



1092856

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

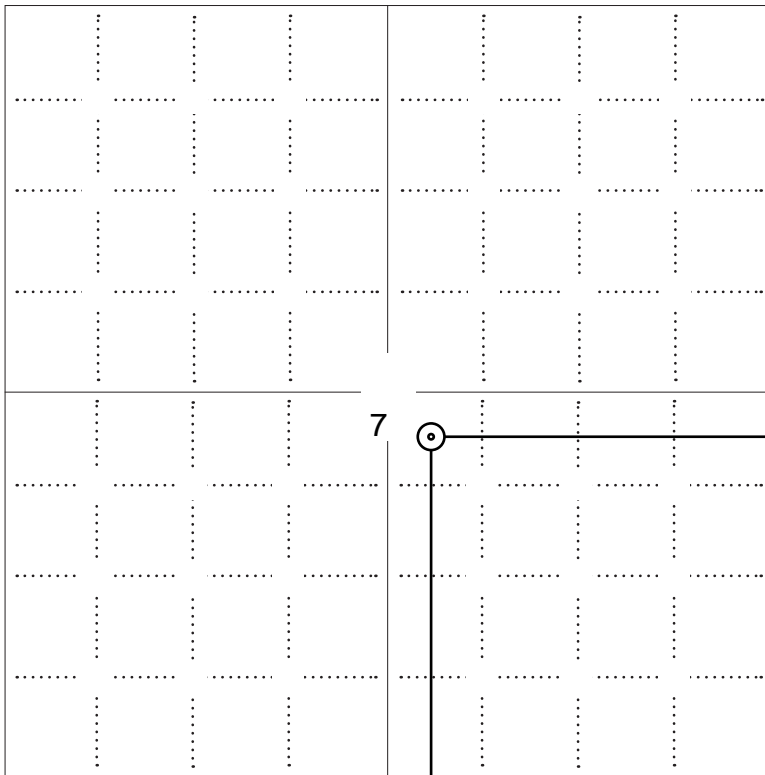
Is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

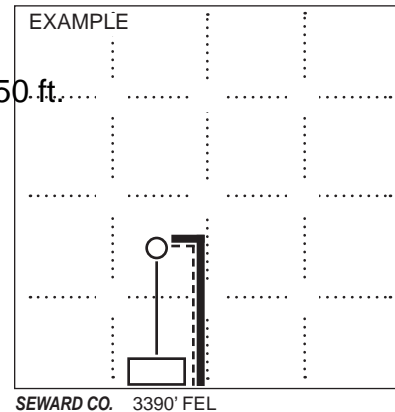
PLAT

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.

2330 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 1092856
OIL & GAS CONSERVATION DIVISION

Form CDP-1
May 2010
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

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

KCC OFFICE USE ONLY

Liner Steel Pit RFAC RFAS

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



CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

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

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

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

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

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

Surface Owner Information:

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

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

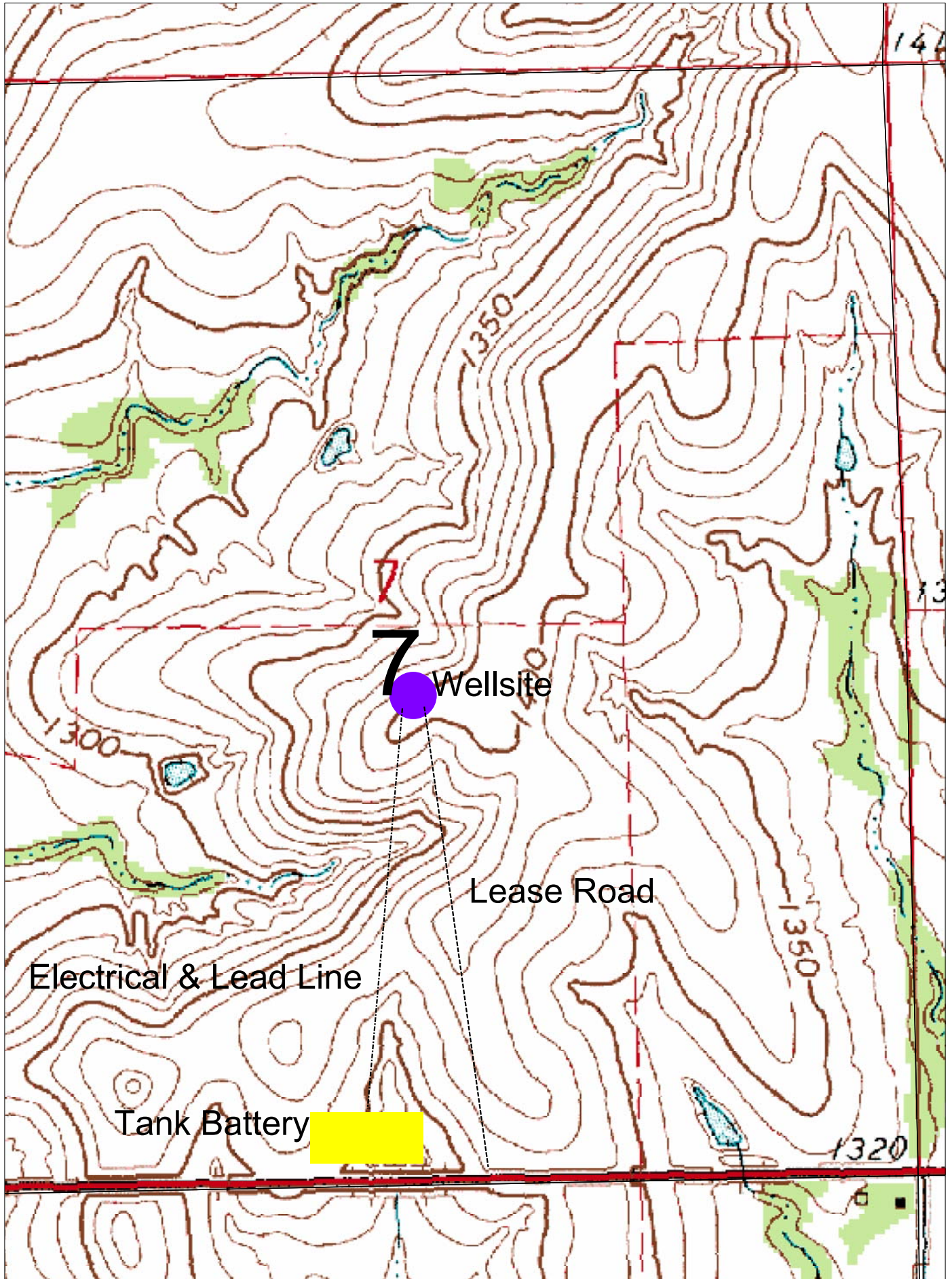
If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary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

