



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

KANSAS CORPORATION COMMISSION 1148874
 OIL & GAS CONSERVATION DIVISION

Form C-1
 March 2010

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

NOTICE OF INTENT TO DRILL

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: _____
month day year

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

CONTRACTOR: License# _____
 Name: _____

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic ; _____ # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Mud Rotary
<input type="checkbox"/> Other: _____		<input type="checkbox"/> Air Rotary
		<input type="checkbox"/> Cable
<input type="checkbox"/> If OWWO: old well information as follows:		

Operator: _____
 Well Name: _____
 Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? Yes No
 If Yes, true vertical depth: _____
 Bottom Hole Location: _____
 KCC DKT #: _____

Spot Description: _____
 _____ - _____ - _____ Sec. _____ Twp. _____ S. R. _____ E W
(Q/Q/Q/Q)
 _____ feet from N / S Line of Section
 _____ feet from E / W Line of Section
 Is SECTION: Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: _____
 Lease Name: _____ Well #: _____
 Field Name: _____
 Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): _____
 Nearest Lease or unit boundary line (in footage): _____
 Ground Surface Elevation: _____ feet MSL
 Water well within one-quarter mile: Yes No
 Public water supply well within one mile: Yes No
 Depth to bottom of fresh water: _____
 Depth to bottom of usable water: _____
 Surface Pipe by Alternate: I II
 Length of Surface Pipe Planned to be set: _____
 Length of Conductor Pipe (if any): _____
 Projected Total Depth: _____
 Formation at Total Depth: _____
 Water Source for Drilling Operations:
 Well Farm Pond Other: _____
 DWR Permit #: _____
 (Note: Apply for Permit with DWR)
 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 Electronically

For KCC Use ONLY

API # 15 - _____

Conductor pipe required _____ feet

Minimum surface pipe required _____ feet per ALT. I II

Approved by: _____

This authorization expires: _____
(This authorization void if drilling not started within 12 months of approval date.)

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: _____

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

E
 W

For KCC Use ONLY

API # 15 - _____

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

Operator: _____

Lease: _____

Well Number: _____

Field: _____

Number of Acres attributable to well: _____

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

Location of Well: County: _____

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

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

Is Section: Regular or Irregular

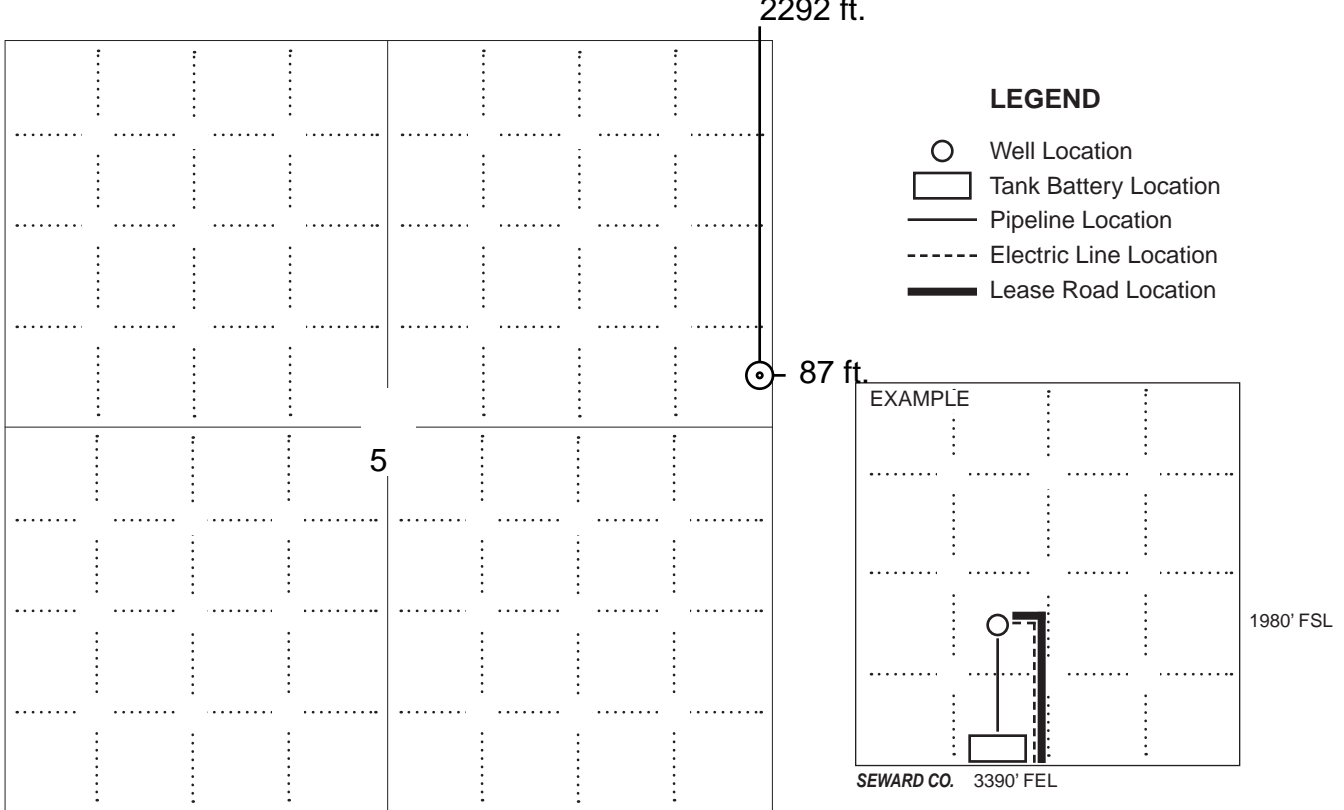
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

