

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

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1145684

Form C-1

March 2010

Form must be Typed

Form must be Signed

All blanks must be Filled

NOTICE OF INTENT TO DRILL

Expected Spud Date:	Spot Description:
month day year	
OPERATOR: License#	feet from N / S Line of Section
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:	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:	Nearest Lease or unit boundary line (in footage):
	Ground Surface Elevation:feet MSL
Oil Enh Rec Infield Mud Rotary	Water well within one-quarter mile:
Gas Storage Pool Ext. Air Rotary	Public water supply well within one mile:
Disposal Wildcat Cable Seismic ; # of Holes Other	Depth to bottom of fresh water:
Other:	Depth to bottom of usable water:
	Surface Pipe by Alternate: I II
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
Operator:	Length of Conductor Pipe (if any):
Well Name:	Projected Total Depth:
Original Completion Date: Original Total Depth:	Formation at Total Depth:
	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?	Well Farm Pond Other:
If Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	(Note: Apply for Permit with DWR)
KCC DKT #:	viii cores de taken:
	If Yes, proposed zone:
AF	FIDAVIT
The undersigned hereby affirms that the drilling, completion and eventual p	ugging of this well will comply with K.S.A. 55 et. seq.
It is agreed that the following minimum requirements will be met:	
 The appropriate district office will be notified before well is either plug If an ALTERNATE II COMPLETION, production pipe shall be cement. Or pursuant to Appendix "B" - Eastern Kansas surface casing order # 	the underlying formation. Strict office on plug length and placement is necessary prior to plugging;
ubmitted Electronically For KCC Use ONLY	Remember to:
	- File Certification of Compliance with the Kansas Surface Owner Notification
API # 15	Act (KSONA-1) with Intent to Drill; - File Drill Pit Application (form CDP-1) with Intent to Drill;
Conductor pipe requiredfeet	- File Completion Form ACO-1 within 120 days of spud date;
Minimum surface pipe requiredfeet per ALTIII	- File acreage attribution plat according to field proration orders;
1	Nette annualista district effect 40 hours with the configuration
Approved by:	- Notify appropriate district office 48 hours prior to workover or re-entry;
Approved by: This authorization expires:	 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.

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

Spud date: _

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:		



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.

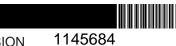
Lease:	Operator:							_ Lo	cation of W	Vell: County:
Sec	Lease:									feet from N / S Line of Section
Number of Acres attributable to well:	Well Numb	oer:								feet from E / W Line of Section
ATRIOTRIQUE TO THE Section is Irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW	Field:							_ Se	c	Twp S. R
## 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.	Number of	Acres attri	ibutable to	well:				– ls !	Section:	Regular or Irregular
PLAT Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired. LEGEND O Well Location Tank Battery Location Pipeline Location — Pipeline Location — Lease Road Location Lease Road Location EXAMPLE	QTR/QTR	/QTR/QTR	of acreag	e:				_	30000011.	
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LEGEND Well Location Tank Battery Location Pipeline Location Lease Road Location EXAMPLE 22						_				
LEGEND O Well Location Tank Battery Location Pipeline Location Electric Line Location Lease Road Location EXAMPLE 1980' FSL		660 f	4			You m	ay attach a	a separate	plat if desi	ired.
O Well Location Tank Battery Location — Pipeline Location — Electric Line Location — Lease Road Location EXAMPLE 22		6601	ι.			1				٦
O Well Location Tank Battery Location — Pipeline Location — Electric Line Location — Lease Road Location EXAMPLE 22			:	:	:		:	:	:	
Tank Battery Location — Pipeline Location — Electric Line Location — Lease Road Location EXAMPLE 1980'FSL			:	:	:		:	:	:	LEGEND
Tank Battery Location Pipeline Location Electric Line Location Lease Road Location EXAMPLE 22	125 ft.	-		:		•••••		:		O Well Location
Pipeline Location Electric Line Location Lease Road Location EXAMPLE 1980' FSL			:	:	:		:	:	:	
EXAMPLE 22 1980' FSL			:	:	:		:	:	:	
22 EXAMPLE 1980' FSL			:	:	:		:	:	:	Electric Line Location
22 EXAMPLE 1980' FSL			:	:	:		:		:	Lease Road Location
22 1980' FSL		•••••				•••••				
22 1980' FSL			:	:	:		:	•	:	
1980' FSL			:	:	<u>:</u>		:	:	:	EXAMPLE : :
1980' FSL			:	:	2	2	:	:	: :	
1980' FSL				:	-	. <u>-</u>	:	:	•	
1980' FSL				· · · · · · · · · · · · · · · · · · ·		•••••		· · · · · · · · · · · · · · · · · · ·		
1980' FSL			: :		: :		:	:	: : :	
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			:	:	:		:	:	· •	1980 FSL
			:	:	:		:	:		
SEWARD CO. 3390' FEL		 								
SEWARD CO. 3390' FEL			:	:	:		:	:	• • •	
			:	•	•		:	:	•	SEWARD CO. 3390' FEL

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.

