

Well will not be drilled or Permit Expired Date: \_

Signature of Operator or Agent:

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

SGA?

## KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

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

# NOTICE OF INTENT TO DRILL

Expected Spud Date:	month	day year	Spot Description:
	monur	uay year	
OPERATOR: License#			feet from N / S Line of Sec
Name:			feet from E / W Line of Sec
Address 1:			Is SECTION: Regular Irregular?
•		_ Zip: +	County:
			Lease Name: Well #:
Phone:			Field Name:
CONTRACTOR: License#_			Is this a Prorated / Spaced Field?
Name:			Target Formation(s):
Well Drilled For:	Well Class:	Type Equipment:	Nearest Lease or unit boundary line (in footage):
			Ground Surface Elevation:feet M
Oil Enh Re		Mud Rotary	Water well within one-quarter mile:
Gas Storage	H	Air Rotary Cable	Public water supply well within one mile:
Seismic ;# of		Cable	Depth to bottom of fresh water:
Other:			Depth to bottom of usable water:
			Surface Pipe by Alternate: I II
If OWWO: old well in	formation as follows	:	Length of Surface Pipe Planned to be set:
Operator:			Length of Conductor Pipe (if any):
Well Name:			Projected Total Depth:
		ginal Total Depth:	
			Water Source for Drilling Operations:
Directional, Deviated or Horiz	ontal wellbore?	Yes No	Well Farm Pond Other:
If Yes, true vertical depth:			
			(Note: Apply for Ferring with DWIT
KCC DKT #:			- Will Cores be taken? Yes
			If Yes, proposed zone:
		ΔΕ	FIDAVIT
The undersigned hereby af	firms that the drilling		lugging of this well will comply with K.S.A. 55 et. seq.
It is agreed that the following			lagging of this won win comply with the to out soq.
ŭ			
Notify the appropriate     A copy of the approx	•	or to spudding of well; to drill <b>shall be</b> posted on ead	sh drilling rig:
., .,		•	t by circulating cement to the top; in all cases surface pipe <b>shall be set</b>
		us a minimum of 20 feet into the	
-	•	·	strict office on plug length and placement is necessary prior to plugging;
			gged or production casing is cemented in;
			ed 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 be plugged. <i>In all cases, NOTIFY district office</i> prior to any cementing.
		y op act date of the front officer of	productions and constraints of the constraints.
ubmitted Electroni	cally		
			Remember to:
For KCC Use ONLY			
API # 15 -			<ul> <li>File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;</li> </ul>
			- File Drill Pit Application (form CDP-1) with Intent to Drill;
Conductor pipe required			- File Completion Form ACO-1 within 120 days of spud date;
Minimum surface pipe requ	ired	feet per ALTIII	- File acreage attribution plat according to field proration orders;
Approved by:			<ul> <li>Notify appropriate district office 48 hours prior to workover or re-entry;</li> </ul>
This authorization expires:			<ul> <li>Submit plugging report (CP-4) after plugging is completed (within 60 days);</li> </ul>
Timo datiforization expiroc.			
· -		12 months of approval date.)	<ul> <li>Obtain written approval before disposing or injecting salt water.</li> <li>If well will not be drilled or permit has expired (See: authorized expiration date)</li> </ul>

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

\_ Agent: .

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.

Sec:	Line of Secti
Is Section: Regular or Irregular Regular or Irregular Regular or Irregular Regular or Irregular Irregul	ine of Secti
If Section is Irregular, locate well from nearest corner be Section corner used: NE NW SE SW  PLAT  Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032 You may attach a separate plat if desired.  LEGEND  O Well Location Tank Battery Locatic Pipeline Location Electric Line Location Electric Line Locatio Lease Road Location  EXAMPLE  Section is Irregular, locate well from nearest corner by Section is Irregular, locate well from nearest corner by Section is Irregular, locate well from nearest corner by Section is Irregular, locate well from nearest corner by Section is Irregular, locate well from nearest corner by Section is Irregular, locate well from nearest corner by Section is Irregular, locate well from nearest corner by Section is Irregular, locate well from nearest corner by Section is Irregular, locate well from nearest corner by Section is Irregular, locate well from nearest corner by Section is Irregular, locate well from nearest corner by Section is Irregular, locate well from nearest corner by Section is Irregular, locate well from nearest corner by Section is Irregular, locate well from nearest corner by Section is Irregular, locate well from nearest corner by Section is Irregular, locate well from nearest location is Irregular, l	W
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LEGEND  O Well Location Tank Battery Location — Pipeline Location — Electric Line Location — Lease Road Location  EXAMPLE	).
O Well Location  Tank Battery Location  — Pipeline Location  — Electric Line Location  Lease Road Location  EXAMPLE	
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Tank Battery Location Pipeline Location Electric Line Location Lease Road Location  EXAMPLE	
Pipeline Location Electric Line Location Lease Road Locatio	n
EXAMPLE  31	
EXAMPLE	n
31 EXAMPLE	
31 EXAMPLE	11
31	
31	
	1980' F
	• • • •
SEWARD CO. 3390' FEL	

