For KCC Use:

Eff	e	ct	iv	е	Date

District	#	

SGA?	Yes	No
SGAS	res	

Form

#### 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

KSONA-1,	Certification of	Compliance wit	h the Kansas	Surface Own	er Notification A	ct, MUST b	e submitted v	vith this form.
----------	------------------	----------------	--------------	-------------	-------------------	------------	---------------	-----------------

Expected Spud Date:	Spot Description:
month  day  year    OPERATOR:  License#	
Name:	feet from E / W Line of Section
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?	Well Farm Pond Other:
If Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	( <b>Note:</b> Apply for Permit with DWR )
KCC DKT #:	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.
Approved by:	
This authorization expires:	
Spud date: Agent:	

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

#### 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: \_ of Operator or Agent:

Signature	of Ope	alor



For KCC Use ONLY

API # 15 - \_\_\_\_

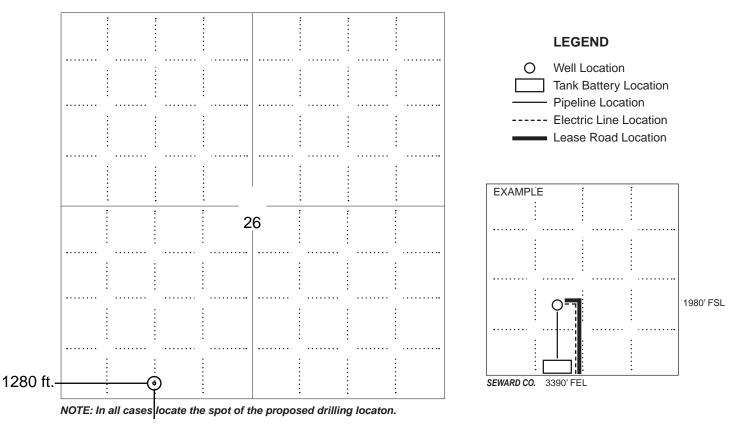
#### IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.



215 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 1132877

Form CDP-1 May 2010 Form must be Typed

#### **APPLICATION FOR SURFACE PIT**

Submit in Duplicate

Operator Name:			License Number:	
Operator Address:			1	
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	n
Workover Pit Haul-Off Pit			Feet from East / West Line of Section	'n
(If WP Supply API No. or Year Drilled)	Pit capacity:	(bbls)	County	y
Is the pit located in a Sensitive Ground Water A	Area? Yes	No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)	1
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 fr	om ground level to dee	epest point:	(feet)  No Pit	
Distance to nearest water well within one-mile		Depth to shallo Source of inforr		
Emergency, Settling and Burn Pits ONLY:		Drilling, Workover and Haul-Off Pits ONLY:		
Producing Formation:		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?    Yes    No		Drill pits must b	Drill pits must be closed within 365 days of spud date.	
Submitted Electronically				
	КСС	OFFICE USE O	NLY	3
Date Received: Permit Num	ber:	Permi	it Date: Lease Inspection: Yes No	C

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

OIL & GAS CONS CERTIFICATION OF C	RATION COMMISSION 1132877 SERVATION DIVISION Form Must Be Typed COMPLIANCE WITH THE VNER NOTIFICATION ACT
T-1 (Request for Change of Operator Transfer of Injection Any such form submitted without an acc	of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); or Surface Pit Permit); and CP-1 (Well Plugging Application). companying Form KSONA-1 will be returned. (Cathodic Protection Borehole Intent) <b>T-1</b> (Transfer) <b>CP-1</b> (Plugging Application)
OPERATOR: License #	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

[

Т

Sic	de	T	wo	ł.

