For KCC Use:

Eff	e	ct	iv	е	Date:

District	#	

SGA?	Yes	No
SGAS	res	

Forn

KANSAS CORPORATION COMMISSION **OIL & GAS CONSERVATION DIVISION**

March 2010 Form must be Typed Form must be Signed All blanks must be Filled

Form C-1

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date:	Spot Description:
month day year	
OPERATOR: License#	
Name:	
Address 1:	Is SECTION: Regular Irregular?
Address 2:	(Note: Locate well on the Section Plat on reverse side)
City: State: Zip: +	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: Oil Enh Rec Infield Mud Rotary Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable Seismic ; # of Holes Other Other:	Nearest Lease or unit boundary line (in footage): Ground Surface Elevation:
Directional, Deviated or Horizontal wellbore?	Water Source for Drilling Operations:
If Yes, true vertical depth:	Well Farm Pond Other:
Bottom Hole Location:	DWR Permit #:
KCC DKT #:	(Note: Apply for Permit with DWR)
R00 DR1 π	Will Cores be taken?
	If Yes, proposed zone:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

It is agreed that the following minimum requirements will be met:

- 1. Notify the appropriate district office *prior* to spudding of well;
- 2. A copy of the approved notice of intent to drill shall be posted on each drilling rig;
- 3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
- 4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
- 5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
- 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 DAYS of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. In all cases, NOTIFY district office prior to any cementing.

Submitted Electronically

For KCC Use ONLY	
API # 15	
Conductor pipe required	feet
Minimum surface pipe required	feet per ALT. II
Approved by:	
This authorization expires:	rted within 12 months of approval date.)
Spud date: Age	ent:

Remember to:

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- 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);
- Obtain written approval before disposing or injecting salt water.
- If well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.

ш

Well will not be drilled or Permit Expired Date: _____ Signature of Operator or Agent:



For KCC Use ONLY

API # 15 - .

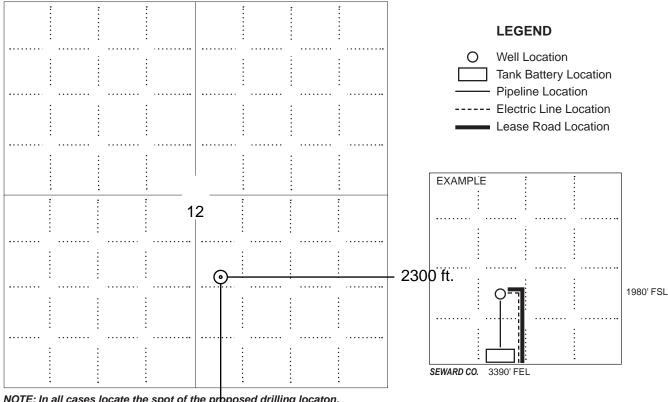
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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 E 📃 W	
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.

1515 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.

Side Two

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1110219

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:	Pit is:]·		
Emergency Pit Burn Pit	Proposed	Existing	SecTwpR East West		
Settling Pit Drilling Pit	If Existing, date co	nstructed:	Feet from North / South Line of Section		
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:		Feet from East / West Line of Section		
		(bbls)	County		
Is the pit located in a Sensitive Ground Water A	irea? 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 (fe	et)	Width (feet)N/A: Steel Pits		
Depth fro	om ground level to dee	epest point:	(feet) No Pit		
Distance to nearest water well within one-mile of pit: Depth to shallowest fresh water feet. Source of information:					
		measured			
Emergency, Settling and Burn Pits ONLY: Producing Formation:			Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover:		
Number of producing wells on lease:		Number of working pits to be utilized:			
Barrels of fluid produced daily:		Abandonment procedure:			
Does the slope from the tank battery allow all spilled fluids to flow into the pit?		Drill pits must be closed within 365 days of spud date.			
Submitted Electronically					
KCC OFFICE USE ONLY Liner Steel Pit RFAC RFAS					
Date Received: Permit Num	ber:	Permi	it Date: Lease Inspection: Yes No		

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

OIL & GAS CONS CERTIFICATION OF C	ATION COMMISSION 1110219 ERVATION DIVISION To UNISION Form Must Be Typed Form Must Be Signed All blanks must be Filled				
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:				
Surface Owner Information: Name: Address 1: Address 2: City:	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.

Submitted Electronically

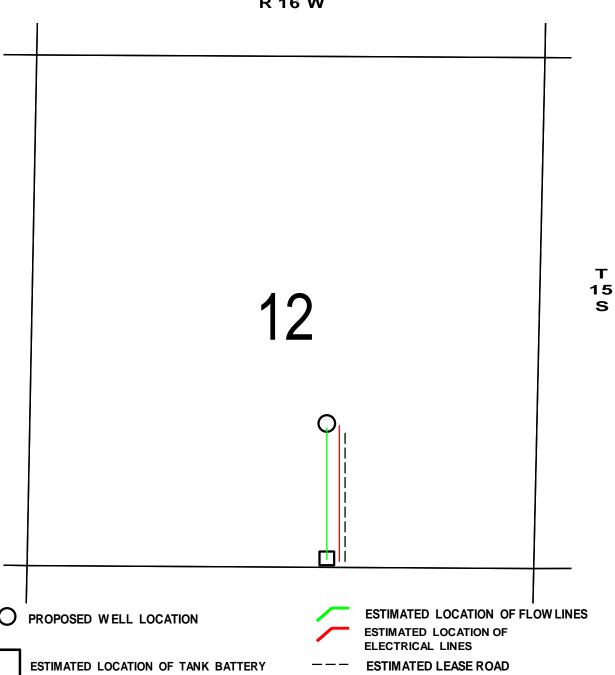
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Samuel Gary Jr & Associates, Inc 1515 Wynkoop Street, Suite 700 **OPERATOR**: Denver, Colorado 80202 office : 303-831-4673 ; fax : 303-863-7285

WELL NAME : BALL 1-12

LOCATION: 1515 FSL/2300 FEL Sec. 12-15S-16W ELLIS COUNTY SURFACE OWNER : Candace Ball J. Michael Leas, 8306 Hwy 21 Christopher Leas, & Ryan Leas Hillsboro, MO 2914 Willow St. Hays, KS 67601 63050



R 16 W

BALL 1-12 ADDITIONAL SURFACE OWNERS:

SANDRA B. LEAS REV. TR. Dtd OCTOBER 17, 2008 J. MICHAEL LEAS, CHRISTOPHER LEAS, RYAN D. LEAS, SUCCESSOR TRUSTEES 2914 WILLOW STREET HAYS, KS 67601

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756 PAGE

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OIL AND GAS LEASE

AGREEMENT, Made and entered into this 29th day of . 2010 June by <u>Candace M. Ball, a single person</u>, whose mailing address is _ 8306 Highway 21 Hillsboro, Missouri 63050 hereinafter called Lessor (whether one or more), And ______ High Plains Energy Partners, LLC, 1515 Wynkoop, Suite 700, Denver, CO 80202, hereinafter called Lessee.

