

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:		-da	Spot Description:
	month	day year	Sec Twp S. R
OPERATOR: License#			(Q/Q/Q/Q) foot from N / S Line of Section
			feet from E / W Line of Section
			Is SECTION: Regular Irregular?
			(Note: Locate well on the Section Plat on reverse side)
		Zip: +	(**************************************
Contact Person:		·	County: Well #:
Phone:			
CONTRACTOR: License#			Field Name:
Name:			Le tine a l'iolatea / epassa / leia
ivaille.			Target Formation(s):
Well Drilled For:	Well Class:	Type Equipment:	Nearest Lease or unit boundary line (in footage):
Oil Enh F	Rec Infield	Mud Rotary	Ground Surface Elevation:feet MSL
Gas Stora	ge Pool Ext.	. Air Rotary	Water well within one-quarter mile:
Dispo	osal Wildcat	Cable	Public water supply well within one mile: Yes No
Seismic ;# o	of Holes Other		Depth to bottom of fresh water:
Other:			Depth to bottom of usable water:
			Surface Pipe by Alternate: III
If OWWO: old well	information as follows	S:	Length of Surface Pipe Planned to be set:
Operator:			Length of Conductor Pipe (if any):
•			Projected Total Depth:
Original Completion Da	ate: Or	riginal Total Depth:	
			Water Source for Drilling Operations:
Directional, Deviated or Ho	rizontal wellbore?	Yes No	Well Farm Pond Other:
If Yes, true vertical depth: _			DWR Permit #:
Bottom Hole Location:			(Note : Apply for Permit with DWR)
KCC DKT #:			- Will Cores be taken?
			If Yes, proposed zone:
		Λ.Γ	FIDAVIT
The undersigned hereby	offirms that the drilli		
			lugging of this well will comply with K.S.A. 55 et. seq.
It is agreed that the follow	ing minimum require	ements will be met:	
 Notify the appropria 			
. ,		to drill shall be posted on each	0 0
		•	et by circulating cement to the top; in all cases surface pipe shall be set
		lus a minimum of 20 feet into t	
		·	strict office on plug length and placement is necessary <i>prior to plugging;</i>
			red from below any usable water to surface within 120 DAYS of spud date.
			#133,891-C, which applies to the KCC District 3 area, alternate II cementing
			pe plugged. <i>In all cases, NOTIFY district office</i> prior to any cementing.
'	,	·	, , , , , , , , , , , , , , , , , , , ,
submitted Electroi	nically		
			D. D. C.
For KCC Use ONLY			Remember to:
			- File Certification of Compliance with the Kansas Surface Owner Notification
ADI #45			Act (KSONA-1) with Intent to Drill;
API # 15			- File Drill Dit Application (form CDD-1) with Intent to Drill
API # 15		feet	- File Drill Pit Application (form CDP-1) with Intent to Drill; - File Completion Form ACO-1 within 120 days of sould date:
			- File Completion Form ACO-1 within 120 days of spud date;
Conductor pipe required . Minimum surface pipe rec	quired	feet per ALTIII	 File Completion Form ACO-1 within 120 days of spud date; File acreage attribution plat according to field proration orders;
Conductor pipe required - Minimum surface pipe rec Approved by:	quired	feet per ALTIII	- File Completion Form ACO-1 within 120 days of spud date;
Conductor pipe required _ Minimum surface pipe rec Approved by: This authorization expires	quired	feet per ALT. I	 File Completion Form ACO-1 within 120 days of spud date; File acreage attribution plat according to field proration orders; Notify appropriate district office 48 hours prior to workover or re-entry;
Conductor pipe required _ Minimum surface pipe rec Approved by: This authorization expires	quired	feet per ALTIII	 File Completion Form ACO-1 within 120 days of spud date; File acreage attribution plat according to field proration orders; Notify appropriate district office 48 hours prior to workover or re-entry; Submit plugging report (CP-4) after plugging is completed (within 60 days);

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

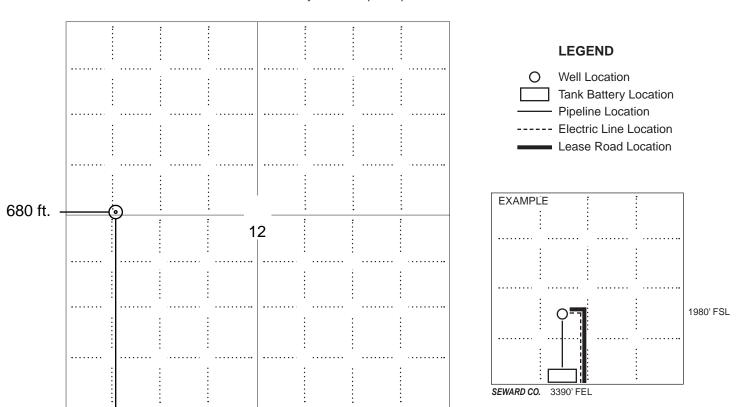
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

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.

