



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

KANSAS CORPORATION COMMISSION 1190098
 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: _____

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

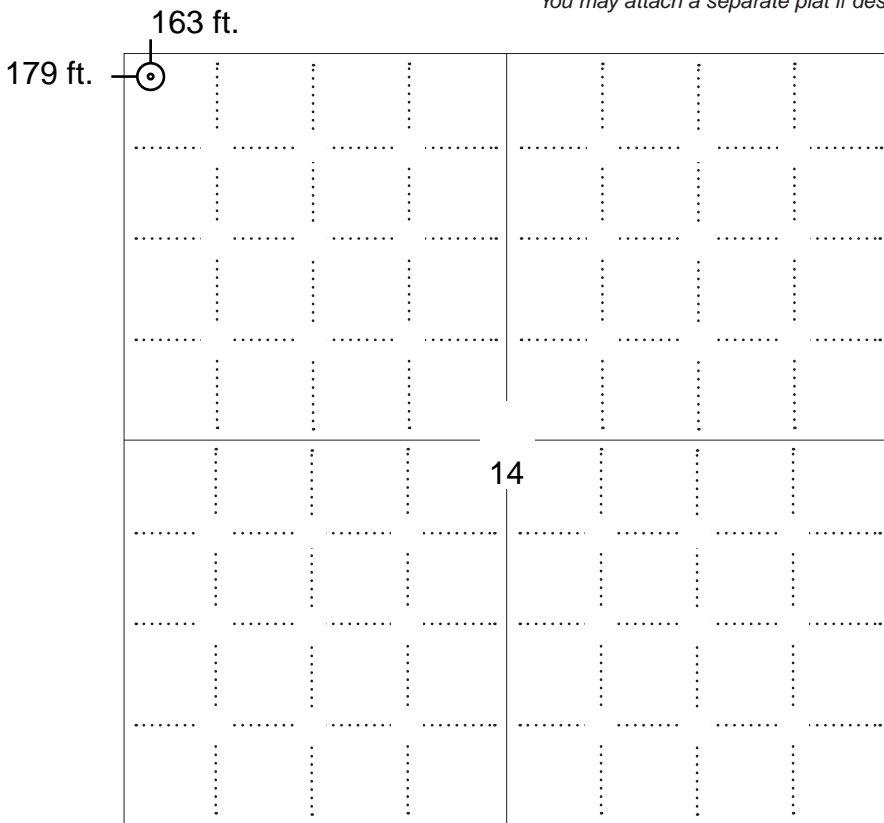
Is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

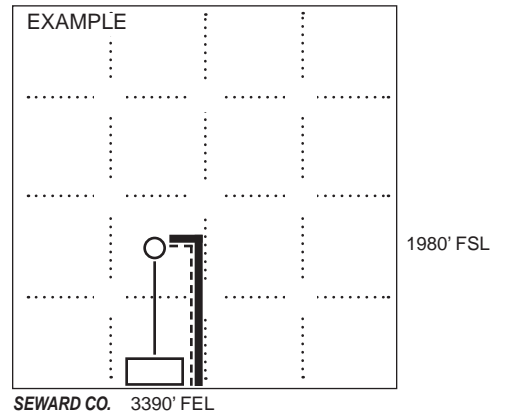
PLAT

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.



LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location



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

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

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

Liner Steel Pit RFAC RFAS

Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: Yes 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 must provide the name and address of the surface owner by filling out the top section of this form and 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



10441 S. Regal Blvd., Ste. 210
Tulsa, OK 74133
Tel 918.728.3020
Fax 918.728.3194
www.newgulresources.com

February 11, 2014

VIA FIRST CLASS MAIL

Arlyn Jett Fromholtz
PO Box 161
St. Francis, KS 67756

RE: *Pooling Consent*
Fromholtz #1-14
Northwest Quarter of Section 14, T12S, R32W
Logan County, Kansas

Mr. Fromholtz:

Pursuant to paragraph one (1) of the rider of your oil and gas lease, New Gulf Operating, LLC ("NGO") hereby agrees to the following equitable formula for the establishment of the pooled unit on the Fromholtz #1-14 Well:


1.) Please See Exhibit "A"

The unit established will include 10 acres from each of the following - Southeast Quarter of Section 10-12S-32W, Southwest Quarter of 11-12S-32W, Northwest Quarter of Section 14-12S-32W, and the Northeast Quarter of Section 15-12S-32W to form a single 40 acre Oil Unit with the surface location being in the Northwest Quarter of Section 14-12S-32W

Please acknowledge acceptance of the terms outlined herein, by executing one (1) copy of this letter with your signature in the appropriate place at the bottom of this page, and returning the original executed letter to our office in the enclosed self-addressed envelope.

Thank you for your help in the matter and we look forward to any future dealings.

Sincerely,


Chase Beasley
Landman

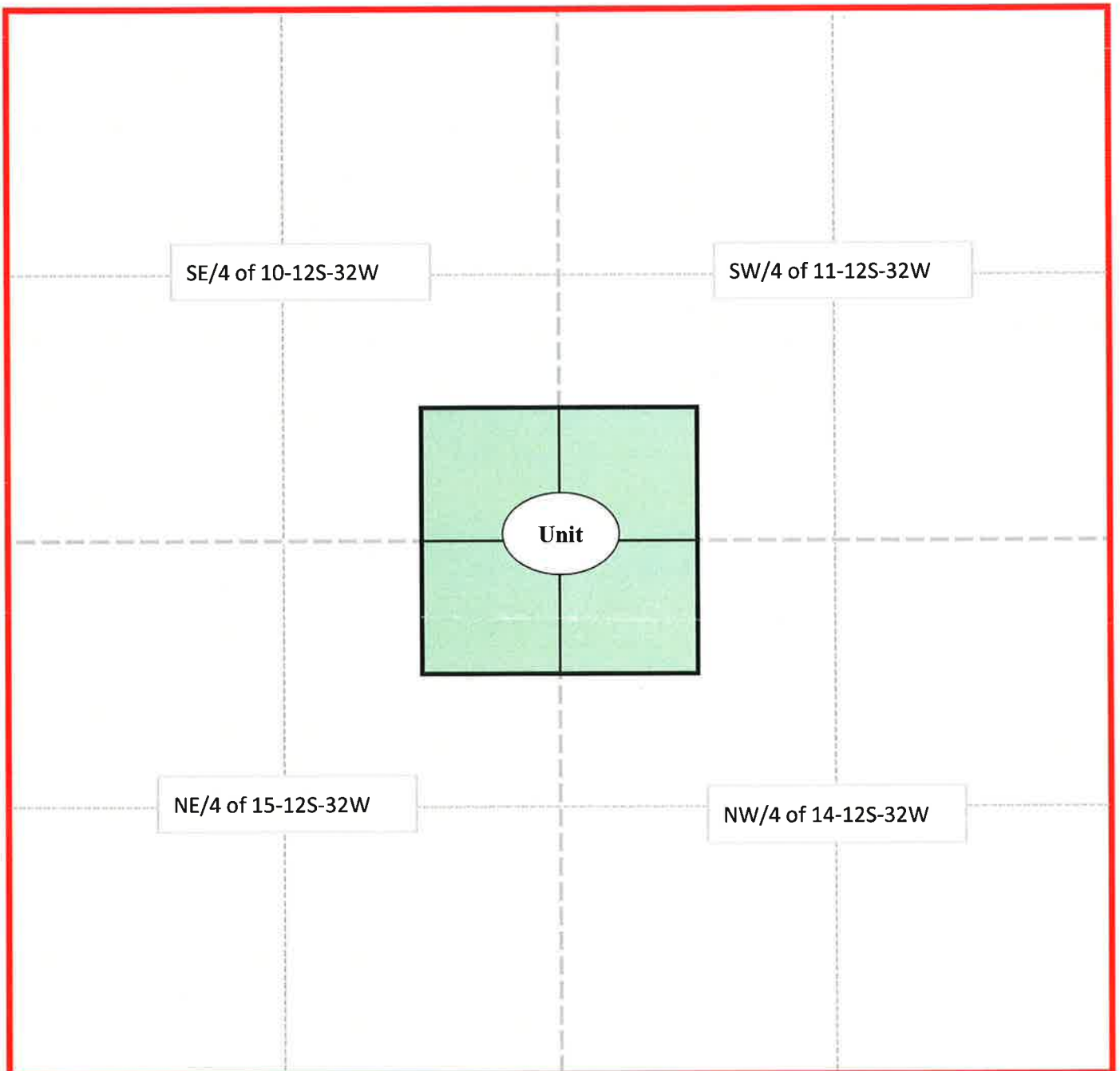
Agreed and Accepted this 4 day of MARCH, 2014