Lessor, in consideration of <u>Ten and Other Valuable Considerations</u> Dollars (<u>\$ 10.00</u>) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of <u>Ellis</u> State of <u>Kansas</u> described as follows to-wit:

The Southeast Quarter (SE/4)

of Section <u>12</u> Township <u>15 South</u> Range <u>16 West</u> and containing <u>160.00</u> acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of <u>Three (3)</u> years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or their 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 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.

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

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

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

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

When requested by lessor, Lesse 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 and/or landowner.

Lessee shall pay for damages caused by lessee's operations to growing crops and grass 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, provided the well is properly closed, structures and power lines are removed, environmental hazard or contamination is removed, and land is returned to its original condition as nearly as is reasonably possible.

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 executors, administrators, successors or assigns shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

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

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

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

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

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Lessee agrees not to transfer operations of this lease without Lessor's written as proval, but such approval shall not be unreasonably withheld. Lessee agrees to hold Lessor harmless regarding Lessee's or Transferee's operations.

Lessor and/or landowner must be notified at least twenty-four (24) hours prior to Lessee's entry onto the property and shall control routes of ingress and egress, including permanent lease roads.

Lessee shall not drill a well or wells closer than 200 feet from any presently existing ponds or springs on said real estate measured from the full level line of such ponds.

Lessee shall construct a dike or other barrier around any tank battery with an emergency pit sufficient to contain any overflow or leaks.

All permanent lease roads must be approved by Lessors and no oil shall be allowed on any roads which drain into streams, ponds, or other waterways.

Any tank battery shall be located where Lessors and Lessee shall mutually agree but in no event where it can drain into streams, ponds, or other waterways.

All drilling, completion and production activities shall be conducted in full compliance with all environmental rules and regulations of the Kansas Corporation Commission.

Lessee shall construct appropriate fences and other barriers around pumping unit, tank batteries, disposal wells and other property which it locates on the leased premises in order to prevent injury to livestock and shall further install appropriate gates and cattle guards where necessary.

Lessee is hereby granted the option to extend the primary term of this lease for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee, in total, on or before the expiration date of lease by paying and delivering to Lessor at the above address, the sum of \$25.00 per acre covered by the lease. In the event Lessee exercises this option, Lessee must renew all acreage covered by this lease. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a term of five (5) years.

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

Ball, a single per

SUZANNE NICOLE CARTER Notary Public - Notary Seal STATE OF MISSOURI STATE OF Mistaire Jefferson County My Commission Expires: Aug. 20, 2013 Commission # 09857211 COUNTY OF The foregoing instrument was acknowledged before me this 2010 Candace M. Ball By My commission expires Notary Public This instrument was filed for record on the Class recorded nuc 0 ∞ OIL AND GAS LEASI and duly Rge. ELLIS Term Σ Jes mo Page 2000 County 4 FROM 5 o-clock records of this office. Twp. return a s solo 156 2.00 No. recorded. Г æ 00 of Acres STATE OF J Book County When Section day of σ Date ě Βy őZ DT 0 169756 PAGE BOOK

STATE OF KANSAS } ELLIS COUNTY This Instrument was filed for record 2:15_0'clock ____ M recorded in

OCT (7 2010
154 of Parona	Spage 719
Fees 200	Register of Deeds

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La cour	TT LON	sta
Series Series	R. C.	K K K
kua 		Man

OIL AND GAS LEASE

AGREEMENT, Mad	e and entered into this <u>29th</u> day of	May	, 2010
by	Margery F. Enke and Larry E. Enke wife and h	usband	,
whose mailing address is	10220 NE Frontage Road, Wellington, Colorado 80549	hereinafter called Lessor (wi	nether one or more):
and	High Plains Energy Partners, LLC, 1515 Wynkow	op, Suite 700, Denver, CO 80202	hereinafter called
Lessee.			

Lessor, in consideration of <u>Ten and Other Valuable Considerations</u> Dollars ($_10.00$) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of <u>Ellis</u> State of <u>Kansas</u> described as follows to-wit:

The Souththeast Quarter (SE/4)

of Section <u>12</u> Township <u>15 South</u> Range <u>16 West</u> and containing <u>160</u> acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of <u>Three (3)</u> years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or their 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:

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

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

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

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

When requested by lessor, Lessee shall bury lessee's pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of lessor and/or landowner.

Lessee shall pay for damages caused by lessee's operations to growing crops and grass 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, provided the well is properly closed, structures and power lines are removed, environmental hazard or contamination is removed, and land is returned to its original condition as nearly as is reasonably possible.

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 executors, administrators, successors or assigns or assigns shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

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

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

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

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do in order properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether th^{Page 2 of 2 r} 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.

Acadian Land Services

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BOOK 754 PAGE 719

Lessee agrees not to transfer () itions of this lease without Lessor's written orval, but such approval shall not be unreasonably withheld. Lessee agrees to nold Lessor harmless regarding Lessee's or Transferee's operations.

Lessor and/or landowner must be notified at least twenty-four (24) hours prior to Lessee's entry onto the property and shall control routes of ingress and egress, including permanent lease roads.

Lessee shall not drill a well or wells closer than 200 feet from any presently existing ponds or springs on said real estate measured from the full level line of such ponds.

Lessee shall construct a dike or other barrier around any tank battery with an emergency pit sufficient to contain any overflow or leaks.

All permanent lease roads must be approved by Lessors and no oil shall be allowed on any roads which drain into streams, ponds, or other waterways.

Any tank battery shall be located where Lessors and Lessee shall mutually agree but in no event where it can drain into streams, ponds, or other waterways.

All drilling, completion and production activities shall be conducted in full compliance with all environmental rules and regulations of the Kansas Corporation Commission.

Lessee shall construct appropriate fences and other barriers around pumping unit, tank batteries, disposal wells and other property which it locates on the leased premises in order to prevent injury to livestock and shall further install appropriate gates and cattle guards where necessary.

Lessee is hereby granted the option to extend the primary term of this lease for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee, in total, on or before the expiration date of lease by paying and delivering to Lessor at the above address, the sum of \$25.00 per acre covered by the lease. In the event Lessee exercises this option, Lessee must renew all acreage covered by this lease. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a term of five (5) years.

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

Witnesses:	marger 7. Enke
	MARGERY HENKE
	LARRY E. ENKE
STATE OF COCOCO COUNTY OF DEMEC The foregoing instrument was acknowledged before me this By Margery F. Enke and La	Att day of 100 2010
My commission expires	Notary Public
STATE OF COUNTY OF	
The foregoing instrument was acknowledged before me this	day of2010
By Larry E. Enke	
My commission expires	Notary Public

BOOK 754 PAGE 720

dapted Kansas Blue Print Form 88– (Producer's Special) (PAID-UP) 63U (Rev. 1993)

REGAS OLO
TE OF KANSAS }
7:420'clock_# M recorded in X
OCT 2 2 2010 - MANSAS
756 of Record page 150
Fees 17 . Register of Deeds

OIL AND GAS LEASE

 AGREEMENT, Made and entered into this
 30th
 day of
 June
 , 2010

 Sandra B. Leas Revocable Trust, dated October 17, 2008, J. Michael Leas, Christopher Leas and Ryan D. Leas Successor Co-Trustees, whose mailing address is
 2914 Willow St., Hays, KS 67601
 hereinafter called Lessor (whether one or more), hereinafter called Lessor (whether one or more),

 And
 High Plains Energy Partners, LLC, 1515 Wynkoop, Suite 700, Denver, CO 80202
 hereinafter called Lessee.

