For KCC Use:

Eff	e	ct	iv	е	Date:
— ·					

District	#	

Yes No SGA?

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

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

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

Expected Spud Date:	Spot Description:
month day year OPERATOR: License#	
Address 1:	Is SECTION: Regular Irregular?
Address 2:	(<i>Note:</i> Locate well on the Section Plat on reverse side) County:
Phone:	Lease Name: Well #:
CONTRACTOR: License# Name:	Field Name:
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):
Original Completion Date: Original Total Depth:	Formation at Total Depth:
Directional, Deviated or Horizontal wellbore? Yes No If Yes, true vertical depth: Bottom Hole Location:	Water Source for Drilling Operations: Well Farm Pond Other:
KCC DKT #:	Will Cores be taken? Yes No
	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 E	Electronically
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For KCC Use ONLY	
API # 15	
Conductor pipe required	feet
Minimum surface pipe required	feet per ALT.
Approved by:	
This authorization expires:	
Spud date: Agent:	

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.
 - Well will not be drilled or Permit Expired Date: _ Signature of Operator or Agent:

ш

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



For KCC Use ONLY

API # 15 - ____

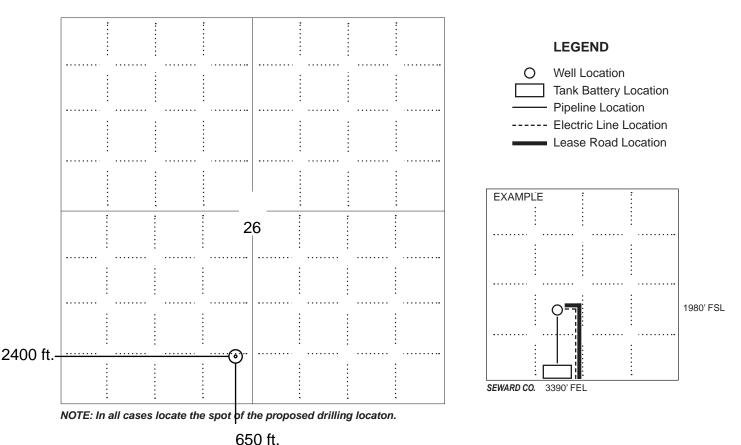
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.



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 1131750

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name:		ionnt în Duplicat	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	.rea? Yes	No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)	
Is the bottom below ground level?	Artificial Liner?	No	How is the pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits):	Length (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		Source of inform		
feet Depth of water well	feet	measured	well owner electric log KDWR	
Emergency, Settling and Burn Pits ONLY:			ver and Haul-Off Pits ONLY:	
Producing Formation: Number of producing wells on lease:			I utilized in drilling/workover:	
Barrels of fluid produced daily:		Abandonment procedure:		
Does the slope from the tank battery allow all s flow into the pit?			e closed within 365 days of spud date.	
Submitted Electronically				
	KCC	OFFICE USE O	NLY	
Date Received: Permit Num	ber:	Permi	t Date: Lease Inspection: Yes No	

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

OIL & GAS CONSI CERTIFICATION OF C	ATION COMMISSION 1131750 ERVATION DIVISION Torm Must Be Typed Form Must be Signed All blanks must be Filled
T-1 (Request for Change of Operator Transfer of Injection of	Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); or Surface Pit Permit); and CP-1 (Well Plugging Application). mpanying Form KSONA-1 will be returned. 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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Т

Additional Surface Owners for Sproul Et Al 1-26:

Glenna Sproul Revocable Trust Bob Sproul & Joe Sproul, Trustees c/o Joe Sproul 24496 Road E3 Edmond, KS 67645

Form 88- (Producer's Special) (PAID-UP) 63 U (REV. 1993) ALS (REV. 2011)