Arlyn Jett Fromholtz

Exhibit A



Section: 10,11,14,15 - Township: 12S - Range: 32W - County Logan



63U (Rev 1007)

416-N

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 6th day of September, 2011

by and between, Arlyn Jett Fromholtz a/k/a Jett Fromholtz, and Barbara J. Fromholtz, husband and wife

whose mailing address is PO BOX 904, St. Francis, KS 67756, hereinafter called Lessor (whether one or more), and, Kansas CBM LLC 6310 E. 102nd St. Tulsa, OK 74137, hereinafter called Lessee:

Lessor, in consideration of ten and more Dollars (\$ 10.00+) in hand paid, receipt of which is here 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,

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

Township 12 South - Range 32 West
Section 14: SW/4
Section 14: NW/4

In Section XXX Township XXX Range XXX, and containing 320 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:

X: Barbara J. Fromholtz
Barbara J. Fromholtz

X: Arlyn Jett Fromholtz
Arlyn Jett Fromholtz a/k/a Jett Fromholtz

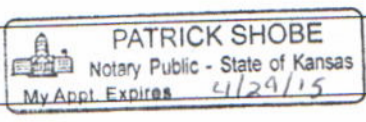
X: _____

X: _____

X: _____

X: _____

STATE OF Kansas } ACKNOWLEDGMENT FOR INDIVIDUAL
 COUNTY OF CHEYENNE }
 The foregoing instrument was acknowledged before me this 9TH day of September 2011
 by Arlyn Jett Fromholtz a/k/a Jett Fromholtz, and Barbara J. Fromholtz, husband and wife



[Signature]
 Notary Public
 PATRICK SHOBE

My Commission Expires: 4/29/15

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 _____
 By _____

My Commission Expires: _____, 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



No. _____
OIL AND GAS LEASE
 FROM _____
 TO _____

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

STATE OF Kansas
 County Logan
 This instrument was filed for record on the 15th day of Sept. 2011
 at 11:15 o'clock A. M., and duly recorded in Book 157 Page 823-826 of the records of this office.
 By Joyce Bauseman Register of Deeds
\$20.00

MICROFILMED
 INDEXED

When recorded, return to:

STATE OF _____ } ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)
 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

RIDER

Attached to and made a part of that certain Oil and Gas Lease dated September 6th, 2011 by and between, Arlyn Jett Fromholtz, a/k/a Jett Fromholtz and Barbara Fromholtz, as Lessor, and Kansas CBM LLC, as Lessee.

1. Notwithstanding any other provisions of this lease, the lands described herein shall be treated as separately leased tracts with each separate tract being covered by a separate and distinct lease. All of the provisions of this lease agreement shall be applicable to each separate tract and be construed as if a separate lease agreement had been made and executed to cover each separate tract. The lands covered by this lease shall be divided into separate tracts as follows:

TRACT #	TOWNSHIP	RANGE	SECTION	TRACT DESCRIPTION
1	12 S	32 W	14	NW/4
2	12S	32W	14	SW/4

Pooling or unitizing for gas production purposes will be 160-acre spacing or on Governmental 1/4-sections. Lessor shall approve in writing the equitable formula established by Lessee prior to any pooling or unitization taking place.

2. Lessor shall have the right to take in kind their royalty, or any portion thereof, provided for gas herein by using gas from any gas well on the lands above described for farming or agricultural purposes on said lands. Lessor shall be responsible for all cost associated with the tie-in at the well head, metering and connection of the gas line for Lessor's use. Lessor shall not hold Lessee responsible for any damage or injury associated with said line, the tie-in or metering of the gas. Lessee agreed to provide Lessor with a point of connection for said use.

3. Lessee further agrees to pay to Lessor a reasonable amount, for each drill site location and the price per rod, plus crop damage, for any pipelines installed or constructed on the above land. Such compensation to be set according to the current industry standards and rates being paid for drill site locations and pipeline installations at the time the drilling is being conducted. Should Lessor and Lessee not agree on the amount of reasonable compensation to be paid for each drill site then a mutually agreeable, disinterested, third party shall be contracted by Lessee, at Lessee's sole cost and expense, to determine the reasonable compensation to be paid for the drill site and pipeline.

4. In the event Lessee enters onto leased lands and the then current crop or crops have not been harvested, Lessee shall pay Lessor additional compensation for crop loss caused by Lessee's operations based upon Lessor's reasonable estimate of yield and the local market price for said crop or crops.

5. Lessee agrees to consult with Lessor as to the placement of access roads prior to any drilling operation in order to minimize, without undue hardship to Lessee, disturbance of the ground surface or the disruption of Lessor's farming and/or ranching operations. Lessee will provide Lessor with a written agreement covering the placement of access roads prior to the commencement of road construction on the leased premises. Lessee agrees that such roads will not be graveled or paved without the prior written consent of Lessor.

6. Lessee agrees that while performing all excavations on the leased lands, it will segregate the topsoil horizon from lower soil horizon and stockpile these soils separately. Upon restoration, Lessee agrees to place all soils to their original position and contour as nearly as practicable and reasonable.

7. Lessee agrees all facilities will be fenced and graveled.

8. Lessee agrees at all times to use best efforts in conducting operations on leased premises so as to protect the rights and property of the Lessor. All land which may be disturbed for Lessee's operations shall be treated so as to prevent erosion. Any equipment discarded by drilling contractor during the process of exploring for and/or producing oil or gas shall not be buried on said land, but shall be removed from the premises. Any fences cut by Lessee shall be repaired or replaced by Lessee so that such section equals or exceeds its original condition, and upon Lessor's request, all pits and equipment will be fenced in order to adequately hold livestock. Any oil and/or paraffin resulting from Lessee's operations shall be contained in pit(s) and removed from leased lands as soon as practical. Any and all salt water discovered on leased premises will be disposed of properly. No salt water shall be disposed of by dumping or otherwise releasing it on the land surface.

9. After a well is drilled, all areas which were disturbed by drilling and/or completion operations, and which are not needed for production operations, are to be reclaimed as close to their original condition, as nearly as is practicable and reasonable, no later than six months after completion of such operations, unless agreed to by Lessor. Any pits used for Lessee's drilling and/or reworking operations shall be filled and leveled as soon as conditions reasonably permit and the surface shall be returned as nearly as is practicable and reasonable to its original condition and contour following the completion of Lessee's operations.

10. Final reclamation is to be completed within six months after the plugging and abandonment of a well and Lessee shall be required to remove all production equipment, close access roads, re-grade and re-contour the wellsite and access roads, and re-seed any non-crop land with native grass.

11. Should Lessee's negligence on the leased lands result in death or injury to livestock, the stock owner will be

reimbursed at a fair market value agreed upon by said owner and lessee. If a fair market value cannot be negotiated, a neutral arbitrator will be chosen by both parties and the owner will be reimbursed at one hundred percent (100%) of the value the arbitrator determines.

12. No well drilled on said leased premises will be used as a salt water disposal well except for the disposal of salt water from the leased premises. In the event lessee desires to use a non-producing well as a salt water disposal well on the leased lands, for salt water from land not owned by Lessor, then Lessor and Lessee shall enter into a separate written agreement for the same setting forth the terms and compensation agreed upon.

13. Nothing contained in this oil and gas lease shall prohibit the Lessor from leasing the leased premises or otherwise making arrangements for power production through wind generation equipment and facilities. It is agreed, however, that any such lease or other arrangement for wind generation shall be subordinate to this oil and gas lease and that Lessee shall be notified prior to the construction or installation of such wind generation equipment or facilities.

14. In the event this lease expires without production, Lessee shall file a release of this lease with the Register of Deeds of Logan County, Kansas.