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

- 3. The distance to the nearest lease or unit boundary line (in footage).
- 4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).
- 5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.



Kansas Corporation Commission Oil & Gas Conservation Division

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name:			License Number:
Operator Address:			
Contact Person:			Phone Number:
Lease Name & Well No.:			Pit Location (QQQQ):
Type of Pit: Emergency Pit Burn Pit Settling Pit Drilling Pit Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit is: Proposed If Existing, date co Pit capacity:	Existing nstructed:	SecTwp R East WestFeet from North / South Line of SectionFeet from East / West Line of Section
		(bbls)	County
Is the pit located in a Sensitive Ground Water A	Area? 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
If the pit is lined give a brief description of the li material, thickness and installation procedure.			dures for periodic maintenance and determining ncluding any special monitoring.
Distance to nearest water well within one-mile	of pit:	Depth to shallo Source of infor	west fresh water feet. mation:
feet Depth of water well	feet	measured	well owner electric log KDWR
Emergency, Settling and Burn Pits ONLY:		Drilling, Work	over and Haul-Off Pits ONLY:
Producing Formation:		Type of materia	al utilized in drilling/workover:
Number of producing wells on lease:		Number of wor	king pits to be utilized:
Barrels of fluid produced daily:		Abandonment	procedure:
Does the slope from the tank battery allow all s flow into the pit? Yes No	spilled fluids to	Drill pits must b	be closed within 365 days of spud date.
Submitted Electronically			
	KCC	OFFICE USE O	
Date Received: Permit Num	ber:	Permi	Liner Steel Pit RFAC RFAS it Date: Lease Inspection: Yes No



1145684

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

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application).

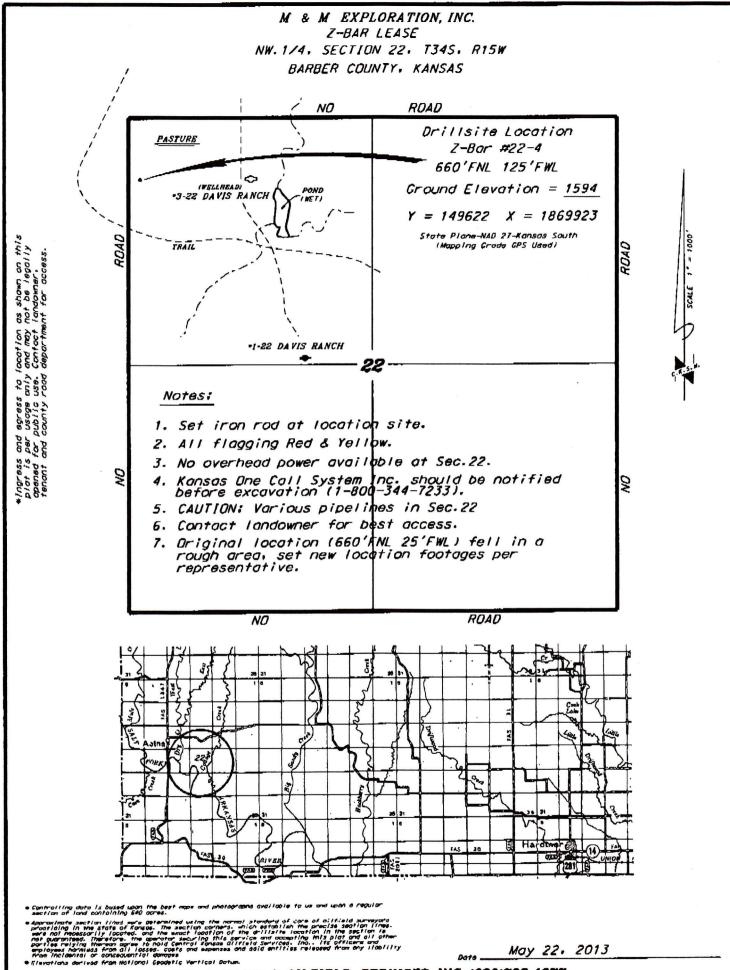
Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (CB-1)	Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)
OPERATOR: License #	Well Location:
Name:	SecTwpS. R East
Address 1:	County:
Address 2:	Lease Name: Well #:
City: State: Zip:+	If filing a Form T-1 for multiple wells on a lease, enter the legal description of
Contact Person:	the lease below:
Phone: () Fax: ()	
Email Address:	
Surface Owner Information:	
Name:	When filing a Form T-1 involving multiple surface owners, attach an additional
Address 1:	sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the
Address 2:	county, and in the real estate property tax records of the county treasurer.
City:	
the KCC with a plat showing the predicted locations of lease roads, tank	dic Protection Borehole Intent), you must supply the surface owners and k batteries, pipelines, and electrical lines. The locations shown on the plat in the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.
☐ I certify that, pursuant to the Kansas Surface Owner Notice A owner(s) of the land upon which the subject well is or will be to CP-1 that I am filing in connection with this form; 2) if the form to form; and 3) my operator name, address, phone number, fax, at ☐ I have not provided this information to the surface owner(s). I at KCC will be required to send this information to the surface owner(s).	cknowledge that, because I have not provided this information, the vner(s). To mitigate the additional cost of the KCC performing this
task, I acknowledge that I am being charged a \$30.00 handling If choosing the second option, submit payment of the \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-	fee with this form. If the fee is not received with this form, the KSONA-1
Submitted Electronically	

