



1089073

For KCC Use ONLY

API # 15 - _____

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

Operator: _____

Lease: _____

Well Number: _____

Field: _____

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - _____ - _____ - _____

Location of Well: County: _____

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Sec. _____ Twp. _____ S. R. _____ E W

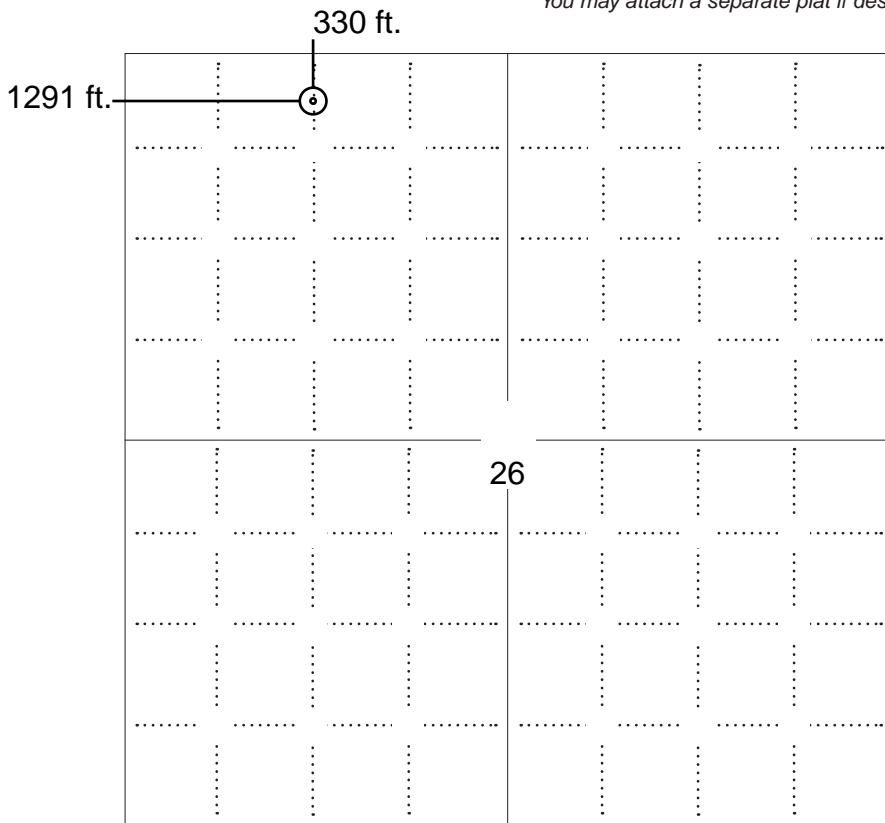
Is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

PLAT

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



LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location



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

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.



APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: _____		License Number: _____	
Operator Address: _____			
Contact Person: _____		Phone Number: _____	
Lease Name & Well No.: _____		Pit Location (QQQQ): _____-_____-_____-_____	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	
How is the pit lined if a plastic liner is not used?		_____	
Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) <input type="checkbox"/> No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit: _____ feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ _____ Drill pits must be closed within 365 days of spud date.	
<p>Submitted Electronically</p>			

KCC OFFICE USE ONLY

Liner Steel Pit RFAC RFAS

Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: Yes No



CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

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

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

OPERATOR: License # _____
Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Contact Person: _____
Phone: (_____) _____ Fax: (_____) _____
Email Address: _____

Well Location:
____ - ____ - ____ - ____ Sec. ____ Twp. ____ S. R. ____ East West
County: _____
Lease Name: _____ Well #: _____

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____

When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

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

Select one of the following:

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

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

I Submitted Electronically

OIL AND GAS LEASE

THIS AGREEMENT, Entered into this 31st day of July, 2008
between Chad W. Griffith and Suzanne E. Griffith, husband and wife
10901 Highway 95
Scott City, Kansas 67871 hereinafter called lessor,
and Thomas Energy, Inc., 209 E. William, Suite 908, Wichita, Kansas 67202 hereinafter called lessee, does witness:

1. That lessor, for and in consideration of the sum of ten (\$10.00) and more Dollars in hand paid and of the covenants and agreements, hereinafter contained to be performed by the lessee, has this day granted, leased, and let and by these presents does hereby grant, lease, and let exclusively unto the lessee the hereinafter described land, with any reversionary rights therein, and with the right to unitize this lease or any part thereof with other oil and gas leases as to all or any part of the lands covered thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata, and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of Scott State of Kansas, and described as follows:

Township 16 South, Range 33 West
Parts of Section 23, 24, 25 and 26 more particularly described on Exhibit "A" attached hereto and made a part hereof

containing .1413 acres, more or less.