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

You may attach a separate plat if desired.



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

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

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

APPLICATION FOR SURFACE PIT

Submit in Duplicate

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

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



CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

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

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

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

Surface Owner Information:

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

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

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

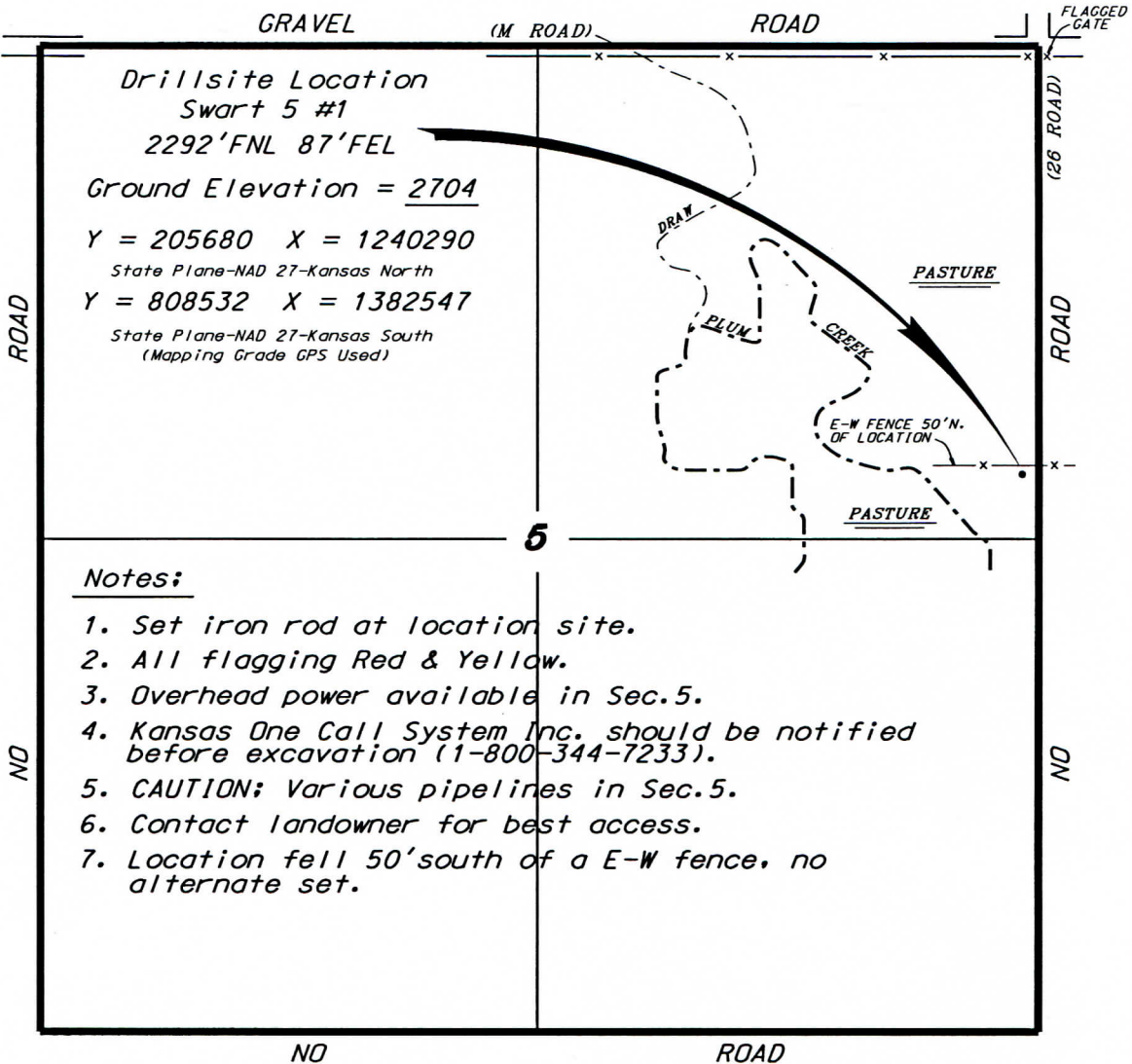
Select one of the following:

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

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

I Submitted Electronically

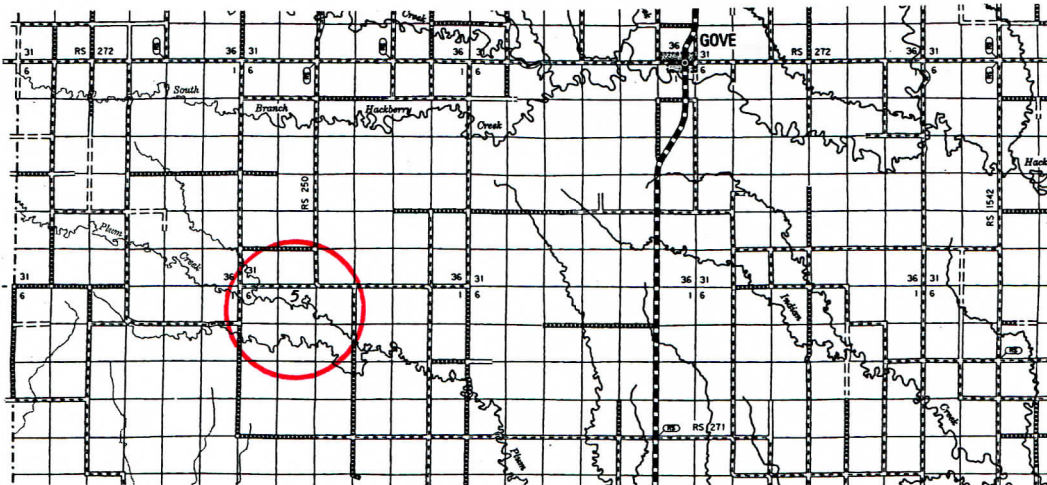
O'BRIEN RESOURCES, LLC
SWART LEASE
NE. 1/4, SECTION 5, T14S, R30W
GOVE COUNTY, KANSAS



Notes:

1. Set iron rod at location site.
2. All flagging Red & Yellow.
3. Overhead power available in Sec. 5.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION; Various pipelines in Sec. 5.
6. Contact landowner for best access.
7. Location fell 50' south of a E-W fence, no alternate set.

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



* Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.

* Approximate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drillsite location in the section is not guaranteed. Therefore, the operator securing this service and accepting this plat and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and said entities released from any liability from incidental or consequential damages.

* Elevations derived from National Geodetic Vertical Datum.

Date June 12, 2013



OIL AND GAS LEASE

63U

LS # 8633

Agreement Made and entered into the 17th day of November, 2010,

by and between, Swart Trucking INC

Whose mailing address is 2633 County Rd, Grinnell, KS 67738 hereinafter called Lessor

hereinafter called Lessor (whether one or more), and Red Oak Energy, Inc PO Box 783140 Wichita, KS 67278 hereinafter called Lessee.

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

therein situated in the County of Gove State of Kansas described as follows, to-wit:

Township 14 South - Range 30 West

Tract 1: Section 4: NW/4

Tract 2: Section 4: SW/4

Tract 3: Section 17: W/2 NW/4

It is understood and agreed that the above described Tracts shall constitute separate and individual Leases according to the terms herein established. Production on any single Tract above shall not hold any other Tract Lease by said production.