Select one of the following:

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

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

I Submitted Electronically



EXTENSION OF OIL AND GAS LEASE

FILE NO. _____

WHEREAS, John O. Farmer, Inc.



VICTORIA LOPEZ, REGISTER OF DEEDS
REC FEE: \$8.00 05/16/2012 10:30:09AM

_____ is/are the owner(s) and holder(s) of an oil and gas lease on the following described land in Lyon County, State of Kansas:

The Northeast Quarter (NE $\frac{1}{4}$)

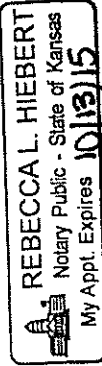
of Section 7, Township 16 South, Range 10 East and recorded in Book 607, & extended in #2010-00967 /, Page 97 of the Records of said County, and

WHEREAS, said lease expires in the absence of drilling operations on May 14, 2012 and the said owner(s) and holder(s) desire(s) to have the term of said lease extended; NOW, THEREFORE, the undersigned, for themselves, their heirs, executors, administrators and assigns, for and in consideration of One and other Dollars, in hand paid, the receipt whereof is hereby acknowledged, does hereby agree that the said term of said lease shall be and is hereby extended, with the same tenor and effect as if such extended term had been originally expressed in such lease, for a period of one (1) years from the date of the said expiration thereof and as long thereafter as oil or gas (including casinghead gas) is produced from any well on the land covered by said lease; subject, however, in all other respects, to the provisions and conditions of said lease or said lease as modified, if any modification thereof may have been heretofore executed.

IN WITNESS WHEREOF, this instrument is signed on this the 11th day of May, 2012.

Martin D. Gilbert
Martin D. Gilbert

LaVaughn K. Gilbert
LaVaughn K. Gilbert



STATE OF Kansas } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Oklahoma and Kansas)
COUNTY OF Lyon }
Before me, the undersigned, a Notary Public, within and for said County and State, on this 11th day of May, 2012, personally appeared Martin D. Gilbert and LaVaughn K. Gilbert, his wife

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the 11th day and year last above written. My commission expires 10/13/15

Rebecca L. Hiebert
Notary Public

STATE OF _____ } ss. ACKNOWLEDGMENT FOR CORPORATION
COUNTY OF _____ } (Oklahoma and Kansas)

Before me, the undersigned, a Notary Public, within and for said County and State, on this _____ day of _____, _____, personally appeared _____ to me known to be the identical person who

subscribed the name of the maker thereof to the within and foregoing instrument as its _____

President and acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

In Testimony Whereof, I have hereunto set my hand and official seal the day and year last above written.

My commission expires _____ Notary Public.

27046

EXTENSION OF OIL AND GAS LEASE

FILE NO. _____

WHEREAS, John O. Farmer, Inc.

_____ is, are the owner(s) and holder(s) of an oil and gas lease on the following described land in Lyon County, State of Kansas;

The Northeast Quarter (NE $\frac{1}{4}$)

of Section 7, Township 16 South, Range 10 East and recorded in Book 607, Page 97 of the Records of said County, and

WHEREAS, said lease expires in the absence of drilling operations on May 14, 2010 and the said owner(s) and holder(s) desire(s) to have the term of said lease extended;

NOW, THEREFORE, the undersigned, for themselves, their heirs, executors, administrators and assigns, for and in consideration of One and other Dollars, in hand paid, the receipt whereof is hereby acknowledged, does hereby agree that the said term of said lease shall be and is hereby extended, with the same tenor and effect as if such extended term had been originally expressed in such lease, for a period of two (2) years from the date of the said expiration thereof and as long thereafter as oil or gas (including casinghead gas) is produced from any well on the land covered by said lease; subject, however, in all other respects, to the provisions and conditions of said lease or said lease as modified, if any modification thereof may have been heretofore executed.

