

Well will not be drilled or Permit Expired Date: _

Signature of Operator or Agent:

For KCC	Use:	
Effective	Date:	
District #	<u> </u>	
SGA?	Yes No	

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1190098

Form C-1

March 2010

Form must be Typed

Form must be Signed

All blanks must be Filled

NOTICE OF INTENT TO DRILL

Funcated Could Date:	Short Description
Expected Spud Date:	Spot Description:
OPERATOR: License#	feet from N / S Line of Section feet from E / W Line of Section
Name:	
Address 1:	Is SECTION: Regular Irregular?
Address 2:	(Note: Locate well on the Section Plat on reverse side)
City: +	County:
Phone:	Lease Name: Well #:
Filone.	Field Name:
CONTRACTOR: License#	Is this a Prorated / Spaced Field?
Name:	Target Formation(s):
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary line (in footage):
Oil Enh Rec Infield Mud Rotary	Ground Surface Elevation:feet MSL
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile:
Disposal Wildcat Cable	Public water supply well within one mile:
Seismic : # of Holes Other	Depth to bottom of fresh water:
Other:	Depth to bottom of usable water:
	Surface Pipe by Alternate: II
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
Operator:	Length of Conductor Pipe (if any):
Well Name:	Projected Total Depth:
Original Completion Date: Original Total Depth:	Formation at Total Depth:
	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore? Yes No	Well Farm Pond Other:
If Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	(Note: Apply for Permit with DWR)
KCC DKT #:	Will Cores be taken?
	If Yes, proposed zone:
A F.F.	
	IDAVIT
The undersigned hereby affirms that the drilling, completion and eventual plu	IDAVIT
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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.

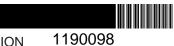
Leases:	Operator:					_ Lo	Location of Well: County:							
Field:														
Number of Acres attributable to well:														
## Section is Irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW	Field:					_ Se	ec	Twp S. R						
If Section is Irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW	Number of Acres attributable to well:							— le	Section:	Regular or Irregular				
PLAT Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired. 179 ft. LEGEND Well Location Tank Battery Location Pipeline Location Electric Line Location Lease Road Location EXAMPLE	QTR/QTR	/QTR/QTF	of acreag	e:				_	Occilori.					
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. 179 ft. Compared to the nearest lease or unit boundary line. Show the predicted location shows a required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired. LEGEND														
LEGEND Well Location Tank Battery Location Pipeline Location Lease Road Location EXAMPLE 14	4 - 0 f	lease roa	ads, tank b			d electrica	l lines, as	est lease o	y the Kans	sas Surface Owner Notice Act (House Bill 2032).				
O Well Location Tank Battery Location Pipeline Location	179 ft.	+0							•	LEGEND				
Tank Battery Location — Pipeline Location — Electric Line Location — Lease Road Location EXAMPLE 14 1980' FSL			:	:	:		:	:	:					
Pipeline Location Electric Line Location Lease Road Location EXAMPLE 14 1980' FSL			:	:	:		:	:	:					
Lease Road Location EXAMPLE 14 1980' FSL			:	:	:		:	:	:					
Lease Road Location EXAMPLE 14 1980' FSL		•••••				•••••								
14 EXAMPLE 1980' FSL					:		•							
TA EXAMPLE 1980' FSL			:	:	:		:	:	:	Lease Road Location				
14 1980' FSL						•••••								
14 1980' FSL			:	:	:		:	:	:					
1980' FSL			:	:	:		:	:	:	EXAMPLE				
1980' FSL			:	:	1	1	:	:	:					
1980' FSL				:	: '		:		:					
1980' FSL				•			•	•	•					
1980' FSL			:	•	:		:	•	:					
1980' FSL				:	:				:					
			:	:	:	••••		:	:	1980' FSL				
: : : :														
SEWARD CO. 3390' FEL				:			:	:	:	:				
			<u>:</u>	<u>: </u>	<u>:</u>		<u>:</u>	<u>:</u>	<u>:</u>	SEWARD CO. 3390' FEL				

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

- 1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
- 2. The distance of the proposed drilling location from the south / north and east / west outside section lines.

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

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



Kansas Corporation Commission Oil & Gas Conservation Division

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name:		License Number:			
Operator Address:					
Contact Person:			Phone Number:		
Lease Name & Well No.:			Pit Location (QQQQ):		
Type of Pit: Emergency Pit Burn Pit Settling Pit Drilling Pit Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) Is the pit located in a Sensitive Ground Water A	Pit is: Proposed If Existing, date col Pit capacity: urea? Yes	Existing nstructed: (bbls)	SecTwp R East WestFeet from North / South Line of Section Feet from East / West Line of Section County Chloride concentration: mg/l mg/l (For Emergency Pits and Settling Pits only)		
Is the bottom below ground level? Yes No	Artificial Liner?	No	How is the pit lined if a plastic liner is not used?		
Pit dimensions (all but working pits):	Length (fee				
If the pit is lined give a brief description of the li material, thickness and installation procedure.			dures for periodic maintenance and determining acluding any special monitoring.		
Distance to nearest water well within one-mile of	of pit:	Depth to shallo Source of infor	west fresh water feet. nation:		
feet Depth of water well	feet	measured	well owner electric log 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 s		Type of materia	over and Haul-Off Pits ONLY: all utilized in drilling/workover: king pits to be utilized: procedure:		
flow into the pit? Yes No Drill pits must be closed within 365 days of spud date. Submitted Electronically					
	KCC	OFFICE USE O	NLY Liner Steel Pit RFAC RFAS		
Date Received: Permit Num	ber:	Permi	t Date: Lease Inspection: Yes No		



1190098

Form KSONA-1
January 2014
Form Must Be Typed
Form must be Signed
All blanks must be Filled

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

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

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

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

OPERATOR: License #	Well Location:			
Name:				
Address 1:	County:			
Address 2:	Lease Name: Well #:			
City:	If filing a Form T-1 for multiple wells on a lease, enter the legal description or			
Contact Person:	the lease below:			
Phone: () Fax: ()				
Email Address:				
Surface Owner Information:				
Name:	When filing a Form T-1 involving multiple surface owners, attach an additional			
Address 1:	owner whermalier dair be really with the received of the register of decad for the			
Address 2:				
City:				
are preliminary non-binding estimates. The locations may be entered of	k batteries, pipelines, and electrical lines. The locations shown on the plat n the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.			
Select one of the following:				
owner(s) of the land upon which the subject well is or will be le	Act (House Bill 2032), I have provided the following to the surface ocated: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form being filed is a Form C-1 or Form CB-1, the plat(s) required by this and email address.			
	cknowledge that, because I have not provided this information, the			
KCC will be required to send this information to the surface ow task, I acknowledge that I must provide the name and address that I am being charged a \$30.00 handling fee, payable to the I	of the surface owner by filling out the top section of this form and			
task, I acknowledge that I must provide the name and address that I am being charged a \$30.00 handling fee, payable to the I	s of the surface owner by filling out the top section of this form and KCC, which is enclosed with this form. fee with this form. If the fee is not received with this form, the KSONA-1			