2. This lease shall remain in force for a term of Three (3) year (called "primary term") and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is or can be produced.

3. The lessee shall deliver to lessor as royalty, free of cost, on the lease, or into the pipe line to which lessee may connect its wells the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises, or at the lessee's option may pay to the lessor for such one-eighth (1/8th) royalty the market price at the wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipe line or into storage tanks.

4. The lessee shall pay to the lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the lessee from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased. If such gas is not sold by the lessee, lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to one dollar per net mineral acre, and while said shut in royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas.

5. This lease is a paid-up lease and may be maintained during the primary term without further payments or drilling operations.

6. In the event said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein then the royalties herein provided for shall be paid to said lessor only in the proportion which his interest bears to the whole and undivided fee, however, in the event the title to any interest in said land should revert to lessor, or his heirs, or his or their grantee, this lease shall cover such reversion.

7. The lessee shall have the right to use free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the lessor. When required by lessor, the lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the lessor. Lessee shall have the right at any time during, or after the expiration of this lease to remove all machinery, fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.

8. If the estate of either party hereto is assigned (and the privilege of assigning in whole or in part is expressly allowed), the covenants hereof shall extend to the heirs, devisees, executors, administrators, successors, and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee, and no change of ownership in the land or in the royalties or any sum due under this lease shall be binding on the lessee until it has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or certified copy of the proceedings showing the appointment of an administrator for the estate of any deceased owner, whichever is appropriate, together with all original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, devisee, or administrator, executor, or heir of lessor.

9. If the leased premises are now or shall hereafter be owned severally or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on the part of the lessee to offset wells on separate tracts into which the land covered by this lease may now or hereafter be divided by sale, devisee, descent or otherwise, or to furnish separate measuring or receiving tanks.

10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee, at its option, may pay and discharge in whole or in part any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in the event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty accruing hereunder.

11. If after the expiration of the primary term, production of oil or gas should cease from any cause, this lease shall not terminate if lessee commences additional drilling or reworking operations within one hundred-twenty (120) days thereafter, or if at the expiration of the primary term, oil or gas is not being produced on said land, but lessee is then engaged in drilling or reworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the same well or any other well thereafter commenced, with no cessation of more than one hundred twenty (120) consecutive days, and if they result in production of oil or gas, this lease shall remain in effect so long thereafter as there is production of oil or gas under any provisions of this lease.

12. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and determine, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.


13. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended.

14. Lessee, at its option, is hereby given the right and power to pool or combine into one or more units the land covered by this lease, or any portion thereof, with other land covered by another lease, or leases when, in lessee's judgment, it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 80 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas and/or condensate or distillate well, plus a tolerance of ten percent (10%) to conform to Governmental Survey quarter sections. Lessee shall execute in writing and file for record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on any such unit shall be and constitute a well hereunder. In lieu of the royalties elsewhere herein specified lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

15. If at the end of the primary term this lease is not otherwise continued in force under the provisions hereof, this lease shall expire, unless Lessee on or before the end of the primary term shall pay or tender to lessor the sum of Ten dollars (\$10.00) multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this lease; and subject to the other provisions of this lease, this lease shall thereby be modified and the primary term shall be extended for an additional term of Two (2) years from the end of the primary term. Said payment may be made by check or draft of Lessee or any assignee thereof, mailed or delivered direct to Lessor at the address first provided above, on or before the end of the primary term.

16. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor and lessee.

IN WITNESS WHEREOF, we sign the day and year first above written.