OIL AND GAS LEASE

AGREEMENT, Made and entered into the	23 rd	day of		Septe	mhor	
by and between	John Henry K	nane a mar	ried man			
		and by a man				
whose mailing address is	196 West 200	D. 1 791 411		·· <u>··</u> · ·· ·· ·· ·· ··		
whose mailing address isand	High Plains E	Road, Phill	ipsburg, KS 6	7661	hereinafter call	d Lessor (whether one or more),
	High Plains E	ncigy Parine on Street Su	ite 700 Denv			, hereinafter called Lessee:
Lesson in consideration of Ten						
Lessor, in consideration of <u>Ten</u> acknowledged and of the royalties herein provided and of purpose of investigating, exploring by geophysical and or injecting gas, water, other fluids, and air into subsurface s of treat, manufacture, process, store and transport said oi products or location of said wells, the following described	her means, prospecting, d trata, laying pipe lines, s l, liquid hydrocarbons, g land, together with any r	billing, mining an storing oil, placing ases and their res reversionary right	d operating for and g tanks, power statio spective constituent s and after-acquired	producing oil, liquid hydroc ns, telephone lines, and other products and other products interest,	ery unto Lessee, together	with ingress and egress, for the
therein situated in County of	Norton		State of	Vana	I.C.	
SEE EXHIBIT "A" ATTA	CHED HERET	O AND MA	DE A PART I	HEREOF FOR PRO	PEPTV DESCR	described as follows to-wit:
In Section <u>26</u> Township	4South	Range	23West	and containing	140	PTION.
Culticate de culticate de culticate				and containing	100	acres, more or less, and all
Subject to the provisions herein contained, this le hydrocarbons, gas or other respective constituen provisions hereof.	ase shall remain in force it products, or any of th	for a term of tem, is produced	Three (3) from said land or 1	years from this date (ca and pooled therewith or the	alled "primary term") and is lease is otherwise main	as long thereafter as oil, liquid stained in effect pursuant to the
In consideration of the premises the said Lessee c	ovenants and agrees;					
1st. To deliver to the credit of Lessor, free of co premises.	st, in the pipe line to wh	hich Lessee may	connect wells on sai	d land, the equal one-eight	h (1/8) part of all oil prod	uced and saved from the leased
2nd. To pay Lessor for gas, (including casinghea (1/8), at the market price at the well, (but, as to gas sold by part of the production, severance, or other excise taxes an otherwise making any such gas merchantable) for the case of	d gas) of whatsoever nat Lessee, in no event mor d the cost incurred by La	ture or kind produ te than one-eighth essee in deliverin	iced and sold, or use (1/8) of the net pro g, treating for the re	d off the premises, or used ceeds received by Lessee fro moval of nitrogen, helium of	in the manufacture of any om such sales, such net pro- other impurities in the	products therefrom, one-eighth occeeds to be less a proportionate
the leased premises or on acreage pooled or unitized ther continuously prosecuted on the leased premises or on acre days shall earges 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 of or set	ewith but Lessee is then age pooled or unitized it of one well and the begin from any cause after the of production or from the	engaged in drilli crewith; and ope ming of operation primary term, the date of complet	Thing operations. If ing, reworking opera- rations shall be cons- s for the drilling of s its lease shall not te ion of a dry hole. If	at the expiration of the prin tions thereon, then this lease sidered to be continuously p i subsequent well. If after di runuate if Lessee commence f oil or gas shall be discover	nary term of this lease, oil se shall continue in force rosecuted if not more that iscovery of oil or gas on the es additional drilling or r fed and produced as a rest	or gas is not being produced on so long as operations are being a one hundred and twenty (120) a leased premises or on acreage eworking operations within one bit of such organizations this have
If after the primary term one or more wells on the are either shut in or production therefirm is not being sold consecutive days such well or wells are shut in or production payment to be made to Lessor on or before the anniversary while the well or wells are shut in or production therefrom sold by Lessee from another well on the leased premises or such operations or production occurs, as the case may be.] If said Lessor owns a less interest in the above de paid the said Lessor owns a less interest in the above de paid the said Lessor owns have the proportion which Lessor's i	by Lessee, such well or on therefrom is not sold l date of this lease next co is not being sold by Less lands pooled or unitized Lessee's failure to proper	by Lessec, the Le through after the e see; provided that therewith, no shuthar the pay shuthar of the therewith and shuthar the pay shuthar the shuthar the therewith and the shuthar the shuthar the shuthar the shuthar the therewith a shuthar the	theless be deemed to ssee shall pay an ag x x piration of the said t if this lease is in it it-in royalty shall be valty shall render Les	be of producing oil or gas (be producing for the purpo gregate shut-in royalty of Or nimety (90) day period and primary term or otherwise due until the end of the nex see liable for the amount du	rr other substances covere se of maintaining the leas the Dollar (\$1.00) per acre thereafter on or before ea- being maintained by oper t following anniversary du o but e but e but of the per server to be the server to be the server to be the server to be but e but e but of the per server to be the server to be but e but e but of the per server to be the server	d hereby, but such well or wells e. If for a period of ninety (90) then covered by this lease, such ch anniversary date of this lease ations, or if production is being the of this lease that cessation of
Lessee shall have the right to use, free of cost, gas	, oil and water produced	on said land for I	essee's operation th	ereon, except water from the	wells of Lessor	
when requested by Lessor, Lessee shall bury Less	ee's pipe lines below plo	ow depth.			Field of League.	
No well shall be drilled nearer than 200 feet to the	house or barn now on sa	aid premises with	out written consent o	f Lessor.		
Lessee shall pay for damages caused by Lessee's of Lessee shall have the right at any time to remove a	perations to growing cro	ops on said land.				
Lessee shall have the right at any time to remove a If the estate of either party hereto is assigned at	it machinery and fixtures	s placed on said p	remises, including th	e right to draw and remove	casing.	