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

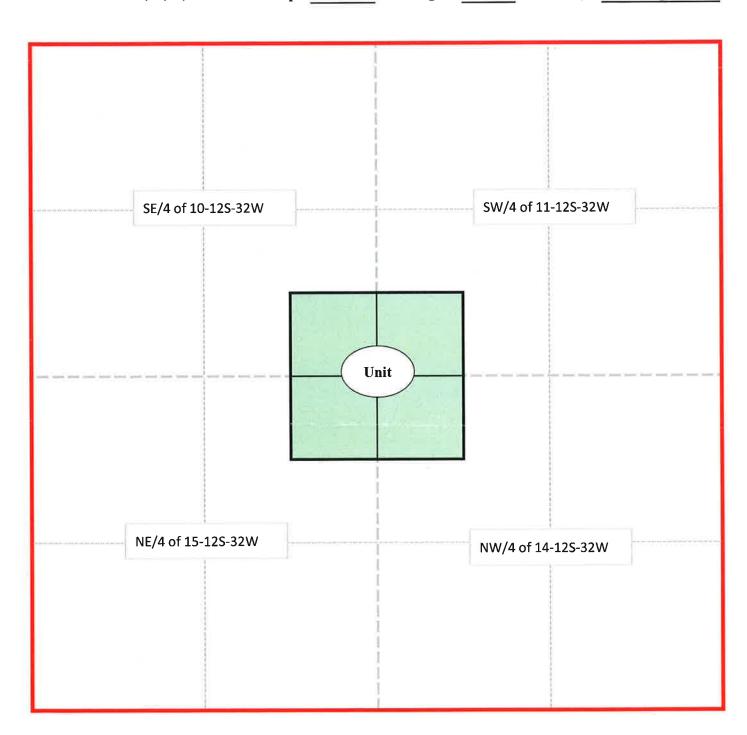
Agreed and Accepted this 4 day of MARCh, 2014

Arlyn Jett Fromholtz

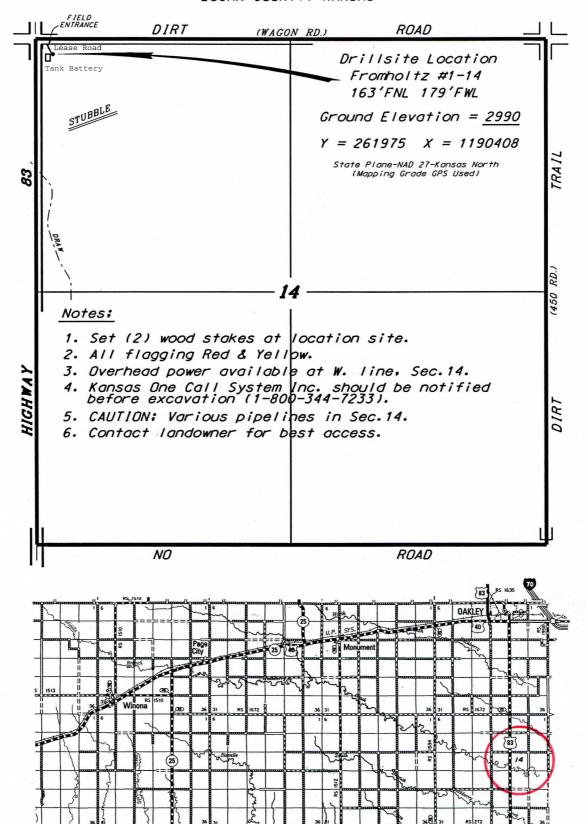
Exhibit A



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



NEW GULF OPERATING, LLC. FROMHOLTZ LEASE NW. 1/4, SECTION 14, T12S, R32W LOGAN COUNTY. KANSAS



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

February 25, 2014

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

63U (Rev. 1001)

416-N

OIL AND GAS LEASE

AGREEMENT, Made and entered into the day of and between, Arlyn Jett Fromholtz a/k/a Jett Fromhousband and wife	noltz, and Barbara J. Fromholtz,
and the second of the second o	
those mailing address is PO BOX 904, St. Francis, KS 67756	, hereinafter called Lessor (whether one or more),
Kansas CBM LLC 6310 E. 102nd St. Tulsa, OK	74137,hereinafter called Lessee
Lessor, in consideration of the lessee herein contained, hereby grants, leases and lets exclusively use rospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and absurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and imployees, the following described land, together with any reversionary rights and after-acquired interest,	their respective constituent products, injecting gas, water, other fluids, and air intructures and things thereon to produce, save, take care of, treat, manufacture, process other products manufactured therefrom, and housing and otherwise caring for in
erein situated in the County of, State of	Kansas , described as follows, to-wit:
Township 12 South - Range 32 West	1 1 2 99
Section 14: SW/4	
Section 14: NW/4	
Section XXX Township XXX Range XXX	and containing acres, more or less, and all accretions thereto
Subject to the provisions herein contained, this lease shall remain in force for a term of	
quid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said lar	years from this date (caned primary term), and as long mereanter as old or land with which said land is pooled.
In consideration of the premises the said lessee covenants and agrees:	16
1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect we ased premises.	ils on said land, the equal one-eighth (1/8) part of all oil produced and saved from the
2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the pren	nises, or used in the manufacture of any products therefrom, one-eighth (1/8), at the
arket price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proce e manufacture of products therefrom, said payments to be made monthly. Where gas from a well pro	eds received by lessee from such sales), for the gas sold, used off the premises, or inducing gas only is not sold or used, lessee may pay or tender as royalty One Dolla
(1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be con-	onsidered 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 of any extension thereof, the lessee shall have the right to drill such well to completion with reasonable dilig its lease shall continue and be in force with like effect as if such well had been completed within the term	gence and dispatch, and if oil or gas, or either of them, be found in paying quantities
If said lessor owns a less interest in the above described land than the entire and undivided fee sim	
nly 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 o	manufactions thereon account mater from the malle of leaves
When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.	peranons mereon, except water from the wens of fessor.
No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written	en 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,	
If the estate of either party hereto is assigned, and the privilege of assigning in whole or in par interest party and in the privilege of assigning in whole or in party and in the ownership of the land or assignment of rentals of written transfer or assignment or a true copy thereof. In case lessee assigns this lease, in whole or in particular to the date of assignment.	r royalties shall be binding on the lessee until after the lessee has been furnished with
Lessee may at any time execute and deliver to lessor or place of record a release or releases covering as as to such portion or portions and be relieved of all obligations as to the acreage surrendered.	g any portion or portions of the above described premises and thereby surrender this
All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executi art, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if	ve Orders, Rules or Regulations, and this lease shall not be terminated, in whole or is 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 the ortgage, taxes or other liens on the above described lands, in the event of default of payment by the less or themselves and their heirs, successors and assigns, hereby surrender and release all right of dower as mestead may in any way affect the purposes for which this lease is made, as recited herein.	or, and be subrogated to the rights of the holder thereof, and the undersigned lessors
Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered to cinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develor minerals in and under and that may be produced from said premises, such pooling to be of tracts content of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee a land herein leased is situated an instrument identifying and describing the pooled acreage. The entityment of royalties on production from the pooled unit, as if it were included in this lease. If production see, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royald only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or experienced.	elop and operate said lease premises so as to promote the conservation of oil, gas or iguous to one another and to be into a unit or units not exceeding 40 acres each in the shall execute in writing and record in the conveyance records of the county in which he acreage so pooled into a tract or unit shall be treated, for all purposes except the in is found on the pooled acreage, it shall be treated as if production is had from this pyalties elsewhere herein specified, lessor shall receive on production from a unit so
See 'Rider' attached hereto and made a pa	art hereof;
IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above	written.
/itnesses:	
Barbara J. Fromholtz X: Ol	n Jett Fromholtz a/k/a Jett Fromholt
WAVE DEFE	
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V.	

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d wife		1								
1 WIIC			A.	PATRIC	K SHO	BE			-1-	
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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.

