

Well will not be drilled or Permit Expired Date: _

Signature of Operator or Agent:

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

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

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

NOTICE OF INTENT TO DRILL

Expected Spud Date:	Spot Description:
month day year	
OPERATOR: License#	feet from N / S Line of Section
Name:	feet from E / W Line of Sectio
Address 1:	Is SECTION: Regular Irregular?
Address 2:	(Note: Locate well on the Section Plat on reverse side)
City: State: +	County:
Contact Person:	Lease Name: Well #:
Phone:	Field Name:
CONTRACTOR: License#	Is this a Prorated / Spaced Field?
Name:	Target Formation(s):
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary line (in footage):
Oil Enh Rec Infield Mud Rotary	Ground Surface Elevation:feet MS
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile:
Disposal Wildcat Cable	Public water supply well within one mile:
Seismic; # of Holes Other	Depth to bottom of fresh water:
Other:	Depth to bottom of usable water:
	Surface Pipe by Alternate: II II
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
Operator:	Length of Conductor Pipe (if any):
Well Name:	Projected Total Depth:
Original Completion Date: Original Total Depth:	Formation at Total Depth:
	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore? Yes No	Well Farm Pond Other:
f Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	(Note: Apply for Permit with DWR)
KCC DKT #:	Will Cores be taken? Yes N
	If Yes, proposed zone:
AFF	FIDAVIT
The undersigned hereby affirms that the drilling, completion and eventual plu	gging of this well will comply with K.S.A. 55 et. seq.
t is agreed that the following minimum requirements will be met:	
1. Notify the appropriate district office <i>prior</i> to spudding of well;	drilling ria:
 Notify the appropriate district office <i>prior</i> to spudding of well; A copy of the approved notice of intent to drill <i>shall be</i> posted on each The minimum amount of surface pipe as specified below <i>shall be set</i> 	by circulating cement to the top; in all cases surface pipe shall be set
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Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202 Side Two



For KCC Use ONLY	
API # 15	

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

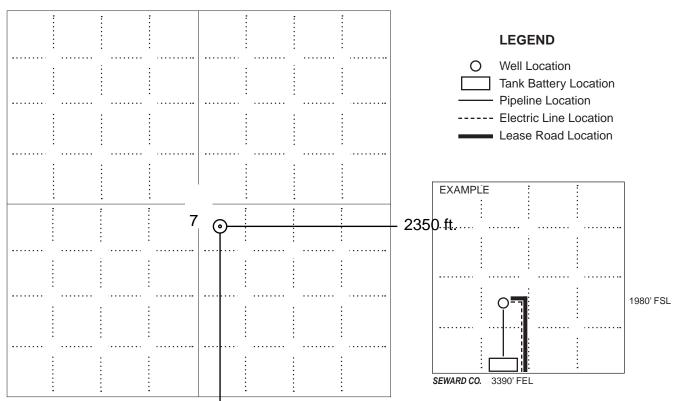
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator:	Location of Well: County:
Lease:	feet from N / S Line of Section
Well Number:	feet from E / W Line of Section
Field:	Sec Twp S. R
Number of Acres attributable to well:	Is Section: Regular or Irregular
	If Section is Irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW

PLAT

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

You may attach a separate plat if desired.



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

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 OIL & GAS CONSERVATION DIVISION

1092856

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name:		License Number:	
Operator Address:			
Contact Person:			Phone Number:
Lease Name & Well No.:			Pit Location (QQQQ):
Type of Pit: Emergency Pit Burn Pit	Pit is:	Existing	SecTwp R
Settling Pit Drilling Pit	If Existing, date con		Feet from North / South Line of Section
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:	(bbls)	Feet from East / West Line of Section County
Is the pit located in a Sensitive Ground Water A	rea? Yes N	No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)
Is the bottom below ground level? Yes No	Artificial Liner?	0	How is the pit lined if a plastic liner is not used?
Pit dimensions (all but working pits):	Length (fee	t)	Width (feet) N/A: Steel Pits
Depth fro	om ground level to deep	pest point:	(feet) No Pit
If the pit is lined give a brief description of the liner material, thickness and installation procedure.			dures for periodic maintenance and determining ncluding any special monitoring.
Distance to nearest water well within one-mile of	of pit:	Depth to shallo	west fresh water feet. mation:
feet Depth of water wellfeet		measured	well owner electric log KDWR
Emergency, Settling and Burn Pits ONLY:		Drilling, Worko	over and Haul-Off Pits ONLY:
Producing Formation:		Type of materia	al utilized in drilling/workover:
Number of producing wells on lease:		Number of working pits to be utilized:	
Barrels of fluid produced daily:		Abandonment p	procedure:
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No		Drill pits must b	pe closed within 365 days of spud date.
Submitted Electronically			
	ксс	OFFICE USE OI	NLY Steel Pit RFAC RFAS
Date Received: Permit Numb	ber:	Permi	t Date: Lease Inspection: Yes No