If the estate of either party hereto is assigned, ar successors or assigns, but no change in the ownership of assignment or a true copy thereof. In case Lessee assigns th of assignment.						
Lessee may at any time execute and deliver to Les such portion or portions and be relieved of all obligations as	sor or place of record a to the acreage surrender	release or release red.	s covering any porti	on or portions of the above	described premises and th	ereby surrender this lease as to
All express or implied covenants of this lease sha Lessee held liable in damages, for failure to comply therew and production of wells, and regulation of the price or trans prevented or delayed by such laws, rules, regulations or or strike, lockout, or other industrial disturbance, act of the I governmental delay, restraint or inaction, or by inability to of the kind specifically enumerated above or otherwise, wh of such prevention or delay shall be added to the term here prevented or delayed.	I be subject to all Federa ith, if compliance is prev portation of oil, gas or oil ders, or by inability to o public enemy, war, bloc obtain a satisfactory mar ich is not reasonably with of. Lessee shall not be	al and State Laws vented by, or if so ther substance cou- obtain necessary p kade, public riot, ket for production hin control of Les liable for breach	5. Executive Orders, the failure is the resourced hereby. When the storm, impaired fire, storm, impaired or failure of purch see, this lease shall of any provision or	Rules or Regulations, and ti lt of, any such Law, Order, drilling, reworking, product services, material, water, el d surface conditions, flood asers or carriers to take or f out terminate because of suc implied covenants of this le	his lease shall not be term Rule or Regulation, inclu- ion or other operations or extricity, fuel, access or co- cor other act of nature, e ransport such preduction, h prevention or delay, and ase when drilling, produc	inated, in whole or in part, nor ding restrictions on the drilling obligations under this lease are asements, or by an act of God, xplosion, governmental action, or by any other cause, whether l, at Lessee's option, the period tion, or other operations are so
Lessor hereby warrants and agrees to defend the ti or other liens on the above described lands, in the event of successors and assigns, hereby surrender and release all rigi which this lease is made, as recited herein.	tle to the lands herein de default of payment by I it of dower and homester	scribed, and agree Lessor, and be sul ad in the premises	es that the Lessee sh brogated to the right a described herein, in	all have the right at any time s of the holder thereof, and s of tar as said right of down	e to redeem for Lessor, by the undersigned Lessors, er and homestead may in a	payment any mortgages, taxes for themselves and their heirs, 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 advis under and that may be produced from said premises, such p or into a unit or units not exceeding 640 acres each in the herein leased is situated an instrument identifying and des payment of royalities on production from the pooled unit, as whether the well or wells be located on the premises covere of the royalty singulated herein as the amount of his acreage Lessor agrees to give written notice to Lessee, if, o	sower to pool, unitize or able to do so in order to coling or unitization to b vent of a gas well or a h subing the pooled or un if it were included in thi 1 by this lease or not. In placed in the unit or his 1	combine the acre properly develop of tracts contig norizontal oil wel itized acreage. This is lease. If produce lieu of the royality royalty interest the	age covered by this p and operate said la uous to one another l. Lessee shall exec be entire acreage so tion is found on the se elsewhere herein on erein on an acreage l	lease or any portion thereof ase premises so as to prom and to be into a unit or unit ute in writing and record in pooled or unitized acreage, specified, Lessor shall recei- asis bears to the total acreas	with other land, lease or l ote the conservation of o s not exceeding 40 acres of the conveyance records of fact or unit shall be treat it shall be treated as if pro- ve on production from a u te so pooled or unitized in	eases in the immediate vicinity 1, gas or other minerals in and ach in the event of an oil well, f the county in which the land ad, for all purposes except the iduction is had from this lease, nit so pooled only such portion the particular unit involved
Lesson, a lease covering any or all of the substances covering agrees to notify Lessee in writing of said offer immediately, period of fifteen days after receipt of the notice, shall have it terms and conditions specified in the offer. All offers made to purchase the lease pursuant to the terms, herein, it shall as lease for execution on behalf of Lessor along with Lessee's of title according to the terms thereof. Upon receipt thereof, record for payment.	ed by this lease and cover including in the notice the e prior and preferred rig up to and including the la o notify Lessor in writing collection draft payable in Lessor shall promptly e:	ring all or a port the name and addre that and option to p ast day of the prin 3 by mail or telego to Lessor in paym xecute said lease	ion of said land her ess of the offeror, the purchase the lease of mary term of this leas ram prior to expirati- tent of the specified and return the same	ich, with the lease becomin price offered and all other part thereof or interest there is shall be subject to the terr on of said 15-day period. L amount as consideration for along with the endorsed dra	using to accept from any p geffective upon expiration pertinent terms and conditions and conditions of this p essee shall promptly there the new lease, such draft ft to Lessee's representati	arty offering to purchase from n of this lease. Lessor hereby ions of the offer. Lessee, for a the price and according to the aragraph. Should Lessee elect after furnish to Lessor the new being subject only to approval ve or through Lessor's bank of
This lease may be signed in any number or numb notwithstancing some of the Lessors above named who may although not named above.	ers of counterparts and a not have joined in the er	shall be effective xecution hereof.	as to each Lessor of The word "Lessor" a	n execution hereof as to hi as used in this lease shall me	s or her interest and shail can the party or parties wi	be binding on those signing, to execute this lease as Lessor,