- 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.
- 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

Fromholtz a/k/a Jett Fromholtz

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

63U (Rev. 1993)

OIL AND GAS LEASE

(Rose Zimmerman) Trustee



412-RN	·	OIL AND GAO III		*
AGREEMENT, Made	and entered into the25	day ofMay	/10/2007	,2012,
and between		able Trust Dtd 7,	19/2007	
Ву: (Rose Zimmerman) Trustee		
hose mailing address is	14 E. 5th Oakle	y, KS 67748	hereinafter called Less	sor (whether one or more)
Kansas CBM	LLC 6310 E. 10	2nd St. Tulsa, O	K 74137	
iu				, hereinafter caller Lessee
	ten and more		Dollars (\$\frac{10.00+}{ained, hereby grants, leases and lets exclusively unifor and producing oil, liquid hydrocarbons, all gives	and paid, receipt of which
f investigating, exploring by	geophysical and officials, and air into geophysical property of the same and air into geophysical property of the same air into geophysical property of the same air into geophysical and otherwise cari are and otherwise cari	subsurface strata, laying pipe lines, stor	ring oil, building tanks, power stations, telephone quid hydrocarbons, gases and their respective cons tribed land, together with any reversionary rights a	tituent products and othe
Township 12	South - Range 3	2 West		
Section 15:				
Section 22:	N/2NE/4			
XXX	XXX	XXX	and containing 400	acres, more or less, and a
n Section	, Township	thro	OLSI OTTOCIIVE /////	13
Subject to the provis	ons herein contained, this lease shal as or other respective constituent pro	oducts, or any of them, is produced from	years from this date (called "primary tern said land or land with which said land is pooled.	n), and as long thereare
In consideration of t	he premises the said lessee covenants ae credit of lessor, free of cost, in the	and agrees: pipe line to which lessee may connect v	wells on said land, the equal one-eighth (½) part of	all oil produced and save
from the leased premises.				s therefrom, one-eighth (1/2
is royalty One Dollar (\$1.00)) per year per net inmeral acre reto	inica nerounaci, and a		
neaning of the preceding pa This lease may be r	naintained during the primary term	hereof without further payment or dri	lling operations. If the lessee shall commence to d ith reasonable diligence and dispatch, and if oil or een completed within the term of years first mention	lrill a well within the ter r gas, or either of them,
of this lease or any extension	n thereof, the lessee shall have the	it lile effect an if auch wall had h	een completed within the term of years first mention	onea.
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Lessee shall have th	e right to use, free of cost, gas, oil an	nd water produced on said land for lesse	e's operation thereon, except water from the wells	of lessor.
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	1 1 1 - 1	no to growing crops on said land.		ina
Lessee shall have th	e right at any time to remove all ma	chinery and fixtures placed on said pres	mises, including the right to draw and remove casi	shall extend to their heir
executors, administrators, s	ith a written transfer or assignment	t or a true copy thereof. In case lessee a	in part is expressly allowed, the covenants hereof gnment of rentals or royalties shall be binding o ssigns this lease, in whole or in part, lessee shall be	be relieved of all obligation
Lessee may at any	time execute and deliver to lessor o	r place of record a release or releases o	covering any portion or portions of the above desc rrendered.	ribed premises and mere
surrender this lease as to su	ch portion of politions and be reneve	u 01 mil 1-1-0	D. D. D. Demiletions and this le	age shall not be terminate
in whole or in part, nor les	see held hable in damages, for fandi	e to compiy with a		
any mortgages, taxes or ot signed lessors, for themsel-	ves and their heirs, successors and	assigns, hereby surrender and release	that the lessee shall have the right at any time to re by lessor, and be subrogated to the rights of the ho all right of dower and homestead in the premises as recited herein.	described herein, in so
Lessee, at its optio immediate vicinity thereof conservation of oil, gas or or units not exceeding 40 record in the conveyance pooled into a tract or unit found on the pooled acreagroyalties elsewhere herein placed in the unit or his ro	n, is hereby given the right and pow, when in lessee's judgment it is n other minerals in and under and thacres each in the event of an oil wel records of the county in which the shall be treated, for all purposes exe, it shall be treated as if production specified, lessor shall receive on pyalty interest therein on an acreage to	rer to pool or combine the acreage cover ecessary or advisable to do so in orde lat may be produced from said premises l, or into a unit or units not exceeding land herein leased is situated an instreepi the payment of royalties on product n is had from this lease, whether the well production from a unit so pooled only passis bears to the total acreage so pooled	red of this lease to any protection of the properly develop and operate said lease press, such pooling to be of tracts contiguous to one at 640 acres each in the event of a gas well. Lesses trument identifying and describing the pooled acrition from the pooled unit, as if it were included it ill or wells be located on the premises covered by the such portion of the royalty stipulated herein as d in the particular unit involved.	shall execute in writing a reage. The entire acreage in this lease. If production
*See Rider	attached hereto	and made a part	nereur;	ious
* This Leas	e is Effective	2/22/13 subject	to expiration of prev Office at the Logan C	ounty
Lease rec	orded by the Re	k 143 Page 463.		-
Kalisas CO	ulthouse in 500	. , 13 1 4 9 0 1 0 0 1		
	EREOF, the undersigned execute thi	s instrument as of the day and year firs	t above written.	
Witnesses:		Rose	Zimmerman Revocable	Trust
				.)
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Notary Public

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Date Date Section No. of A This day of the recount the recount to the recount	
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My Appl. Expires / 1 2 1	ATE O
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My commission expires

STATE OF Kansas

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

- 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.
- 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)Trustee of the Rose Zimmerman Trust Dtd 7/19/07
X:	X: .	

AFFIDAVIT OF POSSESSION

By Fee Owner State of Kansas County of 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, That I am the owner of lands situated in the Country of Logan Kansas , described as follows, to wit: State of 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 one (1) years last past. more than That I am paying taxes on, occupying and cultivating said land. (Rose Zimmerman) Trustee of the Rose Zimmerman Revocable Trust Dtd 7/19/07 STATE OF ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe) **COUNTY OF** Before me, the undersigned, a Notary Public, within and for said County and State on this , 2012 , personally appeared (Rose Zimmerman) Trustee of the day of Rose Zimmerman Revocable Trust Dtd 7/19/07 , to me personally known to be the identical he who executed the within and foregoing instrument and acknowledged to me that she executed person 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. Notary Public
Martha Wassemiller My commission expires

Notary Public - State of Kansas My Appt. Expires 10-18-12

AFFIDAVIT BY TRUSTEE

as follows:

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

1-	That this affidavit is made in connection with	n 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 trust known as the, the above-described propert	Rose Zimmerman Revocable Trust y was conveyed by deed
	recorded in Book at page		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 eas lessee, an oil and gas lease or leases cover		Kansas CBM, LLC
	three (3) year.	ing the above-described lane	is to a primary term of
5-	That the original grantor-settlor of said trust	are	Rose Zimmerman
	FUDTUED AFFI	ANTO CAITU MANICUT.	
		ANTS SAITH NAUGHT:	
	Rose Zin	nmerman Revocable Trust	,
		X:	Zimmerman), Trustee
		(Rose 2	immerman), Trustee
STATE OF	Kansas)		
COUNTY OF	Logan)		
	E ME, the undersigned, a Notary Public, within		
day of Dated July		mmerman), Trustee of the Ro	ose Zimmerman Revocable Trust
to me perso	onally known to be the identical persons who ex		
	ged to me that they executed the same on their nerein set forth.	rree and voluntary act and de	eed for the uses and
IN WITN	NESS WHEREOF, I have hereunto set my hand	and official seal the day and	year last above
	ssion Expires: 10-18-12	Martha Wass	remellee
		Montha Wass	Notary Public
	MARTHA WASSEMILLER Notary Public - State of Kansas My Appt. Expires / 12	11(0-	

