For KCC Use ONLY	
API # 15	

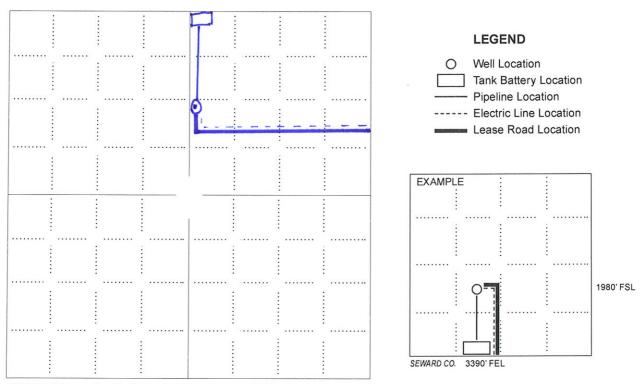
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

Operator: H3D Exploration LC Lease: Starrora County Farms Well Number: 1 Field:	Location of Well: County:	
Number of Acres attributable to well: QTR/QTR/QTR of acreage:	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		

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.

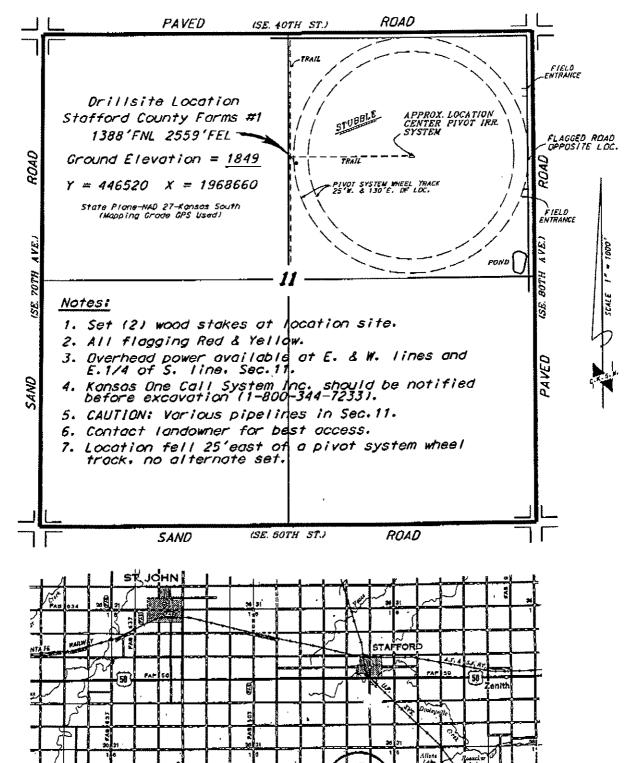
In plotting the proposed location of the well, you must show:

- 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.

£5

200

H & D EXPLORATION, LLC STAFFORD COUNTY FARMS LEASE NE. 1/4. SECTION 11. T255, R12W STAFFORD COUNTY. KANSAS



December 30, 2013

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

Controlling data is based upon the best Rups and photographs available to us and upon a require section of land containing 640 sortes.

Approximate section lines were determined using the normal stondard of one of difficild surveyor's problicing in the state of Kanaca. The section bather's, which establish the problet section lines, were not necessarily (optimal and the exact location of the drillipia location in the shollon is not guaranteed. Therefore, the operator securing this service and occuping this stat and oli other parties relying interest operator hold Control Kanaca Difficial Services. Inc., its officers and exployees normalist from oli logses, costs and enables and sold entities released from any licelity from incidental or consequential demands.

Elevations derived from Hational Geodetic Vertical Batus.