ee shall have the exclusive right to explore the land herein described by geological, geophysical or other methods, whether similar to those herein sy the drilling of holes, use of torsion balance, seismograph explosions, magnetometer, or other geophysical or geological instruments, tests or procedu-al information. All information obtained by Lessee as a result of such activity shall be the exclusive property of Lessee, and Lessee may disseminate or and Lessee herein agree that a portion of the consideration paid herein is for advance payment of usual and customary damages associated with seis e or field, road use, compaction etc.). If any extraordinary damages should occur, at Lessee's discretion, Lessor or its tenant (it Lessor has a tenant) w specified or not and whether now kn lures, for the purpose of securing ge-te or sell such information without I ismograph operations (i.e.: tire track will be compensated according to the security of the s το

Lessor (and Lessee) herein agree to the sand except from the terms of this Oil and Gas Lease any currently existing oil and/or gas well(s), bore hole(s) or other related facilities located on the inabove described lease premises. Lessee in its sole discretion chooses to utilize any such well or bore holes. Lessor further agrees that unless Lessee in its sole discretion chooses to utilize any such well or bore holes. Lessor further agrees that unless Lessee in its sole discretion chooses to utilize any such well or bore holes. Lessee shall not be liable nor shall Lessee have the obligation to plug and abandon any of said existing oil and/or gas wells(s), bore hole(s) or related facilities.

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.

Joan Henry Knope

Anda L. FRACK Motary Public Motary Public - State of Kansas My Appt. Expires 11-02-13
RHONDA L. FRACK
RHONDA L. FRACK
Notary Public
My Appt. Expires //-/2-/3
day of, 20
Notary Public
day of, 20
, 20, ,
otary Public
County <u>Norton</u> This instrument was filed for record on the <u>15</u> th day of <u>November</u> <u>2011</u> . at <u>9:00</u> orclock <u>A.</u> M., and duly recorded in Book <u>175A</u> Pake <u>70-72</u> of the records of this affice. <i>Nandel</i> M. <i>Vurent</i> <u>8 Register of Deeds</u> . By <u>Register of Deeds</u> . By <u>Register of Deeds</u> . Men recorded. return to <u>Fees: \$16</u> .0 When recorded. return to <u>Fees: \$16</u> .0 1515 Wynkoop St., Ste. 700, Denver, CO 80202
AN
behalf of the corporation.

Notary Public

EXHIBIT "A"

Attached to and made a part of that Certain Oil and Gas Lease dated September 23, 2011, by and between, JOHN HENRY KNAPE, A MARRIED MAN as Lessor, and High Plains Energy Partners, LLC, as Lessee.