For	KCC	Use	ONLY
-----	-----	-----	------

API # 15 -\_\_\_\_

## IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

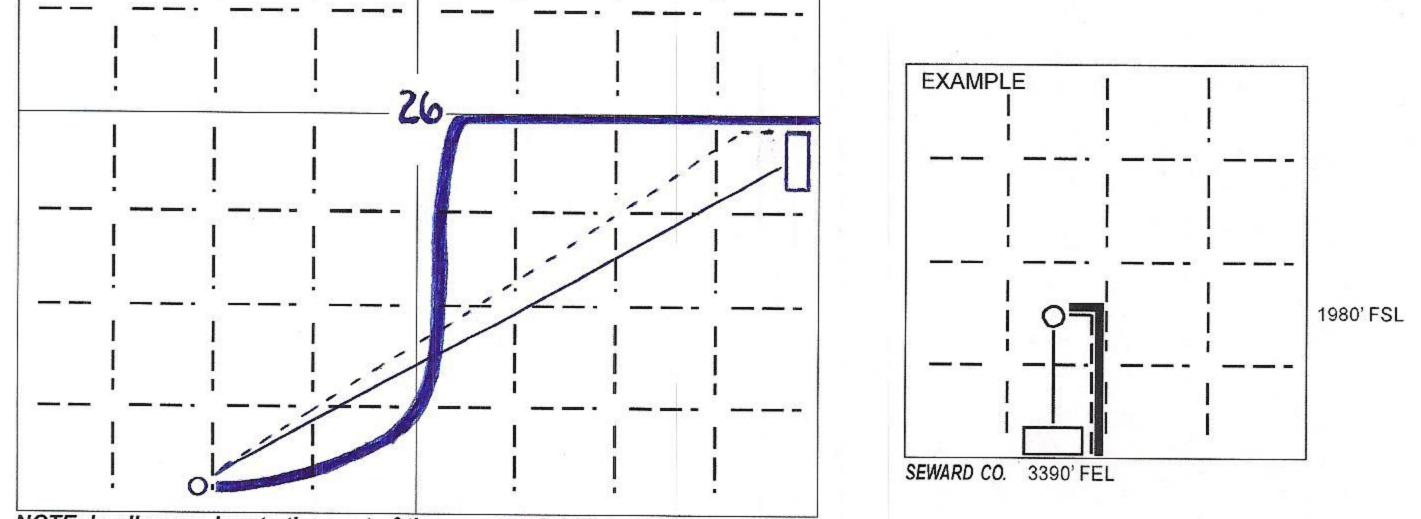
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: Prairie Fire Petroleum, LLC	Location of Well: County: Norton		
Lease: Long "B"	feet from N / X S Line of Section		
Well Number: #1-26	1280feet from E / X W Line of Section		
Field: Unnamed	Sec. 26 Twp. 2 S. R.27 E X W		
Number of Acres attributable to well: <u>10</u> QTR/QTR/QTR/QTR of acreage: <u>SE</u> - <u>SE</u> - <u>SW</u> - <u>SW</u>	Is Section: X Regular or Irregular		
	If Section is Irregular, locate well from nearest corner boundary. Section corner used: NENWSESSW		

### 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.

1	1	1	1	1	-		
ļį	l	į	İ				LEGEND
	——· — . I		·			0	Well Location
i	i	i	I	İ			Tank Battery Location
·	'	` <b>_</b>					Pipeline Location
1			1	I	1		Electric Line Location
		I	· · · · · ·	1	I		Lease Road Location



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

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

- 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).
- 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.

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

63U (Rev. 1993)

Kansas Blue Print

700 S. Broadway PO Box 793

Reorder No.