Lessor, in consideration of <u>Ten and Other Valuable Considerations</u> Dollars (<u>\$10.00</u>) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other means, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of <u>Ellis</u> State of <u>Kansas</u> described as follows to-wit:

The Southeast Quarter (SE/4)

of Section 12 Township 15 South Range 16 West and containing 160.00 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of <u>Three (3)</u> years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or their 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:

 1^{st} 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^{nd} To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1,00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.

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

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

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

When requested by lessor. Lessee shall bury lessee's pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of lessor and/or landowner.

Lessee shall pay for damages caused by lessee's operations to growing crops and grass 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, provided the well is properly closed, structures and power lines are removed, environmental hazard or contamination is removed, and land is returned to its original condition as nearly as is reasonably possible.

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 executors, administrators, successors or assigns or assigns shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

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

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

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

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do in order 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 a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether th^{Page 2 of 2} r 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.

dran

756 PAGE 150

BOOK

Lessee agrees not to transfer o_{i} tions of this lease without Lessor's written oval, but such approval shall not be unreasonably withheld. Lessee agrees to hold Lessor harmless regarding Lessee's or Transferce's operations.

Lessor and/or landowner must be notified at least twenty-four (24) hours prior to Lessee's entry onto the property and shall control routes of ingress and egress, including permanent lease roads.

Lessee shall not drill a well or wells closer than 200 feet from any presently existing ponds or springs on said real estate measured from the full level line of such ponds.

Lessee shall construct a dike or other barrier around any tank battery with an emergency pit sufficient to contain any overflow or leaks.

All permanent lease roads must be approved by Lessors and no oil shall be allowed on any roads which drain into streams, ponds, or other waterways.

Any tank battery shall be located where Lessors and Lessee shall mutually agree but in no event where it can drain into streams, ponds, or other waterways.

All drilling, completion and production activities shall be conducted in full compliance with all environmental rules and regulations of the Kansas Corporation Commission.

Lessee shall construct appropriate fences and other barriers around pumping unit, tank batteries, disposal wells and other property which it locates on the leased premises in order to prevent injury to livestock and shall further install appropriate gates and cattle guards where necessary.

Lessee is hereby granted the option to extend the primary term of this lease for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee, in total, on or before the expiration date of lease by paying and delivering to Lessor at the above address, the sum of \$25.00 per acre covered by the lease. In the event Lessee exercises this option, Lessee must renew all acreage covered by this lease. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a term of five (5) years.

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

240

Michael Har

Christopher Leas Co-Trustee

Ryan D. Leas, Successor Co-Trustee

STATE OF <u>Kansas</u> COUNTY OF <u>Ellis</u>
The foregoing instrument was acknowledged before me this 30 day of 5cme 2010
By J. Michael Leas and Ryan D. Leas My commission expires My 78, 2011 Notary Public
STATE OF Kansas STATE OF KANSAS My App. Exp
The foregoing instrument was acknowledged before me this 30 day of 5 2010
By Christopher Leas My commission expires B, 20M Notary Public
BENJAMIN S. COLVIN NOTARY PUBLIC STATE OF KANSAS MY App. Exp