Form KSONA-1 Page 2 of 2 Z Bar 22-4 Section 22-34S-15W Barber County, KS

Surface Owner Information: Z Bar, LLC Attn: Russ Miller 1123 Research Drive Bozeman, MT 59718

Operator Information: M&M Exploration, Inc. 4257 Main St., Suite 230 Westminster, CO 80031 303-438-1991 office 303-466-6227 fax austinoil@aol.com



CENTRAL KANSAS OILFIELD SERVICES, INC. (620)792-1977

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.

Lease: Z Bar	on, Inc.		Location of Well: Coul	,
Well Number: 22-4			125	feet from N / S Line of Section feet from E / N W Line of Section
Field: Cottage Creek			Sec. 22 Twp. 3	
Number of Acres attribute QTR/QTR/QTR/QTR of a		- NW - NW	Is Section: X Regu	
			If Section is Irregular Section corner used:	r, locate well from nearest corner boundary. NE NW SE SW
Show lease roads, t	ocation of the well. Show fo ank batteries, pipelines and	ootage to the neares electrical lines, as n	PLAT t lease or unit boundary line. equired by the Kansas Surfac separate plat if desired.	Show the predicted locations of ce Owner Notice Act (House Bill 2032).
	: : !	: :	:	
12-4				LEGEND
12-4	3-22			LEGEND O Well Location Tank Battery Location Pipeline Location Electric Line Location Lease Road Location

1980' FSL

SEWARD CO. 3390' FEL

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Oil & Gas Lease

This Agreement, made and entered into this 15th day of June, 2001, by and between Bank of America, N.A. Trustee of the trust created under Trust Indenture Dated December 30, 1935 with George H. Davis, Settlor (as to an undivided 5.335 percent interest); Bank of America, N.A., Trustee of the trust created by Article IV of the Last Will and Testament of Minerva Gundelfinger dated June 29, 1948 (as to an undivided 9.902 percent interest); Bank of America, N.A., Trustee of the trust created by Item II of the Ninth Codicil to the Last Will and Testament of George H. Davis dated April 11, 1955 (as to an undivided 4.850 percent interest); Bank of America, N.A., Trustee of the trust created by Article VIII of the Last Will and Testament of George H. Davis dated July 21, 1944, as amended (as to an undivided 57.502 percent interest); Bank of America, N.A., Trustee of the trust created by Article V of the Last Will and Testament of Elizabeth Otterman Davis dated June 11, 1959, as amended (as to an undivided 22.411 percent interest), as holder of ninety percent (90%) of the mineral estate and one hundred percent (100%) of the executory rights, whose Post Office address is: Bank of America, N.A., P. O. Box 830308, Dallas, TX 75283-0308, hereinafter called Lessor(s), and Map Exploration, Inc., whose Post Office address is: P.O. Box 106, Purcell, OK 73080 hereinafter called Lessec(s), Witnesseth:

1. That Lessor, in consideration of the cash bonus in hand paid, of the royalties herein provided, and of the agreements of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the sole and only purpose of exploring, drilling and operating for and producing oil and gas and of laying pipelines, storing oil and building tanks, telephone lines, roads and structures thereon to produce, save, care for, treat and transport said substances produced from the land leased hereunder only, the following described land situated in Barber County, State of Kansas to-wit:

Township 34 South, Range 15 West S/2 of Section 9; NE/4 of Section 21 and NW/4 of Section 22

containing 640 acres, more or less.