*This Lease is Effective February 28th, 2013 subject to expiration of previous lease recorded by the Register of Deeds Office at the Logan County, Kansas Courthouse in Book 143 Page 533

Form 88 - (Producers Special) (Paid-Up)

Schippers-0079 161 610

63U (Rev. 1993)

414-RN		OIL A	ND GAS	S LE	ASE				
AGREEMENT, Made and	depleted into the 13	th day o	f		Ju	ne			2012
by and between, Shery	d entered into the $\frac{13}{71}$ L. Denny	and C	harles	Α.	Denny,	wife	and	husband	d
*									***************************************
				in the second		************************************	***************************************		***************************************
whose mailing address is	La Hacienda	Dr. Col	by, KS 6	67701			hereinafter c	alled Lessor (whether	er one or more).
Kansas CBM,						137		hereinaft	er called Lesson
Lessor, in consideration of provided and of the agreements of t	ten and mor	e Dollars	10.00	+ , ii	hand paid, rece	ipt of which i	s here ackno	wledged and of the	e royalties hereis
provided and of the agreements of t prospecting, drilling, mining and o subsurface strata, laying pipe lines, store and transport said oil, liquid employees, the following described	storing oil, building tanks, po hydrocarbons, gases and the	oil, liquid hydroci ower stations, telep heir respective con	arbons, all gases, dione lines, and off distituent products	and their her structu and othe	respective constr res and things the	tuent products ereon to produ	s, injecting p ce, save, tak	gas, water, other flu e care of, treat, mani	uids, and air into
therein situated in the County of	Log	an	, Sta		Ká	ansas		decaribed a	s follows, to-wit:
			, , , , , , , , , , , , , , , , , , , ,	377				, described as	i iniows, to-wit.
Township 12 Sou		2 West							
Section 11: W/	2								
						_			
In Section XXX	TownshipXXX	Range	XXX	, and	containing32	20	acres, mo	re or less, and all ac	cretions thereto.
Subject to the provisions here	in contained, this lease shall	remain in force fo	or a term of fo	ur(4) years from	this date (call	ed "nrimary		
liquid hydrocarbons, gas or other re- In consideration of the premis	spective constituent products.	or any of them, is	produced from sa	id land or	land with which	said land is poo	oled.	, and an iong	mercuner as on,
1st. To deliver to the credit			lessee may connec	ct wells or	said land, the eq	ual one-eighth	(1/8) part o	f all oil produced an	id saved from the
leased premises. 2nd. To pay lessor for gas	of whatsoever nature or kind	I produced and so	d or used off the	invintions	or used in the m	smufacture of	anti-meaduat	to the notice of any of	abeli (190), as sha
market price at the well. (but, as to the manufacture of products therefr (\$1.00) per year per net mineral acre	gas sold by lessee, in no ever om, said payments to be ma	nt more than one-e ide monthly. Whe	righth (1/8) of the re gas from a wel	proceeds	received by lessed ig gas only is no	from such sat sold or used.	les), for the lessee may	gas sold, used off the	or premises, or in
This lease may be maintained	during the primary term her	reof without further	r payment or drilli	ng operat	ons. If the lesses	shall comme	nce to drill a	well within the terr	m of this lease or
any extension thereof, the lessee sha this lease shall continue and be in for	all have the right to drill such	h well to completic	on with reasonable	diligence	and dispatch, an	d if oil or eas.	or either of	them, be found in p	aying quantities,
If said lessor owns a less inte only in the proportion which lessor'	rest in the above described I	and than the entire					herein prov	ided for shall be pa	id the said lessor
Lessee shall have the right to			said land for lesse	ee's opera	ions thereon, exc	ept water from	the wells of	Hessor.	
When requested by lessor, les	see shall bury lessee's pipe li	ines below plow de	pth.						
No well shall be drilled neare				written co	nsent of lessor.				
Lessee shall pay for damages Lessee shall have the right at				nises incl	iding the right to	dease and remi	we casino		
If the estate of either party !	nereto is assigned, and the p	privilege of assign	ing in whole or i	n part is	expressly allowed	I the covenar	us hereof sh	all extend to their	heirs, executors,
administrators, successors or assignment or a symmetric arransfer or assignment or portions arising subsequent to the data.	 but no change in the owner true copy thereof. In case 	ship of the land or	assignment of ren	tals or roy	alties shall be bir	ding on the le-	ssee muil afr	er the lessee has bee	en furnished with
Lessee may at any time executease as to such portion or portions a	te and deliver to lessor or pland be relieved of all obligation	ace of record a rele	ease or releases co	vering an	y portion or porti	ons of the abo	ve described	premises and there	by surrender this
All express or implied covena	nts of this lease shall be subj	ect to all Federal a	nd State Lows, Ex	ecutive O	rders, Rules or Re	egulations, and	this lease sl	nall not be terminate	d, in whole or in
part, nor lessee held liable in damage Lessor hereby warrants and a	es, for failure to comply there	ewith, if complianc	e is prevented by.	or if such	failure is the resu	It of, any such	Law, Order,	, Rule or Regulation	L
mortgage, taxes or other liens on the for themselves and their heirs, succ nomestead may in any way affect the	e above described lands, in the essors and assigns, hereby si	ne event of default urrender and relea:	of payment by the se all right of dow	lessor, a	d be subrogated	to the rights of	t the holder	thereof and the und	largionad laggare
Lessee, at its option, is hereb	y given the right and power	to poel or combine	e the acreage cove	ered by th	s lease or any po	ntion thereof	with other la	nd, lease or leases i	n the immediate
other minerals in and under and that	dgment it is necessary or ad- may be produced from said t	visable to do so in premises, such poo	order to properly line to be of tracts	develop :	ind operate said l	ease premises and to be into	so as to pro	mote the conservati	ion of cil, gas or
event of an oil well, or into a unit or the land herein leased is situated an	units not exceeding 640 acre	es each in the even	t of a gas well. Le	essee shall	execute in writing	g and record i	in the convey	cance records of the	county in which
payment of royalties on production	from the pooled unit, as if it	were included in t	his lease. If prod-	uction is t	ound on the pool	ed acreage, it	shall be treat	ted as if production	is had from this
ease, whether the well or wells be	lty stipulated herein as the ar	red by this tease of mount of his acrea;	or not. In hea of t ge placed in the un	the royaln	es elsewhere here syalty interest the	ein specified, l erein on an acr	essor shall r eage basis b	eceive on productio ears to the total acre	n from a unit so age so pooled in
he particular unit involved.									
*See "Addenda	ım" attache	ed here	to and	mac	le a pa	rt he	reof	;	
IN WITNESS WHEREOF, the	: undersigned execute this in	strument as of the	day and year first a	above writ	ten.				
Witnesses:									
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Charles A	Jenny Jenny		X:	ers		enny		kaanagaa kaankaan faanaan aanaan	
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te of Kansas, Logan County s instrument was filed for ord on June 25, 2012 04:14:00 PM orded in Book 161 Page 610-612 \$16.00 201201293 Besserman Basistan of Dods	DateRgeRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRectionRectionRectionRectionRectionRectionRectionRectionRectionRectionRectionRection	FROM	OIL AND GAS LEASE
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My Appt. Ex	VCKNOMIEDOWENI EOK INDIAIDAVI	92/01/11 sands	From the State of House of Hou
wife and hus eliw	VCKNOWLEDCHENT FOR INDIVIDUAL 12 12 13 14 15 16 17 17	yl L. Denny and	Commission E
WHO IM	VCKNOMFEDEWIELL FOR INDIVIDUAL 12	92/01/11 sands	Commission E
	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 Fee: \$16.00 201201293	State of Kansas, Logan County This instrument was filed for Recorded in Book 161 Page 610-612 Fee: \$16.00 201201293 TVANGLAIGHT ROSALLIMAN TVANGLA	TVDIGLAGNES OF ALL NEW MANUAL DESCRIPTION NO. 10 Sept. 10