2676 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

099576

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

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



Kansas Corporation Commission Oil & Gas Conservation Division

1099576

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	Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)
OPERATOR: License #	Well Location:
Name:	SecTwpS. R 🔲 East 🗌 West
Address 1:	County:
Address 2:	Lease Name: Well #:
City:	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:	
the KCC with a plat showing the predicted locations of lease roads, tank	dic Protection Borehole Intent), you must supply the surface owners and a 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.
Select one of the following:	
owner(s) of the land upon which the subject well is or will be loce CP-1 that I am filing in connection with this form; 2) if the form the form; and 3) my operator name, address, phone number, fax, and I have not provided this information to the surface owner(s). I an KCC will be required to send this information to the surface owner(s).	cknowledge that, because I have not provided this information, the ner(s). To mitigate the additional cost of the KCC performing this
task, I acknowledge that I am being charged a \$30.00 handling If choosing the second option, submit payment of the \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-	fee with this form. If the fee is not received with this form, the KSONA-1
Submitted Electronically	

OIL AND GAS LEASE

THIS LEASE is entered into on the date of its execution by the last of the parties hereto ("Effective Date"), by and between the STATE OF KANSAS, DEPARTMENT OF REVENUE (hereinafter "Lessor"), and RITCHIE EXPLORATION, INC (hereinafter "Lessee").

Lessor and Lessee, in consideration of the mutual promises, covenants and conditions expressed below, agree as follows:

Granting Provision

mining and operating for, and producing oil and gas and their constituent products, including, but not limited to, natural gas liquids, helium and other salable by-products, casinghead gas and casinghead gasoline, laying pipe lines, building tanks and storing oil (for ultimate sale) on the Lessor leases and lets to Lessee the land described below ("Leased Premises") for the purpose Leased Premises:

Arkansas Riverbed as it meanders through Township 27 South, Range 24 West; Section 12, in Ford County Kansas and the right to pool and unitize this Lease with other oil and gas leases, in their respective entirety or parts. Lessor is not granting Lessee the right to conduct seismic exploration on the Leased Premises without the written consent of Lessor and the payment of additional compensation to the Lessor. Lessor is not granting Lessee the right to erect on the Leased Premises any plant or facility for gasoline extraction or for gas processing, its constituent products or petroliferous substances, except the normal and necessary heater treater and separator customarily used.

mine and/or produce any minerals from the Leased Lessor reserves all rights to grant, lease, mine and/or produce an Premises except interests in gas and oil and their constituent products.

2. Pooling and Unitizing Criteria

Lessee may unitize the Leased Premises or any portion or portions thereof, as to all strata or any stratum or strata, with any other lands as to all strata or any stratum or strata, for the production primarily of oil and/or primarily of gas (and their constituent products) with or without distillate. The words "unit", "unitize" and "unitization", as used in this Lease, includes Lease pooling and unitization. The creation of a unit by Lessee shall be based on the following criteria: (i) A unit for an oil well (other than a horizontal completion) shall not exceed 160 acres plus a maximum acreage tolerance of 10%, and a unit for a gas well shall not exceed 640 acres plus a maximum acreage tolerance of 10%.

Approved: 05.03.12

- tolerance of 10%; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be A unit for a horizontal completion shall not exceed 1280 acres plus a maximum acreage prescribed or permitted by any governmental authority having jurisdiction.
- prescribed by applicable law or the appropriate governmental authority or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on a 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and, the term "horizontal completion" means a well in which the horizontal component of the gross (iii) The terms "oil well" and "gas well" (as used in this section) shall have the meanings completion interval in the reservoir exceeds the vertical component.

Lessee shall file written unit designations in all counties in which a designated unit is located unless the unitization occurs from governmental order or rule. Operations upon and production from a unit shall be treated as if such operations were upon, or such production were from the Leased Premises regardless of whether the well or wells are located on the Leased Premises. The entire acreage within a unit shall be treated for all purposes as if it were covered by and included in this Lease except that the royalty on production from a unit shall be as set out in this Lease and except that in calculating the amount of any shut in gas royalties, only the part of the Leased Premises acreage described in this Lease shall be counted. Unit production royalty payments shall be allocated to the Leased Premises in the proportion the Leased Premises acreage bears to the total number of surface acres in the unit.