In Section xxx Township xxx Range xxx and containing 400 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of three (3) years from this date (called "primary term"), and as long thereafter 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 (1/8) part of all oil produced and saved from the leased premises.

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

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

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

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operations 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 mortgage, taxes or other liens on the above described lands, in the event of default of payment by the 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.

See "Rider" attached hereto and made a part hereof;

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

Witnesses:

Swart Trucking INC



STATE OF KANSAS, GOVE COUNTY SS

REGISTER OF DEEDS

Book: 170 Page: 3B

Receipt #: 11637

Pages Recorded: 3

Recording Fee: \$16.00

Copy of Title

X: 
(Terry L. Swart, a/k/a T.L. Swart), President

Date Recorded: 12/29/2010 11:06:56 AM

Attached to and made a part hereof an Oil and Gas Lease dated November 17th, 2010, by and between Swart Trucking INC, as Lessors and Red Oak Energy, as Lessee, covering the following described property in Gove County, Kansas to wit;

Township 14 South – Range 30 West

Tract 1: Section 4: NW/4

Tract 2: Section 4: SW/4

Tract 3: Section 17: W/2 NW/4

Rider

1. Lessee or assigns agree that in the event of drilling operations conducted on the lands herein described it will restore the surface of the land to its original contour and condition as nearly as is reasonably practicable and pay for damages caused by their operations. All top soil shall be piled separately and returned to the surface when the pits are filled. Lessee or assigns shall consult with Lessor or Lessor's agent as to routes of ingress and egress and location of equipment on the leased premises.
2. Any spillage of salt water or petroleum products shall be cleaned up to comply with all applicable federal, state and local regulations. Where the clean up requires removal of top soil' the removed contaminated soil shall be replaced with quality top soil that is compatible with Lessor's land use.
3. In the event of drilling operations, the pits shall not be filled until they are sufficiently dry. All trash, debris and contaminated materials shall be removed from the pits before they are filled. Lessor shall be notified prior to filling the pits so that he and/or his farm tenant can inspect the area for compliance with this requirement. All pipelines shall be buried to a depth of 36 inches where the subsurface is free from rocks to allow the trenching and 24 inches if otherwise practicable.
4. If the premises is subject to pasturing livestock, Lessee or assigns agree to properly fence all pits and ponds and protect the livestock from their drilling operations and afterwards fence the equipment in the event of continuing production operations and install steel gates where needed at locations of ingress and egress.
5. Lessee shall give Lessor notice of its intent to do 3-D seismic exploration on the captioned land and shall perform such activities so as to not unduly damage the premises or crops thereon. Compensation will be paid to Lessor for any seismic activities on the captioned property.
6. Notwithstanding the pooling provision in the last paragraph of this oil and gas lease, the pooling of tracts contiguous to one another and to be into a unit or units shall not exceed 40 acres each in the event of an oil well.
7. All lease roads, well sites, tank batteries and all areas surrounding Lessee's operation shall be maintained by Lessee in a clean condition.
8. In the event Lessee acquires an Oil and Gas Lease(s) from a third party(ies) covering an undivided mineral interest in any portion of the lands described herein and said lease(s) provides for a royalty interest greater than one-eighth (1/8th), then Lessee hereby agrees to amend this lease to provide for a royalty interest equal to the largest royalty agreed to by Lessee in any such lease acquired by Lessee from a third party(ies). Any amendment to this lease to increase the royalty interest shall only pertain to that portion of the lands described herein that are also described in a lease acquired by Lessee from a third party(ies) that provides for a royalty interest greater than one-eighth (1/8th).
9. It is understood and agreed that the above-described Tracts shall constitute separate and individual Leases according to the terms herein established. Production on any single Tract above shall not hold any other Tract Lease by said production

X:



(Terry L. Swart a/k/a T. L. Swart), President

63U

OIL AND GAS LEASE

15# 463

Agreement Made and entered into the 17th day of November 2010, by and between Terry L. Swart a/k/a, T.L. Swart and Karol A. Swart, husband and wife

Whose mailing address is 2633 County Rd, Grinnell, KS 67738 hereinafter called Lessor (whether one or more), and Red Oak Energy, Inc PO Box 783140 Wichita, KS 67278 hereinafter called Lessee:

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

herein situated in the County of Gove State of Kansas, described as follows, to-wit:

See Exhibit "A" attached hereto and made a part hereof.

In Section xxx Township xxx Range xxx and containing 2.640 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of three (3) years from this date (called "primary term"), and as long thereafter 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 (1/8) part of all oil produced and saved from the leased premises.