Kansas Corporation Commission Oil & Gas Conservation Division

1092856

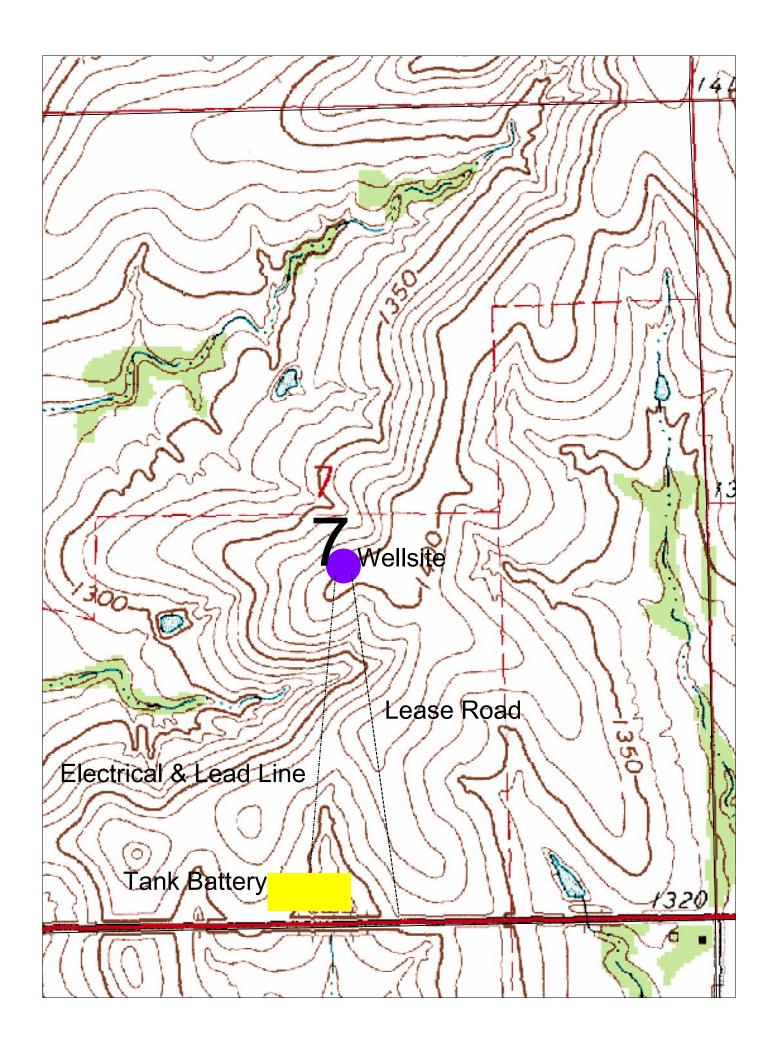
Form KSONA-1
July 2010
Form Must Be Typed
Form must be Signed
All blanks must be Filled

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application).

Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (C	athodic Protection Borehole Intent)
OPERATOR: License #	Well Location:
Name:	SecTwpS. R
Address 1:	County:
Address 2:	Lease Name: Well #:
City: State: Zip:+	If filing a Form T-1 for multiple wells on a lease, enter the legal description of
Contact Person:	the lease below:
Phone: () Fax: ()	
Email Address:	
Surface Owner Information:	
Name:	When filing a Form T-1 involving multiple surface owners, attach an additional
Address 1:	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
Address 2:	county, and in the real estate property tax records of the county treasurer.
City: State: Zip:+	
the KCC with a plat showing the predicted locations of lease roads, tank	dic Protection Borehole Intent), you must supply the surface owners and batteries, pipelines, and electrical lines. The locations shown on the plat in the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.
I certify that, pursuant to the Kansas Surface Owner Notice Adowner(s) of the land upon which the subject well is or will be lo CP-1 that I am filing in connection with this form; 2) if the form b form; and 3) my operator name, address, phone number, fax, are	ct (House Bill 2032), I have provided the following to the surface potential: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form being filed is a Form C-1 or Form CB-1, the plat(s) required by this and email address. 1) cknowledge that, because I have not provided this information, the
task, I acknowledge that I am being charged a \$30.00 handling	ner(s). To mitigate the additional cost of the KCC performing this fee, payable to the KCC, which is enclosed with this form.
If choosing the second option, submit payment of the \$30.00 handling to form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1	fee with this form. If the fee is not received with this form, the KSONA-1 will be returned.
Submitted Electronically	