15. Lessee, its assigns, contractors and employees will not hunt on the leased lands without the consent of Lessor.

16. Lessee and Lessor shall, in good faith, negotiate a surface use agreement prior to entry or before any drilling activities occur, however Lessor shall not unreasonably withhold consent. Lessee shall have the right to entry without a surface use agreement for the purposes of geological or geophysical surveying by acquiring the necessary local, state and federal permits required to complete such work and Lessee hereby agrees to acquire a surface permit from Lessor prior to entry for such work.

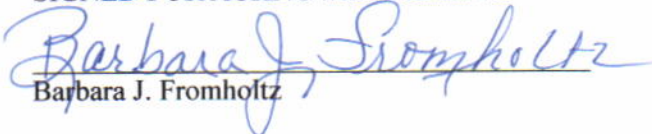
17. Lessee shall bury pipelines and utility lines below 36". Lessee shall pay Lessor for reasonable damages to all property, real, personal or mixed, caused by its operations on said land, including but specifically not limited to land, growing crops, grass, buildings, livestock, surface, fences and other improvements and personal property. All slush pits shall be filled and leveled within ninety (90) days after well completion or abandonment unless a longer time therefor is granted by Lessor, at his option.

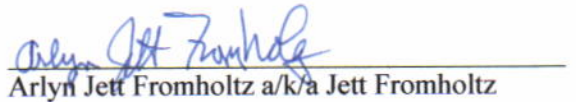
18. A shut-in gas well shall extend the lease beyond the primary term for a period of no more than three (3) years. Should lessee not pay the royalty after the discovery of a shut-in gas well, the rights of the lessee under this lease shall immediately terminate unless the lease is in effect because of development and production of oil or gas within the term of the lease.

19. Lessee shall use the highest degree of care and all reasonable safeguards to prevent contamination or pollution of any environmental medium, including soil, surface waters, groundwater, sediments, and surface or subsurface strata, ambient air or any other environmental medium in, on, or under, the premises, by any waste, pollutant, or contaminant. Lessee shall not bring or permit to remain on the premises any explosives, toxic materials, or substances regulated as hazardous wastes, hazardous materials, hazardous substances, or toxic substances under any federal, state, or local law or regulation ("Hazardous Materials"), except products commonly used in connection with oil and gas exploration and development operations and stored in the usual manner and quantities. Lessee shall clean up, remove, remedy and repair any soil or ground water contamination and damage caused by the presence or release of any Hazardous Materials in, on, under, or about the premises resulting from lessee's operations on the premises. The obligations of lessee hereunder shall survive the expiration or earlier termination, for any reason, of this lease.

20. Lessee hereby releases and discharges Lessor and their respective agents, their successors or assigns, from all and any actions and causes of action of every nature, or other harm, including environmental harm, for which recovery of damages is sought, including, but not limited to, all losses and expenses which arise out of, are incidental to, or result from, the operations of or on behalf of Lessee on the premises, or that may arise out of or be occasioned by Lessee's breach of any of the terms or provisions of this lease, or by any other negligent act or omission of lessee for which Lessee may be held strictly liable. Further, Lessee hereby agrees to be liable for, exonerate, indemnify, defend and hold harmless Lessor and their respective agents, their successors or assigns, against any and all claims, liabilities, losses, damages, ~~actions, personal injury (including death), costs and expenses, or other harm for which recovery of damages is sought,~~ including attorneys' fees and other legal expenses, including those related to environmental hazards on the premises or in any way related to Lessee's failure to comply with any and all environmental laws; those arising from or in any way related to Lessee's operations or any other of Lessee's activities on the premises; those arising from Lessee's use of the surface of the premises; and those that may arise out of or be occasioned by Lessee's breach of any of the terms or provisions of this lease or any other act or omission of Lessee, its agents, contractors, guests or invitees. Each assignee of this lease, or an interest therein, agrees to be liable for, exonerate, indemnify, defend and hold harmless Lessor, and their respective agents in the same manner provided above in connection with the activities of such Lessee, its officers, employees, and agents as described in this Paragraph.

SIGNED FOR ACKNOWLEDGMENT:


Barbara J. Fromholtz


Arlyn Jett Fromholtz a/k/a Jett Fromholtz

Schippers - 0074

161 295



63U (Rev. 1993)

OIL AND GAS LEASE

412-RN

AGREEMENT, Made and entered into the 25 day of May 2012 by and between Rose Zimmerman Revocable Trust Dtd 7/19/2007 By: (Rose Zimmerman) Trustee

whose mailing address is 814 E. 5th Oakley, KS 67748 hereinafter called Lessor (whether one or more), and Kansas CBM LLC 6310 E. 102nd St. Tulsa, OK 74137 hereinafter called Lessee:

Lessor, in consideration of ten and more Dollars (\$ 10.00+) in hand paid, receipt of which is here 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, therein situated in County of Logan State of Kansas described as follows to-wit:

Township 12 South - Range 32 West Section 15: E/2 Section 22: N/2NE/4

In Section XXX Township XXX Range XXX and containing 400 acres, more or less, and all accretions thereto. three(3) effective 2/22/13

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 operation thereon, except water from the wells of lessor.

When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.

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

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

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

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

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

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

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if 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; * This Lease is Effective 2/22/13 subject to expiration of previous Lease recorded by the Registrar of Deeds Office at the Logan County Kansas Courthouse in Book 143 Page 463.

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

Rose Zimmerman Revocable Trust X: [Signature] (Rose Zimmerman) Trustee

No. _____

OIL AND GAS LEASE

FROM

TO

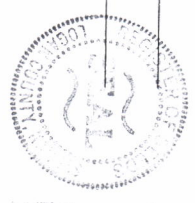
Date _____

Section _____ Twp. _____ Rge. _____

No. of Acres _____ Term _____

County _____

STATE OF Kansas
County Logan



This instrument was filed for record on the 8

day of June, 2012

at 10:30 o'clock A. M., and duly recorded

in Book 161 Page 295-297 of

the records of this office.

Joyce L. Bosserman

Register of Deeds.

By Bathryn A. Harnish Deputy
When recorded, return to _____

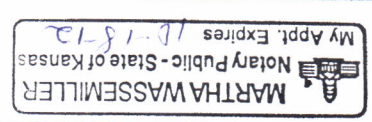
MICROFILMED
INDEXED

STATE OF Kansas
COUNTY OF Logan

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOKCONE)

The foregoing instrument was acknowledged before me this 29 day of May

(Rose Zimmerman) Trustee of the Rose Zimmerman Revocable Trust dtd 7/19/07



My commission expires 10-18-12

STATE OF _____

COUNTY OF _____

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

and _____

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOKCONE)

Notary Public

My commission expires _____

STATE OF _____

COUNTY OF _____

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

and _____

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOKCONE)

Notary Public

My commission expires _____

STATE OF _____

COUNTY OF _____

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

by _____

corporation, on behalf of the corporation.

My commission expires _____

Notary Public

Attached to and made a part hereof an Oil and Gas Lease dated May 25th 2012 with an effective date of 2/22/13, by and between, Rose Zimmerman Revocable Trust Dtd 7/19/2007 By: (Rose Zimmerman) Trust, as Lessors, and Kansas CBM LLC, as Lessee, covering the aforementioned property in Logan County, Kansas to wit:

Addendum

1. A sufficient dike shall be placed around tank batteries. Also tank batteries and pumping equipment units shall be fenced to restrain cattle in pastures or on ground that Lessor grazes cattle on Milo stalks or wheat. Lessee or assigns agrees to comply with all applicable Federal, State and Local laws and regulations
2. If any part of the leased premises are subject to or enrolled in the Conservation Reserve Program, Lessee shall reseed to grass all areas thereof affected by Lessee's operations and hold Lessor harmless from penalties or liquidated damages assessed the Department of Agriculture, the Soil Conservation Service or the Agricultural Stabilization and Conservation Services under the Conservation Reserve Program as a result of Lessee's operations.
3. It is the intention of the parties hereto to cause as little interference with farming operations on said land as possible, including but not limited to the operation of pivotal irrigation sprinklers, or other irrigation methods. If the lands covered hereby are irrigated by the use of a self-propelled overhead sprinkler system, presently in operation or installed hereafter, the Lessee, prior to conducting operations here on, shall consult with the Lessor in regard to said drilling and seismic survey operations. Said operations shall be conducted in such a manner as will least disturb or interfere with Lessor's irrigation system or the surface contours of the leased premises. Should any alterations to the surface contours be caused by its operations, Lessee, or his assign, shall restore said surface contours to their former condition as nearly as is practicable. In the event of production and continued use of the surface, Lessee, or his assigns, will restore or prepare the surface and situate and install all equipment needed in connection therewith, so that Lessee's use thereof will not interfere with the passage of said over-head sprinkler irrigation system. Any production equipment, including but not limited to pump jacks, hydraulic lifting or other equipment necessary to produce any oil or gas well on said land shall use low profile equipment and/or recess equipment to such depths as to permit the use by Lessor of circular irrigation sprinkler system.
4. Lessee shall consult with Lessor and obtain consent as to routes of ingress/egress as well as road and equipment placement on said premises for the purpose of drilling and production. Consent will not be unreasonably withheld.
5. After any well is completed, the drilling site will be restored to its original topography and surface condition as nearly as practicable within (6) six months after completion date or as soon as pit dries sufficiently to fill and cover properly. This requirement applies whether said drilling results in production or not. Lessee agrees to pay \$1500.00 per location for damages
6. It is understood and agreed that the pooling clause of this lease is applicable in the event of production resulting from vertical drilling operations. In the event of production from vertical drilling operation as provided by the terms of this lease, a unit cannot exceed 40 acres of contiguous ground in the event of oil production, and that a unit cannot exceed more than 640 acres in the event of gas production. It is further understood and agreed that in the event of production by means of HORIZONTAL DRILLING, that the Lessee will be allowed to create a unit not exceeding 640 acres in the event of oil production and allowed to create a unit not exceeding 1,280 acres in the event of gas production, or the maximum allowable size as dictated by the proper state governing body. It is further understood that operations upon and production from any such unit shall be treated as if such operations were upon or such production were from the leased premises whether or not the well or wells are located thereon.
7. Lessor does hereby grant to Lessee, its successors and/or assigns, the option to extend the primary term of this Lease and all rights hereunder for an additional **three (3)** years. Lessee shall exercise this option by tendering to Lessor an additional bonus payment equal to the sum of \$50 per Lessor's net mineral acre covered by this Lease on or prior to the expiration date of the initial primary term of this Lease. This additional bonus payment shall be considered tendered by Lessee when deposited with the U.S. Postal Service for delivery to the Lessor by certified mail addressed to Lessor at Lessor's address stated anywhere in this Lease, or such other address provided to Lessee by Lessor shall be effective until actual receipt of such notice by the Lessee. Further, Lessee shall have no obligation hereunder to tender additional payment to Lessor if Lessee has tendered payment to the last known address of Lessor prior to its receipt of a notice of change of address. This option to extend the primary term of the Lease shall be binding on Lessor's heirs, successors, and/or assigns.

X: _____

X: *Rose Zimmerman*
 (Rose Zimmerman) Trustee of the
 Rose Zimmerman Trust Dtd 7/19/07

X: _____

X: _____

AFFIDAVIT OF POSSESSION

By Fee Owner

State of Kansas } ss.
County of Logan }

I, (Rose Zimmerman) Trustee of the Rose Zimmerman Revocable Trust Dtd 7/19/07 , being first duly sworn, deposes and says:

My name is (Rose Zimmerman) Trustee of the Rose Zimmerman Revocable Trust Dtd 7/19/07 , that I am of lawful age and reside in Logan County, Kansas .

That I am the owner of lands situated in the Country of Logan , State of Kansas , described as follows, to wit:

Township 12 South Range 32 West

Section 15: E/2

Section 22: N/2NE/4

of Section XXX Township XXX Range XXX and containing 400 acres, more or less ,

That I , have been in open, adverse, exclusive, continuous, and undisputed possession of said lands for more than one (1) years last past.

That I am paying taxes on, occupying and cultivating said land.

X: *Rose Zimmerman*
(Rose Zimmerman) Trustee of the
Rose Zimmerman Revocable Trust Dtd 7/19/07

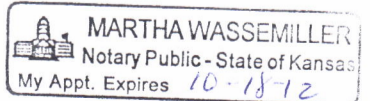
STATE OF Kansas } SS.
COUNTY OF Logan }

ACKNOWLEDGMENT FOR INDIVIDUAL
(KsOkCoNe)

Before me, the undersigned, a Notary Public, within and for said County and State on this 29th day of May , 2012 , personally appeared (Rose Zimmerman) Trustee of the
Rose Zimmerman Revocable Trust Dtd 7/19/07 , to me personally known to be the identical person he who executed the within and foregoing instrument and acknowledged to me that she executed the same as a free and voluntary act and deed for the uses and purposes therein set forth, and at the same time the affiant was by me duly sworn to the foregoing Affidavit of Possession.

IN WITNESS WHEREOF , I have hereunto set my hand and official seal the day and year last above written.

My commission expires

 10-18-12


Martha Wassemiller
Notary Public
Martha Wassemiller

AFFIDAVIT BY TRUSTEE

COMES NOW the undersigned, of lawful age and upon their oaths being first duly sworn, and states as follows:

1- That this affidavit is made in connection with the following lands in Logan County, Kansas, to-wit:

Township 12 South - Range 32 West
Section 15: E/2
Section 22: N/2NE/4

2- That I am the presently-existing trustees of that trust known as the, Rose Zimmerman Revocable Trust dated, 7/19/2007 to which the above-described property was conveyed by deed recorded in Book _____ at page _____ of the records of the Register of Deeds of said County.

3- That said trust is revocable and is presently in existence.

4- That I am authorized, without limitation, to execute and deliver to Kansas CBM, LLC as lessee, an oil and gas lease or leases covering the above-described lands for a primary term of three (3) year.

5- That the original grantor-settlor of said trust are Rose Zimmerman

FURTHER AFFIANTS SAITH NAUGHT:

Rose Zimmerman Revocable Trust dated July 7th, 2007

X: *Rose Zimmerman*
(Rose Zimmerman), Trustee

STATE OF Kansas)
))
COUNTY OF Logan)

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 29th day of May, 2012 appeared (Rose Zimmerman), Trustee of the Rose Zimmerman Revocable Trust
Dated July 7th, 2007

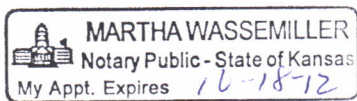
to me personally known to be the identical persons who executed the within and foregoing instrument and acknowledged to me that they executed the same on their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My Commission Expires: 10-18-12

Martha Wassermiller

, Notary Public
Martha Wassermiller



Schippers-0079
161 610

63U (Rev. 1993)

414-RN

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 13th day of June 2012
by and between, Sheryl L. Denny and Charles A. Denny, wife and husband

whose mailing address is 570 La Hacienda Dr. Colby, KS 67701 hereinafter called Lessor (whether one or more),
and, Kansas CBM, LLC 6310 E. 102nd St. Tulsa, OK 74137 hereinafter called Lessee:

Lessor, in consideration of ten and more Dollars (\$ 10.00 +) in hand paid, receipt of which is here 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,
Logan Kansas
therein situated in the County of _____, State of _____, described as follows, to-wit:

Township 12 South - Range 32 West
Section 11: W/2

In Section XXX Township XXX Range XXX, and containing 320 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of four(4) 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 "Addendum" 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: Charles A. Denny

X: Sheryl L. Denny

X: _____

X: _____

X: _____

X: _____



STATE OF _____ COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____
 by _____
 of _____
 Corporation, on behalf of the Corporation.
 My Commission Expires: _____
 Notary Public

OIL AND GAS LEASE

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

State of Kansas, Logan County
 This instrument was filed for
 Record on June 25, 2012 04:14:00 PM
 Recorded in Book 161 Page 610-612
 Fee: \$16.00 201201293

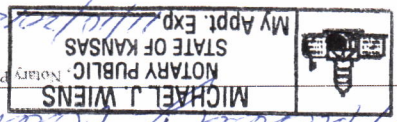


Joyce L. Bosserman
 Joyce L. Bosserman, Register of Deeds
 the records of this office.
 By _____ Register of Deeds
 When recorded, return to:
 Notary Public

STATE OF _____ COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____
 by _____
 My Commission Expires: _____
 Notary Public

STATE OF _____ COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____
 by _____
 My Commission Expires: _____
 Notary Public

STATE OF _____ COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____
 by _____
 My Commission Expires: _____
 Notary Public