Chad W. Griffith


Suzanne E. Griffith

STATE OF KANSAS)

COUNTY OF SCOTT)

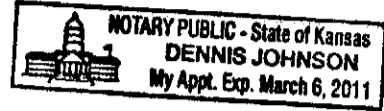
ss. ACKNOWLEDGMENT FOR INDIVIDUAL

This instrument was acknowledged to me on this 1st day of August, 2008, by Chad W. Griffith

My commission expires: 3/6/11

[Signature]
Dennis Johnson

Notary Public
(Type/Print Name)



STATE OF KANSAS)

COUNTY OF SCOTT)

ss. ACKNOWLEDGMENT FOR INDIVIDUAL

This instrument was acknowledged to me on this 1st day of August, 2008, by Suzanne E. Griffith

My commission expires: 3/6/11

[Signature]
Dennis Johnson

Notary Public
(Type/Print Name)



STATE OF KANSAS, SCOTT COUNTY, SS
This instrument was filed for record on the 10 day of September A.D. 2008
10 o'clock A.M., and duly recorded in book 222 page 26
Debbie Murphy
\$ 28.00 Register of Deeds

COMPUTER
NUMERIC ds

EXHIBIT "A"

Attached hereto and made a part hereof that certain extension of oil and gas lease dated July 31, 2008 by and between Chad W. Griffith and Suzanne E. Griffith, husband and wife, as lessor and Thomas Energy, Inc., as lessee, covering lands situated in Scott County, Kansas.

Legal Descriptions

A tract of land in Section Twenty-five (25), Township Sixteen (16) South, Range Thirty-three (33) West of the Sixth Principal Meridian, more particularly described as follows: Commencing at the Southeast corner of Section 25, Township 16 South, Range 33 West of the 6th P.M.; thence West along the South Line of Section 25 for a distance of 1082.35 feet to the point of beginning; thence continuing on the South Section line for a distance of 759.08 feet; thence bearing North 38°38'02" West for a distance of 1759.83 feet; thence bearing North 60°50'16" West for a distance of 1506.70 feet; thence bearing South 68°26'34" West for a distance of 151.35 feet to the West boundary of Beaver Creek; thence the following bearings and distances follow along the West boundary of Beaver Creek to Kansas Highway 95; bearing North 10°11'04" West for a distance 160.16 feet; thence bearing North 87°08'42" West for a distance of 420.35 feet; thence bearing North 4°32'42" West for a distance of 885.25 feet; thence bearing North 67°41'24" East for a distance of 315.91 feet; thence bearing North 17°00'54" East for a distance of 271.04 feet; thence bearing North 42°49'47" East for a distance of 363.50 feet; thence bearing North 60°48'30" East for a distance of 368.81 feet; thence bearing South 66°16'33" East for a distance of 397.98 feet; thence bearing North 87°17'57" East for a distance of 387.12 feet; thence bearing North 63°03'48" East for a distance of 186.62 feet; thence bearing North 83°24'34" East for a distance of 261.05 feet; thence bearing North 34°09'38" East for a distance of 76.33 feet; thence bearing North 77°28'22" West for a distance of 271.18 feet; thence bearing North 20°25'10" East for a distance of 162.06 feet; thence bearing North 87°54'19" East for a distance of 626.79 feet; thence bearing North 37°58'53" East for a distance of 318.93 feet; thence bearing South 43°04'07" East for a distance of 243.42 feet; thence bearing South 60°03'15" East for a distance of 192.64 feet to the West Right of Way Line of Kansas Highway 95; thence the following bearings and distance follow along the West Right of Way line of Kansas Highway 95 to the point of beginning, bearing South 08°27'42" West for a distance of 500.20 feet thence Southerly along a curve to the left having a delta of 20°34'53", radius of 2748.79 feet, curve length of 987.40 feet; chord bearing South 1°50'18" East and distance of 982.10 feet; thence bearing South 12°07'11" East for a distance of 2038.90 feet; thence Southeasterly along a curve to the left having a delta of 18°59'11", radius of 1481.53 feet, curve length of 490.94 feet, chord bearing South 21°35'14" East and distance of 488.70 feet; thence bearing South 31°06'22" East for a distance of 306.52 feet to the point of beginning;

EXCEPT A tract commencing at the Southeast corner of Section 25, Township 16 South, Range 33 West; thence West bearing North 90°00' West for a distance of 1,606.43 feet to the point of beginning. (The point of beginning is Station "A" of the Jenkins Survey dated December 11, 1984.)