Reorder No.

Kansas Blue Print 700 \$ Broadway PO Box 703 Wichita, KS 67201-0703

EXTENSION OF OIL AND GAS LEASE	FILE NO.	John O. Farmer, Inc.	* 2 0 1 2 - 0 1 7 4 7 1 * STRIE OF KS LYON CO	ULCTORIA LOPEZ, REGISTER OF DEEDS REC FEE: \$8.00 05/16/2012 10:30:09AH	is/are the owne	Lyon County, State of Nausas
Form 25 EXTEN		WHEREAS, John 0				the following described land in L

The Northeast Quarter (NE‡)

'
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 herelolvic executed. IN WITNESS WHEREOF, this instrument is signed on this the 11th and of May May
Martin D. Gilbert LaVaughd K. Gilbert
REBECCAL HIEBERT A Rasas Notary Public - State of Karsas
My Appl Expires 10 12 12 2 STATE OF Kansas STATE OF Kansas COUNTY OF Lyca MY, S Before me, the undersigned, a Notary Public, within and for said County and State, on this 11th day of May May LaVaughn K. Gilbert, his wife
they IN WI
STATE OF

.....to me known to be the identical person who

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 ..

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

..., personally appeared.....

늉

EXTENSION OF OIL AND GAS LEASE

Kansas Blue Print 700 S. Broadway PO Box 703 Wichin, KS 67201-0793 316-264-0344 - 264-5105 fax www.kbp.com · kbp@kbp.com	
(A)	

FILE NO.		
	John O. Farmer, Inc.	
	WHEREAS,Jo	

A. Y. J. d.	escribed land in Lyon County, State of Kansas :	of Section 7 , Township 16 South , Rangello 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, exceutors, administrators and assigns, for and in consideration of One and other as and other as and is hereby extended, with the same tenor and effect as if such except 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 Lwo(2) the said expiration thereof and as long thereafter as oil or gas (including cashinghed gas) is produced from any well on the alm conversed 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 said the said that the s	REC FEE: \$ 6.00 TECH FEE: \$ 2.00 TECH FEE: \$ 2.00 #\$ ACKNOWLEDGMENT FOR IN ersigned, a Notary Public, within and for said County and State, carsigned, a his wife ### 2010, personally appeared. Mart	the 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. My commission expires. Stanton Follow
	the following described land in	of Section 7 of the Records of said Cou WHEREAS, said leas and the said owner(s) and NOW, THEREFORE, consideration of One does hereby agree that the s extended term had been ori the said expiration thereof a land covered by said lease; as modified, if any modificat, IN WITNESS WHER	STATE OF Kansas. COUNTY OF ANGLE Before me, the undersignay of February and LaVaughn K. Gill	to me personally known to be that they executed the sain WITNESS WHERE My commission expires STATE OF FAASC COUNTY OF Before me, the undersign of FAASC Subscribed the name of the man subscribed the name of the man acknowledged and voluntary act and deed of and voluntary ac

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

(Rev. 1993) 630

OIL AND GAS LEASE

Kansas Blue I 700 S. Broadway PO Bc Wichita, KS 67201-0 316-264-3344 · 264-51t www.kbp.com · kbp@kb