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

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

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

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operations 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 piece 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 mortgage, taxes or other liens on the above described lands, in the event of default of payment by the 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.

See "Rider" attached hereto and made a part hereof;

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

Witnesses:

X: Karol A. Swart
Karol A. Swart

X: Terry L. Swart
Terry L. Swart, a/k/a T.L. Swart



STATE OF KANSAS, GOVE COUNTY SS

REGISTER OF DEEDS

Book: 170 Page: 41

Receipt #: 11637
Pages Recorded: 4

Recording Fee: \$20.00

Dating Stamp

Date Recorded: 12/29/2010 11:06:57 AM

RL

STATE OF Kansas } ACKNOWLEDGMENT FOR INDIVIDUAL

COUNTY OF XXX Ellis } The foregoing instrument was acknowledged before me this 3rd day of XXXXX December 2010,

by, Terry L. Swart aka/T. L. Swart and Karol A. Swart, husband and wife

My Commission Expires: XXXXXX 11-1-2012

Sandra S. Ireland

XXXXXX, Notary Public



STATE OF _____ } ACKNOWLEDGMENT FOR INDIVIDUAL

COUNTY OF _____ }

The foregoing instrument was acknowledged before me this _____ day of _____ by, _____

My Commission Expires: _____

_____, Notary Public

STATE OF _____ } ACKNOWLEDGMENT FOR INDIVIDUAL

COUNTY OF _____ }

The foregoing instrument was acknowledged before me this _____ day of _____, 2008, by, _____

My Commission Expires: _____

_____, Notary Public

STATE OF _____ } ACKNOWLEDGMENT FOR INDIVIDUAL

CC _____ }

The _____ stment was acknowledged before me this _____ day of _____, 2008, by, _____

My Commission Expires: _____

_____, Notary Public

OIL AND GAS LEASE

FROM

TO

Date _____
Section _____ Twp. _____ Rge. _____
No. of Acres _____ Term _____
_____ County _____

STATE OF _____
County _____

This instrument was filed for record on the _____ day of _____, _____ at _____ o'clock _____ M., and duly recorded in Book _____ Page _____ of the records of this office.

By _____ Register of Deeds

When recorded, return to:

ACKNOWLEDGMENT FOR CORPORATION (KSOCKONE)

STATE OF _____ }
COUNTY OF _____ }

The foregoing instrument was acknowledged before me this _____ day of _____,

by, _____ of _____ a _____

Corporation, on behalf of the Corporation.

My Commission Expires: _____, Notary Public

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated November 17, 2010 by and between Terry L. Swart a/k/a T.L. Swart and Karol A. Swart, husband and wife as Lessor(s) and Red Oak Energy, Inc as Lessee

Township 14 South – Range 30 West, Gove County KS

Tract 1: Section 04: NE/4	160 ✓
Tract 2: Section 04: SE/4	160 ✓
Tract 3: Section 05: NE/4	160 ✓
Tract 4: Section 05: SE/4	160 ✓
Tract 5: Section 08: NE/4	160 ✓
Tract 6: Section 08: SW/4	160 ✓
Tract 7: Section 09: NW/4	160 ✓
Tract 8: Section 09: NE/4	160 ✓
Tract 9: Section 09: SW/4	160 ✓
Tract 10: Section 09: SE/4	160 ✓
Tract 11: Section 16: NW/4	160 ✓
Tract 12: Section 16: SW/4	160 ✓
Tract 13: Section 17: E/2NW/4	80 ✓
Tract 14: Section 17: NE/4	160 ✓
Tract 15: Section 17: SW/4	160 ✓
Tract 16: Section 17: SE/4	160 ✓
Tract 17: Section 20: NW/4	160 ✓


It is understood and agreed that the above-described Tracts shall constitute separate and individual Leases according to the terms herein established. Production on any single Tract above shall not hold any other Tract Lease by said production.