- 2. Subject to the other provisions hereof, this lease shall be for a term of Three (3) years from this date (called "Primary Term") and as long thereafter as oil and gas, or either of them, is produced in paying quantities from said land or lands with which said land is pooled hereunder and the royalties are paid as provided.
- 3. Lessee shall pay the following royalties, subject to the following provisions:
- (a). Lessee shall pay the Lessor 3/16ths of the gross proceeds of all oil and other liquid hydrocarbons recovered or separated on the leased premises, produced and saved from the leased premises and sold by Lessee in an arms' length transaction; provided however, in the event oil and other liquid hydrocarbons are not sold under an arms' length transaction, Lessor's royalty on such oil and other liquid hydrocarbons shall be calculated by using the highest price, plus premium, if any, paid or offered for oil and other liquid hydrocarbons of comparable quality in the general area where produced and when run; or after sixty (60) days written notice from Lessor, which notice may be given from time to time, deliver free of cost to Lessor at the wells or to the credit of Lessor into the pipeline to which the well may be connected such percentage of all oil and other liquid hydrocarbons produced and saved from the leased premises.
- (b). Lessee shall pay the Lessor 3/16ths of the gross proceeds received by Lessee for all gas (including substances contained in such gas) recovered or separated on the leased premises, produced and saved from the leased premises and sold by Lessee in an arms' length transaction; provided, however in the event gas is not sold under an arms' length transaction, Lessor's royalty on such gas (including substances contained in such gas) shall be calculated by using the highest price paid or offered for gas of comparable quality in the general area where produced and when run.
- (c). Lessee shall pay Lessor royalty on all oil and other liquid hydrocarbons, including condensate, and on all gas, including all substances contained in such gas, (all hereinafter collectively called "Products") produced from a well on the leased premises or on lands pooled with the leased premises and sold or used off the leased premises regardless of whether or not such Products are produced to the credit of Lessee or sold under a contract executed by or binding on Lessee. Should Products be sold under a sales contract not binding on Lessor, Lessor's royalty shall be calculated by using the highest price paid for any of the Products produced from the well from which such Products were produced.
- (d). In no event will the price paid Lessor for Lessor's share of the Products be less than the price paid Lessee for Lessee's share of Products produced hereunder. For the purposes of this Section 3 an arms' length transaction shall be considered to be the sale of Products by Lessee to any non-affiliated company, subsidiary or other such entity through an agreement negotiated in good faith by all parties. Lessor shall not bear, directly or indirectly, any production or post-production cost or expenses, including without limitation, cost or expenses for storing, separating, dehydrating, transporting, compressing, treating, gathering, or otherwise rendering marketable or marketing the Products, and no deduction or reduction shall be made for any such costs and expenses in computing any payment, or the basis upon which any payment is, to be made to Lessor pursuant to clauses (a), (b) or (c).
- (e). While there is a well on the leased premises capable of producing gas in paying quantities but the production thereof is shut-in or suspended for any reason, Lessee may pay as royalty on or before 90 days after the date on which (i) production from any such well is shut-in or suspended or (ii) this lease is no longer maintained by compliance with other provisions hereof, whichever is the later date, and thereafter at annual intervals, a sum in the amount of \$5.00 per acre, or a minimum of Fifty Dollars (\$50.00), whichever is greater, for each and every shut-in gas well; and if such payment is made or tendered in accordance with the terms hereof, this lease shall not terminate but shall continue in full force, subject to the provisions of paragraph 15, and it will be considered that gas is being produced from the leased premises in paying quantities within the meaning of each pertinent provision of this lease, and in no event shall shut-in well payments maintain this lease in force for a cumulative period exceeding three (3) year(s). Lessee shall not be entitled to recover any shut-in royalty payments from the future sale of gas. Should the shut-in period exceeding expiration of the primary term, such shut-in provision will pertain only to the producing unit of such gas well as provided for in paragraph 15. Should such shut-in royalty payments not be made in a timely manner as provided in this paragraph, it will be considered for all purposes that there is no production or no excuse for delayed production of gas from any such well or wells and unless there is then in effect other preservation provisions of this lease, this lease shall terminate at midnight on the last day provided for the payment of such shut-in royality assignment of such shut-in royality and Lessee shall thereupon furnish to Lessor a release of all its interest in and to this oil and gas lease insofar as that portion of the primities included in the producing unit assigned to such shut-in well.
- (I). Lessee agrees that before any gas produced from the leased premises or land unitized therewith is used or sold off the leased premises or land unitized therewith, it will be run, free of cost to Lessor, through an adequate oil and gas separator of a conventional type or equipment at least as efficient, to the end that all liquid hydrocarbons recoverable from the gas by such means will be recovered on the leased premises or the land unitized therewith and the royalty paid thereon.
- (g) Lessee agrees that if it enters into any contract for sale of any Products from this lease, which shall extend for five (5) years from the effective date of such sales contract and such contract does not have adequate provisions for redetermination of price at intervals of not less frequently than annually, then Lessee, its successors and assigns, shall in advance of executing any such sales contract provide Lessor with a full and complete copy of the proposed contract for the purpose of allowing Lessor determine whether Lessee may sell Lessor's royalty share of Products under Lessee's proposed sales contract. Lessor shall, within thirty (30) days' of receiving such sales contract, notify Lessee as to whether Lessee may sell Lessor's royalty share of Products under Lessee's proposed sales contract. In the event Lessor approves Lessee's proposed sales contract, Lessee shall pay the Lessor 3/16thsof all consideration received by or for the benefit of Lessee under said contract, without deducting any post-production cost or expenses, including without limitation, cost or expenses for dehydrating, transporting, compressing, treating, gathering, or otherwise rendering marketable or marketing the Products. In the event Lessor does not approve Lessee's proposed sales contract, then Lessor's royalty shall nonetheless, be calculated by using the highest price paid or offered for Products of comparable quality in the general area where produced and when run.