OIL AND GAS LEASE

AGREEMENT, Made and entered into the	7th	day of	October	2010
by and between between MARIAN AI	LEY LAYHER LIV	ING TRUST, date	ed December 21, 1999, herein repres	ented by Marian Aley
Layher, as trustee,			7601hereinafter ca ERS, LLC , CO 80202	· · · · · · · · · · · · · · · · · · ·
whose mailing address is	206 E 20 th Stre	et Hays, Kansas 6'	7601hereinafter ca	lled Lessor (whether one or more),
and	HIGH PLAINS	ENERGY PARTN	ERS, LLC	
	1515 Wynkoop	Suite 700, Denver	, CO 80202	, hereinafter called Lessee:
Lessor, in consideration of <u>T</u> acknowledged and of the royalties herein provided at geophysical and other means, prospecting drilling, m air into subsurface strata, laving pipe lines, storing of	Yen and Other Valuable of of the agreements of the Less ining and operating for and pro- l, building tanks, power station d their respective constituent p	e Considerations see herein contained, hereby ducing oil, liquid hydrocarb s. telephone lines, and other	Dollars (\$ 10.00) in hand pair grants, leases and lets exclusively unto Lessee for the pur ons, all gases, and their respective constituent products, inj structures and things thereon to produce, save, take care o manufactured therefrom, and housing and otherwise carin	d, receipt of which is hereby pose of investigating, exploring by ecting gas, water, other fluids, and f treat manufacture process store
therein situated in County of	Ellis	State of	Kansas	described as follows to-wit:
SEE EXHIBIT "A" AT	TACHED HERETO	AND MADE A PA	ART HEREOF FOR PROPERTY DESC	RIPTION.
In Section <u>12</u> Township	15 South	_Range16 We	stand containing160.00	acres, more or less, and all
	his lease shall remain in force for tituent products, or any of the	or a term of <u>Three</u> m, is produced from said la	(3) years from this date (called "primary term") a nd or land pooled therewith or this lease is otherwise m	nd as long thereafter as oil, liquid aintained in effect pursuant to the
In consideration of the premises the said Les	see covenants and agrees:			
lst. To deliver to the credit of Lessor, free premises.	of cost, in the pipe line to whi	ch Lessee may connect well	s on said land, the equal one-eighth (1/8) part of all oil pr	roduced and saved from the leased
2nd. To pay Lessor for gas, (including casis (1/8), at the market price at the well, (but, as to gas so part of the production, severance, or other excise tax otherwise making any such gas merchantable) for the This lease may be maintained during the pri	ighead gas) of whatsoever natu old by Lessee, in no event more es and the cost incurred by Les gas sold, used off the premises mary term hereof without furth	re or kind produced and solu- than one-eighth (1/8) of the see in delivering, treating fo or in the manufacture of pro- er payment or drilling operat	I, or used off the premises, or used in the manufacture of net proceeds received by Lessee from such sales, such net or the removal of nitrogen, helium or other impurities in th ducts therefrom, said payments to be made monthly. ions. If at the expiration of the primary term of this lesse.	ny products therefrom, one-eighth proceeds to be less a proportionate e gas, processing, compressing, or oil or eas is not being produced on
the leased premises or on acreage pooled or unitized continuously prosecuted on the leased premises or or days shall elapse between the completion or abandom pooled or unitized therewith, the production should hundred and twenty (120) days from the date of cess shall continue in full force and effect so long as oil or	therewith but Lessee is then of acceage pooled or unitized the nent of one well and the beginn cease from any cause after the ation of production or from the gas is produced from the leased	ngaged in drilling, reworki rewith, and operations shall ing of operations for the dril primary term, this lease sha date of completion of a dry premises or on acreage poor	ions. If at the expiration of the primary term of this lease, no operations thereon, then this lease shall continue in for be considered to be continuously prosecuted if not more t ling of a subsequent well. If after discovery of oil or gas on Il not terminate if Lessee commences additional drilling o hole. If oil or gas shall be discovered and produced as a led or unitized therewith.	so of gas a born product of the solution of th
If after the primary term one or more wells are either shut in or production therefrom is not being consecutive days such well or wells are shut in or pro- payment to be made to Lessor on or before the anniv while the well or wells are shut in or production ther sold by Lessee from another well on the leased premi- such operations or production occurs, as the case may	on the lease premises or lands p sold by Lessee, such well or v duction therefrom is not sold b grany date of this lease next en from is not being sold by Less ses or lands pooled or unitized be. Lessee is failure to propert	woled or unitized therewith vells shall nevertheless be d y Lessee, the Lessee shall pa suing after the expiration of ee, provided that if this leas therewith, no shut-in royalty p pay shut-in royalty shall re	are capable of producing oil or gas or other substances cov- remed to be producing for the purpose of maintaining the l y an aggregate shut-in royalty of One Dollar (\$1.00) per ac- the saud ninety (90) day period and thereafter on or before is in its primary term or otherwise being maintained by o shall be due until the end of the next following anniversary nder Lessee liable for the amount due, but shall not operate	ered hereby, but such well or wells ease. If for a period of ninety (90) ire then covered by this lease, such each anniversary date of this lease perations, or if production is being date of this lease that cessation of to terminate this lease.
			estate therein, then the royalties (including any shut-in roy	
			ration thereon, except water from the wells of Lessor	inste - REC
When requested by Lessor, Lessee shall bur	-	•		Direct 444
No well shall be drilled nearer than 200 feet	to the house or barn now on said	d premises without written o	consent of Lessor	in Direct Hugh
Lessee shall pay for damages caused by Les	see's operations to growing cro	os on said land.		Jumanco 191
Lessee shall have the right at any time to rer	-		с с D	C ₂ C ₂ C ₂ A _{comp} eriment/PEL/COV.*
If the estate of either party hereto is assign successors or assigns, but no change in the ownersh assignment or a true copy thereof. In case Lessee assi of assignment.	ed, and the privilege of assign ip of the land or assignment o gns this lease, in whole or in pa	ing in whole or in part is e f rentals or royalties shall b rt, Lessee shall be relieved c	xpressly allowed, the covenants hereof shall extend to the e binding on the Lessee until after the Lessee has been fi f all obligations with respect to the assigned portion or port or portion or	ir heirs, executors, administrators, irnished with a written transfer or tions arising subsequent to the date
Lessee may at any time execute and deliver such portion or portions and be relieved of all obligat	to Lessor or place of record a i ons as to the acreage surrender	elease or releases covering and	any portion or portions of the above described premises an	d thereby surrender this lease as to
All express or implied covenants of this lea Lessee held liable in damages, for failure to comply u and production of wells, and regulation of the price o prevented or delayed by such laws, rules, regulation strike, lockout, or other industrial disturbance, act of restraint or inaction, or by inability to obtain a sati specifically enumerated above or otherwise, which is prevention or delay shall be added to the term hereof or delayed	se shall be subject to all Federa herewith, if compliance is prev transportation of oil, gas or oil or orders, or by inability to o the public enemy, war, blocks factory market for production, not reasonably within control Lessee shall not be liable for	I and State Laws, Executive ented by, or if such failure i ner substance covered hereby blain necessary permits, equide, public riof, lightening, f or failure of purchasers or of Lessee, this lease shall n breach of any provision or i	Orders, Rules or Regulations, and this lease shall not be t s the result of, any such Law, Order, Rule or Regulation, ir . When drilling, reworking, production or other operations ipment, services, material, water, electricity, fuel, access of ire, storm, flood or other act of nature, explosion, governn carriers to take or transport such production, or by any ot terminate because of such prevention or delay, and, at I mplied covenants of this lease when drilling, production, o	erminated, in whole or in part, nor teluding restrictions on the drilling, or obligations under this lease are or easements, or by an act of God, nental action, governmental delay. other cause, whether of the kind .essee's option, the period of such r other ousers are so prevented
Lessor hereby warrants and agrees to defend or other liens on the above described lands, in the ev successors and assigns, hereby surrender and release which this lease is made, as recited herein.	I the title to the lands herein de ent of default of payment by L all right of dower and homester	scribed, and agrees that the I essor, and be subrogated to id in the premises described	Lessee shall have the right at any time to redeem for Lessor the rights of the holder thereof, and the undersigned Lesso herein, in so far as said right of dower and homestead may	, by payment any mortgages, taxes ors, for themselves and their heirs, in any way affect the purposes for
Lessee, at its option, is hereby given the rigit under and that may be produced from said premises, or into a unit or units not exceeding 640 acres each in instrument identifying and describing the pooled or u from the produced unit, as if it were included in this lea on the premises covered by this lease or not. In lieu the amount of his acreage placed in the unit or his roy	It and power to pool, unitize or r advisable to do so in order to such pooling or unitization to b the event of a gas well. Lesse inized acreage. The entire acre se If production is found on th royalities elsewhere herei alty interest therein on an acrea	combine the acreage covere properly develop and opera- e of tracts contiguous to opera- shall execute in writing an- ige so pooled or unitized intr pooled or unitized acreage. In specified, Lessor shall rec- ge basis bears to the total ac	d by this lease or any portion thereof with other land, lease te said lease premises so as to promote the conservation or another and to be into a unit or units not exceeding 40 acr frecord in the conveyance records of the county in which to a tract or unit shall be treated, for all purposes except the it shall be treated as if production is had from this lease, w sive on production from a unit so pooled only such portion reage so pooled or unitized in the particular unit involved.	or leases in the immediate vicinity of oil, gas or other minerals in and ese each in the event of an oil well, he land herein leased is situated an payment of rovalities on production hether the well or wells be located of the royalty stipulated herein as
Lessor agrees to give written notice to Less Lessor, a lease covering any or all of the substance agrees to notify Lessee in writing of said offer immed period of fifteen days after receipt of the notice, shall terms and conditions specified in the offer. All offers to purchase the lease pursuant to the terms, hereto, it	e. if, during the primary term of covered by this lease and cover lately, including in the notice the have the prior and preferred rise made up to and including the I shall so notify Lessor in writing	of this lease, Lessor receives ring all or a portion of said the name and address of the o ht and option to purchase th ast day of the primary term of by mail or telegram prior to	a bona fide offer which Lessor is willing to accept from a land herein, with the lease becoming effective upon expir fiferor, the price offered and all other pertinent terms and co e lease or part thereof or interest therein, covered by the off f this lease shall be subject to the terms and conditions of the o expiration of said 15-day period. Lessee shall promptly the specified amount as consideration for the new lease, such d the same along with the endorsed draft to Lessee's represen-	ny party offering to purchase from ration of this lease. Lessor hereby inditions of the offer. Lessee, for a er at the price and according to the his paragraph. Should Lessee elect hereafter furmish to Lessor the new
This lease may be signed in any number or notwithstanding some of the Lessors above named wi although not named above.			Lessor on execution hereof as to his or her interest and 'Lessor' as used in this lease shall mean the party or partie	
Lessee shall have the exclusive right to exp not, including the drilling of holes, use of torsion bal and geophysical information. All information obtain consent. Lessor and Lessee herein agree that a portio wheat, pasture or field, road use, compaction etc.). I may elect to repair the damages in lieu of compensati	lore the land herein described l ance, seismograph explosions, ed by Lessee as a result of such n of the consideration paid here any extraordinary damages sh on.	by geological, geophysical o magnetometer, or other geop activity shall be the exclusion in is for advance payment o ould occur, at Lessor's discr	r other methods, whether similar to those herein specified hhysical or geological instruments, tests or procedures, for ve property of Lessee, and Lessee may disseminate or sell f usual and customary damages associated with seismograp etion, Lessor or its tenant (if Lessor has a tenant) will be co	or not and whether now known or the purpose of securing geological such information without Lessor's th operations (i.e., tire tracks in the ompensated accordingly, or Lessee
Lessor (and Lessee) herein agree to less ar hereinabove described lease premises. Lessor further related facilities.	d except from the terms of thi agrees that Lessee shall not be	s Oil and Gas Lease any cu liable nor shall Lessee have	irrently existing oil and/or gas well(s), bore hole(s) or oth the obligation to plug and abandon any of said existing oil	er related facilities located on the and/or gas wells(s), bore hole(s) or
			REOF FOR ADDITIONAL TERMS AN	ID PROVISIONS.
IN WITNESS WHEREOF, the undersigned execute t	his instrument as of the day and	year first above written.		

