constance Mil Lessor (whether one or more), and Trans Pacific between, called Les Agreement, Made and entered into the 31st day of August , 2009, by and I husband and wife whose mailing address is 300 7th Street, Claffin, KS 67525 hereinafter Corporation 100 South Main, Suite 200, Wichita KS 67202 hereinafter called Lessee: Lessor, in consideration of Ten and more Dollars (\$10.00+) in hand paid, receipt of which is here by acknowledged and the royaltics 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 carring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in the County of Kansas, described as follows, to-wit:

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(•	
NACON STATE	:	
	•	

acres, more or less, and all accretions thereto, and the	
160	
and containing	
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Range	
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Township	
18	
In Section	

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 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. long thereafter

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

oil equal one-eighth (1/84) part of all connect wells on said land, the may (1st. To deliver to the credit of lessor, free of cost, in the pipe line which lessee 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 (1/8th) at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8th) 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 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 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 mentioned

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

except water

operations thereon,

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

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's

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

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

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

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 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 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 if all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment. their heirs, until after tl

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 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 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 w, Order, Rule or Regulation.

Lessor hereby warrants and agrees to defend the title to the fands herein described, and agrees that the lessee shall have the right at any time to redeem for ssor, by payment, any mortgage, taxes or other liens on the above described lands, in the event of default of payment by the lessor, and be subrogated to the rights of the older thereof, and the undersigned lessor, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the remises 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. lessor, by paym holder thereof,

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 so as to promote 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 of units not exceeding 640 acres each in the event of an oil well, or into a unit of units not exceeding 640 acres each in the event of an oil well, or into a unit of units of social gas each in the event of an oil well, or into a unit of units of acres each in the event of a gas well. Lessee shall exceute in writing and record in the event of a gas well. Lessee shall exceute in writing and record in 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 interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

dry hole or upon abandonment of any producing well, to restore the premises to their Lessee agrees upon the completion of any test as a dry hol practicable and to remove all equipment within a reasonable time as nearly

Lessee recognizes that all or portions of the above referenced acreage is currently enrolled in CRP. Lessee agrees to comply with all CRP and throughout its operations, including, but not limited to, restoring the surface of the lands as near to original as practical, reseeding the areas disturbed to CRP sprand paying penalties incurred by Lessor due to Lessee's operations.

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

John Laurence Miller
Tax ID or SSN

Onstance

Tax ID or SSN.

LEASE GAS AND

John Lawrence Miller and Constance Miller, ssor (whether one or more), and Trans Pacific Oil by and y of August, 2009, Claffin, KS 67525 her called Lessee: hereinafter into the 31st day of sis 300 7th Street, Cl 31st day entered i and wife whose mailing address tion 100 South Main, Suite 200, and Made husband and Corporation

Lessor, in consideration of Ten and more Dollars (\$10.00+) in hand paid, receipt of which is here by acknowledged and 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 the County of Rush, State of Kansas, described as follows, to-wit:

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acres, more or less, and all accretions thereto, and the		3) years from this date (called "primary term").	duced from said land or land with which said land is pool
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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 therefron, one-eighth (1/8th), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8th) 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.

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growing crops on said land. caused by lessee's operations to pay for damages Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including he 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 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 the 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 all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment. relieved of all their heirs, ountil after th

described apove portions of the Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or 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 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, terminated, in whole or in pa w. Order, Rule or Regulation

for the 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 lessor, by payment, any mortgage, taxes or other liens on the above described lands, in the event of default of payment by the lessor, and be subrogated to the rights of holder thereof, and the undersigned lessor; for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in 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 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 of units not exceeding 640 acres each in the event of an oil well, or into a unit of units not exceeding 640 acres each in the event of an oil well, or into a unit of units not exceeding 640 acres each in the event of an oil well, or into a unit of units not exceeding 640 acres each in the event of an oil well, or into a unit of units not exceeding 640 acres each in the event of an oil well, or into a unit of units not exceeding 640 acres each in the event of an oil well, or into a unit of units not exceeding 640 acres each in the event of a solid production its not exceeding 640 acres each in the event of an event of an oil well, or into a unit of not on the pooled unit, as if it were included in this lease, opposed into a tract or unit 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 interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

to restore the premises well, any producing or upon abandonment of Lessee agrees upon the completion of any test as a dry hole as practicable and to remove all equipment within a reasonable time nearly

'RP regulations' specifications, Lessee agrees to comply with all CRP reseeding the areas disturbed to CRP spe acreage is currently enrolled in CRP. lands as near to original as practical, r Lessee recognizes that all or portions of the above referenced and paying penalties including, but not limited to, restoring the surface of the and paying penalties incurred by Lessor due to Lessee's operations.

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

John Zawrence Miller ID or SSN

69 Ista Constance Miller

Tax ID or SSN:

OIL AND GAS LEASE

8th day of September, 2009, by and between, Charlotte F. Peters, a married woman whose hereinafter called Lessor (whether one or more), and Trans Pacific Oil Corporation 100 South Main, 18th Agreement, Made and entered into the 18 mailing address is 320 W 8th, La Crosse, KS 67548 Suite 200, Wichita KS 67202 hereinafter called Lessee: Lessor, in consideration of Ten and more Dollars (\$10.00+) in hand paid, receipt of which is here by acknowledged and the royaltics 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 the County of Rush, State of Kansas, described as follows, to-wit:

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_ acres, more or less, and all accretions thereto, and the
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and containing
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Range
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Township
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In Section

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 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:

the credit of lessor, free of cost, in the pipe line which lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil To deliver to the credity of the credity of the 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 (1/8th), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8th) of the proceeds received by lessee 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 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 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

provided for Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operations thereon, except water from the wells of lessor. 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 said lessor only in the proportion which lessor's interest bears to the whole and undivided fee. shall be paid the

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 he 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 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 terminated, in whole or in par w. Order, Rule or Regulation. Law, Order,

for the 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 lessor, by payment, any mortgage, taxes or other liens on the above described lands, in the event of default of payment by the lessor, and be subrogated to the rights of holder thereof, and the undersigned lessor, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in 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.

Lesses, 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 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 of units not exceeding 640 acres each in the event of an oil well, or into a unit of units not exceeding 640 acres each 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 written.

Charlotte F. Peters

Tax ID or SSN:

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



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

Sam Brownback, Governor

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

July 18, 2012

Glenna Lowe Trans Pacific Oil Corporation 100 S MAIN STE 200 WICHITA, KS 67202-3735

Re: Drilling Pit Application Peters 'A' Unit 1-18 NW/4 Sec.18-18S-18W Rush County, Kansas

Dear Glenna Lowe:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, the bottom shall be flat and reasonably level and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again within 96 hours after drilling operations have ceased.

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

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

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