Lease Term. Bonus and Delay Rental

The Primary Term of the Lease shall commence on the Effective Date and terminate on the date set forth in Schedule A, incorporated herein as though fully set out ("Termination Date"). The Primary Term non-refundable bonus, drilling delay rent and expenses shall be paid on or before the Effective Date in the amount set forth in Schedule A. If oil, or gas, and/or their respective constituent products are produced during the Primary Term, the Lessee shall pay royalty as set forth in Section 4 below.

This Lease shall not terminate upon the Termination Date of the Primary Term if:

- royalty commencing from the day of production (prorated for any partial month) and paid on the first day of each calendar month following the production month as set forth in Section 4: or. 2045 limitation, casinghead gas, or casinghead gasoline, are produced and sold on, at or from the Leased Premises and/or land unitized therewith, and the Lessee pays the Lessor monthly including, during the Primary Term, oil, gas, their constituent products
- gas, or casinghead gasoline are not produced and sold on, at or from the Leased Premises (ii) during the Primary Term, oil, gas, their constituent products of oil and gas, casinghead

Approved: 05.03.12

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

63U (Rev. 1993)

OIL AND GAS LEASE

October

day of .

29th

AGREEMENT, Made and entered into the

The County of Ford

Reorder No. 09-115

ROLE WORLD WITH THE PROPERTY OF THE PROPERTY O

TO, Box 70201 Worths KS, 07201-0733 1-000-4KSBLUE 1-216-622-0044 Weithis 1-216-6246-5105 Ins Www.kbp.com • kbp@kbp.com	7107
->>	-1

whose mailing address is 100 Gunsmoke, Dodge City, Kansas 67801 hereinafter called Lessor (whether one or more). Ritchie Exploration, Inc.
PO Box 783188, Wichita, Kansas 67278-3188
Lessor, In consideration of DDE and MOTE Dollars (\$\frac{1.00}{2.00} + \) in hand paid, receipt of which is here acknowledged and of the 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 geophysteal and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent produces, injecting gas, water, other fluids, and air into subsurface strate, laying pipe lines, storting 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 aid oil, liquid hydrocarbons, gases and their respective constituent products and other structures and antiferious and other structures and their structure described and steeped land, together with any reversionary rights and after-acquired interest, therein situated in County of EO.Ed. State of MARANSAS
All that part of the NW/4 lying South of a line described as beginning at a point where the west line of Section 1-27S-24W intersects the center line of U.S. Highway 154, thence South along the west line of said Section 1 and Section 12, a distance of 2,315', thence East at right angles to said section line, a distance of 250', thence South parallel to said section line a distance of 440', thence Southeasterly to a point on the East line of said NW/4 that is 1,920' South of the
enter line or Township R herein contain s or other respec
lst. 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. And 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, that well, as to gas sold plessee, 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 royalities herein provided for shall be gaid the said lessor only in the proportion which lessor's interest bears to the whole and undivided fee.
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 setter of either party hereto is assigned, and the privilege of assignance in whole or in part is expressly allowed, the coverants hereof shall extend to their heirs, excettors, administrators are successors or assignant no change in the ownership of the land or assignment of retrails or repairs 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 lesses assignat 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 covering any portion or portions and be relieved of all obligations as to the acreage surrendered. All expresses 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. Lossor 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 mortgestes, taxes or other lichs 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 under signed elessors, 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 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 traces consiguous to one another and to be into a unit or units not exceeding 60 acres each in the event of a gas well. Lessee shall exceute in writing and record in the event of an oil well, or into a unit or units not exceeding 60 acres each in the event of a gas well. Lessee shall exceute in writing and record in the conveyance records of the cannet, and land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a land the control of the production from the pooled unit, as if it were included in this lease. It production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In live of the regulated herein specified, lesser shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.
Lessee agrees to comply with all reasonable rules and regulations imposed by Lessor with regard to opening, closing and locking all gates to prevent loss or damage to Lessor's property.
It is agreed by the Lessor and Lessee that in paragraph #3 and #4 where the word "one-eighth" (1/8) appears, it should read fifteen percent (15%) in each case.
This lease shall supersede and replace that certain Oil and Gas Lease dated August 16, 2012, by and between Ford County, Lessor, and Ritchie Exploration, Inc., Lessee, recorded in Book 59 at Pages 698-700.
rst above written.
By: Edward W. Flam County Administrator



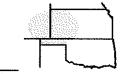
Pro-Stake LLC

Oil Field & Construction Site Staking

P.O. Box 2324

Garden City, Kansas 67846 Office/Fax: (620) 276-6159 Cell: (620) 272-1499

10452



132724I PLAT NO.