Commencing at Station "A" at the Southwest corner of the Tract, thence North 00°00' East for a distance of 387.2 feet, along the West boundary of the tract to Station "B", thence East bearing North 90°00' East for a distance of 290.8 feet along the North boundary of the tract to Station "C", thence Southeast bearing South 31°07' East for a distance of 453 feet along the Northeast boundary of the tract to Station "D", and thence North 90°00' West for a distance of 525.2 feet along the South boundary of the tract to Station "A", the point of beginning. The above tract contains 3.63 acres, more or less; AND

A tract of land in the Southeast Quarter (SE/4) of Section Twenty-five (25), Township Sixteen (16) South, Range Thirty-Three (33) West of the 6th P.M., more particularly described as follows: Commencing at the Southeast corner of Section 25, Township 16 South, Range 33 West of the 6th P.M.; thence west bearing north 90°00'00" west for a distance of 1606.43 feet to the point of beginning; thence continuing west bearing north 90°00'00" West for a distance of 225 feet; thence north bearing north 0°00'00" east for a distance of 387.20 feet; thence east bearing south 90°00'00" east for a distance of 225 feet; thence south bearing south 0°00'00" west for a distance of 387.20 feet to the point of beginning.

All of Section Twenty-Three (23), EXCEPT the East Thirty (30) acres of the Southeast Quarter of the Southeast Quarter (SE/4 of SE/4); the West Half (W/2) of Section Twenty-Four (24), EXCEPT a tract beginning at the Northeast Corner of the Northwest Quarter (NW/4) of said Section, thence West along the North line of said quarter for a distance of 650 feet, thence South at right angles for a distance of less than 500 feet to the Northerly line of the County Right of Way, thence in a Southeasterly direction along said road right of way to a point on the east line of said quarter 520 feet south of the Northeast corner of said quarter, thence North along the East line of said quarter to the point of beginning; AND EXCEPT a tract beginning at the Northeast corner of the Northwest Quarter (NW/4) of said section, thence West along the North line of said quarter for a distance of 650 feet to the point of beginning, thence South at right angles for a distance of less than 500 feet to the northerly line of the County Road Right of Way, thence in a northwesterly direction along said road right of way to a point on the North line where the northerly line of the present County Road Right of Way intersects the North line of said quarter section, thence East along the North line of said quarter for a distance of approximately 757.2 feet to the point of beginning; the Southwest Quarter of the Northeast Quarter (SW/4 of NE/4) of Section Twenty-Four (24), lying West of the now existing State Park Road; the West Half of the Southeast Quarter (S/2 of SE/4) of Section Twenty-Four (24), lying West of the now existing State Park Road, EXCEPT a tract starting at the Northeast corner of the West Half (W/2) of the Northeast Quarter (NE/4) of said Section Twenty-Four (24) and thence going West long the North section line for a distance of 168.25 feet, thence turning 94 degrees 13 minutes and going Southwesterly for a distance of 85.56 feet, thence turning an interior angle of 175 degrees 47 minutes and going south along the west boundary right of way line of Kansas Highway K-95 for a distance of 3,607.9 feet, and from that point continuing South for a distance of 301 feet to the true point of beginning of the described tract, thence continuing south for a distance of 301 feet, thence turning 90 degrees 00 minutes and going West for a distance of 1,000 feet, thence turning 90 degrees 00 minutes and going North for a distance of 301 feet, thence turning 90 degrees 00 minutes and going East for a distance of 1,000 feet to the point of beginning containing 6.91 acres, more or less, AND EXCEPT a tract starting at the Northeast corner of the West Half of the Northeast Quarter (W/2 of NE/4) of said section and thence going West along the North section line for a distance of 168.25 feet, thence turning 94 degrees 13 minutes and going Southeasterly for a distance of 85.56 feet, thence turning an interior angle of 175 degrees 47 minutes and going South along the West boundary right of way line of Kansas Highway K-95 for a distance of 3,607.9 feet to the true point of beginning, thence continuing South for a distance of 301 feet, thence turning 90 degrees 00 minutes and going West for a distance of 1,000 feet, thence turning 90 degrees 00 minutes and going North for a distance of 301 feet, thence turning 90 degrees 00 minutes and going East for a distance of 1,000 feet to the point of beginning, containing 6.91