Attached to and made a part hereof an Oil and Gas Lease dated November 17th, 2010, by and between Terry L. Swart a/k/a T.L. Swart and Karol A. Swart, husband and wife, as Lessors and Red Oak Energy, as Lessee, covering the following described property in Gove County, Kansas to wit;

See 'Exhibit A' attached hereto and made a part hereof;

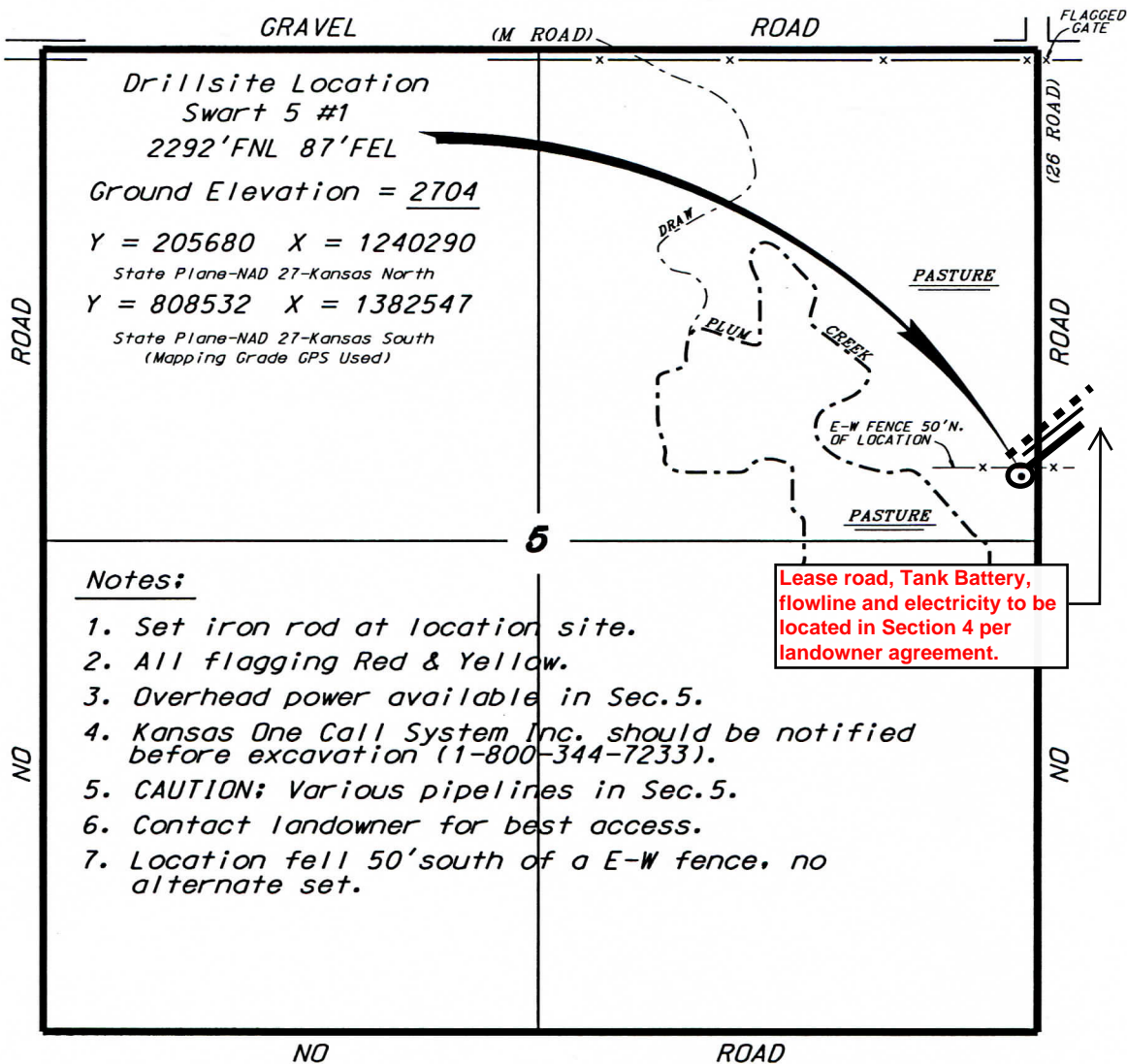
Rider

1. Lessee or assigns agree that in the event of drilling operations conducted on the lands herein described it will restore the surface of the land to its original contour and condition as nearly as is reasonably practicable and pay for damages caused by their operations. All top soil shall be piled separately and returned to the surface when the pits are filled. Lessee or assigns shall consult with Lessor or Lessor's agent as to routes of ingress and egress and location of equipment on the leased premises.
2. Any spillage of salt water or petroleum products shall be cleaned up to comply with all applicable federal, state and local regulations. Where the clean up requires removal of top soil' the removed contaminated soil shall be replaced with quality top soil that is compatible with Lessor's land use.
3. In the event of drilling operations, the pits shall not be filled until they are sufficiently dry. All trash, debris and contaminated materials shall be removed from the pits before they are filled. Lessor shall be notified prior to filling the pits so that he and/or his farm tenant can inspect the area for compliance with this requirement. All pipelines shall be buried to a depth of 36 inches where the subsurface is free from rocks to allow the trenching and 24 inches if otherwise practicable.
4. If the premises is subject to pasturing livestock, Lessee or assigns agree to properly fence all pits and ponds and protect the livestock from their drilling operations and afterwards fence the equipment in the event of continuing production operations and install steel gates where needed at locations of ingress and egress.
5. Lessee shall give Lessor notice of its intent to do 3-D seismic exploration on the captioned land and shall perform such activities so as to not unduly damage the premises or crops thereon. Compensation will be paid to Lessor for any seismic activities on the captioned property.