Marian aley Layher, as trustee

800K 761 PAGE 767

The foregoing instrument was acknowledged before me this		rustee
My commission expires 1/19/2011	Notary Public	
STATE OF	SANDRA WILSON NOTARY PUBLIC STATE OF KANSAS My Appt. Exp. // 19/20 (1	
COUNTY OF	h	
The foregoing instrument was acknowledged before me this		, 20
My commission expires	Notary Public	
STATE OF		
COUNTY OF		
The foregoing instrument was acknowledged before me this By	day of	, 20
My commission expires		
	Notary Public	2
	de la	1.3
	i on the Zolo. Zolo. Zolo. of corded	Center
EASI	duly duly	23
	TE OF Lawran ny EQUIN This instrument was filed for record on the 2 of Oe ce where Zoro. 8:00 o-clock AM. and duly recorded 8:00 o-clock AM. and duly recorded book 761 Page 767 of gold or this office.	NA P
AS L AS L	A M A M	Y J
FROM	Rounan Peolock A orchack A orchack A Part Part	When recorded, return to Acadican So
PFF FF	STATE OF Hause County EQUI This instrument was day of Dece with at 2:00 o-clock- in Book 761 in Book 761 in Book 761 in Book 761	retur
Z Z Z	The start of the s	orded.
OIL OIL OIL OIL No. of Acres	STATE OF County County day of County at Biode By By By	n rec
Date Date No. of A	STATE STATE County This day of at at at book in Book the the By	ad N T
STATE OF		
COUNTY OF		
The foregoing instrument was acknowledged before me this		, 20_
a corpora		

BOOK 761 PAGE 768

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated October 7, 2010, by and between, MARIAN ALEY LAYHER LIVING TRUST, dated December 21, 1999, herein represented by Marian Aley Layher, as trustee, as Lessor, and HIGH PLAINS ENERGY PARTNERS, LLC, as Lessee.

PROPERTY DESCRIPTION:

TOWNSHIP 15 SOUTH – RANGE 16 WEST

SECTION 12:

That certain tract or parcel of land estimated to contain <u>160.00</u> acres, more or less, and being described as the Southeast Quarter (SE/4) of Section 12, Township 15 South, Range 16 West, Ellis County, Kansas.

It is the intention of this lease to cover and include any mineral interest which the Lessor may own in and to the above described tract, including streets, roads, canals, drainage ditches, rights of way or other servitudes, including, but not limited to, any reversionary interest which Lessor may acquire in the same, by prescription of nonuse.

ADDITIONAL TERMS AND PROVISIONS:

- 1. The provisions of this **EXHIBIT** "A" shall control and supersede the terms of the attached oil and gas lease when such terms conflict.
- 2. Lessee shall bury and maintain all pipelines below ordinary plow depth (36"),
- 3. Lessee shall pay all damages, caused by Lessee's operations hereunder to crops, including grass, and restore as nearly as practical, said premises to the same conditions and contour as previously existed, upon termination of this lease.
- 4. Lessee is hereby granted the option to extend the primary term of this lease for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee, in total, on or before the expiration date of lease by paying and delivering to Lessor at the above address, the sum of \$15.00 per acre covered by the lease. In the event Lessee exercises this option, Lessee must renew all acreage covered by this lease. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a term of five (5) years.

Sign here for identification;

MARIAN ALEY LAYHER LAVING PRUST, herein represented by Marian Aley Layher, as trustee