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- (h) Lessor, at its sole option and discretion, may from time to time elect to take in kind and separately dispose of its royalty share of the gas for such periods of time as Lessor may designate in writing. In the event Lessor elects in writing to take and separately dispose of its royalty share of the gas, an appropriate gas balancing agreement shall be entered into between the parties. It is expressly agreed, however, that the inclusion of an option to permit Lessor to take its royalty gas in kind shall not modify or limit Lessee's duty to pay royalties as provided herein or to market the gas at such times, and from time to time, as Lessor does not choose to take and separately dispose of its royalty gas.
- (i). Within 120 days following the first sale of oil or gas produced from the leased premises, settlement shall be made by Lessee or by its agent for royalties due hereunder with respect to such oil or gas sold off the premises, and such royalties shall be paid monthly thereafter without the necessity of Lessor executing a division or transfer order. If said initial royalty payment is not so made under the terms hereof, this lease shall terminate as of 7 a.m. the first day of the month following the expiration of said 120-day period. After said initial royalty payment, with respect to oil or gas produced during any month, if royalty is not paid hereunder on or before the last day of the second succeeding month, this lease shall terminate at midnight of such last day.
- 4. If actual drilling is not commenced on said land, or on land pooled therewith, on or before twelve (12) months from the date of this lease, this lease shall then terminate, unless on or before such anniversary date Lessee shall pay or tender to Lessor or to the credit of Lessor in Bank of America, N.Aof Dallas, Texas which bank and its successors shall continue as the depository for all rentals payable hereunder, regardless of changes in ownership of delay rentals, the sum of THIS IS A PAID-UP LEASE, ALL DELAY RENTALS REFERRED TO HEREIN ARE PAID IN FULL Dollars (\$0.00) (hereinafter called "rental"), which shall cover the privilege of deferring commencement of actual drilling for a period of twelve (12) months. In like manner, and upon like payments or tenders, actual drilling may be further deferred for like periods of twelve (12) months each during the primary term. In the event a portion or portions of said land is pooled and unitized with other land to form a pooled unit or units or is included in a proration or production unit under the applicable rules and regulations of the appropriate state or federal governing body (hereinafter called "unit"), operation on or production from such unit or the payment of shut-in royalty as defined in paragraph 3(e) will maintain this lease in force only as to the land included in such unit. This lease may be maintained in force during the primary term as to any of said land covered hereunder and not included in such unit in any manner provided for herein, which will include but not be limited to, the payment of delay rentals pursuant to the provisions of this paragraph, however it is understood that such delay rental shall be reduced in proportion to the number of acres covered hereby and included in such unit or units. The payment or tender of rentals or shut-in royalties may be made by check of Lessee mailed or delivered to Lessor or to said bank on or before the date of payment. The bonus paid hereunder is consideration for this lease and shall not be allocated as m
- 5. Lessee is hereby granted the right to pool or combine the land covered by this lease, or any part or parts thereof, as to all strata or any stratum, with any other land, as to all strata or any stratum, for the production of oil or gas. Pooled units which do not include 100% of the herein leased premises shall be subject to the written approval of the Lessor, such approval shall not be unreasonably withheld. Pooling in one or more instances shall not exhaust the right of Lessee hereunder to pool this lease or portion thereof into other or different units. Units pooled for oil hereunder shall not exceed forty (40) acres each, and units pooled for gas hereunder shall not exceed One hundred sixty (160) acres each, provided that if any federal or state law, executive order, rule or regulation shall prescribe a spacing pattern for the development of the field or allocate a producing unit allowable based in whole or in part on acreage per well, then any such unit may consist of that minimum number of additional acres which will permit the allocation to such unit and the well thereon of the maximum producing allowable. To effect a unit or units Lessee shall file a written unit designation and surveyor's plat outlining any such unit and describing the participating tracts in the county conveyance records in which the premises are located. A copy of the unit designation shall be furnished to Lessor within thirty (30) days after it is filed in the appropriate county records, and if Lessee fails to do so, such unit may be declared invalid by Lessor by an instrument filed in such county records. Drilling or reworking operations and production on any part of the pooled acreage shall be treated for all purposes hereof (except the payment of royalties on such production) as if such drilling or reworking operations were upon or such production was from the land described in this lease whether the well or wells be located on the land covered by this lease or not. For the purpose of computing the royalties and other payments out of production to which the owners of such interests shall be entitled on production of oil and gas, or either of them, from any such pooled unit, there shall be allocated to the land covered by this lease and included in such unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis; thus, there shall be allocated to the acreage covered by this lease and included in the pooled unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease (or in each such separate tract) and included in the unit bears to the total number of surface acres included in the pooled unit. Royal-ies hereunder shall be computed on the portion of such production whether it be oil and gas, or either of them so allocated to the land covered by this lease and included in the unit just as though such production were from such land. In the event only a part, or parts, of the land covered by this lease instrument is pooled or unitized with other land, or lands, so as to form a pooled unit, or units, operations on or production from such unit, or units, will maintain this lease in force only as to the land included in such unit, or units. This lease may be maintained in force as to any land covered hereby and not included in such unit or units in any manner provided for herein, provided that if it be by rental payments, rental payments shall be reduced in proportion to the number of acres covered hereby and included in such unit or units.