Ritchie Exploration, Inc.

Ford County, KS

COUNTY

OPERATOR

27s 24w #1 Ford Yard - KSR

LEASE NAME

2676' FNL - 680' FWL (2718' FSL)

LOCATION SPOT

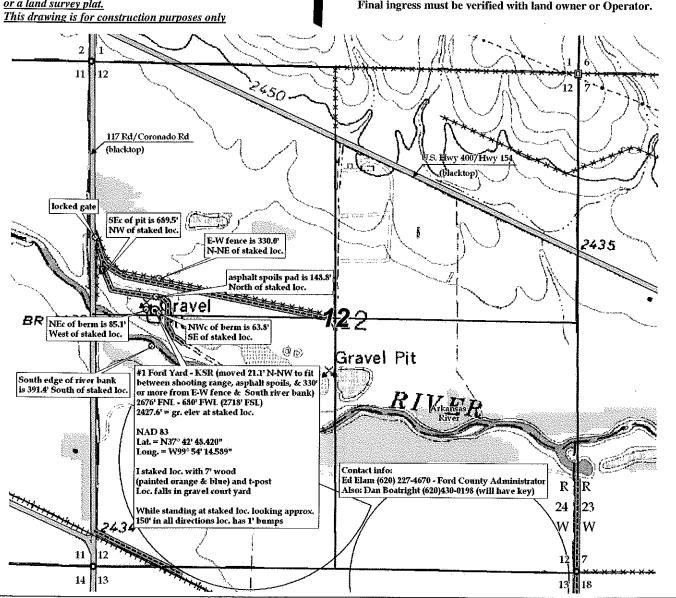
1" = 1000"SCALE:_ Nov 5th, 2012 DATE: Ben R. MEASURED BY:__ Dee S. DRAWN BY: . AUTHORIZED BY: __ Justin C.

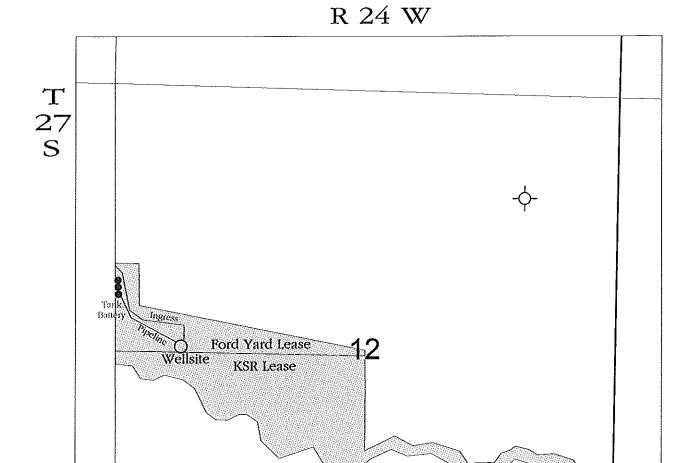
This drawing does not constitute a monumented survey or a land survey plat.

GR. ELEVATION: 2427.6'

Directions: From the NE corner of Fort Dodge, Ks at the intersection of Hwy 400 & 115 Spur North & Sheridan South -Now go SE on Hwy 400 1.75 miles - Now go South 0.1 to the NW Corner of Sec.12-27s-24w - Now go South 0.4 mile on 117 Road/Coronado Rd to entry gate of the Ford County Highway Dept. Yard on the East Side of the road - Now go SE & East 0.2 mile through graveled area into staked location.

Final ingress must be verified with land owner or Operator.





SCALE = 1:12,000 FORD COUNTY, KANSAS

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

November 27, 2012

Justin Clegg Ritchie Exploration, Inc. 8100 E 22ND ST N # 700 BOX 783188 WICHITA, KS 67278-3188

Re: Drilling Pit Application Ford Yard-KSR 1 NW/4 Sec.12-27S-24W Ford County, Kansas

Dear Justin Clegg:

District staff has inspected the above referenced location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has recommended that the reserve pit be lined with bentonite or native clay, constructed <u>without slots</u>, the bottom shall be flat and reasonably level and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again after drilling operations have ceased.

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

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

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