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

- 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: <u>E harbs a Danny</u> Charles A. Denny X: Sheryl L. Denny

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



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	MENT, Made a	nd entered in	olic	Dioc			April Salin	a. By	· (F	Rishor	o Paul	Coakle	ev)	2008
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whose mailing a	1	03 N.	9th	St	Sal	ina.	KS	6740	1	To a	hin-	after called Less	ace (whather on	o or more)
	Petro												sor (whether on	e or more),
and	10010	10am					· ········		U.				havein after as	llar Laggaer
Lessor, in is here acknowle of investigating, constituent produand things thereo products manufactherein situated i	exploring by g ucts, injecting g in to produce, s ctured therefro	geophysical a gas, water, oth save, take care m, and housi	ind other r her fluids, e of, treat, ing and oth	and m ded and of means, pros and air into manufactur	the agree specting subsurfa e, proces ng for its	ements of drilling, race strata, s, store an	the lessee nining and laying pipe nd transportes, the follo	nerein cont operating lines, stor said oil, lid wing desc	Do ained, her for and pr ing oil, bu quid hydro ribed land	reby grants, roducing oi uilding tanks ocarbons, ga	1.00 leases and let l, liquid hydros, power stationses and their	†) in hards exclusively uncocarbons, all gaons, telephone lessentive constraints and the same of the	and paid, receip nto lessee for th ases, and their lines, and other stituent products	ot of which ne purpose respective r structures s and other ed interest,
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accretions therete	0	, Townsh	ıp			inge		hroc				a		
Subject t as oil, liquid hyd	o the provision rocarbons, gas	s herein cont or other rest	tained, this pective con	s lease shal stituent pro	l remain ducts, or	in force f any of th	or a term of nem, is prod	uced from	said land	ears from th or land with	nis date (called h which said l	d "primary term land is pooled.	ı"). and as long	thereafter
	deration of the						logoco may	connect w	alle on ea	id land the	equal one-eigl	hth (¼) part of a	all oil produced	and saved
from the leased p	oremises.											of any products		
at the market pr premises, or in the	ice at the well,	(but, as to g	as sold by	lessee, in	no event	more tha	n one-eight	h (1/8) of th	e proceeds	s received by	y lessee from	such sales), for	r the gas sold, u	ised off the
as royalty One I meaning of the p	Dollar (\$1.00) p	er year per i	net minera	l acre reta	ned here	eunder, a	nd if such	payment or	tender is	made it wi	ll be consider	ed that gas is b	being produced	within the
This leas	se may be mai	ntained duri	ng the pri	mary term	hereof w	ithout fu	rther paym	ent or drill	ing opera	tions. If the	e lessee shall	commence to dr	rill a well withi	in the term of them, be
found in paying	quantities, this	lease shall c	continue ar	nd be in for	ce with li	ke effect	as if such v	ell had be	en comple	ted within t	he term of yea	ars first mention oyalties herein p	ned.	
the said lessor or	nly in the prope	ortion which	lessor's in	terest bears	to the w	hore and	undivided	ee.						an se para
When red	quested by less	or, lessee sha	all bury les	see's pipe li	nes belov	w plow de	pth.					ron, the wells of	r ressor.	
	shall be drilled hall pay for dan								ritten con	sent of lesso	or.			
Lessee sl	hall have the ri	ight at any ti	me to rem	ove all mac	hinery a	nd fixture	s placed or	said prem				nd remove casin		Alasia kaina
executors, admin	istrators, succ	essors or ass	signs, but	no change	in the o	wnership	of the lar	d or assign	nment of	rentals or r	oyalties shall	enants hereof shall be binding on lessee shall be	the lessee unti	il after the
with respect to th	ne assigned por	tion or portio	ons arising	subsequen	t to the d	late of as	signment.					he above descri		
surrender this lea	ase as to such p	portion or por	rtions and	be relieved	of all ob	ligations	as to the ac	reage surre	endered.	•				
in whole or in pa												ns, and this leas ne result of, any		
Lessor he any mortgages, t signed lessors, fo	caxes or other l or themselves a	liens on the a and their hei	above desc irs, success	ribed lands sors and as	, in the e signs, he	event of dereby sur	efault of parender and	yment by release all	lessor, an	id be subrog dower and l	ated to the ri	any time to rede ights of the hold the premises d	der thereof, and	the under-
	it its option, is	hereby giver	n the right	and power	to pool	or combin	ne the acres	ge covered	by this le	ease or any		eof with other la		
immediate vicini conservation of or or units not exce- record in the co- pooled into a tra found on the poo- royalties elsewhere	oil, gas or othe eding 40 acres nveyance recor act or unit shal ded acreage, it ere herein spec	er minerals in seach in the eds of the co- ll be treated, shall be treated cified, lessor	n and undo event of a unty in wi for all pur ted as if pr shall rece	er and that in oil well, hich the la poses except coducition is give on pro-	may be or into a nd herei of the pas had fro ducition	produced unit or unit or unit or unit or unit n leased yment of m this lead from a unit	from said inits not ex is situated royalties of ase, whether anit so poo	premises, seeeding 640 an instrum a production the well of ed only su	ouch pooling acres earnent idention from the rells bear to portion to the portion of the rells bear to the portion of the pooling of the pool	ng to be of ich in the ex- tifying and he pooled un e located on in of the roy	tracts contigued that of a gas describing that, as if it we the premises of yalty stipulat	yous to one anot well. Lessee shat he pooled acreater are included in the covered by this	ther and to be all execute in wage. The entire this lease. If pro- lease or not. In	into a unit writing and acreage so oduction is lieu of the
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Bishop of the Roman Catholic Diocese of Salina

oilduq vatary Public
orporation, on behalf of the corporation. Ly commission expires
he foregoing instrument was acknowledged before me this day of
OUNTY OF ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)
MICROFILMED - NOEVED -
TO Date _ Date _ Section No. of / Thi day of at 10 in Book the reco
OIL AND GAS LEASE FROM TO Date Twp Rge Section Twp Rge Section Twp Rge Section Twp Rge Section Twp Rge This instrument was filed for record on the l2 to gav.
Notary Public
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Ay commission expires
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The foregoing instrument was acknowledged before me this day of,
STATE OF ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
My Appl. Expires O8-21-3009 Clara M. Stithem My Appl. Expires O8-21-2009
(At: the many)
The foregoing instrument was acknowledged before me this day of the Roman Cathalic Diocese of Salina 200.8
STATE OF Kansas ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkÇoNe)
144 605

75. 76.

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: fan () (enlis)
(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	450.00°	Kansas CBM LLC
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 & Bosserman Joyce L. Bosserman, Register of Deeds	(SEAL)	By: W. H. Kopczynski, III Land Manager
STATE OF OKLAHOMA COUNTY OF TULSA	} } ss. }	Indexed - Verified

On this day of englished, 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: Le. Le.