IN WITNESS WHEREOF, this instrument is signed on this the _____ day of April, 2010.



STATE OF KS LYON CO
VICTORIA LOPEZ, REGISTER OF DEEDS

2010-00967

DATE RECORDED: 03/30/2010 10:09:04AM

HTG INDEBT: 0.00 RECEIPT #: 6867

REC FEE: \$ 6.00

TECH FEE: \$ 2.00

Martin D. Gilbert
Martin D. Gilbert
LaVaughn K. Gilbert
LaVaughn K. Gilbert

STATE OF Kansas } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Oklahoma and Kansas)
COUNTY OF Lyon }
Before me, the undersigned, a Notary Public, within and for said County and State, on this 24th day of February, 2010, personally appeared Martin D. Gilbert and LaVaughn K. Gilbert, his wife

to me personally known to be the identical persons who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.
My commission expires 3/20/2011 Shelby J. Wiggins Notary Public



STATE OF Kansas
COUNTY OF Lyon
Before me, the undersigned, a Notary Public, within and for said County and State, on this 24th day of February, 2010, personally appeared LaVaughn and Martin Gilbert

subscribed the name of the maker thereof to the within and foregoing instrument as its President and acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

In Testimony Whereof, I have hereunto set my hand and official seal the day and year last above written.
My commission expires 3/20/2011 Shelby J. Wiggins Notary Public

84.00
8.00

27046

FORM 88 - (PRODUCER'S SPECIAL) (PAID-UP)

63U (Rev. 1993)

OIL AND GAS LEASE

Reorder No. 09-115

Kansas Blue Print
700 S. Broadway, PO Box 793
Wichita, KS 67201-0793
316-268-6544 • 316-268-1665 fax
www.kbp.com • kbp@kbp.com



AGREEMENT, Made and entered into the 14th day of May 2007

by and between Martin D. Gilbert and LaVaughn K. Gilbert, his wife

whose mailing address is 15330 Guadalupe River Dr., Corpus Christi, TX 78410 hereinafter called Lessor (whether one or more),
and John O. Farmer, Inc.

hereinafter called Lessee;

Lessor, in consideration of One and other Dollars (\$ 1.00+) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of LYON State of KANSAS described as follows to-wit:

The Northeast Quarter (NE $\frac{1}{4}$)

In Section 7 Township 16 South Range 10 East and containing 160 acres, more or less, and all accretions thereto.

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

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

- 1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.
 - 2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8) at the market price at the well, but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales, for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1.00) per per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.
- This lease may be maintained during the primary term hereof without further payment or drilling operations. If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed within the term of years first mentioned.
- If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the said lessor only in the proportion which lessor's interest bears to the whole and undivided fee.
- Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operation thereon, except water from the wells of lessor.
- When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.
- No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of lessor.
- Lessee shall pay for damages caused by lessee's operations to growing crops on said land.
- Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.
- If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.
- Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.
- All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

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

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

Addition:

THERE WILL BE NO POND WATER USAGE

MDS
JES

STATE OF KANSAS LYON CO.
VOL 607 PAGE 97

2007 JUN 28 PM 12:37

REGISTER OF DEEDS
VICTORIA LOPEZ

REPRODUCTION OF ORIGINAL RECORD

97

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

Martin D. Gilbert
Martin D. Gilbert

LaVaughn K. Gilbert
LaVaughn K. Gilbert

EXTENSION OF OIL AND GAS LEASE

FILE NO. _____

WHEREAS, John O. Farmer, Inc.



VICTORIA LOPEZ, REGISTER OF DEEDS
REC FEE: \$8.00 05/16/2012 10:30:09AM

_____ is/are the owner(s) and holder(s) of an oil and gas lease on the following described land in LYON County, State of Kansas:
The Northwest Quarter (NW $\frac{1}{4}$) except the following described tract: Beginning at the Southwest corner of the Northwest Quarter (NW $\frac{1}{4}$) of Section 7, Township 16 South, Range 10 East, thence East along the South line of the Northwest Quarter (NW $\frac{1}{4}$) of Section 7, approximately 1212.00 feet, thence North 01°23'11" West to the North line of Section 7, thence North 90°00'00" West along the North line of Section 7, 1118.50 feet to the Northwest corner of Section 7, thence South 00°13'13" West along the West line of Section 7 to the point of beginning / & extended in #2010-00965 of Section 7, Township 16 South, Range 10 East and recorded in Book 607, Page 99 of the Records of said County, and