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				15330 Guadalupe River Dr., Corpus Christi, TX 78410 hereinafter called Lessor (whether one or mo	
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	Martin D. Gilbert and LaVaughn K. Gilbert, his wife			isti,	
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AGREEMENT,	etween _			ailing ad	
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	, hereinafter caller Lessee:) in hand paid, receipt of which	carbons, all gases, and their respective is, telephone lines, and other structures	spective constituent products and other onary rights and after-acquired interest,	described as follows to-wit:	
		Dollars (\$ 1.00+	ig for and producing oil, liquid hydro- toring oil, building tanks, power station	, liquid hydrocarbons, gases and their rescribed land, together with any reversi	Kansas	
		nof One and other Dollars (\$ 1.00+) in hand paid, receipt of which the modifies herein provided and of the agreements of the lesses herein contained hereby grants leases and lets exclusively unto lesses for the suppose	of investigating, exploring by geophysical and other means, prospecting familiar, mining and operating for and producing in the proposal producing producing by geophysical and other means, prospecting mining and operating for and producing producing producing gas, water, other fluids, and air into substructures strata, laying pipe lines, storing oil. building tanks, power stations, elephone 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,	State of	
rmer, inc.		One and or	sical and other means, er, other fluids, and ai	ke care of, treat, manuf housing and otherwise	Lyon	
and John O. Farmer		Lessor, in consideration of One and other is here acknowledged and of the mostlifes herein provided and of the	of investigating, exploring by geophy; constituent products, injecting gas, wat	and things thereon to produce, save, tal products manufactured therefrom, and	therein situated in County of	

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In Section 7 accretions thereto.	

Subject to the provisions herein contained, this lease shall remain in force for a term of three of (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 (%) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (%) at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (%) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty. One Dollar (\$1.00) pay 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 owns a less interest hears 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 have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

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 hereof is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their date of assignment of renals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment 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 surendered.

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 may in any way affect the purposes for which this lesse 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 lesse or any portion thereof with other land, lesse or leases in the immediate vicinity, 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 permises, such pooling to be of tracts contiguous to no en another and to be into a unit or units not exceeding 640 acres each in the event of an oil well, or into a unit or units most exceeding 640 acres each in the event of an oil well, or into a unit or units most or according to be of tracts contiguous to no enaborher and to be into a not exceeding be treated for an ill purposes except the payment of royalities on production from the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalities on production from the pooled acreage, it shall be treated as if production from a unit so pooled only such product on the problem that herein specified, lessor shall receive on production from a unit so pooled only such payerly stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage bears to the total acreage so pooled only everyoned in the payerly interest therein on an acreage bears to the total acr

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STATE OF KANSAS LYON CO. VOL WOT PAGE

REGISTER OF DEEDS VICTORIA LOREZ 2007 JUN 28 PM I2: 37

> undersigned execute this instrument as of the day WITNESS WHEREOF, the

Gilbert Martin

Gilbert LaVaughn K.

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EXTENSION OF OIL AND GAS LEASE

). Farmer, Inc. * 2 0 1 4 6 1 * * 2 0 1 2 - 0 7 4 6 1 * * 2 0 1 2 - 0 0 7 7 4 6 1 * * 2 0 1 2 - 0 0 7 7 4 6 1 * * 2 0 1 2 - 0 0 7 7 4 6 1 * * 2 0 1 2 - 0 0 7 7 4 6 1 * * 2 0 1 2 - 0 0 7 7 4 6 1 * * 2 0 1 2 - 0 0 7 7 4 6 1 * * 2 0 1 2 - 0 0 7 7 7 4 6 1 * * 2 0 1 2 - 0 0 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	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, thence Rotth line of Section 7, thence North 11 Northwest corner of Section 7, thence South 01°23'11" West to 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, Inseconded in \$2010-00965 of Section 7 to the point of beginning May 14, 2012 WHEREAS, said lease expires in the absence of dvilling 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 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 Agy of May May May May May May May Ma	Havaughy K. Gilbert	REBECCAL HIEBERT I Notary Public - State of Kansas Appt Expires 10 10 10 15 15 E OF Kansas ITY OF From May Before me, the undersigned, a Notary Public, within and for said County and State, on this LaVaughn K. Gilbert, his wife
WHEREAS,John O	the following described land in Lyon The Northwest Quarter (NW\$) except Southwest corner of the Northwest Q 10 East, thence East along the Sout approximately 1212.00 feet, thence thence North 90°00'00" West along the Northwest corner of Section 7, then Section 7 to the point of beginning of Section 7 to the point of beginning	NOW, THEREFORE, the undersigned, for themselves, their heirs, consideration of One and other Dollars, in had does hereby agree that the said term of said lease shall be and is hereby extended term had been originally expressed in such lease, for a period the said expiration thereof and as long thereafter as oil or gas (including land covered by said lease; subject, however, in all other respects, to the p as modified, if any modification thereof may have been heretofore executed. IN WITNESS WHEREOF, this instrument is signed on this the day of May		REBECCAL HIEBERT My Appt. Expires 10 10 15 15 STATE OF Kansas COUNTY OF Expen Mr's Before me, the undersigned, a Notary Public, within May day of May LaVaughn K. Gilbert, his wife