6. Notwithstanding the pooling provision in the last paragraph of this oil and gas lease, the pooling of tracts contiguous to one another and to be into a unit or units shall not exceed 40 acres each in the event of an oil well.
7. All lease roads, well sites, tank batteries and all areas surrounding Lessee's operation shall be maintained by Lessee in a clean condition.
8. In the event Lessee acquires an Oil and Gas Lease(s) from a third party(ies) covering an undivided mineral interest in any portion of the lands described herein and said lease(s) provides for a royalty interest greater than one-eighth (1/8th), then Lessee hereby agrees to amend this lease to provide for a royalty interest equal to the largest royalty agreed to by Lessee in any such lease acquired by Lessee from a third party(ies). Any amendment to this lease to increase the royalty interest shall only pertain to that portion of the lands described herein that are also described in a lease acquired by Lessee from a third party(ies) that provides for a royalty interest greater than one-eighth (1/8th).
9. It is understood and agreed that the above-described Tracts shall constitute separate and individual Leases according to the terms herein established. Production on any single Tract above shall not hold any other Tract Lease by said production.

X: 
Karol A. Swart

X: 
Terry L. Swart a/k/a T. L. Swart

O'BRIEN RESOURCES, LLC
 SWART LEASE
 NE. 1/4, SECTION 5, T14S, R30W
 GOVE COUNTY, KANSAS

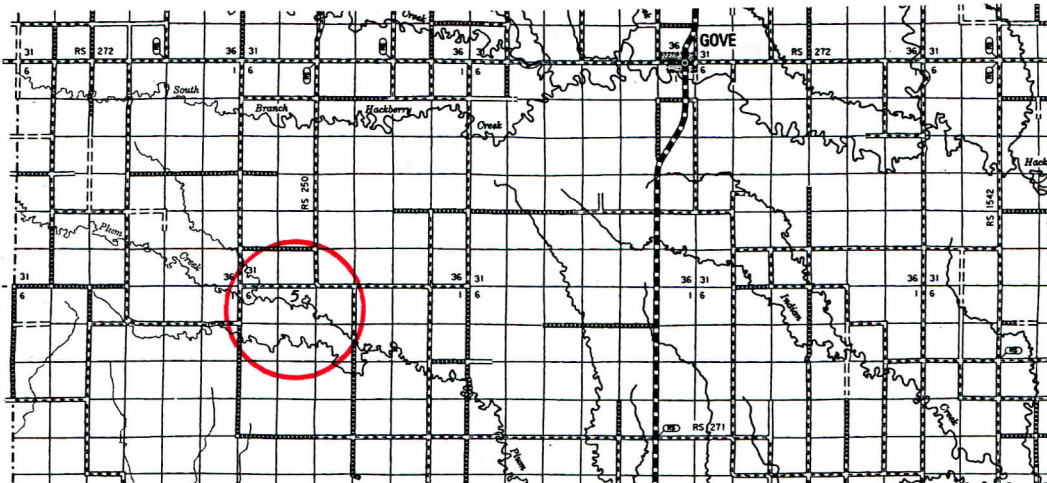


Notes:

1. Set iron rod at location site.
2. All flagging Red & Yellow.
3. Overhead power available in Sec. 5.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION; Various pipelines in Sec. 5.
6. Contact landowner for best access.
7. Location fell 50' south of a E-W fence, no alternate set.

Lease road, Tank Battery, flowline and electricity to be located in Section 4 per landowner agreement.

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



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

Date June 12, 2013