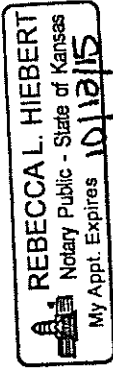
WHEREAS, said lease expires in the absence of drilling operations on May 14, 2012 and the said owner(s) and holder(s) desire(s) to have the term of said lease extended;

NOW, THEREFORE, the undersigned, for themselves, their heirs, executors, administrators and assigns, for and in consideration of One and other Dollars, in hand paid, the receipt whereof is hereby acknowledged, does hereby agree that the said term of said lease shall be and is hereby extended, with the same tenor and effect as if such extended term had been originally expressed in such lease, for a period of One (1) years from the date of the said expiration thereof and as long thereafter as oil or gas (including casinghead gas) is produced from any well on the land covered by said lease; subject, however, in all other respects, to the provisions and conditions of said lease or said lease as modified, if any modification thereof may have been heretofore executed.

IN WITNESS WHEREOF, this instrument is signed on this the 11th day of May, 2012.

Martin D. Gilbert
Martin D. Gilbert

Rebecca K. Gilbert
Rebecca K. Gilbert



STATE OF Kansas } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Oklahoma and Kansas)
COUNTY OF Lyon Morris }
Before me, the undersigned, a Notary Public, within and for said County and State, on this 11th day of May, 2012, personally appeared Martin D. Gilbert and LaVaughn K. Gilbert, his wife

to me personally known to be the identical person ... Who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the 11th day and year last above written.
My commission expires 10/13/15 Rebecca K. Gilbert
Notary Public

STATE OF _____ } ss.
COUNTY OF _____ } ACKNOWLEDGMENT FOR CORPORATION
(Oklahoma and Kansas)

Before me, the undersigned, a Notary Public, within and for said County and State, on this _____ day of _____, _____, personally appeared _____

_____ to me known to be the identical person who

subscribed the name of the maker thereof to the within and foregoing instrument as its President and acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

In Testimony Whereof, I have hereunto set my hand and official seal the day and year last above written.
My commission expires _____
Notary Public.

EXTENSION OF OIL AND GAS LEASE

FILE NO. _____

WHEREAS, John O. Farmer, Inc.

_____ is, are the owner(s) and holder(s) of an oil and gas lease on the following described land in LYON County, State of Kansas ;
The Northwest Quarter (NW $\frac{1}{4}$) except the following described tract: Beginning at the Southwest corner of the Northwest Quarter (NW $\frac{1}{4}$) of Section 7, Township 16 South, Range 10 East, thence East along the South line of the Northwest Quarter (NW $\frac{1}{4}$) of Section 7, approximately 1212.00 feet, thence North 01°23'11" West to the North line of Section 7, thence North 90°00'00" West along the North line of Section 7, 1118.50 feet to the Northwest corner of Section 7, thence South 00°13'13" West along the West line of Section 7 to the point of beginning,
of Section 7, Township 16 South, Range 10 East and recorded in Book 607, Page 99 of the Records of said County, and

WHEREAS, said lease expires in the absence of drilling operations on May 14, 2010 and the said owner(s) and holder(s) desire(s) to have the term of said lease extended;

NOW, THEREFORE, the undersigned, for themselves, their heirs, executors, administrators and assigns, for and in consideration of One and other Dollars, in hand paid, the receipt whereof is hereby acknowledged, does hereby agree that the said term of said lease shall be and is hereby extended, with the same tenor and effect as if such extended term had been originally expressed in such lease, for a period of two(2) years from the date of the said expiration thereof and as long thereafter as oil or gas (including casinghead gas) is produced from any well on the land covered by said lease; subject, however, in all other respects, to the provisions and conditions of said lease or said lease as modified, if any modification thereof may have been heretofore executed.

IN WITNESS WHEREOF, this instrument is signed on this the _____ day of 2/24/2010, 2010.



STATE OF KS LYON CO
VICTORIA LOPEZ, REGISTER OF DEEDS

2010-00965

DATE RECORDED: 03/30/2010 10:09:02AM

HTG INDEBT: 0.00 RECEIPT #: 8867

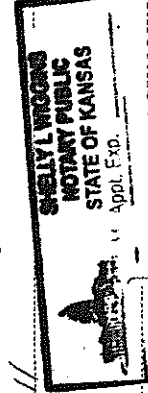
REC FEE: \$ 6.00

TECH FEE: \$ 2.00

Martin D. Gilbert
Martin D. Gilbert
LaVaughn K. Gilbert
LaVaughn K. Gilbert

STATE OF Kansas } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Oklahoma and Kansas)
COUNTY OF LYON
Before me, the undersigned, a Notary Public, within and for said County and State, on this 24th day of February, 2010, personally appeared Martin D. Gilbert and LaVaughn K. Gilbert, his wife

to me personally known to be the identical persons who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.



My commission expires 9/20/2011
Shelly J. Wiggford
Notary Public

STATE OF Kansas } ss. ACKNOWLEDGMENT FOR CORPORATION
COUNTY OF LYON (Oklahoma and Kansas)
Before me, the undersigned, a Notary Public, within and for said County and State, on this 24th day of February, 2010, personally appeared LaVaughn and Martin Gilbert to me known to be the identical person who

subscribed the name of the maker thereof to the within and foregoing instrument as its President and acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.
In Testimony Whereof, I have hereunto set my hand and official seal the day and year last above written.

