

For KCC Use ONLY

API # 15 - _____

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

Operator: _____

Lease: _____

Well Number: _____

Field: _____

Number of Acres attributable to well: _____

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

Location of Well: County: _____

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

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

Is Section: Regular or Irregular

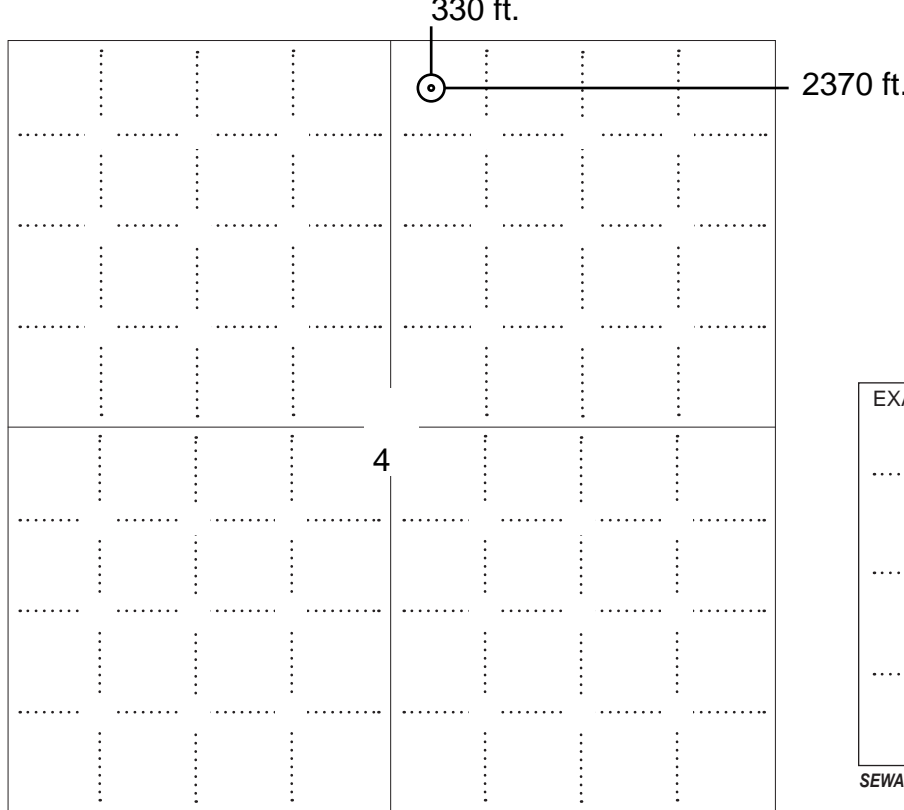
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

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

You may attach a separate plat if desired.



LEGEND

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



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

In plotting the proposed location of the well, you must show:

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.



APPLICATION FOR SURFACE PIT

Submit in Duplicate

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

KCC OFFICE USE ONLY			
		<input type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS	
Date Received: _____		Permit Number: _____	
Permit Date: _____		Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No	



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 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

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

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

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

Surface Owner Information:

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

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

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

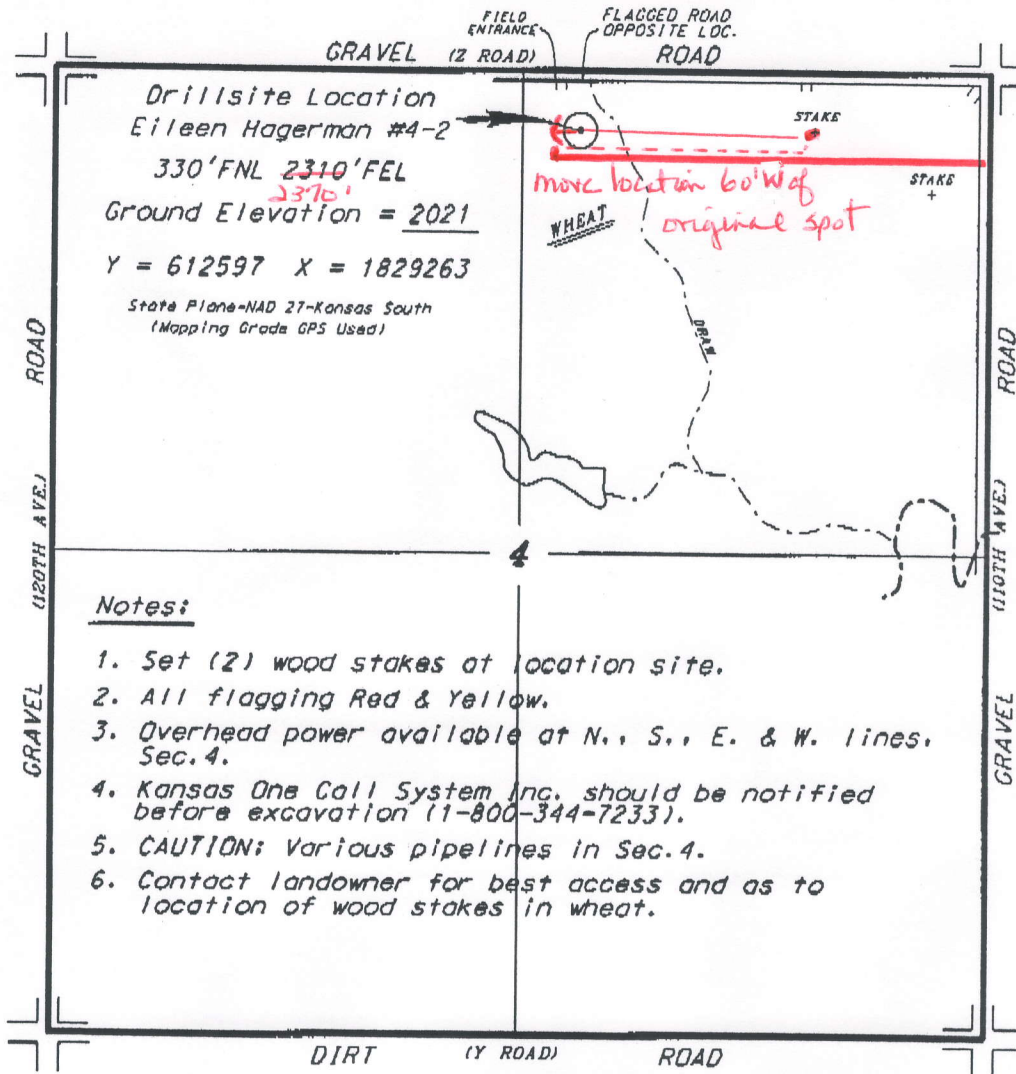
Select one of the following:

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

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

I Submitted Electronically

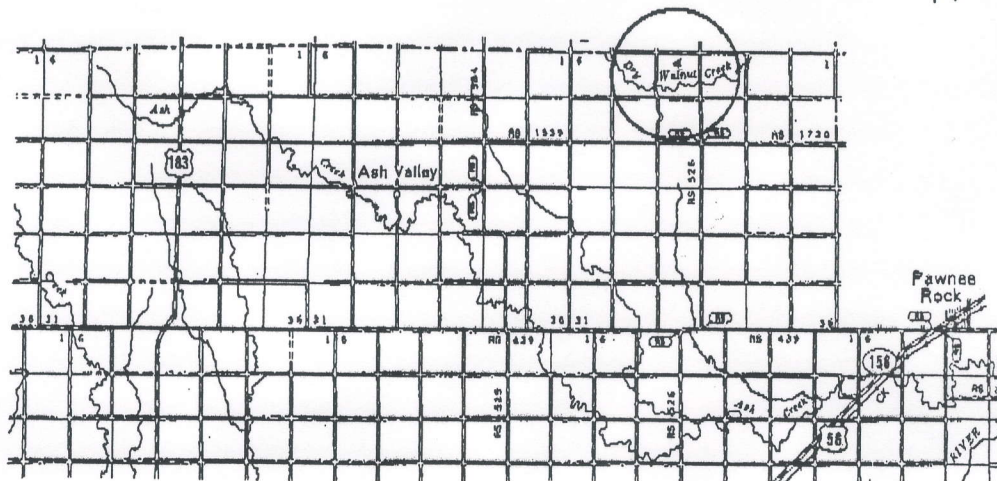
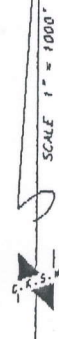
**SOUTHWIND PETROLEUM CORPORATION
 EILEEN HAGERMAN LEASE
 NE. 1/4, SECTION 4, T20S, R16W
 PAWNEE COUNTY, KANSAS**



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

Notes:

1. Set (2) wood stakes at location site.
2. All flagging Red & Yellow.
3. Overhead power available at N., S., E. & W. lines. Sec. 4.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec. 4.
6. Contact landowner for best access and as to location of wood stakes in wheat.



* Controlling data is based upon the BEST PACE and photographs available to us and upon a regular section of land containing 640 acres.
 * Approximate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drillsite location in the section is not guaranteed. Therefore, the operator securing this service and accepting this plot and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and hold entities released from any liability from incidental or consequential damages.
 * Elevations derived from National Geodetic Vertical Datum.