- 6. If, prior to discovery of oil or gas on said land or land pooled therewith, Lessee should drill and abandon a dry hole or holes thereon, or if, after discovery of oil or gas, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences reworking or actual drilling within sixty (60) days thereafter, or, if it be within the Primary Term, commences or resumes the payment or tender of rentals or commences actual drilling or reworking on or before the rental paying date next ensuing after the expiration of sixty (60) days from date of completion and abandonment of said dry hole or holes or the cessation of production. If, at the expiration of the Primary Term, oil or gas is not being produced on said land or land pooled therewith and Lessee is then engaged in actual drilling or reworking of any well thereon, this lease shall remain in force so long as drilling or reworking is prosecuted with no cessation of more than sixty (60) consecutive days, and if such operation results in production, so long thereafter as oil or gas is produced in paying quantities from said land or land pooled therewith. In the event a well or wells producing oil or gas should be brought in on adjacent land within six hundred feet (600°) of the leased premises for an oil well or within twelve hundred feet (1200°) of the leased premises for a gas well, Lessee agrees to commence the drilling of an offset well within 120 days or release that portion of the leased acreage that would be allocated to such well unit. If oil or gas is discovered on the land covered by this lease, or on land pooled therewith, Lessee agrees to further develop said land covered by this lease as a reasonably prudent operator would under the same or similar circumstances.
- 7. Lessec shall have free use of oil and gas from said land for all operations hereunder. Lessee shall at any time within 180 days after the expiration of this Lease remove all property and lixtures placed by Lessee on said land, including the removal of all casing except as to water wells in which case Lessee shall remove all property and fixtures except the casing and shall do nothing that will in any way damage said water well or prevent its future use by surface owner. Lessee will, at surface owner's request, remove the casing from and plug and abandon such water well at Lessee's sole expense. No well shall be drilled within one thousand three hundred twenty (1320) feet of any residence, four hundred (400) feet of any permanent livestock holding pens, permanent livestock corrals or permanent livestock barns or two hundred (200) feet of any permanent livestock watering facilities now existing or hereafter constructed on Property owned by surface owner, without surface owner's consent. Surface owner shall have the privilege, at his risk and expense, of using gas from any gas well on said land for surface owner's principal dwelling out of any gas not needed for operations becauser.
- 8. Lessee will conduct its operation hereunder so as not to interfere unreasonably with Lessor or surface owner in the use of the surface of the lands covered by this Lease provided, that any use of the surface will require written consent of surface owner in advance. Such consent will not be unreasonably withheld. Prior to any use of the surface, Lessee will present to surface owner a plat of the property showing the area proposed to be used and the type of use to be made. Within thirty (30) days of the receipt of such notice, surface owner will either deliver written consent or propose a reasonable alternative area for such use. Lessee will provide at Lessee's expense all customary protective measures to prevent any loss or damage to the property of Lessor and surface owner on account of any operations by Lessee. Lessee will pay for all damages to the surface of or crops or improvements on the leased lands or suffered by surface owner or tenant of surface owner and caused by or arising out of operations under this Lease. Pits and excavations made during drilling operations or otherwise will be filled by Lessee and the surface restored as soon as practicable and the pits are dry, as nearly as reasonably possible, to its original condition; and if Lessee fails to do so, the cost to surface owner of such filling and restoration shall be paid by Lessee.
- 9. No assignment of this lease, or any interest therein, may be made without written approval of the Lessor, such approval shall not be unreasonably withheld. Subject to the preceding condition, the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns of Lessor and Lessee, but no change or division in ownership of the land, rentals, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee. No such change or division in the ownership of the land, rentals or royalties shall be binding upon Lessee for any purpose until Lessee shall have been furnished with the instrument, or certified copies thereof, evidencing such change or division. In the event of a permitted assignment of the leasehold as to a separate portion of said leasehold interest, including but not limited to an undivided interest or separate tract interest, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratably according to their ownership of each interest, and default on rental payments or any other obligations by one shall not affect the rights and obligations of the other leasehold owners hereunder; further, liability for breach of any obligations hereunder shall rest respectively upon the owners who commit such breach and owners of the leasehold estate remaining, jointly and severally.