Notary Public

*This Lease is Effective February 28th, 2013 subject to expiration of previous lease recorded by the Register of Deeds Office at the Logan County, Kansas Courthouse in Book 143 Page 533

Form 88 - (Producers Special) (Paid-Up)

Schippers-0079 161 610

63U (Rev. 1993)

414-RN		OIL A	ND GAS	S LE	ASE				
AGREEMENT, Made and	depleted into the 13	th day o	f		Ju	ne			2012
by and between, Shery	d entered into the $\frac{13}{71}$ L. Denny	and C	harles	Α.	Denny,	wife	and	husband	d
*									***************************************
				in the second		************************************	***************************************		***************************************
whose mailing address is	La Hacienda	Dr. Col	by, KS 6	67701			hereinafter c	alled Lessor (whether	er one or more).
Kansas CBM,						137		hereinaft	er called Lesson
Lessor, in consideration of provided and of the agreements of t	ten and mor	e Dollars	10.00	+ , ii	hand paid, rece	ipt of which i	s here ackno	wledged and of the	e royalties hereis
provided and of the agreements of t prospecting, drilling, mining and o subsurface strata, laying pipe lines, store and transport said oil, liquid employees, the following described	storing oil, building tanks, po hydrocarbons, gases and the	oil, liquid hydroci ower stations, telep heir respective con	arbons, all gases, dione lines, and off distituent products	and their her structu and othe	respective constr res and things the	tuent products ereon to produ	s, injecting p ce, save, tak	gas, water, other flu e care of, treat, mani	uids, and air into
therein situated in the County of	Log	an	, Sta		Ká	ansas		decaribed a	s follows, to-wit:
			, , , , , , , , , , , , , , , , , , , ,	377				, described as	i iniows, to-wit.
Township 12 Sou		2 West							
Section 11: W/	2								
						_			
In Section XXX	TownshipXXX	Range	XXX	, and	containing32	20	acres, mo	re or less, and all ac	cretions thereto.
Subject to the provisions here	in contained, this lease shall	remain in force fo	or a term of fo	ur(4) years from	this date (call	ed "nrimary		
liquid hydrocarbons, gas or other re- In consideration of the premis	spective constituent products.	or any of them, is	produced from sa	id land or	land with which	said land is poo	oled.	, and an iong	mercuner as on,
1st. To deliver to the credit			lessee may connec	ct wells or	said land, the eq	ual one-eighth	(1/8) part o	f all oil produced an	id saved from the
leased premises. 2nd. To pay lessor for gas	of whatsoever nature or kind	I produced and so	d or used off the	invintions	or used in the m	smufacture of	anti-meaduat	to the notice of any of	abeli (190), as sha
market price at the well. (but, as to the manufacture of products therefr (\$1.00) per year per net mineral acre	gas sold by lessee, in no ever om, said payments to be ma	nt more than one-e ide monthly. Whe	righth (1/8) of the re gas from a wel	proceeds	received by lessed ig gas only is no	from such sat sold or used.	les), for the lessee may	gas sold, used off the	or premises, or in
This lease may be maintained	during the primary term her	reof without further	r payment or drilli	ng operat	ons. If the lesses	shall comme	nce to drill a	well within the terr	m of this lease or
any extension thereof, the lessee sha this lease shall continue and be in for	all have the right to drill such	h well to completic	on with reasonable	diligence	and dispatch, an	d if oil or eas.	or either of	them, be found in p	aying quantities,
If said lessor owns a less inte only in the proportion which lessor'	rest in the above described I	and than the entire					herein prov	ided for shall be pa	id the said lessor
Lessee shall have the right to			said land for lesse	ee's opera	ions thereon, exc	ept water from	the wells of	Hessor.	
When requested by lessor, les	see shall bury lessee's pipe li	ines below plow de	pth.						
No well shall be drilled neare				written co	nsent of lessor.				
Lessee shall pay for damages Lessee shall have the right at				nises incl	iding the right to	dease and remi	we casino		
If the estate of either party !	nereto is assigned, and the p	privilege of assign	ing in whole or i	n part is	expressly allowed	I the covenar	us hereof sh	all extend to their	heirs, executors,
administrators, successors or assignment or a symmetric arransfer or assignment or portions arising subsequent to the data.	 but no change in the owner true copy thereof. In case 	ship of the land or	assignment of ren	tals or roy	alties shall be bir	ding on the le-	ssee muil afr	er the lessee has bee	en furnished with
Lessee may at any time execu- lease as to such portion or portions a	te and deliver to lessor or pland be relieved of all obligation	ace of record a rele	ease or releases co	vering an	y portion or porti	ons of the abo	ve described	premises and there	by surrender this
All express or implied covena	nts of this lease shall be subj	ect to all Federal a	nd State Lows, Ex	ecutive O	rders, Rules or Re	egulations, and	this lease sl	nall not be terminate	d, in whole or in
part, nor lessee held liable in damage Lessor hereby warrants and a	es, for failure to comply there	ewith, if complianc	e is prevented by.	or if such	failure is the resu	It of, any such	Law, Order,	, Rule or Regulation	L
mortgage, taxes or other liens on the for themselves and their heirs, succ nomestead may in any way affect the	e above described lands, in the essors and assigns, hereby si	ne event of default urrender and relea:	of payment by the se all right of dow	lessor, a	d be subrogated	to the rights of	t the holder	thereof and the und	largionad laggare
Lessee, at its option, is hereb	y given the right and power	to poel or combine	e the acreage cove	ered by th	s lease or any po	ntion thereof	with other la	nd, lease or leases i	n the immediate
other minerals in and under and that	dgment it is necessary or ad- may be produced from said t	visable to do so in premises, such poo	order to properly line to be of tracts	develop :	ind operate said l	ease premises and to be into	so as to pro	mote the conservati	ion of cil, gas or
event of an oil well, or into a unit or the land herein leased is situated an	units not exceeding 640 acre	es each in the even	t of a gas well. Le	essee shall	execute in writing	g and record i	in the convey	cance records of the	county in which
payment of royalties on production	from the pooled unit, as if it	were included in t	his lease. If prod-	uction is t	ound on the pool	ed acreage, it	shall be treat	ted as if production	is had from this
ease, whether the well or wells be	lty stipulated herein as the ar	red by this tease of mount of his acrea;	or not. In hea of t ge placed in the un	the royaln	es elsewhere here syalty interest the	ein specified, l erein on an acr	essor shall r eage basis b	eceive on productio ears to the total acre	n from a unit so age so pooled in
he particular unit involved.									
*See "Addenda	ım" attache	ed here	to and	mac	le a pa	rt he	reof	;	
IN WITNESS WHEREOF, the	: undersigned execute this in	strument as of the	day and year first a	above writ	ten.				
Witnesses:									
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te of Kansas, Logan County s instrument was filed for ord on June 25, 2012 04:14:00 PM orded in Book 161 Page 610-612 \$16.00 201201293 Besserman Basistan of Dods	DateRgeRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRgeRectionRectionRectionRectionRectionRectionRectionRectionRectionRectionRectionRectionRection	FROM	OIL AND GAS LEASE
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wife and hus eliw	VCKNOWLEDCHENT FOR INDIVIDUAL 12 12 13 14 15 16 17 17	yl L. Denny and	Commission E
WHO IM	VCKNOMFEDEWIELL FOR INDIVIDUAL 12	92/01/11 sands	Commission E
	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 Fee: \$16.00 201201293	State of Kansas, Logan County This instrument was filed for Recorded in Book 161 Page 610-612 Fee: \$16.00 201201293 TVANGLAIGHT ROSALLIMAN TVANGLA	TVDIGLAGNES OF ALL NEW MANUAL DESCRIPTION NO. 10 Sept. 10

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

- 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: <u>E harbs a Danny</u> Charles A. Denny X: Sheryl L. Denny