My commission expires 9/20/2011
Shelly J. Wiggford
Notary Public

280.00
64.00

27047

OIL AND GAS LEASE

Reorder No. **KBP**
09-115
Kansas Blue Print
700 S. Broadway PO Box 793
Wichita, KS 67201-0793
316-264-9344 264-5165 fax
www.kbp.com kbp@kbp.com

AGREEMENT, Made and entered into the 14th day of May 2007

by and between Martin D. Gilbert and LaVaughn K. Gilbert, his wife

whose mailing address is 15330 Guadalupe River Dr., Corpus Christi, TX 78410 hereinafter called Lessor (whether one or more),
and John O. Farmer, Inc. hereinafter called Lessee:

Lessor, in consideration of One and other Dollars (\$ 1.00+) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Lyon State of Kansas described as follows to-wit:

The Northwest Quarter (NW¼) except the following described tract: Beginning at the Southwest corner of the Northwest Quarter (NW¼) of Section 7, Township 16 South, Range 10 East, thence East along the South line of the Northwest Quarter (NW¼) of Section 7, approximately 1212.00 feet, thence North 01°23'11" West to the North line of Section 7, thence North 90°00'00" West along the North line of Section 7, 1118.50 feet to the Northwest corner of Section 7, thence South 00°13'13" West along the West line of* In Section 7, Township 16 South, Range 10 East, and containing 90 acres, more or less, and all accretions thereto.

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

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

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

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

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

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

When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.
No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of lessor.

Lessee shall pay for damages caused by lessee's operations to growing crops on said land.
Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

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

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

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

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

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

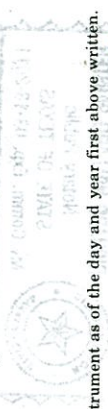
*Section 7 to the point of beginning,

Additional! There will be no Pond water usage!

MDG
JRG

28 DAY OF JUNE 2007 12:37P
STATE OF KANSAS, LYON COUNTY
RECORDED VOL 607 PAGE 99
VICTORIA LOPEZ REGISTER OF DEED

It is the intent of this document to include all of Lessor's acreage in the Northwest Quarter (NW¼) of Section 7, Township 16 South, Range 10 East.



MICROFILMED
ORIGINAL
COMPARED WITH
RECORD

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

Witness:

Martin D. Gilbert
Martin D. Gilbert

LaVaughn K. Gilbert
LaVaughn K. Gilbert

99

27049

Reorder No.
09-250



Kansas Blue Print
700 West 10th Street
Wichita, KS 67201-0763
316-264-9344-264-5105 fax
www.klp.com • klp@klp.com

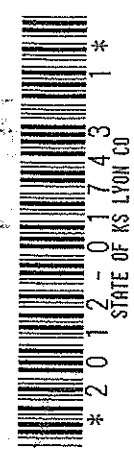
Form 25

EXTENSION OF OIL AND GAS LEASE

FILE NO. _____

WHEREAS, John O. Farmer, Inc.

is/are the owner(s) and holder(s) of an oil and gas lease on _____



* 2 0 1 2 - 0 1 7 4 3 1 *

STATE OF KS LYON CO

VICTORIA LOPEZ, REGISTER OF DEEDS
REC FEE: \$8.00 05/16/2012 10:30:09AM

_____ County, State of Kansas;
the following described land in Lyon County, State of Kansas;
The Southwest Quarter (SW $\frac{1}{4}$) except that part taken for U.S. 56 Highway right of way,
and except the following described tract: Beginning at a point on the West line of
Section 7, Township 16 South, Range 10 East, 2034.48 feet North of the Southwest corner
of said Section 7, thence with assumed bearings, North 84°36'55" East, 1212.00 feet,
thence North 01°23'11" West to the North line of the Southwest Quarter (SW $\frac{1}{4}$) of Section
7, thence North 90°00'00" West along hte North line of the Southwest Quarter (SW $\frac{1}{4}$)
of Section 7 to the Northwest corner of the Southwest Quarter (SW $\frac{1}{4}$) of Section 7,*
of Section 7, Township 16 South, Range 10 East and recorded in Book 607, Page 101,
of the Records of said County, and
& extended in #2010-00966

WHEREAS, said lease expires in the absence of drilling operations on May 14, 2012
and the said owner(s) and holder(s) desire(s) to have the term of said lease extended;

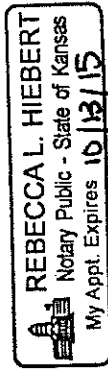
NOW, THEREFORE, the undersigned, for themselves, their heirs, executors and assigns, for and in
consideration of One and other Dollars, in hand paid, the receipt whereof is hereby acknowledged,
does hereby agree that the said term of said lease shall be and is hereby extended, with the same tenor and effect as if such
extended term had been originally expressed in such lease, for a period of one (1) years from the date of
the said expiration thereof and as long thereafter as oil or gas (including casinghead gas) is produced from any well on the
land covered by said lease; subject, however, in all other respects, to the provisions and conditions of said lease or said lease
as modified, if any modification thereof may have been heretofore executed.