- 10. Lessee shall not be liable for delays or defaults in its performance of any agreement or covenant hereunder due to force majeure, except any and all monetary payments due under the terms of this lease. The term "forcemajeure" as employed herein shall mean: any act of God including but not limited to storms, floods, washouts, landslides and lightning. If Lessee is required, ordered or directed by any federal, state or municipal law, executive order, rule or regulation enacted or promulgated under color of authority to cease drilling operations, reworking operations or producing operations on the land covered by this lease or if Lessee by operation of forcmajeure is prevented from conducting drilling operations, reworking operations or producing operations, then until such time as such law, order, rule, regulation, request or forcmajeure is terminated and for a period of sixty (60) days after such termination each and every provision of this lease or implied covenant arising thereunder that might operate to terminate it or the estate conveyed by it shall be suspended and inoperative and this lease shall continue in full force, provided, however, that in no event will the primary term be extended unless Lessee has begun the actual drilling of a well prior to the date of the expiration of the primary term.
- 11. If Lessor owns an interest in said land less than the entire and undivided fee simple mineral estate therein, then the royalties and rental herein provided shall be paid to the Lessor and any person for whom Lessor holds executory powers in the proportion which their respective interests bear to the entire and undivided fee simple mineral estate.
- 12. Lessor herein executes and delivers this lease without warranty of title either express or implied. Lessee, at its option, 30 days after giving written notice to Lessor, may discharge any tax lien upon the interest herein leased; and, in the event Lessee does so, Lessee shall have the right to apply rentals and royalties accruing hereunder to reimburse such payment.
- 13. In the event this lease expires for any reason as to all or any portion of the land described in this lease, Lessee shall furnish Lessor promptly with a written, recordable release instrument covering all of the land as to which this lease has so expired.
- 14. Lessee shall advise Lessor and surface owner in writing as to the location of each well drilled upon the premises, or on land pooled therewith, on or before seven (7) days after commencement of operations, and shall advise Lessor and surface owner in writing as to the date of completion or abandonment of each well drilled within thirty (30) days after such completion or abandonment. Lessee agrees to furnish Lessor with all well drilling, completion and production data, reports, title opinions, logs, and information when specifically requested by the Lessor. Lessee agrees that immediately following this instrument being recorded in the county records where the leased premises are located that Lessee will provide Lessor and surface owner with a copy of this fully recorded instrument as it appears in said records.
- 15. Notwithstanding any provision contained herein, upon the expiration of the primary term of this lease, if the same is being held by the production of oil and/or gas, this lease shall nevertheless terminate as to: (1) all acreage outside of the then producing proration units established under the rules and regulations of governmental authority having jurisdiction in order to obtain the maximum allowable per well; and (2) all depths and horizons below the base of the formation producing commercially in each of then producing proration units. Provided, however, that if Lessee is engaged in drilling or reworking operations on the leased premises at that time or within 90 days prior to that time, this lease shall remain in force and effect as to all depths and horizons covered hereunder so long as not more than 180 days elapses between the completion or abandonment of one well and the commencement of a subsequent well; and after 180 days has elapsed in which Lessee has not commenced a subsequent well, this lease shall terminate as to all parties as to: (1) all acreage outside of the then producing proration units established under the rules and regulations of governmental authority having jurisdiction in order to obtain the maximum allowable per well; and (2) all depths and horizons below the base of the formation producing commercially in each of the then producing proration units. In the absence of field rules promulgated by the appropriate governing body of the state in which such acreage is located, the term "producing proration unit" as used herein means the following number of acres, depending on the depth to which the well has been drilled, and whether the well is an oil or gas well: A. 40 acres for an oil well completed at any depth; B. (1) 80 acres for a gas well completed at a depth of 2,000 feet subsurface to 6,000 feet subsurface. For the purposes hereof, commencement of a well shall be that time in which new hole is being made below the cellar with rotary tools, and completion or abandonment shall o
- 16. If Lessor or surface owner files a legal action to enforce any express or implied obligation of this lease and receives a favorable judgment from a court of competent jurisdiction, then Lessee shall reimburse Lessor or surface owner, as applicable, for all costs of such legal proceeding including reasonable attorney's fees.
- 17. Lessee shall conduct its operations in compliance of all applicable rules and regulations of any regulatory body having jurisdiction on such operations. Lessee agrees to indemnify, save and hold harmless Lessor, Bank of America, N.A. and surface owner and their respective directors, officers, employees, and agents from and against all claims, damages, demands, losses, environmental liabilities and expenses (including attorneys' fees, court costs and other expenses of litigation) in any way arising out of or relating to Lessee's acts, omissions, performance or operations hereunder. This provision shall extend beyond termination of this agreement.
- 18. Parties in Interest. Lessee represents that he is not an officer, director, or employee of Bank of America Corporation, Bank of America, N.A., or any of its affiliates and/or subsidiaries, nor is Lessee acting on behalf of any such officer, director, or employee.
- 19. See Surface Amendments consisting of Four (4) pages attached hereto and made a part hereof. In the event of any conflict between the terms of this Lease and the provisions of the Surface Amendments, the terms of the Surface Amendments shall control.