BOOK 761 PAGE 789

OIL AND GAS LEASE

AGREEMENT, Made and entered into the	15h	day of		Decem	<u>iber</u>	2010
by and between between	ROSEMAR					
whose mailing address isand	HIGH PLAI	Avenue, Co	lorado Sprin	<u>gs, Colorado 80907</u> ERS, LLC	hereinafter ca	alled Lessor (whether one or more),
New	1515 Wynkoo	op. Suite 700	, Denver, CC	80202		, hereinafter called Lessee:
Lessor, in consideration of <u>Ten</u> acknowledged and of the royalties herein provided and of geophysical and other means, prospecting drilling, mining air into subsurface strata, laying pipe lines, storing oil, bu and transport said oil, liquid hydrocarbons, gases and the described land, together with any reversionary rights and a	the agreements of the 1 and operating for and 1 ilding tanks, power state ir respective constituen	Lessee herein cont producing oil, liqu ions, telephone lin	ained, hereby grant id hydrocarbons, ai es, and other struct	s, leases and lets exclusively u ll gases, and their respective c ures and things thereon to pro-	into Lessee for the pu onstituent products, in duce save take care	rpose of investigating, exploring by ejecting gas, water, other fluids, and
therein situated in County of						
SEE EXHIBIT "A" ATTA						
In Section <u>12</u> Township	15 South	Range	16 West	and containing	160.00	acres, more or less, and all
Subject to the provisions herein contained, this le hydrocarbons, gas or other respective constitue provisions hereof.		e for a term of hem, is produced	Three (3) from said land or	years from this date (ca land pooled therewith or this	lled "primary term") s lease is otherwise n	and as long thereafter as oil, liquid naintained in effect pursuant to the
In consideration of the premises the said Lessee of 1st. To deliver to the credit of Lessor, free of co premises.	Ų	hich Lessee may	connect wells on s	aid land, the equal one-eighth	(1/8) part of all oil p	produced and saved from the leased
2nd. To pay Lessor for gas. (including casingher (1/8), at the market price at the well, (but, as to gas sold b part of the production, severance, or other excise taxes ar otherwise making any such gas merchantable) for the gas	d gas) of whatsoever na Lessee, in no event mo d the cost incurred by I sold, used off the premis	ature or kind prod ore than one-eight Lessee in delivern	uced and sold, or u to (1/8) of the net pr g, treating for the facture of products	sed off the premises, or used occeds received by Lessee fro removal of nitrogen, helium o therefrom said payments to h	in the manufacture of m such sales, such ner r other impurities in t	any products therefrom, one-eighth t proceeds to be less a proportionate he gas, processing, compressing, or
This lease may be maintained during the primary the leased premises or on acreage pooled or unitized ther continuously prosecuted on the leased premises or on acre days shall elapse between the completion or abandonment pooled or unitized therewith, the production should cease hundred and twenty (120) days from the date of cessation shall continue in full force and effect so long as oil or gas	term hereof without fun ewith but Lessee is the eage pooled or unitized of one well and the beg from any cause after th of production or from to s produced from the lea	ther payment or d n engaged in drill therewith, and op- tinning of operation he primary term, t he date of comple sed premises or or	rilling operations, ing, reworking operations shall be constructed on the drilling of the drilling of the shall not tion of a dry hole. In acrease pooled or the solution of the dry hole of the solution of the dry hole of the solution of t	If at the expiration of the prim rations thereon, then this leas nsidered to be continuously pr f a subsequent well. If after di terminate if Lessee commence If oil or gas shall be discover unitized therewith	eary term of this lease, e shall continue in for rosecuted if not more scovery of oil or gas c es additional drilling red and produced as a	oil or gas is not being produced on ree so long as operations are being than one hundred and twenty (120) in the leased premises or on acreage or reworking operations within one result of such operations, this lease
If after the primary term one or more wells on th are either shut in or production therefrom is not being sole consecutive days such well or wells are shut in or product payment to be made to Lessor on or before the anniversar while the well or wells are shut in or production therefron sold by Lessee from another well on the leased premises o such operations or production occurs, as the case may be	e lease premises or land l by Lessee, such well o on therefrom is not solo v date of this lease next i is not being sold by L r lands pooled or unitize Lessee s failure to prop.	s pooled or unitize r wells shall never l by Lessee, the Le ensuing after the essee, provided the d therewith, no sh erly pay shut-in ro	ed therewith are can theless be deemed essee shall pay an a expiration of the sa at if this lease is in ut-in royalty shall i valty shall render L	bable of producing oil or gas o to be producing for the purpo ggregate shut-in royalty of On d ninety (90) day period and its primary term or otherwise be due until the end of the nex essee hable for the amount du	or other substances cov se of maintaining the le Dollar (\$1.00) per a thereafter on or before being maintained by or t following anniversar e, but shall not operat	vered hereby, but such well or wells lease. If for a period of ninety (90) ore then covered by this lease, such e each anniversary date of this lease operations, or if production is being y date of this lease that cessation of e to terminate this lease.
If said Lessor owns a less interest in the above d paid the said Lessor only in the proportion which Lessor's	escribed land than the e interest bears to the who	ntire and undivide	d fee simple estate fee.	therein, then the royalties (inc	cluding any shut-in ro	yalties) herein provided for shall be
Lessee shall have the right to use, free of cost, ga	s, oil and water produce	d on said land for				manna.
When requested by Lessor, Lessee shall bury Les No well shall be drilled nearer than 200 feet to th			out written concor	t of Lasson		n Dired
Lessee shall pay for damages caused by Lessee's			iont written consen	tor Lessor		Sumerical
Lessee shall have the right at any time to remove						
If the estate of either party hereto is assigned, a successors or assigns, but no change in the ownership of assignment or a true copy thereof. In case Lessee assigns to of assignment.	nd the privilege of assi the land or assignment his lease, in whole or in	gning in whole or of rentals or roy part, Lessee shall	in part is express alties shall be bind be relieved of all o	y allowed, the covenants here ing on the Lessee until after bligations with respect to the a	eof shall extend to the the Lessee has been f issigned portion or por	eir heirs, executors, administrators, furnished with a written transfer or rtions arising subsequent to the date
Lessee may at any time execute and deliver to Lessee portions and be relieved of all obligations at	is to the acreage surrend	ered.				
All express or implied covenants of this lease sh Lessee held liable in damages, for failure to comply there and production of wells, and regulation of the price or tran prevented or delayed by such laws, rules, regulations or o strike, lockout, or other industrial disturbance, act of the restrain tor inaction, or by inability to obtain a satisfact specifically enumerated above or otherwise, which is not prevention or delay shall be added to the term hereof. Les or delayed.	all be subject to all Fed with, if compliance is pr sportation of oil, gas or rders, or by inability to public enemy, war, bloc any market for productive reasonably within contr reasonably within contr see shall not be liable for	eral and State Law evented by, or if s other substance cc obtain necessary kade, public riot, on, or failure of p ol of Lessee, this or breach of any p	vs, Executive Order uch failure is the re- vered hereby. Wh permits, equipment lightening, fire, sto- uurchasers or carrie lease shall not tern rovision or implied	s. Rules or Regulations, and t esult of, any such Law. Order, en drilling, reworking, product t, services, material, water, el mm, flood or other act of natu rs to take or transport such p innate because of such preven covenants of this lease when	his lease shall not be Rule or Regulation, i tion or other operation ectricity, fuel, access re, explosion, govern orduction, or by any tion or delay, and, at drilling, production, o	terminated, in whole or in part, nor neluding restrictions on the drilling is or obligations under this lease are or casements, or by an act of God, mental action, governmental delay, other cause, whether of the kind Lessee's option, the period of such or other operations are so prevented
Lessor hereby warrants and agrees to defend the or other liens on the above described lands, in the event or successors and assigns, hereby surrender and release all rig which this lease is made, as recited herein.	the of dower and homes	tead in the premise	es described herein	in so far as said right of dow	the undersigned Less er and homestead may	ors, for themselves and their heirs, in any way affect the purposes for
Lessee, at its option, is hereby given the right and thereof, when in Lessee's judgment it is necessary or adv under and that may be produced from said premises, such or into a unit or units not exceeding 640 acres each in the e instrument identifying and describing the pooled or unitize from the pooled unit, as if it were included in this lease. If on the premises covered by this lease or not. In lieu of the the amount of his acreage placed in the unit or his royally i	power to pool, unitize isable to do so in order pooling or unitization to vent of a gas well. Les d acreage. The entire ac production is found on royalites elsewhere her nterest therein on an acr	or combine the act to properly devel- be of tracts conti- see shall execute i reage so pooled or the pooled or unit- ein specified, Less eage basis bears to	reage covered by th op and operate saic guous to one anoth n writing and recor unitized into a trac zed acreage, it shal sor shall receive or o the total acreage s	is lease or any portion thereof lease premises so as to prom er and to be into a unit or unit d in the conveyance records of t or unit shall be treated, for a be treated as if production is production from a unit so po o pooled or unitized in the par	with other land, lease tote the conservation of s not exceeding 40 ac f the county in which ill purposes except the had from this lease, v oled only such portion ticular unit involved.	or leases in the immediate vicinity of oil, gas or other minerals in and reseach in the event of an oil well, the land herein leased is situated an payment of rovalties on production whether the well or wells be located a of the royalty stipulated herein as
Lessor agrees to give written notice to Lessee, if, Lessor, a lease covering any or all of the substances cove agrees to notify Lessee in writing of said offer immediately period of fifteen days after receipt of the notice, shall have terms and conditions specified in the offer. All offers mad to purchase the lease pursuant to the terms, hereto, it shall lease for execution on behalf of Lessor along with Lessee' of title according to the terms thereof. Upon receipt thereor record for payment.	during the primary term red by this lease and cc , including in the notice the prior and preferred is e up to and including the so notify Lessor in writi s collection draft payabl f, Lessor shall promptly	n of this lease. Le wering all or a po the name and add right and option to last day of the pr ng by mail or tele e to Lessor in pay execute said leas	ssor receives a bon rtion of said land l ress of the offeror, purchase the lease imary term of this 1 gram prior to expir ment of the specific r and return the sar	a fide offer which Lessor is w terein, with the lease becomin the price offered and all other or part thereof or interest ther case shall be subject to the ten ation of said 15-day period. L amount as consideration for ne along with the endorsed dra-	illing to accept from a geffective upon expi pertinent terms and cc cin, covered by the of ms and conditions of t essee shall promptly t t the new lease, such c aft to Lessee's represe	my party offering to purchase from ration of this lease Lessor hereby onditions of the offer. Lessee, for a fer at the price and according to the his paragraph. Should Lessee elect hereafter furnish to Lessor the new draft being subject only to approval ntative or through Lessor's bank of
This lease may be signed in any number or num notwithstanding some of the Lessors above named who ma although not named above.	bers of counterparts an y not have joined in the	d shall be effective execution hereof.	e as to each Lesso The word "Lesso	or on execution hereof as to h r" as used in this lease shall m	is or her interest and ean the party or partie	shall be binding on those signing, s who execute this lease as Lessor,
Lessee shall have the exclusive right to explore t not, including the drilling of holes, use of torsion balance, and geophysical information. All information obtained by consent. Lessor and Lessee herein agree that a portion of t wheat, pasture or field, road use, compaction etc.). If any may elect to repair the damages in lieu of compensation.	he land herein described seismograph explosion Lessee as a result of su he consideration paid he extraordinary damages	t by geological, g s, magnetometer, o ch activity shall b rrein is for advanc should occur, at L	cophysical or other or other geophysica e the exclusive pro e payment of usual essor's discretion, I	methods, whether similar to t I or geological instruments, te perty of Lessee, and Lessee m and customary damages assoc lessor or its tenant (if Lessor I	those herein specified sts or procedures, for ay disseminate or sell ciated with seismograp has a tenant) will be c	or not and whether now known or the purpose of securing geological such information without Lessor's h operations (i.e.' the tracks in the ompensated accordingly, or Lessee
Lessor (and Lessee) herein agree to less and exc hereinabove described lease premises. Lessor further agree related facilities.	ept from the terms of t to that Lessee shall not b	his Oil and Gas I be liable nor shall i	Lease any currently Lessee have the obl	existing oil and/or gas well(igation to plug and abandon a	s), bore hole(s) or oth ny of said existing oil	ner related facilities located on the and/or gas wells(s), bore hole(s) or
SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ADDITIONAL TERMS AND PROVISIONS.						
IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.						
Rammer Alar	\mathcal{I}	1				