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



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from the leased p	oremises.											of any products		
at the market pr premises, or in the	ice at the well,	(but, as to g	as sold by	lessee, in	no event	more tha	n one-eight	h (1/8) of th	e proceeds	s received by	y lessee from	such sales), for	r the gas sold, u	ised off the
as royalty One I meaning of the p	Dollar (\$1.00) p	er year per i	net minera	l acre reta	ned here	eunder, a	nd if such	payment or	tender is	made it wi	ll be consider	ed that gas is b	being produced	within the
This leas	se may be mai	ntained duri	ng the pri	mary term	hereof w	ithout fu	rther paym	ent or drill	ing opera	tions. If the	e lessee shall	commence to dr	rill a well withi	in the term of them, be
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the said lessor or	nly in the prope	ortion which	lessor's in	terest bears	to the w	hore and	undivided	ee.						an se para
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	shall be drilled hall pay for dan								ritten con	sent of lesso	or.			
Lessee sl	hall have the ri	ight at any ti	me to rem	ove all mac	hinery a	nd fixture	s placed or	said prem				nd remove casin		Alasia kaina
executors, admin	istrators, succ	essors or ass	signs, but	no change	in the o	wnership	of the lar	d or assign	nment of	rentals or r	oyalties shall	enants hereof shall be binding on lessee shall be	the lessee unti	il after the
with respect to th	ne assigned por	tion or portio	ons arising	subsequen	t to the d	late of as	signment.					he above descri		
surrender this lea	ase as to such p	portion or por	rtions and	be relieved	of all ob	ligations	as to the ac	reage surre	endered.	•				
in whole or in pa												ns, and this leas ne result of, any		
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Bishop of the Roman Catholic Diocese of Salina

oilduq vatary Public
orporation, on behalf of the corporation. Ly commission expires
he foregoing instrument was acknowledged before me this day of
OUNTY OF ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)
MICROFILMED - NOEVED -
TO Date _ Date _ Section No. of / Thi day of at 10 in Book the reco
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The foregoing instrument was acknowledged before me this day of,
STATE OF ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
My Appl. Expires O8-21-3009 Clara M. Stithem My Appl. Expires O8-21-2009
(At: the many)
The foregoing instrument was acknowledged before me this day of the Roman Cathalic Diocese of Salina 200.8
STATE OF Kansas ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkÇoNe)
144 605

75. 76.

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: fan () (enlis)
(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	450.00°	Kansas CBM LLC
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 & Bosserman Joyce L. Bosserman, Register of Deeds	(SEAL)	By: W. H. Kopczynski, III Land Manager
STATE OF OKLAHOMA COUNTY OF TULSA	} } ss. }	Indexed - Verified

On this day of englished, 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: Le. Le.

Notary Public

*This Lease is Effective February 28th, 2013 subject to expiration of previous lease recorded by the Register of Deeds Office at the Logan County, Kansas Courthouse in Book 143 Page 533

Form 88 - (Producers Special) (Paid-Up)

Schippers-0079 161 610

63U (Rev. 1993)

414-RN		OIL A	ND GAS	S LE	ASE				
AGREEMENT, Made and	deptered into the 13	th day o	f		Ju	ine			2012
by and between, Shery	d entered into the $\frac{13}{7}$	and C	harles	Α.	Denny,	wife	and	husban	d ·
*									
		ter terrene meneral and an experience of the second and the second					***************************************	harmon contraction and the second sec	STATE OF THE STATE
whose mailing address is	La Hacienda	Dr. Col	by, KS 6	6770	1		hereinafter c	alled Lessor (wheth	ier one or more).
Kansas CBM,						137		hereinafi	ter called Lesson
Lessor, in consideration of provided and of the agreements of t	ten and mor	e Dollars	10.00	+ , ;	n hand paid, rece	ipt of which i	s here ackno	owledged and of th	e royalties hereis
provided and of the agreements of t prospecting, drilling, mining and o subsurface strata, laying pipe lines, store and transport said oil, liquid employees, the following described	storing oil, building tanks, po hydrocarbons, gases and th	oil, figuid hydrocs ower stations, telep heir respective con	arbons, all gases, thone lines, and of ustituent products	and their her structi and other	respective const ures and things th	stuent product ereon to produ	s, injecting ; ice, save, tak	gas, water, other flue care of treat, man	uids, and air into
therein situated in the County of	Log	an	, Sta		Ka	ansas		decaribed a	s follows, to-wit:
			,				demonstrative rates to a considerative one	Annual Control of the	s tonous, to-ur.
Township 12 Sou		2 West							
Section 11: W/	2								
In Section XXX	TownshipXXX	Range _	XXX	and,	containing3	20	acres, mo	ore or less, and all ac	acretions thereto.
Subject to the provisions here	in contained, this lease shall	remain in force fo	or a term of fo	our(4	1) years from	this date (cal	led "primary		
liquid hydrocarbons, gas or other re- In consideration of the premis	spective constituent products.	or any of them, is	produced from sa	id land or	land with which	said land is po	oled.	,,s	, werearch as on,
1st. To deliver to the credit			lessee may connec	et wells o	n said land, the ec	qual one-eightl	1 (1/8) part o	f all oil produced ar	nd saved from the
leased premises. 2nd. To pay lessor for gas	of whatsoever nature or kind	produced and sol	d or used off the	remantions.	or used in the r	assufacture of	" anu meadace	to the notion	Calaba (1993) as sha
market price at the well. (but, as to the manufacture of products therefr (\$1.00) per year per net mineral acre	gas sold by lessee, in no ever om, said payments to be mad	nt more than one-e de monthly. Whe	righth (1/8) of the re gas from a wel	proceeds Il produci	received by lesse ng gas only is no	e from such sa t sold or used.	des), for the lessee may	gas sold, used off the	he premises, or in
This lease may be maintained	during the primary term here	eof without further	r payment or drilli	ing operat	ions. If the lesse	e shall comme	nce to drill a	well within the terr	m of this lease or
any extension thereof, the lessee sha this lease shall continue and be in for	all have the right to drill such	well to completic	on with reasonable	diligence	e and dispatch, ar	d if oil or eas.	or either of	them, be found in p	paying quantities,
If said lessor owns a less inte only in the proportion which lessor'	rest in the above described la	and than the entire					herein prov	ided for shall be pa	iid the said lessor
Lessee shall have the right to			said land for lesse	ee's opera	tions thereon, exc	ept water fron	the wells of	flessor.	
When requested by lessor, les	see shall bury lessee's pipe lis	nes below plow de	pth.						
No well shall be drilled neare				written co	onsent of lessor.				
Lessee shall pay for damages Lessee shall have the right at				nises incl	ading the right to	draw and rem	ove casino		
If the estate of either party !	nereto is assigned, and the p	rivilege of assign	ing in whole or i	n part is	expressly allowe	d. the covena	us hereof sh	nall extend to their	heirs, executors,
administrators, successors or assignment or a symmetric arrival and a written transfer or assignment or portions arising subsequent to the data.	 but no change in the owners true copy thereof. In case 	ship of the land or	assignment of ren	tals or roy	valties shall be bir	iding on the le	ssee muil afr	er the lessee has bee	en furnished with
Lessee may at any time execu- lease as to such portion or portions a	te and deliver to lessor or pland be relieved of all obligation	ace of record a rele	ease or releases co	overing an	y portion or port	ons of the abo	ve described	premises and there	by surrender this
All express or implied covena	nts of this lease shall be subje	ect to all Federal a	nd State Lows, Ex	ecutive O	orders, Rules or R	egulations, and	this lease sl	hall not be terminate	ed, in whole or in
part, nor lessee held liable in damage Lessor hereby warrants and a	es, for failure to comply there	with, if compliance	e is prevented by.	or if such	failure is the resu	ilt of, any such	Law, Order	, Rule or Regulation	1.
mortgage, taxes or other liens on the for themselves and their heirs, succ nomestead may in any way affect the	e above described lands, in the essors and assigns, hereby st	e event of default arrender and releas	of payment by the se all right of dov	e lessor, a	nd be subrogated	to the rights of	f the holder	thereof and the und	dereigned lessare
Lessee, at its option, is hereb	y given the right and power t	to poel or combine	e the acreage cove	ered by th	is lease or any po	ortion thereof	with other la	nd, lease or leases	in the immediate
their minerals in and under and that	may be produced from said p	remises, such pool	ling to be of tracts	contiguo	us to one another	and to be into	a unit or uni	ts not exceeding 40	arms each in the
he land herein leased is situated an	instrument identifying and o	es each in the event describing the poo	t of a gas well. Le	essee shal entire ac	l execute in writing reage so pooled in	ng and record into a teact or	in the convey	vance records of the	county in which
payment of toyalties on production ease, whether the well or wells be	from the pooled unit, as if it	were included in t	his lease. If prod	uction is	found on the poo	ed acreage, it	shall be trea	ted as if production	is had from this
pooled only such portion of the roya he particular unit involved.	lty stipulated herein as the an	nount of his acreas	ge placed in the un	nit or his r	oyalty interest the	erein on an acr	eage basis b	eceive on production ears to the total acre	on from a unit so cage so pooled in
*See "Addenda	ım" attache	ed here	to and	mac	de a pa	ert he	ereof	;	
DE WITNESS WHED DOD AL	A. C.								
IN WITNESS WHEREOF, the	, undersigned execute this ins	frument as of the c	day and year first:	above wri	tten.				
Witnesses:									
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Charles A. I	Jenny Jan		X: Sh	ierv		enny	······································	kannan franskring franskring	
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-21	02/01/11	Courrission Expacs:
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		Sheryl L.
To Vish AT ST.	sitt om crotod bogbelwon	SNEY OF TAOK SNEYDING INSTRUMENT WAS ACKE.
•	PCKNOMFEDCWEALEC	Dowledged before me this ACKNOWLEDGMENT FO