09-115

		UIL AN	ID GAS L	EASE		www.kbp.com • kbp@kbp.com
		5 <sup>th</sup>	Febr	uary	85	2011
AGREEMENT, Made		day of				,,
by and between	Gre	eg L. Long and Mary N	VI. Long, Husba	nd and Wife		
			-			
	5		đ.		1 and and and and and and and and and and	
		105 N. Griffith,	Oborlin KS 677	740		
whose mailing address is			Obernin, K3 077	45	hereinafter o	alled Lessor (whether one or more),
	Prairie Fire	e Petroleum, LLC,			4 11	
and	P.O.Box 3	88, Norton, KS 67654				
	1.0.00				a second and	, hereinafter caller Lessee:
	Ten and no/1	00 and other good ar	nd valuable cor	sideration	10.00	
Lessor, in consideratio is here acknowledged and of t		vided and of the agreements	of the lessee herein	Dollars (\$	ts, leases and lets excl	) in hand paid, receipt of which usively unto lessee for the purpose
of investigating, exploring by	geophysical and other	means, prospecting drilling	, mining and operat	ing for and producing	oil, liquid hydrocarb	ons, all gases, and their respective
constituent products, injecting and things thereon to produce	gas, water, other fluids save, take care of, treat	, and air into subsurface stra , manufacture, process, store	ta, laying pipe lines, and transport said o	storing oil, building ta il, liquid hydrocarbons	nks, power stations, te , gases and their respec	elephone lines, and other structures ctive constituent products and other
products manufactured theref	rom, and housing and o	therwise caring for its emplo	yees, the following o	lescribed land, togethe	er with any reversionar	y rights and after-acquired interest,
therein situated in County of		Decatur	State of	Kansas		described as follows to-wit:
Courthursont Our	anton (CNN/A) of C	ation Twenty six (20	) Township Tu	(a Couth (2C) Do	ngo Twonty Cou	(27)
		ection Twenty-six (26	o, rownsnip rv	10 South (25), No	inge i wenty-sev	en (27),
West of the 6"	P. M. , Decatur (	County, Kansas.				
		8		des a		
* 1.0					- 11 A	
In Section <u>26</u> accretions thereto.	, Township	Range	27	_, and containing	160	acres, more or less, and all

3 years from this date (called "primary term"). and as long thereafter Subject to the provisions herein contained, this lease shall remain in force for a term of \_\_\_\_\_ as oil, liquid hydrocarbons, gas or other 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 pipe line to which lessee may connect wells on said land, the equal one-eighth (1/4) 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 (1/4),

at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/4) 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.

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.

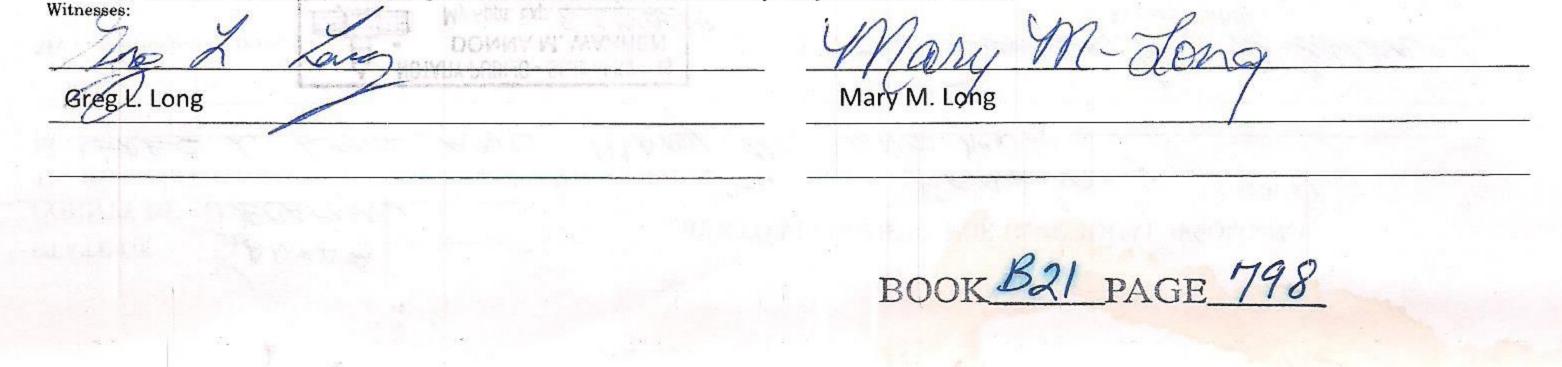
If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties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

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

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

Lessor 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 lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of 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 producition 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 producition 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.