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

OIL AND GA	S LEASE
AGREEMENT, Made and entered into the 16th day of February	ry 2012
STRITOTO UD. PRUMS ING.	
y and between	
	The second secon
	The second secon
hese mailing address is 536 SE 10th St. Stafford,	KS 67578 hereinafter called Lessor (whether one or more),
H & D Energy, LLC	
H & D Energy, LLC PO Box 387 Hoisington, KS 67544	, hereinafter caller Lessee: .
Lessor, in consideration of One the segment of the segment of the become fine segment of the troughtus better name segment of the segment of the become fine segment of the segment of the become fine segment products, injecting gas, water, other fluids, and air into subsurface strata, laying pind things thereon to produce, sew take care of, treat, manufacture, process, some and transpectations namefactured therefrom, and housing and otherwise caping for its employees, the forest stratage of the segment of the se	begein contained, hereby grants, leasest and fets exclusively unto fet on the popular d operating for and producing oil, liquid hydrocarbons, all gases, and their respective or lines, storing oil, building tanks, power stations, telephone lines, and other structures or lines.
North East Wuarter 11-25-12 NE/4 11-25-12	
11 25 12	and containing 160 acres, more or less, and all
n Section Township Range	Two (2)
s oil, liquid hydrocarbons, gas or other respective constituent products, in may or taking to pro-	
In consideration of the premises the said lessee covenants and agrees: Lat. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee m	ny connect wells on said land, the equal one-eighth (%) part of all oil produced and saved
it the market price at the west, (not, as to gas sout or resect, in control to be made monthly, receiving, or in the manufacture of products therefrom, said payments to be made monthly, as royally (not Bollar (\$1,00) per year per net mineral acre retained beccaused, and if see meaning of the preceding paragraph. This fease may be maintained during the primary term hereof without further pay of this lease or any extension thereof, the lessee shall have the right to drill such well to co- sound in paying quantities, this lease shall continue and be in force with like effect as if such	h payment or tender is made it will be considered timit, go to soon given moment or drilling operations. If the leasee shall commence to drill a well within the term impletion with reasonable diligence and dispatch, and if oil or gas, or either of them, be well had been completed within the term of years first mentioned, until the properties of the provided for shall be paid until the provided for shall be paid.
If said fessor owns a fess interest in the above excitors aim whole and undivide he said lessor only in the proportion which lessor's interest bears to the whole and undivide Lessee shall have the right to use, free of cost, gas, oil and water produced on said la	d fee. and for lessee's operation thereon, except water from the wells of lessor.
When represented by leasar, leaser shall hery leaser's pipe lines below plow depth.	
No well shall be drilled nearer than 200 feet to the house or barn now on said premi 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. If the estate of either party hereto is assigned, and the privilege of assigning in axentons, administrators, successors or assigns, but no change in the ownership of the control of the cont	on said premises, including the right to draw and remove teach, whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, land or assignment of rentals or royalties shall be binding on the lessee until after the land or assignment in the lesse, in whole or in part, lessee shall be relieved of all obligations are lessee resident this lease, in whole or in part, lessee shall be relieved of all obligations
the respect to the usual countries and deliver to lessor or place of record a release of Lessor may nt any time execute and deliver to lessor or place of record a release of surrender this lesse as to such portion or portions and be relieved of all obligations as to the	or releases covering any portion or portions of the above described premises and thereby acreage surrendered.
n whole or in part, nor lessee held hable in damages, for faiture to comply therewith, it co Regulation.	to the state of th
agned leasons, for themselves and their heirs, successors and assigns, hereby surrender a	as is made as recited began
Lessee, at its option, is hereby given the right and power to post or combine the as- immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to de- conservation of oil, gas or other minerals in and under and that may be produced from a or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not record in the conveyance records of the constray in which the land herein lessee units pooled into a tract or unit shall be treated, for all purposes except, the past beginning to found on the pooled screege, it shall be treated and I production is the more this lesse, whe royalties elsewhere herein specified, lesser shall receive on production from a unit so, placed in the unit or his royalty interest therein as on a creege basis because to the total ucrea	reage covered by the iclose of any popular said lease premises so as to promote the side in order to properly develop and operate said lease premises such posling to be of tracts contiguous to one another out to be into a unit dispersion, and the created in the created in a production of the created in the created in a gas well. I assee shall execute in writing and ed an instrument identifying and describing the psoled acreage. The entire acreage so as on production from the pooled unit, as if it were included in this lease. If production is
NOTE: At the end of the said lease, H extend this lease for one year	& D Energy LLC has the option to
	te Ane Brister
	Register of Deeds Stafford County, KS
	Soult: 20% Page: 540
	Recept #: 1269 Fotal Fees: \$12. Places Recorded: 2 Date Recorded: 2/28/2012 9:28:01 AM
IN WITNESS WHEREOE the undersigned execute this instrument as of the day a	
11 Sollar Steller	Shylos n. W. Clor
Willard J. McClure, President	Phyllis N. McClure, Secretary&Treasure
SS# .	SS# -
35#	