acres, more or less; the Northwest Quarter (NW/4) of Section Twenty-Five (25); the portion lying west of the now existing State Park Road in the Northeast Quarter (NE/4) of Section Twenty-Five (25), being approximately 24 acres; the North Half of the North Half (N/2 of N/2) and the Southwest Quarter of the Northwest Quarter (SW/4 of NW/4) and the West Half of the Southeast Quarter of Northwest Quarter (W/2 of SE/4 of NW/4) and the East Half of the Southeast Quarter of Northeast Quarter (E/2 of SE/4 of NE/4) of the Southwest Quarter (SW/4) of Section Twenty-Five (25) being approximately 60 acres; that portion lying West of the now existing State Park Road in the Southeast Quarter (SE/4) of Section Twenty-Five (25) being approximately 10 acres; the North Half of the North Half (N/2 of N/2) of Section Twenty-Six (26); all in Township Sixteen South, Range Thirty-Three (33) West of the Sixth Principal Meridian. EXCEPT a tract of land in Section Twenty-Five (25), Township Sixteen (16) South, Range Thirty-Three (33) West of the 6th P.M. more particularly described as follows: COMMENCING at the Southeast corner of the Southwest Quarter (SW/4) of said Section Twenty-Five (25), thence going east on the section line 742.2 feet to the point of beginning; thence going northwesterly at 53 degrees 30 minutes for a distance of 1,247.52 feet; thence going northwesterly at 70 degrees 78 minutes for a distance of 1,166.64 feet; thence going westerly crossing the Beaver Creek, to the west boundary of the Beaver Creek; thence traveling north/northeasterly along the bank of the Beaver Creek to the right of way of Kansas Highway 95; thence going south along the right of way of Kansas Highway 95 to the south section line of Section Twenty-Five (25); thence westerly to the point of beginning; said tract containing 185 acres, more or less.

and to include conveyance of the following tracts

Tract 1: A tract of land located adjacent to Section 25, Township 16 South, Range 33 West of the 6th P.M.; beginning at the Northwest corner of said Section 25; thence Southerly along the West line of Section 25 for a distance of 1309.32 feet; thence Westerly at an interior angle of 89 degrees 48 minutes 04 seconds for a distance of 660 feet; thence Northerly parallel to the West line of Section 25 at an interior angle of 90 degrees 11 minutes 56 seconds for a distance of 1309.32 feet; thence Easterly at an interior angle of 89 degrees 48 minutes 04 seconds for a distance of 660 feet to the point of beginning.