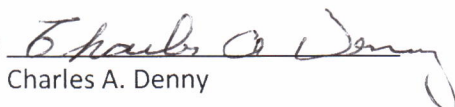
Michael J. Wiens
 MICHAEL J. WIENS

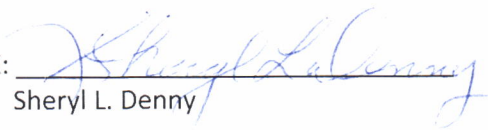
STATE OF Kansas COUNTY OF Thomas
 The foregoing instrument was acknowledged before me this 20th day of June 2012
 by Sheryl L. Denny and Charles A. Denny, wife and husband

Attached to and made a part hereof an Oil and Gas Lease dated June 13th, 2012, with an effective date of February 28th, 2013, by and between, Sheryl L. Denny and Charles A. Denny, wife and husband, as Lessors, and Kansas CBM, LLC, as Lessee, covering the aforementioned property in Logan County, Kansas to wit;

Addendum

1. A sufficient dike shall be placed around tank batteries. Also tank batteries and pumping equipment units shall be fenced to restrain cattle in pastures or on ground that Lessor grazes cattle on Milo stalks or wheat. Lessee or assigns agrees to comply with all applicable Federal, State and Local laws and regulations
2. If any part of the leased premises are subject to or enrolled in the Conservation Reserve Program, Lessee shall reseed to grass all areas thereof affected by Lessee's operations and hold Lessor harmless from penalties or liquidated damages assessed the Department of Agriculture, the Soil Conservation Service or the Agricultural Stabilization and Conservation Services under the Conservation Reserve Program as a result of Lessee's operations.
3. It is the intention of the parties hereto to cause as little interference with farming operations on said land as possible, including but not limited to the operation of pivotal irrigation sprinklers, or other irrigation methods. If the lands covered hereby are irrigated by the use of a self-propelled overhead sprinkler system, presently in operation or installed hereafter, the Lessee, prior to conducting operations here on, shall consult with the Lessor in regard to said drilling and seismic survey operations. Said operations shall be conducted in such a manner as will least disturb or interfere with Lessor's irrigation system or the surface contours of the leased premises. Should any alterations to the surface contours be caused by its operations, Lessee, or his assign, shall restore said surface contours to their former condition as nearly as is practicable. In the event of production and continued use of the surface, Lessee, or his assigns, will restore or prepare the surface and situate and install all equipment needed in connection therewith, so that Lessee's use thereof will not interfere with the passage of said over-head sprinkler irrigation system. Any production equipment, including but not limited to pump jacks, hydraulic lifting or other equipment necessary to produce any oil or gas well on said land shall use low profile equipment and/or recess equipment to such depths as to permit the use by Lessor of circular irrigation sprinkler system.
4. Lessee shall consult with Lessor and obtain consent as to routes of ingress/egress as well as road and equipment placement on said premises for the purpose of drilling and production. Consent will not be unreasonably withheld.
5. After any well is completed, the drilling site will be restored to its original topography and surface condition as nearly as practicable within (6) six months after completion date or as soon as pit dries sufficiently to fill and cover properly. This requirement applies whether said drilling results in production or not. Lessee agrees to pay \$1,500.00 per location for damages
6. It is understood and agreed that the pooling clause of this lease is applicable in the event of production resulting from vertical drilling operations. In the event of production from vertical drilling operation as provided by the terms of this lease, a unit cannot exceed 40 acres of contiguous ground in the event of oil production, and that a unit cannot exceed more than 640 acres in the event of gas production. It is further understood and agreed that in the event of production by means of HORIZONTAL DRILLING, that the Lessee will be allowed to create a unit not exceeding 640 acres in the event of oil production and allowed to create a unit not exceeding 1,280 acres in the event of gas production, or the maximum allowable size as dictated by the proper state governing body. It is further understood that operations upon and production from any such unit shall be treated as if such operations were upon or such production were from the leased premises whether or not the well or wells are located thereon.

X: 
Charles A. Denny

X: 
Sheryl L. Denny

Schippers #22
144 601

63U (Rev. 1993)

OIL AND GAS LEASE

Reorder No.
09-115



Kansas Blue Print
700 S. Broadway PO Box 793
Wichita, KS 67201-0793
316-264-9344; 264-5165 fax
www.kbp.com • kbp@kbp.com

LSH427

AGREEMENT, Made and entered into the 10th day of April, 2008
by and between Roman Catholic Diocese of Salina, By: (Bishop Paul Coakley)

whose mailing address is 103 N. 9th St., Salina, KS 67401 hereinafter called Lessor (whether one or more),
and Funk Petroleum LLC, 2110 N. 1184 Rd., Eudora, KS 66025

hereinafter called Lessee:

Lessor, in consideration of one and more Dollars (\$ 1.00 +) in hand paid, receipt of which is here 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, therein situated in County of Logan State of Kansas described as follows to-wit:

Township 12 South - Range 32 West

Section 10: E/2
Section 10: SW/4

In Section XXX, Township XXX, Range XXX, and containing 480 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 operation thereon, except water from the wells of lessor.

When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.

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

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

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

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

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

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

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if 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: + Paul J. Coakley
(Bishop Paul Coakley)

Bishop of the Roman Catholic Diocese of Salina

OIL AND GAS LEASE

FROM

TO

Date

Section _____ Twp. _____ Rge. _____

No. of Acres _____ Term _____

County _____

STATE OF Kansas

County Logan

This instrument was filed for record on the 12th

day of June, 2008.

at 10:05 o'clock A. M., and duly recorded

in Book 144 Page 601-603 of

the records of this office.

By Joyce A. Bosterman Register of Deeds.
\$16.00

When recorded, return to _____



MICROFILMED
INDEXED

STATE OF _____ COUNTY OF _____
ACKNOWLEDGMENT FOR CORPORATION (KSKCONE)

by _____ of _____ a _____ day of _____
The foregoing instrument was acknowledged before me this _____ day of _____
My commission expires _____

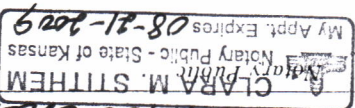
Notary Public

STATE OF _____ COUNTY OF _____
ACKNOWLEDGMENT FOR INDIVIDUAL (KSKCONE)

STATE OF _____ COUNTY OF _____
ACKNOWLEDGMENT FOR INDIVIDUAL (KSKCONE)

STATE OF _____ COUNTY OF _____
ACKNOWLEDGMENT FOR INDIVIDUAL (KSKCONE)

STATE OF _____ COUNTY OF _____
ACKNOWLEDGMENT FOR INDIVIDUAL (KSKCONE)



Clara M. Stithem

08-21-2009

STATE OF Kansas COUNTY OF Salina
The foregoing instrument was acknowledged before me this 9th day of June, 2008
by (Bishop Paul Coakley), Bishop of the Roman Catholic Diocese of Salina

1. If at the end of the primary term, this Lease is not otherwise continued in force under the provisions hereof, this Lease shall expire, unless Lessee on or before the end of the primary term shall pay or tender to Lessor, the sum equal to one half (1/2) the total original per acre bonus paid to Lessor under the initial primary term of said lease multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this Lease; and subject to the other provisions of this Lease. The primary term shall be extended for an additional term of two (2) years from the end of the primary term hereof

X: Paul A. Coakley
(Bishop Paul Coakley)
Bishop of the Catholic Diocese of Salina

STATE OF KANSAS)
) ss
COUNTY OF LOGAN)

AFFIDAVIT OF PRODUCTION

Affiant on oath swears that the following statements are true:

My name is W. H. Kopczynski, III. I am over the age of 18.

I know of my own personal knowledge that Kansas CBM, LLC is the current owner of record of that certain Oil and Gas Lease (the "Lease") dated April 10th, 2008 between Roman Catholic Diocese of Salina, By: (Bishop Paul Coakley), as Lessor, and Funk Petroleum, LLC, as Lessee, recorded at Volume 144, Page 601 of the Records of Logan County, Kansas, covering the following lands, to wit:

Township 12 South – Range 32 West
Section 10: E/2
Section 10: SW/4

The Lease has a stated primary term of three (3) years from its effective date with an exercised option to extend for an additional two (2) years, and contains a provision that the Lease shall remain in force and effect as long thereafter as the Lessee produces oil or gas, or either of them, from the lands subject to the Lease.