IN WITNESS WHEREOF, this instrument is signed on this the 11th
day of May, 2012.

*thence South 00°13'13" West along the West line
of said Section 7 to the point of beginning,

Martin D. Gilbert
Martin D. Gilbert

LaVaughn K. Gilbert
LaVaughn K. Gilbert



STATE OF Kansas } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Oklahoma and Kansas)
COUNTY OF Lyon }
Before me, the undersigned, a Notary Public, within and for said County and State, on this 11th
day of May , 2012, personally appeared Martin D. Gilbert
and LaVaughn K. Gilbert, his wife

to me personally known to be the identical person S who executed the within and foregoing instrument and acknowledged to me
that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.
My commission expires 10/13/15

Rebecca L. Hiebert
Notary Public

STATE OF _____ } ss.
COUNTY OF _____ }
ACKNOWLEDGMENT FOR CORPORATION
(Oklahoma and Kansas)

Before me, the undersigned, a Notary Public, within and for said County and State, on this _____ day
of _____, _____, personally appeared _____
to me known to be the identical person who

subscribed the name of the maker thereof to the within and foregoing instrument as its _____
President and acknowledged to me that he executed the same as h free and voluntary act and deed, and as the free
and voluntary act and deed of such corporation, for the uses and purposes therein set forth.
In Testimony Whereof, I have hereunto set my hand and official seal the day and year last above written.

My commission expires _____

Notary Public.

EXTENSION OF OIL AND GAS LEASE

FILE NO. _____

WHEREAS, John O. Farmer, Inc.

_____ is, are the owner(s) and holder(s) of an oil and gas lease on the following described land in Lyon County, State of Kansas; The Southwest Quarter (SW $\frac{1}{4}$) except that part taken for U.S. 56 Highway right of way, and except the following described tract: Beginning at a point on the West line of Section 7, Township 16 South, Range 10 East, 2034.48 feet North of the Southwest corner of said Section 7, thence with assumed bearings, North 84°36'55" East, 1212.00 feet, thence North 01°23'11" West to the North line of the Southwest Quarter (SW $\frac{1}{4}$) of Section 7, thence North 90°00'00" West along the North line of the Southwest Quarter (SW $\frac{1}{4}$) of Section 7 to the Northwest corner of the Southwest Quarter (SW $\frac{1}{4}$) of Section 7,* of Section 7, Township 16 South, Range 10 East and recorded in Book 607, Page 101, of the Records of said County, and

WHEREAS, said lease expires in the absence of drilling operations on May 14, 2010 and the said owner(s) and holder(s) desire(s) to have the term of said lease extended;

NOW, THEREFORE, the undersigned, for themselves, their heirs, executors, administrators and assigns, for and in consideration of One and other Dollars, in hand paid, the receipt whereof is hereby acknowledged, does hereby agree that the said term of said lease shall be and is hereby extended, with the same tenor and effect as if such extended term had been originally expressed in such lease, for a period of two (2) years from the date of the said expiration thereof and as long thereafter as oil or gas (including casinghead gas) is produced from any well on the land covered by said lease; subject, however, in all other respects, to the provisions and conditions of said lease or said lease as modified, if any modification thereof may have been heretofore executed.

IN WITNESS WHEREOF, this instrument is signed on this the _____ day of February, 2010.

*thence South 00°13'13" West along the West line of said Section 7 to the point of beginning,



STATE OF KS LYON CO
VICTORIA LOPEZ, REGISTER OF DEEDS
2010-00966

DATE RECORDED: 03/30/2010 10:09:03AM
HTG INDEBT: 0.00 RECEIPT #: 6867
REC FEE: \$ 6.00
TECH FEE: \$ 2.00

Martin D. Gilbert
Martin D. Gilbert
LaVaughn K. Gilbert
LaVaughn K. Gilbert

STATE OF _____ Kansas } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Oklahoma and Kansas)
COUNTY OF Lyon }
Before me, the undersigned, a Notary Public, within and for said County and State, on this 24th day of February, 2010, personally appeared Martin D. Gilbert and LaVaughn K. Gilbert, his wife

to me personally known to be the identical persons, who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.
My commission expires 8/20/2011 Shelly A. Weagood Notary Public



STATE OF Kansas } ss. ACKNOWLEDGMENT FOR CORPORATION
COUNTY OF Lyon } (Oklahoma and Kansas)
Before me, the undersigned, a Notary Public, within and for said County and State, on this 24th day of February, 2010, personally appeared LaVaughn and Martin Gilbert

subscribed the name of the maker thereof to the within and foregoing instrument as its President and acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

In Testimony Whereof, I have hereunto set my hand and official seal the day and year last above written.
My commission expires 8/20/2011 Shelly A. Weagood Notary Public

800
940

27049

63U (Rev. 1993)