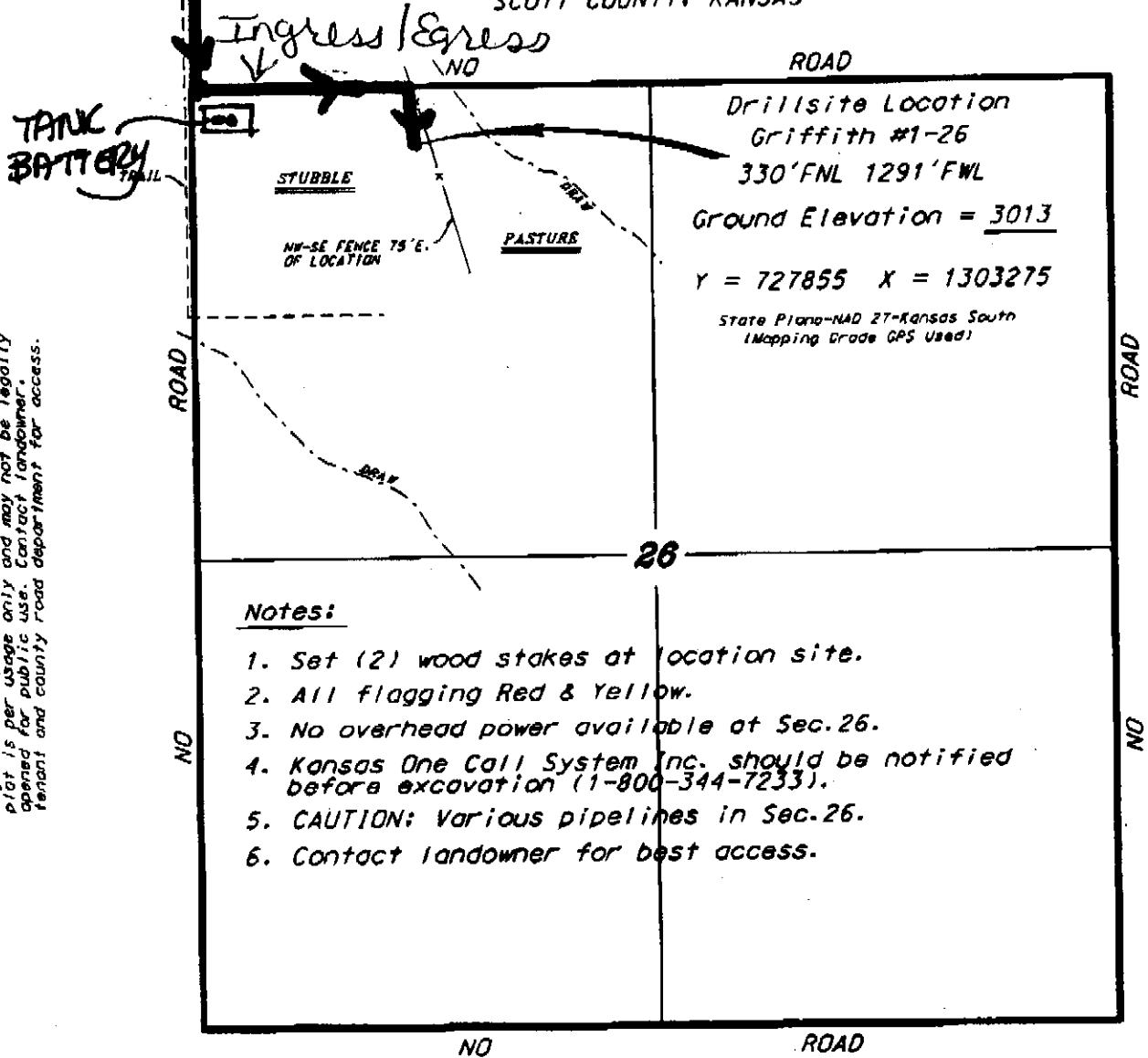
Tract 2: A tract of land located in the Northwest Quarter of Section 25, Township 16 South, Range 33 West of the 6th P.M., beginning at the Northwest corner of Section 25; thence Easterly along the North line of Section 25 for a distance of 832.74 feet; thence Southeasterly at an interior angle of 141 degrees 20 minutes 17 seconds for a distance of 692.89 feet; thence Southeasterly at an interior angle of 197 degrees 13 minutes 24 seconds for a distance of 318.78 feet; thence Southeasterly at an interior angle of 143 degrees 56 minutes 15 seconds for a distance of 236.50 feet; thence Southwesterly at an interior angle of 99 degrees 04 minutes 10 seconds for a distance of 124.39 feet; thence Westerly at an interior angle of 141 degrees 14 minutes 11 seconds for a distance of 1401.14 feet; thence Southwesterly at an interior angle of 236 degrees 17 minutes 05 seconds for a distance of 477.71 feet; thence Westerly at an interior angle of 120 degrees 54 minutes 38 seconds for a distance of 55.00 feet to a point on the West line of said Section 25; thence Northerly along the West line of said Section 25 at an interior angle of 90 degrees 11 minutes 56 seconds for a distance of 1309.32 feet to the point of beginning.