0 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

1100400

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

1100400

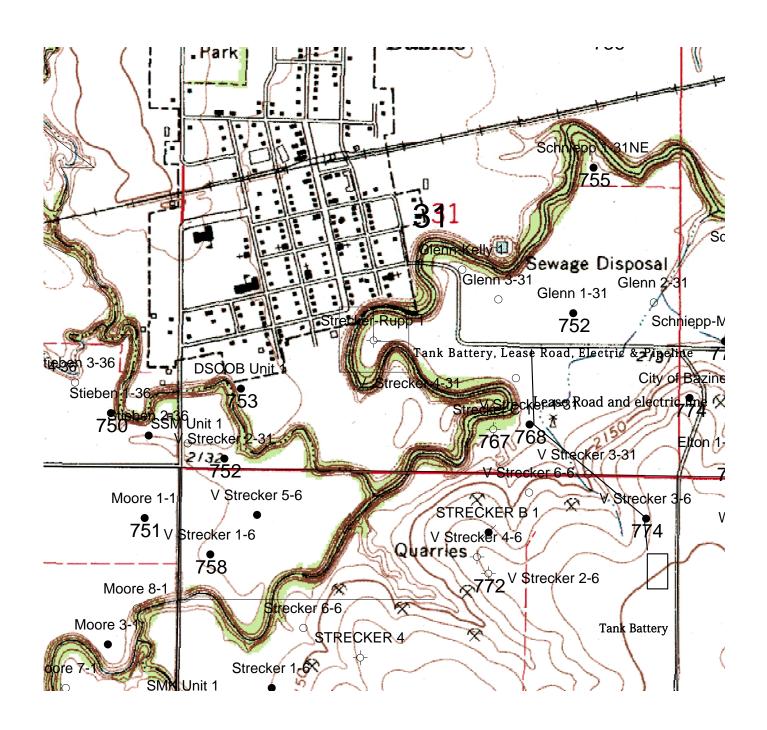
Form KSONA-1
July 2010
Form Must Be Typed
Form must be Signed
All blanks must be Filled

# 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)
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
KCC will be required to send this information to the surface ow	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 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 1 will be returned.
Submitted Electronically	

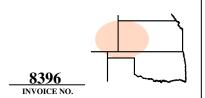




# ROBINSON SERVICES

Oil Field & Construction Staking

P.O. Box 2324 Garden City, Kansas 67846 Office/Fax: (620) 276-6159 Cell: (620) 272-1499



<u>c100309-d</u> PLAT NO.

V Strecker #3-31 **American Warrior** LEASE NAME

**Ness County, KS** 31 **18s** 21w COUNTY

120' FSL - 940' FEL LOCATION SPOT

1" =1000 SCALE: \_ Sept. 27<sup>th</sup>, 2009 DATE STAKED: Gabe Q. MEASURED BY: Gabe Q. DRAWN BY: Scott C. AUTHORIZED BY:

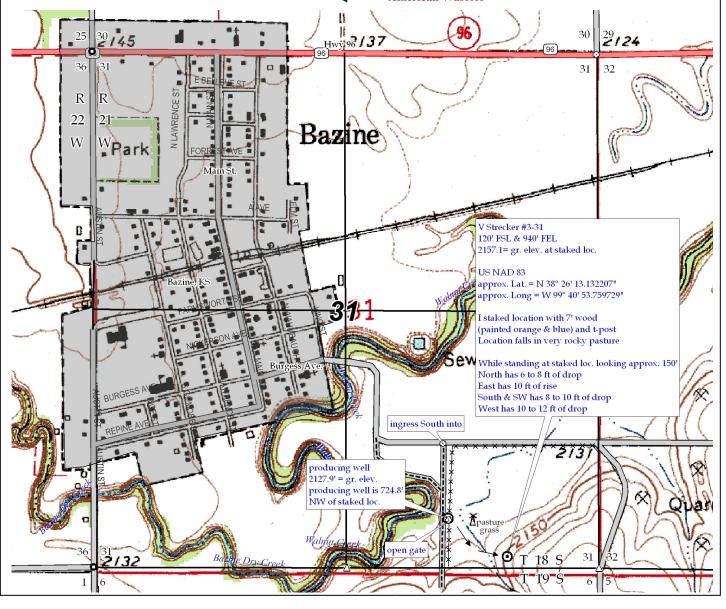
This drawing does not constitute a monumented survey or a land survey plat

This drawing is for construction purposes only

**Directions:** From the North side of Bazine. Ks at the intersection of Hwy 96 & Main St. South - Now go 0.6 mile South & SE on Main St. - Now go 0.2 mile East on Burgess Ave. - Now go 0.2 mile South on unknown road - Now go 0.1 mile East on unknown road to ingress South into - Now go 0.1 mile South on lease road to producing well - Now go approx. 735' SE through pasture grass into staked location.

Final ingress must be verified with landowner or **American Warrior** 

GR. ELEVATION: 2157.1°



### OIL AND GAS LEASE

THIS AGREEMENT, Entered into this the 22nd day of October		veen
Vella Mae Strecker, a single person		
117 W Repine		
Bazine, KS 67516	hereinafter called Lessor (whether one or mo	ore),
and American Warrior, Inc.		
	hereinafter called Lesse	ee:
Lessor, in consideration of Ten (10) & O.V.C.  Dollars in hand paid, referein provided and of the agreements of the lessee herein contained, hereby grants, investigating, exploring by geophysical and other means, prospecting drilling, mining a gases, and their respective constituent products, injecting gas, water, other fluids, and air tanks, power stations, telephone lines, and other structures and things thereon to product transport said oil, liquid hydrocarbons, gases and their respective constituent products at otherwise caring for its employees, the following described land, together with any revert the County of Ness  State of Kansas  and described County of Ness  The Northeast Quarter (NE/4)	s, leases and lets exclusively unto lessee for the purpose and operating for and producing oil, liquid hydrocarbons ir into subsurface strata, laying pipe lines, storing oil, build uce, save, take care of, treat, manufacture, process, store and other products manufactured therefrom, and housing ersionary rights and after-acquired interest, therein situate	e of s, all ding and and
In Section 6 , Township 19 South , Range 21 West accretions thereto.	, and containing 160acres, more or less, and	d all

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 or can be produced from said land or land with which said land is pooled. If, due to circumstances beyond Lessee's control, Lessee is unable to obtain a rotary drilling rig prior to the expiration of the primary term, Lessor agrees that Lessee shall have a reasonable time, not to exceed ninety (90) days, within which to obtain such rotary drilling rig and commence operations for the drilling of a well.

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

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

2<sup>nd</sup>. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. At any time, either before or after the expiration of the primary term of this lease, if there is a gas well or wells on the above land (and, for the purposes of this clause, the term "gas well" shall include wells capable of producing natural gas, condensate, distillate or any gaseous substance and wells classified as gas wells by any governmental authority) and such well or wells are shut-in, before or after production therefrom, lessee or any assignee hereunder may pay or tender annually, within sixty (60) days after the end of each yearly period during which such gas well or gas wells are shut-in, as substitute gas royalty, One Dollar (\$1.00) per net mineral acre retained hereunder, for the acreage then held under this lease, by the party making such payments or tenders, and, if such payments or tenders are made, it shall be considered under all provisions of this lease that gas is being produced from the leased premises in paying quantities.

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.

Lessee shall bury lessee's pipelines 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 said land.

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

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

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

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

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

State of Kansas Ness County

Book: 297 Page: \$12.00

Pages Recorded: 2 Cashier Initials: MH Date Recorded: 11/18/2005 7:05:00 AM

### Book: 297 Page: 454

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 asid-premises, such pooling to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, it is in the production from the pooled acreage, it is in the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it is in the treated as if production is had from this receive on production from a unit so pooled only such portion of the royalty stipulated herein as the royalty estimated, lessey 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.