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 any and year ast above written.

mmission expires 10 13 15

My commission expires..

that

day

ACKNOWLEDGMENT FOR CORPORATION (Oklahoma and Kansas)

Before me, the undersigned, a Notary Public, within and for said County and State, on this ...

COUNTY OF ... STATE OF ..

of.

·ss.

., personally appeared...

to me known to be the identical person who

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.

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

LEASE AND CAS EXTENSION OF OIL

	FILE NO.
LEASE	FI
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EATENSION OF OIL AND GAS LEASE	
SION OF	
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John O. Farmer, Inc.

WHEREAS,.

Gilbert scribed the name sident and ackno	F. the u	GUSES STATE OF KANSAS STATE OF KANSAS Appl. FXD.	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	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	DATE RECORDED: 03/30/2010 10:09:02AM HTG INDEBT: 0.00 RECEIPT #:6867 REC FEE: \$ 6.00 TECH FEE: \$ 2.00 STATE OF Kaisas	STATE OF KEISTER OF DEEDS VICTORIA LOPEZ, REGISTER OF DEEDS 2010-00965	* 2 0 1 0 - 0 0 9 6 5 1 *	IN WITNESS WHEREOF, this instrument is signed on this the day of 224/2010.	extended term had been originally expressed in such lease, for a period oftwo(2)	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	said lease ex	est Quarter (Nwa corner of the No hence East along ely 1212.00 feet th 90°00'00" Wes corner of Sectic	is are the owner(s) and holder(s) of an oil and gas lease on
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(PRODUCER'S SPECIAL) (PAID-UP) **ORM 88**

(Rev. 1993)

OIL AND GAS LEASE

Kansas Blue Print 700 S. Broadway PO Box 793 Wirthal, KS 67201-0793 316-264-5364 - 5165 fax www.kbp.com · kbp@kbp.com

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	his wife
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May	Gilbert,
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AGREEN	nd between _

hereinafter called Lessor (whether one 78410 XX Christi Corpus Dr River Guadalupe Inc. Farmer, 15330 whose mailing address is John 0. and

Lessor, in consideration of One and other screens of the lessee herein contained, hereby grants, lesses 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 substructive structures, storing oil, building tarks, power stations, telephone lines, and other structures and things thereon to produce, are of treat, manufacture, process, store and transportsatid oil, liquid hydrocarbons, gases and their respective constituent products and other products and other manufacture drefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest.	State of Kansas described as follows to-wit:	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 line of Section 7, 1\$18.50 feet to the Northwest corner of Section 7, thence South 00°13'13" West along the West line of* Northwest corner of Section 7, thence South 00°13'13" West along the West line of* Northwest corner of Section 7, thence South 00°13'13" West along the West line of* Northwest corner of Section 7, thence South 00°13'13" West along the West line of*
One and other series of the lessee herein contagen provided and of the agreements of the lessee herein contagned other means, prospecting drilling, mining and operating five fluids, and air into subsurface strate, laying pipe lines, ston her fluids, and air into subsurface strate, laying pipe lines, ston here for treat, manufacture, process, store and transport said oil, liquing and otherwise caring for its employees, the following described and otherwise caring for its employees, the following described in the series of the ser	Lyon State of	arter (NW\$) except the following described to the Northwest Quarter (NW\$) of Section East along the South line of the Northwest (12.00 feet, thence North 01°23'11" West to to 10'00" West along the North line of Section of Section 7, thence South 00°13'13" West a rownship 16 South Range 10 East and containing
is here acknowledged and of the royalties herein of investigating, exploring by geophysical and consituent products, injecting gas, water, other and things thereon to produce, save, take care of products manufactured therefrom, and housing	therein situated in County of Ly	The Northwest Quarter (N Southwest corner of the 10 East, thence East alcapproximately 1212.00 fethence North 90°00'00" Northwest corner of Section A Section A Township.