ROSEMARY ALEY LANDON

BOOK 764 PAGE 555

STATE OF Colorado		
1 0		
COUNTY OF Class		
The foregoing instrument was acknowledged before me this	day of <u>Jecender</u>	, 20_ <i>10</i> ,
By Rosemary Aley Landon	0 1	
<i>Ay</i> commission expires <u>04 - 16 - 2013</u>	Judy Dlotz Notary Public	JUDY
TATE OF		BLOTZ
COUNTY OF		OF CO
The foregoing instrument was acknowledged before me this By		, 20,
My commission expires		
STATE OF	Notary Public	
COUNTY OF		
The foregoing instrument was acknowledged before me this	day of	, 20,
Ay commission expires		
JONINY	Notary Public	
Promerent Section Twp. County Section County Sectio	STATE OF Loubors Ellis County Ellis Ellis Ellis Ellis Ellis Instrument was filed for record on the Ellis day of Jellis Loo aclack P.M., and duly recorded in Book 764 Page 555 of the records of this office. By S.L. OO Back Allis County Ellis of Deeds.	When recorded, return to Card.) Acadrain Land Summer
STATE OF		
COUNTY OF		¥
The foregoing instrument was acknowledged before me this of of	day of	, 20,
a corpora		
My commission expires		
	Notary Public	
	BOOK 764 PAGE	556

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated December 15, 2010, by and between, ROSEMARY ALEY LANDON, as Lessor, and HIGH PLAINS ENERGY PARTNERS, LLC, as Lessee.

PROPERTY DESCRIPTION:

TOWNSHIP 15 SOUTH – RANGE 16 WEST

SECTION 12:

That certain tract or parcel of land estimated to contain 160.00 acres, more or less, and being described as the Southeast Quarter (SE/4) of Section 12, Township 15 South, Range 16 West, Ellis County, Kansas.

It is the intention of this lease to cover and include any mineral interest which the Lessor may own in and to the above described tract, including streets, roads, canals, drainage ditches, rights of way or other servitudes, including, but not limited to, any reversionary interest which Lessor may acquire in the same, by prescription of nonuse.

ADDITIONAL TERMS AND PROVISIONS:

- 1. The provisions of this EXHIBIT "A" shall control and supersede the terms of the attached oil and gas lease when such terms conflict.
- 2. Lessee shall bury and maintain all pipelines below ordinary plow depth (36").
- 3. Lessee shall pay all damages, caused by Lessee's operations hereunder to crops, including grass, and restore as nearly as practical, said premises to the same conditions and contour as previously existed, upon termination of this lease.
- 4. Lessee is hereby granted the option to extend the primary term of this lease for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee, in total, on or before the expiration date of lease by paying and delivering to Lessor at the above address, the sum of \$25.00 per acre covered by the lease. In the event Lessee exercises this option, Lessee must renew all acreage covered by this lease. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a term of five (5) years.