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

- 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: <u>E harbs a Danny</u> Charles A. Denny X: Sheryl L. Denny

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



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Section	10: 5	W / 4		10)									
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accretions therete	0	, Townsh	ip			inge				containing				
Subject t as oil, liquid hyd	o the provisions rocarbons, gas	s herein cont or other resp	ained, this ective con	s lease shall stituent pro	remain ducts, or	in force f any of th	or a term nem, is pre	of	d from said	years from land or land w	this date (calle ith which said	ed "primary tern land is pooled.	n"). and as long	g thereafter
	deration of the p						lessee ma	v con	nect wells	on said land, th	ne equal one-eig	ghth (%) part of	all oil produced	l and saved
from the leased p	oremises.											of any products		
at the market pr premises, or in the	ice at the well,	(but, as to g	as sold by	lessee, in 1	o event	more tha	n one-eigh	nth (1/	() of the pro	oceeds received	by lessee from	such sales), for	r the gas sold, ı	used off the
as royalty One I meaning of the p	Dollar (\$1.00) p	er year per i	net minera	d acre retai	ned here	eunder, a	nd if such	payr	nent or ten	ider is made it	will be conside	red that gas is l	being produced	within the
This leas of this lease or a	se may be main	ntained duri	ng the pri	mary term	hereof w	rithout fu	rther pay	ment mpleti	or drilling	operations. If t	he lessee shall nce and dispat	commence to di	rill a well with gas, or either	in the term of them, be
found in paying	quantities, this	lease shall c	ontinue ar	nd be in for	ce with li	ike effect	as if such	well	had been co	ompleted within	the term of ye	ears first mention royalties herein	oned.	
the said lessor or	nly in the propo	ortion which	lessor's in	terest bears	to the w	hore and	undivided	fee.						ian se para
When red	quested by lesso	or, lessee sha	ll bury les	see's pipe li	nes belov	w plow de	epth.					from the wells o	i iessoi.	
	shall be drilled hall pay for dar								hout writte	en consent of les	ssor.			
Lessee sl	hall have the ri	ght at any ti	me to rem	ove all mac	hinery a	nd fixture	s placed o	n sai	-			nd remove casin		
executors, admin	istrators, succe	essors or ass	igns, but	no change	in the o	wnership	of the la	ind or	r assignme	nt of rentals or	royalties sha	enants hereof sill be binding on	the lessee unt	til after the
with respect to th	ne assigned por	tion or portio	ns arising	subsequen	t to the	late of as	signment.					the above descri		
surrender this lea	ase as to such p	ortion or por	tions and	be relieved	of all ob	ligations	as to the	acreas	ge surrende	ered.	•			
in whole or in pa												ns, and this leas he result of, any		
Lessor he any mortgages, t signed lessors, fo	axes or other li or themselves a	iens on the a and their hei	bove desc rs, success	ribed lands sors and as	in the esigns, he	event of dereby sur	lefault of render an	payme d rele	ent by lesse ase all righ	or, and be subr ht of dower and	ogated to the r	any time to rederights of the hold in the premises d	der thereof, and	the under-
	it its option, is	hereby giver	the right	and power	to pool	or combin	ne the acr	eage o	covered by	this lease or ar		eof with other la		
immediate vicini conservation of or or units not exce- record in the co- pooled into a tra found on the poo- royalties elsewhere	oil, gas or other eding 40 acres nveyance record ect or unit shall ded acreage, it see ere herein spec	er minerals in each in the ds of the co- l be treated, shall be treated; effied, lessor	n and under event of a unty in winder all purted as if present the shall received.	er and that in oil well, hich the la poses except coducition is give on pro-	may be or into a nd herei of the pa had fro duction	produced unit or un n leased yment of m this lea from a un	from said inits not ed is situate royalties ase, wheth unit so po	d pren exceed d an on pr er the oled o	nises, such ling 640 act instrument oduction fre well or we only such p	pooling to be ores each in the tidentifying arrow the pooled ells be located oportion of the	of tracts contig event of a gas and describing tunit, as if it w in the premises royalty stipula	well. Lessee shathe pooled acrea ere included in to covered by this	other and to be all execute in vage. The entire this lease. If prease or not. In	into a unit writing and acreage so roduction is a lieu of the
placed in the uni	t or his royalty	interest ther	ein on an	acreage bas	ns bears	to the to	al acreag	e so pe	ooled in the	e particular uni	t involved.			
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									(Bi	shop P	aul c6	akley)		

Bishop of the Roman Catholic Diocese of Salina

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orporation, on behalf of the corporation. Ly commission expires
he foregoing instrument was acknowledged before me this day of
OUNTY OF ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)
MICROPILMED - INDEXED -
TO Date _ Date _ Section No. of / Thi day of at 10 in Book the reco
OIL AND GAS LEASE FROM TO Date Twp Rge Section Twp Rge Section Twp Rge Section Twp Rge Section Twp Rge This instrument was filed for record on the l2 to gav.
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The foregoing instrument was acknowledged before me this day of,
STATE OF ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
My Appl. Expires O8-21-3009 Clara M. Stithem My Appl. Expires O8-21-2009
The foregoing instrument was acknowledged before me this day of the Roman Cathalic Diocese of Salina 200.8
STATE OF Kansas ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkÇoNe)
144 605

75. 76.

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: fan () (enlis)
(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

W. H. Kopczynski, III
Land Manager

By:
W. H. Kopczynski, III
Land Manager

STATE OF OKLAHOMA

SSEAL

SEAL

W. H. Kopczynski, III
Land Manager

Indexed Verified -

On this day of encury, 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: Le. Le. 15

Notary Public