OIL AND GAS LEASE

Reorder No. 09-115
Kansas Blue Print
700 S. Broadway, PO Box 793
Wichita, KS 67201-0793
316-264-9344, 264-5165 fax
www.kbp.com - kbp@kbp.com

AGREEMENT, Made and entered into the 14th day of May 2007

by and between Martin D. Gilbert and LaVaughn K. Gilbert, his wife

whose mailing address is 15330 Guadalupe River Dr., Corpus Christi, TX 78410 hereinafter called Lessor (whether one or more), and John O. Farmer, Inc.

hereinafter called Lessee;

Lessor, in consideration of One and other Dollars (\$ 1.00+) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and other structures constituting products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, producing tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Lyon State of Kansas described as follows to-wit:

The Southwest Quarter (SW¼) except that part taken for U.S. 56 Highway right of way, and except the following described tract: Beginning at a point on the West line of Section 7, Township 16 South, Range 10 East, 2034.48 feet North of the Southwest corner of said Section 7, thence with assumed bearings, North 84°36'55" East, 1212.00 feet, thence North 01°23'11" West to the North line of the Southwest Quarter (SW¼) of Section 7, thence North 90°00'00" West along the North line of the Southwest Quarter (SW¼) * In Section 7, Township 16 South, Range 10 East, and containing 140 acres, more or less, and all accretions thereto.

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

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

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

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

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

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

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

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

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

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

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

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land; lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

*of Section 7 to the Northwest corner of the Southwest Quarter (SW¼) of Section 7, thence South 00°13'13" West along the West line of said Section 7 to the point of beginning, Addition
THERE will be no Pond water usage!
MDE
L-R

It is the intent of this document to include all of Lessor's acreage in the Southwest Quarter (SW¼) of Section 7, Township 16 South, Range 10 East.

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

RECORDED
ORIGINAL
COMPARED WITH
RECORD

28 DAY OF JUNE 2007 12:37PM
STATE OF KANSAS, LYON COUNTY
RECORDED VOL 007 PAGE 101
VICTORIA LOPEZ REGISTER OF DEEDS

Martin D. Gilbert

LaVaughn K. Gilbert

LaVaughn K. Gilbert

101

EXTENSION OF OIL AND GAS LEASE

FILE NO. _____

WHEREAS, John O. Farmer, Inc.



VICTORIA LOPEZ, REGISTER OF DEEDS
REC FEE: \$8.00 05/16/2012 10:30:09AM
STATE OF KS LYON CO

_____ is/are the owner(s) and holder(s) of an oil and gas lease on the following described land in LYON County, State of Kansas :

The Southeast Quarter (SE $\frac{1}{4}$) except that part taken for U.S. 56 Highway right of way

of Section 7, Township 16 South, Range 10 East and recorded in Book 607, Page 103, & extended in #2010-00968 of the Records of said County, and

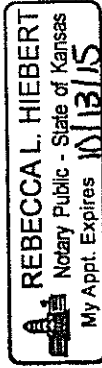
WHEREAS, said lease expires in the absence of drilling operations on May 14, 2012 and the said owner(s) and holder(s) desire(s) to have the term of said lease extended;

NOW, THEREFORE, the undersigned, for themselves, their heirs, executors, administrators and assigns, for and in consideration of One and other Dollars, in hand paid, the receipt whereof is hereby acknowledged, does hereby agree that the said term of said lease shall be and is hereby extended, with the same tenor and effect as if such extended term had been originally expressed in such lease, for a period of one (1) years from the date of the said expiration thereof and as long thereafter as oil or gas (including casinghead gas) is produced from any well on the land covered by said lease; subject, however, in all other respects, to the provisions and conditions of said lease or said lease as modified, if any modification thereof may have been heretofore executed.

IN WITNESS WHEREOF, this instrument is signed on this the 11th day of May, 2012.

Martin D. Gilbert
Martin D. Gilbert

LaVaughn K. Gilbert
LaVaughn K. Gilbert



STATE OF Kansas } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Oklahoma and Kansas)
COUNTY OF LYON'S }
Before me, the undersigned, a Notary Public, within and for said County and State, on this 11th day of May, 2012, personally appeared Martin D. Gilbert and LaVaughn K. Gilbert, his wife

to me personally known to be the identical person S who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the 10/13/15 day and year last above written. My commission expires 10/13/15
Rebecca L. Hiebert
Notary Public

STATE OF _____ } ss. ACKNOWLEDGMENT FOR CORPORATION
COUNTY OF _____ } (Oklahoma and Kansas)

Before me, the undersigned, a Notary Public, within and for said County and State, on this _____ day of _____, _____, personally appeared _____

_____ to me known to be the identical person who subscribed the name of the maker thereof to the within and foregoing instrument as its _____ free and voluntary act and deed, and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth. In Testimony Whereof, I have hereunto set my hand and official seal the day and year last above written.

My commission expires _____

Notary Public.

27050

EXTENSION OF OIL AND GAS LEASE

FILE NO. _____

WHEREAS, John O. Farmer, Inc.