A tract of land located adjacent to Section 25, Township 16 South, Range 33 West of the 6th P.M.; beginning at the Northwest corner of said Section 25; thence Southerly along the West line of Section 25 for a distance of 1309.32 feet; thence Westerly at an interior angle of 89 degrees 48 minutes 04 seconds for a distance of 660 feet; thence Northerly parallel to the West line of Section 25 at an interior angle of 90 degrees 11 minutes 56 seconds for a distance of 1309.32 feet; thence Easterly at an interior angle of 89 degrees 48 minutes 04 seconds for a distance of 660 feet to the point of beginning; and,

A tract of land located in the Northwest Quarter of Section 25, Township 16 South, Range 33 West of the 6th P.M., beginning at the Northwest corner of Section 25; thence Easterly along the North line of Section 25 for a distance of 832.74 feet; thence Southeasterly at an interior angle of 141 degrees 20 minutes 17 seconds for a distance of 692.89 feet; thence Southeasterly at an interior angle of 197 degrees 13 minutes 24 seconds for a distance of 318.78 feet; thence Southeasterly at an interior angle of 143 degrees 56 minutes 15 seconds for a distance of 236.50 feet; thence Southwesterly at an interior angle of 99 degrees 04 minutes 10 seconds for a distance of 124.39 feet; thence Westerly at an interior angle of 141 degrees 14 minutes 11 seconds for a distance of 1401.14 feet; thence Southwesterly at an interior angle of 236 degrees 17 minutes 05 seconds for a distance of 477.71 feet; thence Westerly at an interior angle of 120 degrees 54 minutes 38 seconds for a distance of 55.00 feet to a point on the West line of said Section 25; thence Northerly along the West line of said Section 25 at an interior angle of 90 degrees 11 minutes 56 seconds for a distance of 1309.32 feet to the point of beginning.

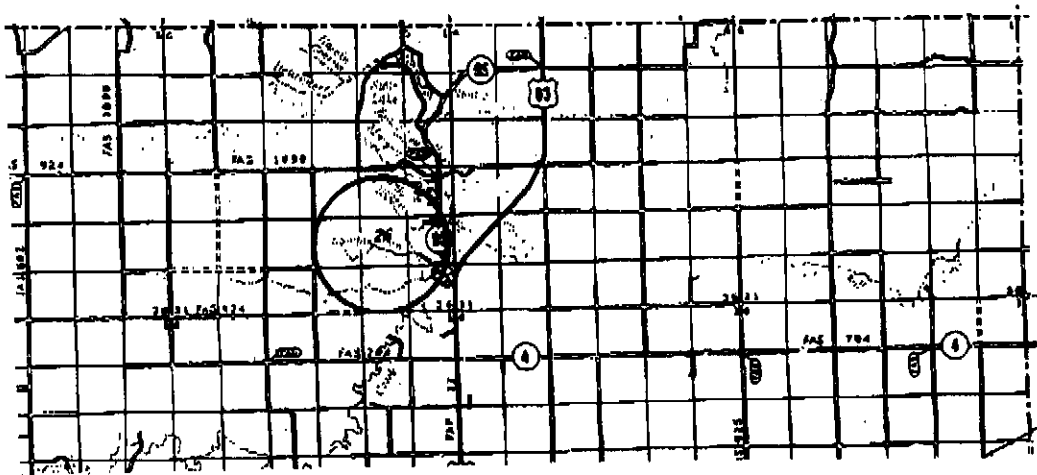
End of Exhibit "A"

GRAND MESA OPERATING COMPANY
 GRIFFITH LEASE
 NW. 1/4, SECTION 26, T16S, R33W
 SCOTT COUNTY, KANSAS



Notes:

1. Set (2) wood stakes at location site.
2. All flagging Red & Yellow.
3. No overhead power available at Sec. 26.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec. 26.
6. Contact landowner for best access.



* Ingress and egress to location as shown on this plot is for usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.

• Controlling data is based upon the best map and photographs available to us and upon a regular section of land containing 140 acres.
 • Approximate section lines were determined using the normal standards of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drill site location in the section is not guaranteed. Therefore, the operator assuming this service and locating this site and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, suits and expenses and hold entities released from any liability from incidental or consequential damages.

August 1, 2012

Date

August 07, 2012

Ronald N. Sinclair
Grand Mesa Operating Company
1700 N WATERFRONT PKWY BLDG 600
WICHITA, KS 67206-5514

Re: Drilling Pit Application
GRIFFITH 1-26
NW/4 Sec.26-16S-33W
Scott County, Kansas

Dear Ronald N. Sinclair:

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

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

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

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