Date December 7, 2012

SOUTHWIND PETROLEUM
EILEEN HAGERMAN LEASE
N/2-SEC. 4-~~20~~T20S-R16W

PAWNEE CO.

ADDENDUM TO OIL AND GAS LEASE

This Addendum is attached to and made a part of that certain Oil and Gas Lease dated January 31, 2012, by and between Eileen Hagerman, an unmarried person, as Lessor, and J. Fred Hambright Inc., 125 N. Market, #1415, Wichita, Kansas 67202 as Lessee, covering the following described real property located in Pawnee County, Kansas, to-wit:

Township 20 South, Range 16 West
Section 4: Lot 1, Lot 2, Lot 3, Lot 4
and the S/2 N/2 a/d/a the N/2.

3rd. The leased premises are agricultural land used for production of crops, livestock and participation in government farm programs. Lessee agrees to notify Lessor at least fifteen (15) days prior to commencement of any operations upon the leased premises. Consultation between the Lessor or her farm tenant and Lessee or its authorized representative shall occur as to location, direction and desitnation of any roadway or access route on the leased premises, provided that such designated and/or access route shall be sufficient in width for normal operations of Lessee. Lessee agrees to retain in good repair all roads used by Lessee whether existing or developed by Lessee and to keep all gates and access roads, if any, closed or to install suitable cattle guards if Lessor or its agricultural tenant pasture cattle upon the above described real property.

4th. Consistent with the use of the leased premises for agricultural purposes the tank battery, permanent structures and equipment shall be placed in a location or locations acceptable to the Lessor to reasonably avoid interference with the farming operations of the Lessor on the above described real property. Lessor shall not unreasonably withhold its approval of locations. Upon request of Lessor, tank batteries and pumping equipment units shall be fenced to retain cattle in pasture or on ground that Lessor or its agricultural tenant grazes cattle to avoid entry by livestock into areas where Lessee may have its pumping unit, equipment or tangible personal properties. Lessor and Lessee expressly agree to communicate with each other in advance of Lessee's placement of permanent structures and equipment on the leased premises.

5th. The provisions of the lease to which this addendum is attached are hereby amended to include in the granting clause helium and other extractions.

6th. The royalty clause in the lease agreement is hereby amended to include royalty payments on helium and other extractions at the mouth of the well.

7th. It is agreed between the Lessor and Lessee that, notwithstanding any language herein to the contrary, all oil, gas or other proceeds accruing to the Lessor under this lease or by state law shall be without deduction, for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and marketing the oil, gas and other products produced hereunder to transform the product into marketable form; however, Lessor's share of any such costs which result in enhancing the value of the marketable oil, gas or other products to receive a better price may be deducted from Lessor's share of production so long as they are based on Lessee's actual cost of such enhancements.

8th. Notwithstanding anything to the contrary herein, it is understood and agreed that this lease may not be maintained in force for any one continuous period of time longer than two (2) consecutive years after the expiration of the primary term hereof solely by the provisions of the shut-in royalty clause. Further, notwithstanding the provisions of the lease, the annual royalty which shall be paid for a shut-in well shall be equal to \$15.00 per net mineral acre for acreage covered by the lease. Payment of shut-in royalty shall be paid to the Lessor within thirty (30) days after the well is shut-in thereafter on or before the anniversary date of shut-in for subsequent periods permitted by this addendum.

9th. Lessee agrees to remove and reserve top soil to a depth of twenty-four (24) inches at drill sites, where pits are located and at other locations where removal of soil occurs. The top soil shall be kept separate from other soil removed by Lessee in development and operations of the well site.

10th. Lessee shall have the right at anytime during or within six (6) months, weather permitting, upon completion of any dry-hole test drilling operations, or upon the abandonment of any producing well, or otherwise upon termination of this lease, weather permitting, to remove all equipment, fixtures, tangible personal properties, and other properties placed by Lessee on the land, including the right to draw and remove all casings. Any property of Lessee not so removed, at the option of Lessor, shall become the property of Lessor without reimbursement to Lessee.

11th. Unless otherwise agreed upon in writing by the parties hereto, all pits as may be utilized by Lessee in drilling and in the operation of a well or wells under this lease shall be fully lined with materials that are acceptable to the Lessor so as to protect the environment, including, but not limited to the soil, surface and/or groundwater and crops, grass, trees or other vegetation on the premises.