The present owner of the Lease has caused a well to be drilled on the Lease, which well was commenced on January 15th 2013 and completed on or about February 10th, 2013. Since that day, to the date of this Affidavit, that well has continued to produce oil/gas in paying quantities.

This Affidavit is made for the purpose of giving notice that the Lease will be extended beyond its stated primary term in accordance with the terms of the Lease and applicable state law.



State of Kansas, Logan County
This instrument was filed for
Record on March 01, 2013 10:59:00 AM
Recorded in Book 164 Page 871-871
Fee: \$8.00 201300212



Joyce L. Bosserman
Joyce L. Bosserman, Register of Deeds

Kansas CBM LLC

By: *[Signature]*
W. H. Kopczynski, III
Land Manager

STATE OF OKLAHOMA }
 } ss.
COUNTY OF TULSA }

Indexed -
Verified -

On this 14th day of February, 2013, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared **W.H. Kopczynski III** as Land Manager of **Kansas CBM, LLC**, to me known to be the identical person (s) who subscribed the name of the maker thereof to the foregoing instrument and that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

Commission expires: 6.6.15



Kristina Richey
Notary Public

Schippers-0079
161 610

63U (Rev. 1993)

414-RN

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 13th day of June 2012
by and between, Sheryl L. Denny and Charles A. Denny, wife and husband

whose mailing address is 570 La Hacienda Dr. Colby, KS 67701 hereinafter called Lessor (whether one or more),
and, Kansas CBM, LLC 6310 E. 102nd St. Tulsa, OK 74137 hereinafter called Lessee:

Lessor, in consideration of ten and more Dollars (\$ 10.00 +) in hand paid, receipt of which is here 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,
Logan Kansas
therein situated in the County of _____, State of _____, described as follows, to-wit:

Township 12 South - Range 32 West
Section 11: W/2

In Section XXX Township XXX Range XXX, and containing 320 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of four(4) 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 "Addendum" 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: Charles A. Denny

X: Sheryl L. Denny

X: _____

X: _____

X: _____

X: _____



STATE OF _____ COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____
 by: _____
 of _____
 Corporation, on behalf of the Corporation.
 My Commission Expires: _____
 Notary Public

STATE OF _____ COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____
 by: _____
 of _____
 Corporation, on behalf of the Corporation.
 My Commission Expires: _____
 Notary Public

STATE OF _____ COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____
 by: _____
 of _____
 Corporation, on behalf of the Corporation.
 My Commission Expires: _____
 Notary Public

STATE OF _____ COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____
 by: _____
 of _____
 Corporation, on behalf of the Corporation.
 My Commission Expires: _____
 Notary Public

STATE OF _____ COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____
 by: _____
 of _____
 Corporation, on behalf of the Corporation.
 My Commission Expires: _____
 Notary Public

STATE OF _____ COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____
 by: _____
 of _____
 Corporation, on behalf of the Corporation.
 My Commission Expires: _____
 Notary Public

STATE OF Kansas COUNTY OF Thomas
 The foregoing instrument was acknowledged before me this 20th day of June 2012
 by: Sheryl L. Denny and Charles A. Denny, wife and husband
 My Commission Expires: 11/10/2012

161 611

OIL AND GAS LEASE

FROM

TO

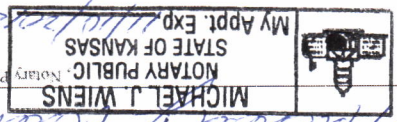
Date _____
 Section _____ Twp. _____ Rge. _____
 No. of Acres _____ Term _____
 County _____

State of Kansas, Logan County
 This instrument was filed for
 Record on June 25, 2012 04:14:00 PM
 Recorded in Book 161 Page 610-612
 Fee: \$16.00 201201293



Joyce L. Bosserman, Register of Deeds
Joyce L. Bosserman

the records of this office:
 By _____ Register of Deeds
 When recorded, return to:
 _____ Notary Public



MICHAEL J. WIENS
 My Appt. Exp. 11/10/2012

Attached to and made a part hereof an Oil and Gas Lease dated June 13th, 2012, with an effective date of February 28th, 2013, by and between, Sheryl L. Denny and Charles A. Denny, wife and husband, as Lessors, and Kansas CBM, LLC, as Lessee, covering the aforementioned property in Logan County, Kansas to wit;

Addendum

1. A sufficient dike shall be placed around tank batteries. Also tank batteries and pumping equipment units shall be fenced to restrain cattle in pastures or on ground that Lessor grazes cattle on Milo stalks or wheat. Lessee or assigns agrees to comply with all applicable Federal, State and Local laws and regulations
2. If any part of the leased premises are subject to or enrolled in the Conservation Reserve Program, Lessee shall reseed to grass all areas thereof affected by Lessee's operations and hold Lessor harmless from penalties or liquidated damages assessed the Department of Agriculture, the Soil Conservation Service or the Agricultural Stabilization and Conservation Services under the Conservation Reserve Program as a result of Lessee's operations.
3. It is the intention of the parties hereto to cause as little interference with farming operations on said land as possible, including but not limited to the operation of pivotal irrigation sprinklers, or other irrigation methods. If the lands covered hereby are irrigated by the use of a self-propelled overhead sprinkler system, presently in operation or installed hereafter, the Lessee, prior to conducting operations here on, shall consult with the Lessor in regard to said drilling and seismic survey operations. Said operations shall be conducted in such a manner as will least disturb or interfere with Lessor's irrigation system or the surface contours of the leased premises. Should any alterations to the surface contours be caused by its operations, Lessee, or his assign, shall restore said surface contours to their former condition as nearly as is practicable. In the event of production and continued use of the surface, Lessee, or his assigns, will restore or prepare the surface and situate and install all equipment needed in connection therewith, so that Lessee's use thereof will not interfere with the passage of said over-head sprinkler irrigation system. Any production equipment, including but not limited to pump jacks, hydraulic lifting or other equipment necessary to produce any oil or gas well on said land shall use low profile equipment and/or recess equipment to such depths as to permit the use by Lessor of circular irrigation sprinkler system.
4. Lessee shall consult with Lessor and obtain consent as to routes of ingress/egress as well as road and equipment placement on said premises for the purpose of drilling and production. Consent will not be unreasonably withheld.
5. After any well is completed, the drilling site will be restored to its original topography and surface condition as nearly as practicable within (6) six months after completion date or as soon as pit dries sufficiently to fill and cover properly. This requirement applies whether said drilling results in production or not. Lessee agrees to pay \$1,500.00 per location for damages
6. It is understood and agreed that the pooling clause of this lease is applicable in the event of production resulting from vertical drilling operations. In the event of production from vertical drilling operation as provided by the terms of this lease, a unit cannot exceed 40 acres of contiguous ground in the event of oil production, and that a unit cannot exceed more than 640 acres in the event of gas production. It is further understood and agreed that in the event of production by means of HORIZONTAL DRILLING, that the Lessee will be allowed to create a unit not exceeding 640 acres in the event of oil production and allowed to create a unit not exceeding 1,280 acres in the event of gas production, or the maximum allowable size as dictated by the proper state governing body. It is further understood that operations upon and production from any such unit shall be treated as if such operations were upon or such production were from the leased premises whether or not the well or wells are located thereon.

X: Charles A. Denny
Charles A. Denny

X: Sheryl L. Denny
Sheryl L. Denny

Schippers #22
144 601

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

63U (Rev. 1993)

OIL AND GAS LEASE

Reorder No. 09-115



Kansas Blue Print
700 S. Broadway PO Box 793
Wichita, KS 67201-0793
316-264-9344; 264-5165 fax
www.kbp.com • kbp@kbp.com

LSH427

AGREEMENT, Made and entered into the 10th day of April, 2008
by and between Roman Catholic Diocese of Salina, By: (Bishop Paul Coakley)

whose mailing address is 103 N. 9th St., Salina, KS 67401 hereinafter called Lessor (whether one or more),
and Funk Petroleum LLC, 2110 N. 1184 Rd., Eudora, KS 66025

hereinafter called Lessee:

Lessor, in consideration of one and more Dollars (\$ 1.00 +) in hand paid, receipt of which is here 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, therein situated in County of Logan State of Kansas described as follows to-wit:

Township 12 South - Range 32 West

Section 10: E/2
Section 10: SW/4

In Section XXX, Township XXX, Range XXX, and containing 480 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 operation thereon, except water from the wells of lessor.