_____ is, are the owner(s) and holder(s) of an oil and gas lease on the following described land in Lyon County, State of Kansas :

The Southeast Quarter (SE $\frac{1}{4}$) except that part taken for U.S. 56 Highway right of way

of Section 7, Township 16 South, Range 10 East and recorded in Book 607, Page 103 of the Records of said County, and

WHEREAS, said lease expires in the absence of drilling operations on May 14, 2010 and the said owner(s) and holder(s) desire(s) to have the term of said lease extended;

NOW, THEREFORE, the undersigned, for themselves, their heirs, executors, administrators and assigns, for and in consideration of One and other Dollars, in hand paid, the receipt whereof is hereby acknowledged, does hereby agree that the said term of said lease shall be and is hereby extended, with the same tenor and effect as if such extended term had been originally expressed in such lease, for a period of two (2) years from the date of the said expiration thereof and as long thereafter as oil or gas (including casinghead gas) is produced from any well on the land covered by said lease; subject, however, in all other respects, to the provisions and conditions of said lease or said lease as modified, if any modification thereof may have been heretofore executed.

IN WITNESS WHEREOF, this instrument is signed on this the _____ day of February, 2010.

Martin D. Gilbert
Martin D. Gilbert
LaVaughn K. Gilbert
LaVaughn K. Gilbert



STATE OF KS LYON CO
VICTORIA LOPEZ, REGISTER OF DEEDS

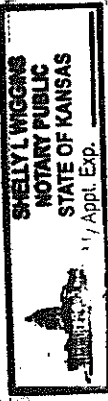
2010-00968

DATE RECORDED: 03/30/2010 10:09:05AM
HTG INDEBT: 0.00 RECEIPT #: 6867
REC FEE: \$ 6.00
TECH FEE: \$ 2.00

STATE OF Kansas } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Oklahoma and Kansas)
COUNTY OF Lyon
Before me, the undersigned, a Notary Public, within and for said County and State, on this 24th day of February, 2010, personally appeared Martin D. Gilbert and LaVaughn K. Gilbert, his wife

to me personally known to be the identical persons who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.
My commission expires 8/20/2011 Shelley J. Wiggins Notary Public



STATE OF Kansas } ss. ACKNOWLEDGMENT FOR CORPORATION
COUNTY OF Lyon (Oklahoma and Kansas)
Before me, the undersigned, a Notary Public, within and for said County and State, on this 24th day of February, 2010, personally appeared LaVaughn and Martha Gilbert to me known to be the identical person who

subscribed the name of the maker thereof to the within and foregoing instrument as its President and acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

In Testimony Whereof, I have hereunto set my hand and official seal the day and year last above written.
My commission expires 8/20/2011 Shelley J. Wiggins Notary Public

27050

400
8.1.00

FORM 88 — (PRODUCER'S SPECIAL) (PAID-UP)

63U (Rev. 1993)

OIL AND GAS LEASE

Reorder No.
09-115

KBP
Kansas Blue Print
700 S. Broadway, P.O. Box 793
Wichita, KS 67201-0793
316-264-9344, 264-5166 fax
www.kbp.com • kbp@kbp.com

2007

AGREEMENT, Made and entered into the 14th day of May

by and between Martin D. Gilbert and LaVaughn K. Gilbert, his wife

whose mailing address is 15330 Guadalupe River Dr., Corpus Christi, TX 78410 hereinafter called Lessor (whether one or more),
and John O. Farmer, Inc.

hereinafter called Lessee: _____ Dollars (\$ 1,000+) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, liquid hydrocarbons, all gases, and their respective constituent products, and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of LYON State of Kansas described as follows to-wit:

The Southeast Quarter (SE $\frac{1}{4}$) except that part taken for U.S. 56 Highway right of way

In Section 7 Township 16 South, Range 10 East, and containing 155 acres, more or less, and all accretions thereto.

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

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

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

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

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

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

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

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

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

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

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

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

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

Addition:

THERE will be no Pond WATER USAGE!

MDS
JCS

28 DAY OF JUNE 2007 12:38 AM
STATE OF KANSAS, LYON COUNTY
RECORDED VOL 103 PAGE 103
VICTORIA LOPEZ REGISTER OF DEEDS

MICROFILMED
ORIGINAL
COMPARED WITH
RECORD

WITNESS MY HAND AND SEAL OF OFFICE
STATE OF KANSAS
LYON COUNTY
VICTORIA LOPEZ REGISTER OF DEEDS

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

Witnesses:

Martin D. Gilbert
Martin D. Gilbert

LaVaughn K. Gilbert
LaVaughn K. Gilbert

103

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/>

Mark Sievers, Chairman
Thomas E. Wright, Commissioner
Shari Feist Albrecht, Commissioner

Sam Brownback, Governor

September 14, 2012

John O. Farmer IV
Farmer, John O., Inc.
370 W WICHITA AVE
PO BOX 352
RUSSELL, KS 67665-2635

Re: Drilling Pit Application
Gilbert 1
SE/4 Sec.07-16S-10E
Lyon County, Kansas

Dear John O. Farmer IV:

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 as soon as practical 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) 432-2300 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) 432-2300.