PROPERTY DESCRIPTION:

TOWNSHIP 4 SOUTH - RANGE 23 WEST

SECTION 26:

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 Twenty-six (26), Township Four (4) South, Range Twenty-three (23), West of the 6^{th} P.M.

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.
- Lessee is hereby granted the option to extend the primary term of this lease for an additional three (3) years from the expiration of the original primary term. This option may be exercised by Lessee, in total, by mailing on or before the expiration date of lease to Lessor at the above address, the sum of \$22.00 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 six (6) years.

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

John Henry Knape

OIL AND GAS LEASE

AGREEMENT	, Made and en	tered into the	<u>22nd</u>	day of		August.	2011	
by and between			<u>SEE</u> EXHIB			ETO AND MAD		
				R'S NAMI	ES AND ADD	RESSES	<u>E A FART HERF</u>	
whose mailing address is	3							
and			<u> </u>	Energy Part	ners, LLC			alled Lessor (whether one or more),
			<u>1515 Wynko</u>	op Street, S	uite 700, Denv	er, CO 80202		, hereinafter called Lessee:
Lessor, in consi	ideration of	Ten	and Other Value	able Consid	lorations			
purpose of investigating, injecting gas, water, othe of treat, manufacture, pro- products or location of sa	exploring by p r fluids, and a occess, store ar aid wells, the f	geophysical and oth ir into subsurface s id transport said of ollowing described	her means, prospecting, strata, laying pipe lines, l, liquid hydrocarbons, land, together with any	, drilling, mining , storing oil, plac gases and their , reversionary rig	and operating for any ing tanks, power stat respective constituen this and after-acquires	and, leases and lets exching d producing oil, liquid hyd ions, telephone lines, and t products and other products d interest,	tocarbons, all gases, and t	iid, receipt of which is hereby her with ingress and egress, for the heir respective constituent products, s thereon to produce, save, take care om, regardless of the source of said
therein situated in County	y of		Norton		State of	Kan	1585	J
SEI	E EXHIB	IT "A" ATTA	CHED HERET	O AND M	ADE A PART	HEREOF FOR P	ROPERTY DESC	described as follows to-wit:
In Section <u>26</u> accretions thereto.	5	Township	4 South	Range	23 West	and containing	<u>160.00</u>	acres, more or less, and all
Subject to the pa hydrocarbons, a provisions hered	rovisions here gas or other re of.	in contained, this le espective constituer	ase shall remain in fore at products, or any of	ce for a term of _ them, is produc	Three (3) ed from said land or	years from this date land pooled therewith or	(called "primary term") this lease is otherwise n	and as long thereafter as oil, liquid naintained in effect pursuant to the
			ovenants and agrees:					
1st. To deliver t premises.	to the credit of	f Lessor, free of co	ost, in the pipe line to a	which Lessee ma	ay connect wells on s	aid land, the equal one-ei;	ghth (1/8) part of all oil p	roduced and saved from the leased
2nd. To pay Les (1/8), at the market price part of the production, se otherwise making any suc	ssor for gas, (i at the well, (b verance, or ot ch gas mercha	ncluding casinghea ut, as to gas sold by her excise taxes an ntable) for the gas s	d gas) of whatsoever n / Lessee, in no event m d the cost incurred by sold, used off the premi	ature or kind pro ore than one-eig Lessee in delive ses, or in the man	oduced and sold, or u hth (1/8) of the net pr ring, treating for the mutacture of products	sed off the premises, or us occeds received by Lessee removal of nitrogen, heliu therefrom, said payments	ed in the manufacture of from such sales, such net m or other impurities in t to be made monthly	any products therefrom, one-eighth proceeds to be less a proportionate he gas, processing, compressing, or
the leased premises or or continuously prosecuted days shall elapse between pooled or unitized therew hundred and twenty (120) shall continue in fall force	a acreage pool on the leased 1 the completic with, the produ) days from th e and effect so	ted or unitized ther premises or on acre on or abandonment action should cease e date of cessation long as oil or gas i	evith but Lessee is the age pooled or unitized of one well and the beg from any cause after t of production or from s produced from the less	in the regarded in dr therewith; and c inning of operati the primary term the date of comp used premises or	drilling operations. illing, reworking ope operations shall be co ions for the drilling of , this lease shall not lection of a dry hole. on acreage pooled or	If at the expiration of the p rations thereon, then this nsidered to be continuous f a subsequent well. If after terminate if Lessee comm If oil or gas shall be disco unitized therewith.	primary term of this lease, lease shall continue in foo ly prosecuted if not more r discovery of oil or gas o tences additional drilling of overed 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 prima are either shut in or produ	ary term one of action therefore	r more wells on the	e lease premises or land	is pooled or unit	ized therewith are cap	able of producing oil or g	as or other substances cov	cred hereby, but such well or wells