12th. Lessor expressly reserves the ownership of the ground water from the leased premises. Use of water pursuant to this lease will be limited to drilling operations only on the real estate described in the lease. Freshwater may not be used for flooding or injection operations. If water well is drilled on the property relative to operations under this lease, the cased hole will be plugged, or will be left for Lessor's future use as Lessor may direct. Lessor shall compensate Lessee for any water used.

13th. All pipelines shall be buried and maintained not less than thirty-six (36) inches below depth so farming and ranching operations, terracing and subsoil tillage, may be safely performed.

14th. Lessee agrees that on completion or abandonment of a well on the leased premises, the surface of the land will be restored to its original condition as nearly as possible within one hundred twenty (120) days, weather permitting, after completion or abandonment of the well. Surface restorations shall include the following: (a) all pits must be drained or pumped dry; (b) pits must be back-filled with dry dirt after being cleaned; (c) liners for the pits as hereinabove required shall be removed, unless otherwise agreed to in writing; and (d) the previously removed and segregated top soil shall then be restored to the surface of said pits and drilling location.

15th. Lessee shall conduct its operations in accordance with prudent standards of the oil and gas industry and further, shall conduct its operations in accordance with the rules and regulations of the Kansas Corporation Commission, The Kansas Department Of Health And Environment, and the Environmental Protection Agency Of The United States. Lessee shall observe all required safety precautions to insure that no damages occur except those defined as "Force Majeure". Except as hereinabove otherwise provided, Lessee shall pay Lessors, or their order, for all damage arising out of its operations under this lease, including, but not limited to, persons, trees, pastures, growing crops, surface and ground water, terraces, and other improvements on the leased premises. As a demonstration of good faith, without any means of limitation whatsoever, Lessee shall advance to the Lessors the sum of Two Thousand Dollars (\$2,000.00) prior to the commencement of any drilling operations hereunder as a deposit to be applied against well site damage. Said payment shall be nonrefundable and shall not be construed as liquidated damages or in any other way limiting actual damages or specific performances required by the Lessee herein.

16th. The following provision shall apply if any of the land covered by this lease is enrolled in the USDA CRP program: If CRP grass is damaged or destroyed by any operations or activities conducted pursuant to the oil and gas lease, Lessee shall reimburse Lessor any reduction in CRP payments and any damages and penalties assessed by USDA. If CRP land areas are required to be re-seeded, Lessee shall pay the actual costs of the grass seed mix required for the specific soil type and pay the actual cost of preparing the soil, planting cover crops and planting the grass crop as required by USDA. The area of CRP grass affected, less the area needed for oil and gas operations in the event of production, shall be determined without delay and shall be re-seeded on the time table established by the county FSA Office where the land is located.

17th. Lessee shall not be permitted to use any well drilled on the leased premises as a salt water disposal well without written consent of Lessors and without compensating Lessors for the use thereof provided, however, that a well drilled upon the real estate expressly described hereinabove may be utilized for disposition of saltwater from other wells drilled upon the said described real estate. It is agreed that no salt water, waste drilling fluids, waste material or other deleterious substances will be injected or disposed in any well that may be drilled on the property covered by this lease without separate written agreement including compensation for use thereof. Disposal of saltwater into a well of Lessor on the above described land must be disposed of in accordance with rules and regulations of the state corporation commission of Kansas relating to disposal of salt or mineralized water by a Lessee of an oil and gas well.

18th. It is understood that the Lessee, its successors and assigns shall be responsible for plugging of all wells upon the leased premises in a timely manner in compliance with Kansas law and regulations of the Kansas Corporation Commission.

19th. Lessee shall haul trash and other debris to the landfill and no trash or debris shall be dumped or deposited in, on or under the surface of the subject property.

20th. Notwithstanding any other provisions of this lease, the Lessor and Lessee agree that this lease does not provide Lessee with a pipeline right of way and/or easement for carrying or transporting gas, oil, or other oil and gas related materials that are solely produced from locations not originating on the leased land or on land to which the leased land is unitized.

21st. To the extent that the provisions of the attached oil and gas lease are inconsistent or in contradiction of the terms of this addendum, the terms of the addendum to oil and gas lease shall control.

Signed for Identification:

Date: January 31, 2012

By: Eileen Hagerman
Eileen Hagerman, Lessor

J. Fred Hambright Inc.,

Date: February 27, 2012

By: Rumi Aurt
Authorized Representative

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



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

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

Sam Brownback, Governor

January 04, 2013

Willis Nigh
Southwind Petroleum Corp.
1400 W 14TH ST
WICHITA, KS 67203-2901

Re: Drilling Pit Application
Eileen Hagerman 4-2
NE/4 Sec.04-20S-16W
Pawnee County, Kansas

Dear Willis Nigh:

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 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 within 96 hours 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.