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 is 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 (%) part of all oil produced and saved from the lessed 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 (1/4) 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 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 Lessor hereby warrants and agrees to defend the title to the 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 lesso or any portion thereof with other land, lease or leases in the limedate vicinity thereof, when in lessees is judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the immediate vicinity thereof, when in lessees is judgment it is not advisable to do so in order to properly develop and operate said lease premises so as to promote the 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 an oil well, or into a unit or units not exceeding 640 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of an oil well or which the land herein lessed is situated an instrument identifying and describing the pooled acreage. The entire acreage is also all purposes except the payment of royaltics on production from the pooled acreage, it shall be treated as if 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 inter

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STATE OF KANSAS, LYON COUNT RECORDED VOL 607 PAGE 9 VICTORIA LOPÉZ REGISTER OF DEED

MICROFILMED acreage in the Northwest L of Lessor's acreage ange 10 East. of this document to include all of L Section 7, Township 16 South, Range It is the intent Quarter (NW¹₄) of

of the day WITNESS WHEREOF, the

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Gilbert arle Martin D.

LaVaughn K. Gilbert

Form

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Kansas Blue Print 700.8 Isoadway Po Bas 773 Wichia, KS 87201-0778 318-294-0344-204-5165 fax www.kbp.com · kbp@kbp.com		FILE NO.	The state of the s	2 - 0 1 7 4 3 1 * STATE OF KS LYOM CO	VICTORIA LOPEZ, REGISTER OF DEEDS	REC FEE: \$8.00 05/16/2012 10:30:09AH
Reorder No. 09-25 0	EXTENSION OF OIL AND GAS LEASE	ji.	WHEREAS. John O. Farmer, Inc.	* - 0 - * * · · · · · · · · · · · · · · · · ·	USTORIA L	REC FEE: \$8.00

* 2 0 1 2 - 0 1 7 4 3 1 * * 2 0 1 2 - 0 1 7 4 3 1 * STATE OF KS LYON CO UICTORIA LOPEZ, REGISTER OF DEEDS REC FEE: \$8.00 05/16/2012 10:30:09AH
the following described land in Lyon County, State of Kansas: The Southwest Quarter (SW4) 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 90°00'00" West to the North line of the Southwest Quarter (SW4) of Section 7, thence Northwest corner of the Southwest Quarter (SW4) of Section 7, to the Northwest corner of the Southwest Quarter (SW4) of Section 7, of Section 7, and recorded in Book 607, Page 101, of the Records of said County, and
whereal 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) weather of 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 as modified, if any modification thereof may have been heretofore executed.
ady of May 2012. *thence South 00°13'13" West along the West line Martin D. Gilbert of said Section 7 to the point of beginning. Martin D. Gilbert LaVaughn & Gilbert
REBECCAL, HIEBERT My Appt. Expires 10 13 15
STATE OF Kansas COUNTY OF LYOR MOTE. Before me, the undersigned, a Notary Public, within and for said County and State, on this. day of May LaVaughn K. Gilbert, his wife
to mespersonally known to be the identical person 8 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 ast above written. My commission expires.
STATE OF COUNTY OF. Before me, the undersigned, a Notary Public, within and for said County and State, on this of.
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

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310-264-0344-204-5165 for
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EXTENSION OF OIL AND GAS LEASE