ther shut in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing for the purpose of maintaining the lease. If for a period of ninety () ent to be made to Lessor on or before the amiversary date of this lease next ensuing after the easier shall nevertheless be deemed to be producing for the purpose of maintaining the lease. If for a period of ninety () ent to be made to Lessor on or before the amiversary date of this lease next ensuing after the easier shall never (90) day period and thereafter on or before each anniversary date of this lease, so the well or wells are shut in or production therefrom is not being sold by Lessee, there are the said ninety (90) day period and thereafter on or before each anniversary date of this lease is in its primary term or otherwise being maintained by operations or it production is be by Lessee from another well on the leased premises or lands pooled or unitized therewith, no shut-in royalty shall be due until the end of the next following anniversary date of this lease that cessation operations or production occurs, as the case may be. Lessee's failure to properly pay shut-in royalty shall render Lessee liable for the amount due, but shall not operate to terminate this lease. ety (90) se, such

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

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

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

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

Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

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

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

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, including restrictions on the drilling and production of wells, and regulation of the price or transportation of oil, gas or other substance covered hereby. When drilling, revoking, production or other operations or other substance covered hereby. When drilling, revoking, including restrictions on the drilling prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or casements, or by an act of God, governmental delay, restraint or inaction, or by inability to obtain a satisfactory market for production of fuel governmental delay, restraint or inaction, or by inability to obtain a satisfactory market for production, or failure of transport such production, or by any other cause, whether of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any provision or implied covenants of this lease when drilling, production, or other operations or other operations are so

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 sors 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 this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool, unitize or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity acreof, when in Lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and a unit or units not exceeding 640 acres each in the event of a gas well or a horizontal oil well. Lessee shall execute in writing and record in the conveyance records of the county in which the land ayment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled or unitized is receive on production from the pooled unit, as if it were included in this lease. If production is found on the pooled or unitized is clease or shall receive on production from a unit so pooled only such portion of the royalties elsewhere therein specified, Lessor shall receive on production from a unit so pooled only such portion of the unit or white lease or production from a unit so pooled only such portion of the royalties elsewhere therein as the amount of this acreage placed in the unit or this royalty interest therein on an acreage basis bears to the total acreage so pooled or unitized in the particular unit involved.

Lessor agrees to give written notice to Lessee, if, during the primary term of this lease, Lessor receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from agrees to give written notice to Lessee, if, during the primary term of this lease, Lessor receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from agrees to notify Lessee m writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other periment terms and conditions of this lease. Lessor hereby agrees to notify Lessee m writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other periment terms and conditions of the sites. Lessor hereby agrees to notify Lessee the visit of the notice, shall have the prior and preferred right and option to purchase the lease becoming effective upon expinents of the sites. Lessor hereby agrees to notify Lessee the lease the return, with the lease becoming effective upon expinent of the notice, shall have the prior and preferred right and option to purchase the lease or interest therein, covered by this paragraph. Should Lesser and covering any or all of the notice, all all ontering terms of the site ease of the terms, and conditions of this paragraph. Should Lesser in writing to purchase for execution on behalf of Lesser along with Lessee's collection draft payable to Lessor in vertice and referred right to consideration for the notice. Lessor there the issee prior of the site of Lessor is one of the lessor in writing by mail or the gram prior to expiration of said 15-day period. Lessee shall promptly thereafter funnish to Lessor the new of title according to the terms thereof. Upon receipt thereof, Lessor shall promptly execute said lease and return the same along with the endorsed draft to Lessee's representative or through Lessor's bank of recording to the terms thereof.

This lease may be signed in any number or numbers of counterparts and shall be effective as to each Lessor on execution hereof as to his or her interest and shall be binding on those signing, notwithstanding some of the Lessors above named who may not have joined in the execution hereof. The word "Lessor" as used in this lease shall mean the party or parties who execute this lease as Lessor, although not named above. Such counterparts may be filed separately or combined to form one instrument for record keeping purposes.