The second of the second second	BVCE
2 ( L 15 3 X	EN ESSA
the way was been	the bush with

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

63U (Rev. 1993)

# **OIL AND GAS LEASE**

Reorder No. 09-115 Kansas Blue Print 700 S. Broadway PO Box 793 Wichita, KS 67201-0793 316-264-9344 · 264-5165 fax www.kbp.com · kbp@kbp.com

AGREEMENT, M	Made and entered into the 25th day of March	2013
by and between	Brad D. Long and Shanna M. Long, husband and wife:	
-	Greg L. Long and Mary M. Long, husband and wife: and	
	Linda M. Wade and Brad Wade, wife and husband	
whose mailing address is	P.O. Box 122, Oberlin, KS 67749	
and	Prairie Fire Petroleum, Inc.	ereinafter called Lessor (whether one or more),
	P.O. Box 38, Norton, KS 67654 Ten Dollars & other valuable consideration \$10. ad of the royalties herein provided and of the agreements of the lessee herein contained hereby grants lesses of	, hereinafter caller Lessee:
and things thereon to prod	ng by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid ecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power oduce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and herefrom, and housing and otherwise caring for its employees, the following described land, together with any ty ofState ofState of	stations, telephone lines, and other structures
	Northwest Quarter (NW/4) of Section Thirty-five (35), Township Two (2) South, Range Twenty-seven (27) West o the 6th P.M.	of
		6
In Section <u>35</u> accretions thereto.	, Township <u>2 South</u> , Range <u>27 West</u> , and containing <u>16</u>	50 acres, more or less, and all
as on, nquiù nyurocarbons	ins, gas or other respective constituent products, or any of them, is produced from said land or land with which	(called "primary term"). and as long thereafter said land is pooled.
In consideration o	of the premises the said lessee covenants and agrees:	
lst. To deliver to from the leased premises.	to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on said land, the equal or	ne-eighth (¼) part of all oil produced and saved

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

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

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the 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.

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, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

Lessee may at any time execute and deliver to lessor or place of record a release or releasen 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 lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of 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.

If at the end of the primary term, this lease is not otherwise continued in force under the provisions hereof, this lease shall expire, unless Lessee on or before the end of the primary term shall extend the lease or any part thereof by paying or tendering to Lessor, the sum of Five Dollars (\$5.00) multiplied by the number of net mineral acres for any portion so extended and subject to this lease, the primary term of this lease or any portion thereof shall be extended for an additional term of one (1) year from the end of the primary term hereof.

Witnesses: anna Brad D. Long -Shanna M. Long 120% an Greg L. Long J Marv M. Long -Linda M. Wade Brad Wade BOOK B27PAGE 337

09-115	700 S. Broadway PO Box 793 Wichita, KS 67201-0793 316-264-9344 • 264-5165 fax
	www.kbp.com · kbp@kbp.com
13	,,
na M. Long.	
OSTORAD REPORT	St. 2548
hereinafter calle	ed Lessor (whether one or more),
CON 121	
A /2 /	
+10.00	, hereinafter caller Lessee:
	) in hand paid, receipt of which
cing oil, liquid hydrocarbons	, all gases, and then respective
ons, gases and their respective	e constituent products and other
ether with any reversionary n	described as follows to-wit:
<u>usas</u>	described as follows to-wit:
Township Two	(2)
· · · · · · · · · · · · · · · · · · ·	(2)
14 8 11/a	
	JAS
160	acres, more or less, and all
from this data (called "prima	ry term"). and as long thereafter
	the second of the second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second second secon
	hereinafter calle hereinafter calle <u>ion \$10.00</u> grants, leases and lets exclusive cing oil, liquid hydrocarbons, ng tanks, power stations, telep bons, gases and their respective ether with any reversionary ri insas , Township Two

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 (1/2),

at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/4) 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.

from the leased premises.

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, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

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

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

Lessor 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 lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of 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.

If at the end of the primary term, this lease is not otherwise continued in force under the provisions hereof, this lease shall expire, unless Lessee on or before the end of the primary term shall extend the lease or any part thereof by paying or tendering to Lessor, the sum of Five Dollars (\$5.00) multiplied by the number of net mineral acres for any portion so extended and subject to this lease, the primary term of this lease or any portion thereof shall be extended for an additional term of one (1) year from the end of the primary term hereof.

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

Witnesses CHURCH MOULOUR Shanna M. Long Brad Long BOOK B27 PAGE 335