FILE NO.	is are the owner(s) and holder(s) of an oil and gas lease on taken for U.S. 56 Highway right of way, ginning at a point on the West line of 2034.48 feet North of the Southwest corner ngs, North 84°36'55" East, 1212.00 feet, e of the Southwest Quarter (SW‡) of Section th line of the Southwest Quarter (SW‡) Southwest Quarter (SW‡) of Section 7,* East and recorded in Book 607, Page 101	ing operations on May 14, 2010 erm of said lease extended; their heirs, executors, administrators and assigns, for and in bollars, in hand paid, the receipt whereof is hereby acknowledged, and is hereby extended, with the same tenor and effect as if such for a period of LWO(2) gas (including casinghead gas) is produced from any well on the pects, to the provisions and conditions of said lease or said lease on this the line Martin D. Gilbert Martin D. Gilbert	LaVaughn K. Gilbert	ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Oklahoma and Kansas) thin and for said County and State, on this 24th 2010, personally appeared Martin D. Gilbert	y act and deed for the uses and purposes therein set forth, official seal the day and year last above written. WOODS FRANSAS ACKNOWLEDGMENT FOR CORPORATION	nty and State, on this ALLY ALL ALLY ALL. to me known to be the identical person who runent as its free and voluntary act and deed, and as the free the day and year last above written.
WHEREAS, John O. Farmer, Inc.	the following described land in Lyon The Southwest Quarter (SW\$) except that part taken for land except the following described tract: Beginning at section 7, Township 16 South, Range 10 East, 2034.48 fer of said Section 7, thence with assumed bearings, North thence North 01°23'11" West to the North line of the Son 7, thence North 90°00'00" West along the North line of of Section 7 to the Northwest corner of the Southwest Quof Section 7 to the Northwest corner of the Southwest Quof Section 7 to the Northwest corner of the Southwest Quof Section 7 to the Northwest corner of the Southwest Quof Section 7 to the Northwest Conner of the Southwest Quof Section 7 to the Northwest Conner of the Southwest Quof Section 7 to the Northwest Conner of the Southwest Quof the Records of said County, and	where the 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 LWO(2) 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 All 2010. **THENCE SOUTH 00°13'13" West along the West line of said Section 7 to the point of beginning, Martin D. Gilbert		STATE OF Kansas. COUNTY OF LYGAL Before me, the undersigned, a Notary Public, within and for said County and State, on this 24th day of February and LaVaughn K. Gilbert, his wife to me now some like than to be identical nersons who executed the within and forecome instrument and acknowledged to not not not not some than the best of the within and forecome instrument and acknowledged to not not not some the state of the within and forecome instrument and acknowledged to not not not some the state of the state of the within and forecome instrument and acknowledged to not not some the state of the state of the within and forecome instrument and acknowledged to not not some the state of the state	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. STATE OF STATE OF MY Appl. Exp. ACKNOWLEDGMENT FOR CORPORATION	Before me, the undersigned, a Notary Public, within and for said County and State, on this Before me, the undersigned, a Notary Public, within and for said County and State, on this Of Flatty Of

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

(Rev. 1993)

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OIL AND GAS LEASE

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Kansas Blue Print
700 S. Broadway PO Box 783
Vinchia, 185 S201-0793
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	Gilbert,
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ENT, Made and	Martin D. (
AGREEM	and between
	by a

hereinafter called Lessor (whether one 78410 IX Corpus Christi, whose mailing address is 15330 Guadalupe River Dr., Farmer, Inc. John 0. pur hereinafter caller Lessee

Subject to the provisions herein contained, this lease shall remain in force for a term of $\frac{\text{three}(3)}{\text{threal}}$ years from this date (called "primary term"), and as long thereafter is 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 (%) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (%) at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (%) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, 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 premises, including the right to draw and remove casing.

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 to the date of assignment.

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. 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 er this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

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 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 an oil well, or into a unit or units not exceeding 640 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. 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, thence of beginning, r (SW\rack*) of the point the Southwest Quarter Section said of line the Northwest corner lest along the West li West to 00°13'13" Section South *of

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Usege! SIST I THERE will be no Pond water

28 DAY OF JUNE 2007, 12:378M STATE OF KANSAS, LYON COUNTY RECORDED VOL VOT PAGE 101 VICTORIA LOPEZ REGISTER OF DEEDS

acreage in the Southwest It is the intent of this document to include all of Lessor's Quarter (SW $^{1}_{4}$) of Section 7, Township 16 South, Range 10 East.

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

Martin D. Gilbert

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LaVaughn R. G

Gilbert

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Reorder Na. 09-25 0

Kansas Blue Print 700 S Broadway Po Box 703 Wichia, R 80 720-10793 316 26-1034 - 204-5165 fax www.kdp.com · kbp@klp.com