Lessee shall have the exclusive right to explore the land herein described by geological, geophysical or other methods, whether similar to those herein specified or not and whether now known or including the drilling of holes, use of torsion balance, estimograph explosions, magnetometer, or other geophysical or geological instruments, tests or procedures, for the purpose of securing geological information. All information obtained by Lessee as a result of such activity shall be the exclusive property of Lessee, and Lessee may disseminate or sell such activity shall be the exclusive property of Lessee, and Lessee may disseminate or sell such activity shall be the exclusive property of Lessee, and Lessee may disseminate or sell such activity shall be the exclusive property of Lessee, and Lessee therein agree that a portion of the consideration paid herein is for advance payment of usual and customary damages associated with seismograph operations (i.e.: the tracks in the at patient or field, road use, comparisation etc.). If any extraordinary damages should occur, at Lessee's discretion, Lessor or its tenant (if Lessor has a tenant) will be compensated accordingly, or Lessee

Lessor (and Lessoe) herein agree to less and except from the terms of this Oil and Gas Lease any currently existing oil and/or gas well(s), bore hole(s) or other related facilities located on the inabove described lease premises, inless Lessee in its sole discretion chooses to utilize any such well or bore holes. Lessor further agrees that unless Lessee in its sole discretion chooses to utilize any well or bore holes Lessee shall not be liable nor shall Lessee have the obligation to plug and abandon any of said existing oil and/or gas wells(s), bore hole(s) or related facilities.

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.

SEE ATTACHED EXHIBIT "A" FOR SIGNATURE

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 22, 2011, BY AND BETWEEN, LLOYD SPROUL REVOCABLE TRUST, DATED MARCH 20TH 1992, ET AL, AS LESSOR, AND HIGH PLAINS ENERGY PARTNERS, LLC, AS LESSEE.

LESSORS NAMES AND ADDRESSES:

LLOYD SPROUL REVOCABLE TRUST, Dated March 20, 1992 herein represented by: Lloyd Sproul, as trustee, whose address 830 Timber Creek, Norton, Kansas 67654;

GLENNA SPROUL REVOCABLE TRUST, Dated March 20, 1992 herein represented by: Glenna Sproul, as trustee, whose address 830 Timber Creek, Norton, Kansas 67654;

PROPERTY DESCRIPTION:

TOWNSHIP 4 SOUTH - RANGE 23 WEST

SECTION 26:

That tract or parcel of land estimated to contain <u>160.00</u> acres, more or less, and being described as the Southwest Quarter (SW/4) of Section 26, Township 4 South, Range 23 West, Norton 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").
- 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 originally provided for a term of five (5) years.

SIGN HERE FOR IDENTIFICATION:

LLOYD SPROUL REVOCABLE TRUST, Dated March 20, 1992 herein represented by: Lloyd Sproul, as trustee

Elenna Gerant

GLENNA SPROUL REVOCABLE TRUST, Dated March 20, 1992 herein represented by: Glenna Sproul, as trustee

STATE OF KANSAS

COUNTY	OF.	Norton

STATE OF KANSAS	
COUNTY OF <u>Norton</u>	
The foregoing instrument was acknowledged before me this22 and Glenna Sproul, as trustees.	day of <u>August</u> , 2011, by Lloyd Sproul
My commission expires7/6/2014	Notary Public Damien S. McCormick
STATE OF DAMIEN S. MO Ny Appt. Exp	- State of Kanspe
COUNTY OF	
The foregoing instrument was acknowledged before me this	day of, 2011, by and.
My commission expires	Notary Dublin
STATE OF	Notary Public
COUNTY OF	
The foregoing instrument was acknowledged before me this	day of, 20,
My commission expires	
	Notary Public 다 응 것 같 같 나 아
No. of Acres	STATE OF KANSAS County Norton This instrument was filed for record on the 24th This instrument was filed for record on the 24th day of October day of like office. 2011 ut 2:30 orclock Pone in Book 174A Page 359-361 of October Manuel M. Unce Men recorded. return to Fee.s: \$16,00 When recorded. return to Samuel Gary Jr. & Associates, Inc. I515 Wynkoop St., Ste. 700, Denver, CO 80202 00202
COUNTY OF	
The foregoing instrument was acknowledged before me this	day of, 20,
a of corporation	on, on behalf of the corporation.
My commission expires	Notary Public

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