When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.

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

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

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

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

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

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

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if 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: + Paul J. Coakley
(Bishop Paul Coakley)

Bishop of the Roman Catholic Diocese of Salina

OIL AND GAS LEASE

FROM

TO

Date

Section _____ Twp. _____ Rge. _____

No. of Acres _____ Term _____

County _____

STATE OF Kansas

County Logan

This instrument was filed for record on the 12th

day of June, 2008.

at 10:05 o'clock A M., and duly recorded

in Book 144 Page 601-603 of

the records of this office.

By Robert Bosterman Register of Deeds.

By \$16.00

When recorded, return to _____



MICROFILMED
INDEXED

ACKNOWLEDGMENT FOR CORPORATION (K&OC&N)

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

ACKNOWLEDGMENT FOR INDIVIDUAL (K&OC&N)

STATE OF _____ COUNTY OF _____

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

by _____ and _____

My commission expires _____

Notary Public

ACKNOWLEDGMENT FOR INDIVIDUAL (K&OC&N)

STATE OF _____ COUNTY OF _____

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

by _____ and _____

My commission expires _____

Notary Public

ACKNOWLEDGMENT FOR INDIVIDUAL (K&OC&N)

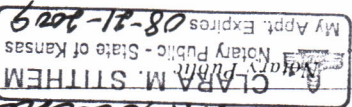
STATE OF _____ COUNTY OF _____

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

by _____ and _____

My commission expires _____

Notary Public



Clara M. Stithem

08-21-2009

The foregoing instrument was acknowledged before me this 9th day of June, 2008 by (Bishop Paul Coakley), Bishop of the Roman Catholic Diocese of Salina

STATE OF Kansas COUNTY OF Salina

1. If at the end of the primary term, this Lease is not otherwise continued in force under the provisions hereof, this Lease shall expire, unless Lessee on or before the end of the primary term shall pay or tender to Lessor, the sum equal to one half (1/2) the total original per acre bonus paid to Lessor under the initial primary term of said lease multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this Lease; and subject to the other provisions of this Lease. The primary term shall be extended for an additional term of two (2) years from the end of the primary term hereof

X: Paul A. Coakley
(Bishop Paul Coakley)
Bishop of the Catholic Diocese of Salina

STATE OF KANSAS)
) ss
COUNTY OF LOGAN)

AFFIDAVIT OF PRODUCTION

Affiant on oath swears that the following statements are true:

My name is W. H. Kopczynski, III. I am over the age of 18.

I know of my own personal knowledge that Kansas CBM, LLC is the current owner of record of that certain Oil and Gas Lease (the "Lease") dated April 10th, 2008 between Roman Catholic Diocese of Salina, By: (Bishop Paul Coakley), as Lessor, and Funk Petroleum, LLC, as Lessee, recorded at Volume 144, Page 601 of the Records of Logan County, Kansas, covering the following lands, to wit:

Township 12 South – Range 32 West
Section 10: E/2
Section 10: SW/4

The Lease has a stated primary term of three (3) years from its effective date with an exercised option to extend for an additional two (2) years, and contains a provision that the Lease shall remain in force and effect as long thereafter as the Lessee produces oil or gas, or either of them, from the lands subject to the Lease.

The present owner of the Lease has caused a well to be drilled on the Lease, which well was commenced on January 15th 2013 and completed on or about February 10th, 2013. Since that day, to the date of this Affidavit, that well has continued to produce oil/gas in paying quantities.

This Affidavit is made for the purpose of giving notice that the Lease will be extended beyond its stated primary term in accordance with the terms of the Lease and applicable state law.



State of Kansas, Logan County
This instrument was filed for
Record on March 01, 2013 10:59:00 AM
Recorded in Book 164 Page 871-871
Fee: \$8.00 201300212
Joyce L. Bosserman
Joyce L. Bosserman, Register of Deeds



Kansas CBM LLC

By: *[Signature]*
W. H. Kopczynski, III
Land Manager

STATE OF OKLAHOMA }
 } ss.
COUNTY OF TULSA }

Indexed -
Verified -

On this 14th day of February, 2013, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared **W.H. Kopczynski III** as Land Manager of **Kansas CBM, LLC**, to me known to be the identical person (s) who subscribed the name of the maker thereof to the foregoing instrument and that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

Commission expires: 6.6.15



Kristina Richey
Notary Public

Schippers-0079
161 610

63U (Rev. 1993)

414-RN

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 13th day of June 2012
by and between, Sheryl L. Denny and Charles A. Denny, wife and husband

whose mailing address is 570 La Hacienda Dr. Colby, KS 67701 hereinafter called Lessor (whether one or more),
and, Kansas CBM, LLC 6310 E. 102nd St. Tulsa, OK 74137 hereinafter called Lessee:

Lessor, in consideration of ten and more Dollars (\$ 10.00 +) in hand paid, receipt of which is here 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,
Logan Kansas
therein situated in the County of _____, State of _____, described as follows, to-wit:

Township 12 South - Range 32 West
Section 11: W/2

In Section XXX Township XXX Range XXX, and containing 320 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of four(4) 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 "Addendum" 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: Charles A. Denny

X: Sheryl L. Denny

X: _____

X: _____

X: _____

X: _____



STATE OF _____
 COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____
 by: _____
 of _____
 Corporation, on behalf of the Corporation.
 My Commission Expires: _____
 Notary Public

STATE OF _____
 COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____
 by: _____
 of _____
 Corporation, on behalf of the Corporation.
 My Commission Expires: _____

OIL AND GAS LEASE

FROM _____
 TO _____

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

State of Kansas, Logan County
 This instrument was filed for
 Record on June 25, 2012 04:14:00 PM
 Recorded in Book 161 Page 610-612
 Fee: \$16.00 201201293

Joyce L. Bosserman
 Joyce L. Bosserman, Register of Deeds

the records of this office:
 Register of Deeds
 By _____
 When recorded, return to:
 Notary Public

SEAL
 REGISTER OF DEEDS
 LOGAN COUNTY
 KANSAS

STATE OF _____
 COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____
 by: _____
 of _____
 Corporation, on behalf of the Corporation.
 My Commission Expires: _____

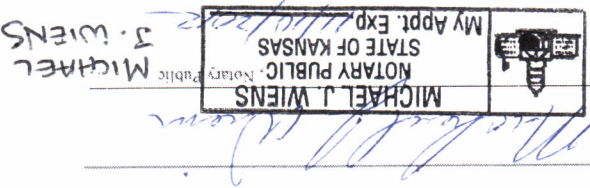
STATE OF _____
 COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____
 by: _____
 of _____
 Corporation, on behalf of the Corporation.
 My Commission Expires: _____

STATE OF _____
 COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____
 by: _____
 of _____
 Corporation, on behalf of the Corporation.
 My Commission Expires: _____

STATE OF Kansas
 COUNTY OF Thomas
 The foregoing instrument was acknowledged before me this 20th day of June, 2012
 by: Sheryl L. Denny and Charles A. Denny, wife and husband

My Commission Expires: 11/10/2012

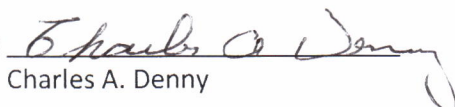
STATE OF _____
 COUNTY OF _____
 The foregoing instrument was acknowledged before me this _____ day of _____
 by: _____
 of _____
 Corporation, on behalf of the Corporation.
 My Commission Expires: _____

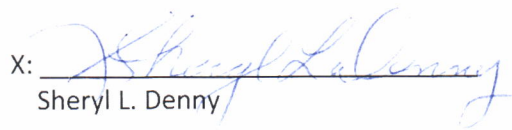


Attached to and made a part hereof an Oil and Gas Lease dated June 13th, 2012, with an effective date of February 28th, 2013, by and between, Sheryl L. Denny and Charles A. Denny, wife and husband, as Lessors, and Kansas CBM, LLC, as Lessee, covering the aforementioned property in Logan County, Kansas to wit;