It at the end of the primary term, this lease is not otherwise extended by production, lessee or its assigns is hereby granted an

commission expires			doV	otary Public	
salinva noissimmos					
		TO THE STATE OF TH			
UNTY OF foregoing instrument was acknowledged before me this	To ysb	b	02.	Кq	
LE OF					
commission expites			uoN	otary Public	
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JULY OF	•				BERNICE MOC
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90/4/6 səniqxə uoissimmoo			202	mis	Marso
la Mae Strecker, a single person					
NTY OF Ness  Roregoing instrument was acknowledged before me this Streeten	Sth day of O	stober	<b>90</b> 02	, vd.	
LE OF Kansas					
		:# xeT 10 #SS			- Indian Prince of the Control of th
		:# xsT 10 # <u>\$</u> S			
		:# xsT to #SS			
Ila Mae Strecker		- WM 1 10 00			
Alex Mes Streetler	AND COMPANY OF THE PARTY.	SS of Tax#:		·	
WITNESS WHEREOF, we sign the day and year first above	t above written.				
			•		
	,				
	*				
	· · · · · · · · · · · · · · · · · · ·				
Five dollars (\$5.00) per mineral acre shall be paid to th	d to the lessor.				

### **OIL AND GAS LEASE**

, 20_05	between
inafter called Lessor (wheth	er one or more),
,hereinafte	r called Lessee:
h is here acknowledged and s exclusively unto lessee for or and producing oil, liquid h e strata, laying pipe lines, sto care of, treat, manufacture, p cts manufactured therefrom, and after-acquired interest, th ows to-wit:	or the purpose of hydrocarbons, all bring oil, building process, store and and housing and
ning 80 acres, mor	re or less, and all
	,hereinafte  ,hereinafte  h is here acknowledged and sexclusively unto lessee for and producing oil, liquid te strata, laying pipe lines, stoare of, treat, manufacture, pcts manufactured therefrom, and after-acquired interest, thows to-wit:

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 or can be produced from said land or land with which said land is pooled. If, due to circumstances beyond Lessee's control, Lessee is unable to obtain a rotary drilling rig prior to the expiration of the primary term, Lessor agrees that Lessee shall have a reasonable time, not to exceed <u>ninety</u> (90) days, within which to obtain such rotary drilling rig and commence operations for the drilling of a well.

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

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

2<sup>nd</sup>. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. At any time, either before or after the expiration of the primary term of this lease, if there is a gas well or wells on the above land (and, for the purposes of this clause, the term "gas well" shall include wells capable of producing natural gas, condensate, distillate or any gaseous substance and wells classified as gas wells by any governmental authority) and such well or wells are shut-in, before or after production therefrom, lessee or any assignee hereunder may pay or tender annually, within sixty (60) days after the end of each yearly period during which such gas well or gas wells are shut-in, as substitute gas royalty, One Dollar (\$1.00) per net mineral acre retained hereunder, for the acreage then held under this lease, by the party making such payments or tenders, and, if such payments or tenders are made, it shall be considered under all provisions of this lease that gas is being produced from the leased premises in paying quantities.

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.

Lessee shall bury lessee's pipelines 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 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

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 herby 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 State of Kansas Ness County

Book: 297 Page: 477

Receipt #: 370
Pages Recorded: 2
Cashier Initials: MH 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.

Recorded: 11/18/2005 8:05:00 AM l ibbih briil bohb kulo ibhi kball bohi bbih bliki ibbih kbal ibbi

# Book: 297 Page: 478

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 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 conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is factor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the royalty 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.

If at the end of the primary term, this lease is not otherwise extended by production, lessee or its assigns is hereby granted an

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			ve written.	WITNESS WHEREOF, we sign the day and year first abo
				option to extend this lease for an additional one (1) year Five dollars ( $$5.00$ ) per mineral acre shall be paid to

Notary Public

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 13, 2012

Scott Corsari American Warrior, Inc. 3118 Cummings Rd PO BOX 399 GARDEN CITY, KS 67846

Re: Drilling Pit Application V Strecker 3-31 SE/4 Sec.31-18S-21W Ness County, Kansas

### Dear Scott Corsari:

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

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.