Executed on the date first above written.

Lessor(s):

Bank of America, N.A. Trustee of the trust created under Trust Indenture Dated December 30, 1935 with George H. Davis, Settlor (as to an undivided 5.335 percent interest)

Name: Prod Volina

Title: Vice President
Tax ID#: 446008118

Address: P.O.Box 830308, Dallas, TX 75283-0308

Lessee(s):

Map Exploration, Inc.

Name: Michael A. Pollok

Title: President

Tax ID #: 73-\355960 Address: P.O. Box 106, Purcell, OK 73030

Bank of America, N.A., Trustee of the trust created by Article IV of the Last Will and Testament of Minerva Gundelfinger dated June 29, 1948 (as to an undivided

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Name: Brad Kolins

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Title: Vice President

Tax ID#: 446008442

Address: P.O.Box 830308, Dallas, TX 75283-0308

Bank of America, N.A., Trustee of the trust created by Item II of the Ninth Codicil to the Last Will and Testament of George H. Davis dated April 11, 1955 (as to an undivided 4.850 percent interest)

Title: Vice President Tax ID#: 446008750

Address: P.O.Box 830308, Dalias, TX 75283-0308

Bank of America, N.A., Trustee of the trust created by Article VIII of the Last Will and Testament of George H. Davis dated July 21, 1944, as amended (as to an undivided 57.502 percent interest)

Name: Brad Kolins

Title: Vice President Tax ID#: 446008752

Address: P.O.Box 830308, Dallas, TX 75283-0308

Bank of America, N.A., Trustee of the trust created by Article V of the Last Will and Testament of Elizabeth Otterman Davis dated June 11, 1959, as amended (as to an undivided 22.411 percent interest)

Title: Vice President Tax ID#: 446013977

Address: P.O.Box 830308, Dallas, TX 75283-0308

State of Texas

County of Dallas

Before Me, the undersigned, a Notary Public in and for said County and State, on this day personally appeared, Brad Kolins, Vice President of Bank of America, N.A., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said Bank in the capacity therein stated.

Given under my hand and seal of office this the gray of the same for the purposes and consideration therein expressed, in the capacity therein stated.

Notary Public in and for the State of Texas

DELIA CLIFFORD

Notary Public, State of Texas My Commission Exp. 06-08-2003

State of OKLAHOMACOOOOOOOOOOOOOOOOOOO

County of Woodward

Before Mc, the undersigned , a Notary Public in and for said County and State, on this day personally appeared Michael N. Pollok President of MAP Exploration, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said Corporation in the capacity therein stated. Given under my hand and scal of office this the D day of June , 2001.

Notary Public in and for the State of Oklahoma

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



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

Sam Brownback, Governor

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

June 11, 2013

Michael N Austin M & M Exploration, Inc. 4257 MAIN ST., #230 WESTMINSTER, CO 80031

Re: Drilling Pit Application Z Bar 22-4 NW/4 Sec.22-34S-15W Barber County, Kansas

Dear Michael N Austin:

District staff has inspected the above referenced location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has recommended that the reserve pit be lined with bentonite or native clay, constructed <u>without slots</u>, the bottom shall be flat and reasonably level and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again within 96 hours after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through KOLAR within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the District Office at (620) 225-8888.