LEASE EXTENSION OF OIL AND GAS

WHEREAS, John O. Farmer, Inc.
* 2 0 1 2 - 0 1 7 4 5 1 * * 2 0 1 2 - 0 1 7 4 5 1 * * 2 0 1 2 - 0 1 7 4 5 1 * * 2 0 1 2 - 0 1 7 4 5 1 * * 2 0 1 2 - 0 1 7 4 5 1 * * 2 0 1 2 - 0 1 7 4 5 1 * * 2 0 1 2 - 0 1 7 4 5 1 * * 2 0 1 2 - 0 1 7 4 5 1 * * 2 0 1 2 - 0 1 7 4 5 1 * * 3
the following described land in Lyon County, State of Kansas :
The Southeast Quarter (SE 1_4) except that part taken for U.S. 56 Highway right of way
& ex 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
at the said term of said lease shall be and is hereby extended een originally expressed in such lease, for a period of fereof and as long thereafter as oil or gas (including casinghlease; subject, however, in all other respects, to the provision odification thereof may have been heretofore executed.
IN WITNESS WHEREOF, this instrument is signed on this the LIER day of May May 2012. And Martin D. Gilbert
LaVaugher K. Gilbert
REBECCA L. HIEBERT My Appt. Expires 10 13 15
STATE OF Kansas (Oklahoma and Kansas) COUNTY OF Lyen Mrs. Before me, the undersigned, a Notary Public, within and for said County and State, on this 11th day of May May. LaVaughn K. Gilbert, his wife
they IN W
STATE OF COUNTY OF. Before me, the undersigned, a Notary Public, within and for said County and State, on this
f

Reorder No. 09-250

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700 S. Boudway PO Box 703
Welchia, Kel 87201-0793
316-284-3344-284-5185 lax
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Form 25

EXTENSION OF OIL AND GA

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LEASE	
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Toba O	
· Farmer,	
the following described land in Lyon County, State of Kansas:	gas lease on
The Southeast Quarter (SE $rac{1}{4}$) except that part taken for U.S. 56 Highway right of way	
said County, and	Page 103.
WHEREAS, said lease expires in the absence of drilling operations on tray 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 ofOne and otherDollars, 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 oftwo(2)	for and in knowledged, t as if such the date of
the said expiration thereof and as long thereafter as oil or gas (including casingnead 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 as modified, if any modification thereof may have been heretofore executed. IN WITNESS WHEREOF, this instrument is signed on this the	well on the
day of 4242010 , 2010.	
* 2 0 1 0 - 0 0 9 6 8 1 * STATE OF KS LYON CO VICTORIA LOPEZ, REGISTER OF DEEDS 2010-00968 PARTICLAR OF THE DESCRIPTION OF OTHER DESCRIPTION OF THE DESCRIPTION O	
STATE OF Kansas COUNTY OF LYDA Before me, the undersigned, a Notary Public, within and for said County and State, on this day of February and LaVaughn K. Gilbert, his wife.	nd Kansas)
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. Shelly! Wicks and purposes therein set forth. Shelly! Wicks and purposes therein set forth. Shelly! With the day and year last above written. Shelly Public state of Kansas	iged to me set forth.
: a = :	day
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	s the free

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

OIL AND GAS LEASE

14th

AGREEMENT, Made and entered into

X	
Reorder No.	09-115

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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 John O. Farmer, Inc.
and, hereinafter caller Lessed
Lessor, in consideration of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose is here acknowledged and of the novatiles herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose for investigating, exploring by geophysical and other means, prospecting and chilling, mining and operating for and products gas, water, other fluids, and air into subsurface stratu, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structure 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 Ransas
The Southeast Quarter (SE4) except that part taken for U.S. 56 Highway

way

and containing , Range 10 East Township 16 South

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 (%) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (%) at the market price at the well, fout, ast og gas sold by lessee, in no event more than one-eighth (%) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, 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, it 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 avaising 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 rights of the holder thereof, and the undersigned lessors, for themselves 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 acress each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of an oil be produced from said premises, such pooling to be of tracts contiguous to one another and to a unit or units not exceeding 640 acres each in the event of an ill purposes except, the payment of royaltites on production from the pooled and escerbing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the polace of the pooled acreage, it shall be treated as if 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.

ADO-4:00

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STATE OF KANSAS, LYON COUNTY RECORDED VOL 1007 PAGE 103 28 DAY OF JUYIC 2007, 12:38 PM VICTORIA LOPEZ REGISTER OF DEEDS

all of Lessor's acreage in the Southeast of this document to include all of Lessor's Section 7, Township 16 South, Range 10 East It is the intent Quarter (SE_4^{1}) of

as of the day and year first above written.

execute this instrument

IN N

WITNESS WHEREOF, the

COMPARED WITH MICROFILMED ORIGINAL ORD

Silbert Gillbert Mark Martin D.

Leller 2 LaVaugh K. Gilbert Ja Ulan

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



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

Sam Brownback, Governor

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

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.