Addendum

1. A sufficient dike shall be placed around tank batteries. Also tank batteries and pumping equipment units shall be fenced to restrain cattle in pastures or on ground that Lessor grazes cattle on Milo stalks or wheat. Lessee or assigns agrees to comply with all applicable Federal, State and Local laws and regulations
2. If any part of the leased premises are subject to or enrolled in the Conservation Reserve Program, Lessee shall reseed to grass all areas thereof affected by Lessee's operations and hold Lessor harmless from penalties or liquidated damages assessed the Department of Agriculture, the Soil Conservation Service or the Agricultural Stabilization and Conservation Services under the Conservation Reserve Program as a result of Lessee's operations.
3. It is the intention of the parties hereto to cause as little interference with farming operations on said land as possible, including but not limited to the operation of pivotal irrigation sprinklers, or other irrigation methods. If the lands covered hereby are irrigated by the use of a self-propelled overhead sprinkler system, presently in operation or installed hereafter, the Lessee, prior to conducting operations here on, shall consult with the Lessor in regard to said drilling and seismic survey operations. Said operations shall be conducted in such a manner as will least disturb or interfere with Lessor's irrigation system or the surface contours of the leased premises. Should any alterations to the surface contours be caused by its operations, Lessee, or his assign, shall restore said surface contours to their former condition as nearly as is practicable. In the event of production and continued use of the surface, Lessee, or his assigns, will restore or prepare the surface and situate and install all equipment needed in connection therewith, so that Lessee's use thereof will not interfere with the passage of said over-head sprinkler irrigation system. Any production equipment, including but not limited to pump jacks, hydraulic lifting or other equipment necessary to produce any oil or gas well on said land shall use low profile equipment and/or recess equipment to such depths as to permit the use by Lessor of circular irrigation sprinkler system.
4. Lessee shall consult with Lessor and obtain consent as to routes of ingress/egress as well as road and equipment placement on said premises for the purpose of drilling and production. Consent will not be unreasonably withheld.
5. After any well is completed, the drilling site will be restored to its original topography and surface condition as nearly as practicable within (6) six months after completion date or as soon as pit dries sufficiently to fill and cover properly. This requirement applies whether said drilling results in production or not. Lessee agrees to pay \$1,500.00 per location for damages
6. It is understood and agreed that the pooling clause of this lease is applicable in the event of production resulting from vertical drilling operations. In the event of production from vertical drilling operation as provided by the terms of this lease, a unit cannot exceed 40 acres of contiguous ground in the event of oil production, and that a unit cannot exceed more than 640 acres in the event of gas production. It is further understood and agreed that in the event of production by means of HORIZONTAL DRILLING, that the Lessee will be allowed to create a unit not exceeding 640 acres in the event of oil production and allowed to create a unit not exceeding 1,280 acres in the event of gas production, or the maximum allowable size as dictated by the proper state governing body. It is further understood that operations upon and production from any such unit shall be treated as if such operations were upon or such production were from the leased premises whether or not the well or wells are located thereon.

X: 
Charles A. Denny

X: 
Sheryl L. Denny

Schippers #22
144 601



63U (Rev. 1993)

OIL AND GAS LEASE

LSH427

AGREEMENT, Made and entered into the 10th day of April, 2008
by and between Roman Catholic Diocese of Salina, By: (Bishop Paul Coakley)

whose mailing address is 103 N. 9th St., Salina, KS 67401 hereinafter called Lessor (whether one or more),
and Funk Petroleum LLC, 2110 N. 1184 Rd., Eudora, KS 66025

hereinafter called Lessee:

Lessor, in consideration of one and more Dollars (\$ 1.00 +) in hand paid, receipt of which is here 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, therein situated in County of Logan State of Kansas described as follows to-wit:

Township 12 South - Range 32 West

Section 10: E/2
Section 10: SW/4

In Section XXX, Township XXX, Range XXX, and containing 480 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 operation thereon, except water from the wells of lessor.

When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.

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

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

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

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

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

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

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if 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: + Paul J. Coakley
(Bishop Paul Coakley)

Bishop of the Roman Catholic Diocese of Salina

OIL AND GAS LEASE

FROM

TO

Date

Section _____ Twp. _____ Rge. _____

No. of Acres _____ Term _____

County _____

STATE OF Kansas

County Logan

This instrument was filed for record on the 12th

day of June, 2008.

at 10:05 o'clock A. M., and duly recorded

in Book 144 Page 601-603 of

the records of this office.

By Robert Bosterman Register of Deeds.
\$16.00

When recorded, return to _____



MICROFILMED
INDEXED

STATE OF _____ COUNTY OF _____
ACKNOWLEDGMENT FOR CORPORATION (K&OCoNe)

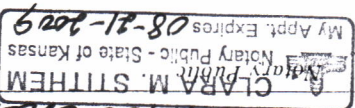
by _____ of _____ a _____ day of _____
The foregoing instrument was acknowledged before me this _____ day of _____
My commission expires _____
Notary Public

STATE OF _____ COUNTY OF _____
ACKNOWLEDGMENT FOR INDIVIDUAL (K&OCoNe)

STATE OF _____ COUNTY OF _____
ACKNOWLEDGMENT FOR INDIVIDUAL (K&OCoNe)

STATE OF _____ COUNTY OF _____
ACKNOWLEDGMENT FOR INDIVIDUAL (K&OCoNe)

STATE OF _____ COUNTY OF _____
ACKNOWLEDGMENT FOR INDIVIDUAL (K&OCoNe)



Clara M. Stithem

08-21-2009

My commission expires

STATE OF Kansas COUNTY OF Salina
The foregoing instrument was acknowledged before me this 9th day of June, 2008
by (Bishop Paul Coakley), Bishop of the Roman Catholic Diocese of Salina

ACKNOWLEDGMENT FOR INDIVIDUAL (K&OCoNe)

1. If at the end of the primary term, this Lease is not otherwise continued in force under the provisions hereof, this Lease shall expire, unless Lessee on or before the end of the primary term shall pay or tender to Lessor, the sum equal to one half (1/2) the total original per acre bonus paid to Lessor under the initial primary term of said lease multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this Lease; and subject to the other provisions of this Lease. The primary term shall be extended for an additional term of two (2) years from the end of the primary term hereof

X: Paul A. Coakley
(Bishop Paul Coakley)
Bishop of the Catholic Diocese of Salina

STATE OF KANSAS)
) ss
COUNTY OF LOGAN)

AFFIDAVIT OF PRODUCTION

Affiant on oath swears that the following statements are true:

My name is W. H. Kopczynski, III. I am over the age of 18.

I know of my own personal knowledge that Kansas CBM, LLC is the current owner of record of that certain Oil and Gas Lease (the "Lease") dated April 10th, 2008 between Roman Catholic Diocese of Salina, By: (Bishop Paul Coakley), as Lessor, and Funk Petroleum, LLC, as Lessee, recorded at Volume 144, Page 601 of the Records of Logan County, Kansas, covering the following lands, to wit:

Township 12 South – Range 32 West
Section 10: E/2
Section 10: SW/4

The Lease has a stated primary term of three (3) years from its effective date with an exercised option to extend for an additional two (2) years, and contains a provision that the Lease shall remain in force and effect as long thereafter as the Lessee produces oil or gas, or either of them, from the lands subject to the Lease.

The present owner of the Lease has caused a well to be drilled on the Lease, which well was commenced on January 15th 2013 and completed on or about February 10th, 2013. Since that day, to the date of this Affidavit, that well has continued to produce oil/gas in paying quantities.

This Affidavit is made for the purpose of giving notice that the Lease will be extended beyond its stated primary term in accordance with the terms of the Lease and applicable state law.



State of Kansas, Logan County
This instrument was filed for
Record on March 01, 2013 10:59:00 AM
Recorded in Book 164 Page 871-871
Fee: \$8.00 201300212
Joyce L. Bosserman
Joyce L. Bosserman, Register of Deeds



Kansas CBM LLC

By: *[Signature]*
W. H. Kopczynski, III
Land Manager

STATE OF OKLAHOMA }
 } ss.
COUNTY OF TULSA }

Indexed -
Verified -

On this 14th day of February, 2013, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared **W.H. Kopczynski III** as Land Manager of **Kansas CBM, LLC**, to me known to be the identical person (s) who subscribed the name of the maker thereof to the foregoing instrument and that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

Commission expires: 6.6.15



Kristina Richey
Notary Public