Sign here for identification;

MARY ALEY

BOOK 764 PAGE 557

Gird	Ingh Flams Energy Lattic	IS LLC: ISIS II INK	bullet, Bulle 100, Denver, C	0101 400 00202
whose mailing address is and	110085 NW 110 th Road, By High Plains Energy Partney		hereinafter called Less	sor (whether one or more): Solorado 80202
by and between	JEC ENTERPRISES, L.P.	herein represented	by Gary W. Curtis, as duly aut	
AGREEMENT, Made	and entered into this 24th	day of	June	20 11
	OIL	AND GAS LEASE	2	
×	785 officerels Repetica Fees 16.	Page 275 Herzee Register of Deeds	ALL	TARA
	DEC 1 3	3 2011		Go
Adapted Kansas blue Print – T Form 88—(Producer's Special) (PAID-UP) 63U (Rev. 1993)	ATE OF KANSAS ELLIS COUNTY This instrument wa		25	Page 1 of 3 2 A

Lessor, in consideration of <u>**Ten Dollar and OVC**</u> Dollars (**§ 10.00 & OVC**) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of <u>**Ellis**</u> State of <u>**Kansas**</u> described as follows to-wit:</u>

The North half of the Northeast Quarter (N/2 of the NE/4) of Section 10 The East Half (E/2) of Section 12 The East Half (E/2) of Section 13

of Section <u>10, 12 & 13</u> Township <u>15 South</u> Range <u>16 West</u> and containing <u>720.00</u> acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of ______ years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or their 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:

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

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

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

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

When requested by lessor, Lessee shall bury lessee's pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of lessor and/or landowner.

Lessee shall pay for damages caused by lessee's operations to growing crops and grass 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, provided the well is properly closed, structures and power lines are removed, environmental hazard or contamination is removed, and land is returned to its original condition as nearly as is reasonably possible.

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 executors, administrators, successors or assigns shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

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

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

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

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do in order 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 a noil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or

785 PAGE

BOOK

Ent. Acadian Land Services

wells be located on the premises covered in this lease or not. In lieu of the royalties elsew increase 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.

Lessee agrees not to transfer operations of this lease without Lessor's written approval, but such approval shall not be unreasonably withheld. Lessee agrees to hold Lessor harmless regarding Lessee's or Transferee's operations.

Lessor and/or landowner must be notified at least twenty-four (24) hours prior to Lessee's entry onto the property and shall control routes of ingress and egress, including permanent lease roads.

Lessee shall not drill a well or wells closer than 200 feet from any presently existing ponds or springs on said real estate measured from the full level line of such ponds.

Lessee shall construct a dike or other barrier around any tank battery with an emergency pit sufficient to contain any overflow or leaks.

All permanent lease roads must be approved by Lessors and no oil shall be allowed on any roads which drain into streams, ponds, or other waterways.

Any tank battery shall be located where Lessors and Lessee shall mutually agree but in no event where it can drain into streams, ponds, or other waterways.

All drilling, completion and production activities shall be conducted in full compliance with all environmental rules and regulations of the Kansas Corporation Commission.

Lessee shall construct appropriate fences and other barriers around pumping unit, tank batteries, disposal wells and other property which it locates on the leased premises in order to prevent injury to livestock and shall further install appropriate gates and cattle guards where necessary.

***See paragraph below**

Pratt

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

JEC ENTERPRISES, L.P.

Sau he ant

By: Gary W. Curtis, as duly authorized General Partner

Page 2 of 2

STATE OF KANSAS

COUNTY OF

Witnesses:

ACKNOWLEDGEMENT FOR INDIVIDUAL

The foregoing instrument was acknowledged before me this <u>Jo</u> day of <u>July</u>, 2011 by Gary W. Curtis, as duly authorized General Partner for JEC Enterprises, LP

My commission expires:

Notary Public - State of Kans My Appt. Expires 4 - 20 - 14

ATHY Lood Notary Puplic

It is understood by Lessorand Lesseethat this lease shall be treated as a spearate and distinct lease for each of the 160 acre tracts described in theproperty description paragraph and such tracts shall not exceed 160 acres in size and any production secured on each of these tracts shall hold only the tract where such production is obtained and the unit of which said tract is a part of.

BOOK 785 PAGE 276

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED JUNE 24, 2011, BY AND BETWEEN JEC ENTERPRISES, L.P., AS LESSOR, AND HIGH PLAINS ENERGY PARTNERS, LLC, AS LESSEE.

ADDITIONAL TERMS AND PROVISIONS:

1. The provisions of this **EXHIBIT** "A" shall control and supersede the terms of the attached oil and gas lease when such terms conflict.

2. Lessee shall not deduct from royalty payments due to Lessor any costs, including but not limited to compression, dehydration, transportation and gathering, or such other costs to produce gas or oil, and their constituent products, or costs to place such gas or oil in a marketable condition, only as such costs are incurred on the leased premises.

3. No well drilled on the leased premises shall be used for the disposal of salt water from wells off of the leased premises without the written consent of Lessor and without compensating Lessor for its use.

4. Should a well drilled on the premises be abandoned for any reason, Lessee shall have six (6) months (weather permitting) from the date of abandonment to remove all materials, including buried pipelines. Any such materials remaining on the premises after six (6) months shall become the property of Lessor.

5. Lessee agrees that it will comply with all regulations and statutes of all governmental entities having jurisdiction over compliance with environmental legislation. Lessee further agrees to accept the leased premises in its "as is" condition. It is acknowledged that Lessee has been advised to inspect the property to determine that it is suitable for the purpose intended and to ascertain that no environmental hazards or toxins are now present. Lessee shall indemnify and hold Lessor harmless from any claims, damages, actions or causes of action from any environmental damage or contamination caused or contributed to by Lessee subsequent to the commencement of this lease.

6. It is understood and agreed that any shut in royalties due and payable under the terms of this lease shall be computed and paid on the basis of five dollars (\$5.00) per net mineral acre covered hereby. Notwithstanding any other provisions of this lease, it is expressly understood and agreed that after the primary term, this lease cannot be maintained in force solely by the payment of shut in gas royalty for any one period in excess of 2 consecutive years.

7. It is expressly agreed, notwithstanding anything to the contrary herein, that if this lease be in force and effect for five (5) years after the expiration of the primary term or any extension thereof, the lease shall thereupon terminate as to the oil and gas rights in all zones or formations of the leased premises below the deepest producing formation of the leased premises or lands unitized therewith. Lessee shall be obligated to file of record in the courthouse a release of the lease covering such non-producing zones or formations within sixty (60) days following written demand thereof after the expiration of the primary term or any extension thereof.

8. Lessee agrees to furnish Lessor promptly, upon written request, a true copy of all of the following information pertaining to the leased premises or land unitized therewith, to-wit: all gas purchases contracts and supplemental agreements or amendments thereto which govern the sale of hydrocarbons produced under the terms of this lease; full and complete records showing volumes produced and values received on gross production; gas balancing statements; gas purchase statements; operation reports; core analysis; all well logs of whatever kind; and copies of any filings made to the Kansas Corporation Commission. Lessee shall not be required to provide Lessor with interpretive and proprietary data. Lessor herein agrees to hold any data provided by Lessee in strict confidence.

SIGN HERE FOR IDENTIFICATION:

JEC ENTERPRISES, L.P.

Say he Canto

By: GARY W. CURTIS, as authorized General Partner



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

February 11, 2013

CHRISTOPHER MITCHELL Samuel Gary Jr. & Associates, Inc. 1515 WYNKOOP, STE 700 DENVER, CO 80202

Re: Drilling Pit Application BALL 1-12 SE/4 Sec.12-15S-16W Ellis County, Kansas

Dear CHRISTOPHER MITCHELL:

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. KEEP PITS away from draw/drainage.

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 (785) 625-0550 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 (785) 625-0550.