For KCC Use:

Eff	e	ct	iv	е	Date

District	#	

SGA?	Yes	No
SGAS	res	

Forn

KANSAS CORPORATION COMMISSION **OIL & GAS CONSERVATION DIVISION**

March 2010 Form must be Typed Form must be Signed All blanks must be Filled

Form C-1

1191404

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date:	Spot Description:
month day year	(0/0/0/0)
OPERATOR: License#	feet from N / S Line of Section
Name:	feet from L E / W Line of Section
Address 1:	Is SECTION: Regular Irregular?
Address 2:	(Note: Locate well on the Section Plat on reverse side)
City: State: Zip: +	County:
Contact Person:	Lease Name: Well #:
Phone:	Field Name:
CONTRACTOR: License#	Is this a Prorated / Spaced Field?
Name:	Target Formation(s):
Well Drilled For: Well Class: Type Equipment: Oil Enh Rec Infield Mud Rotary Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable Seismic ; # of Holes Other Other:	Nearest Lease or unit boundary line (in footage): Ground Surface Elevation:
Directional, Deviated or Horizontal wellbore?	Well Farm Pond Other:
If Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	(Note: Apply for Permit with DWR)
KCC DKT #:	Will Cores be taken?
	If Yes, proposed zone:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

It is agreed that the following minimum requirements will be met:

- 1. Notify the appropriate district office *prior* to spudding of well;
- 2. A copy of the approved notice of intent to drill shall be posted on each drilling rig;
- 3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
- 4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
- 5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
- 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 DAYS of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. In all cases, NOTIFY district office prior to any cementing.

Submitted E	Electronically
-------------	----------------

For KCC Use ONLY	
API # 15	
Conductor pipe required	feet
Minimum surface pipe required	feet per ALT.
Approved by:	
This authorization expires:	
Spud date: Agent:	

Remember to:

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed (within 60 days);
- Obtain written approval before disposing or injecting salt water.
- If well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.
 - Well will not be drilled or Permit Expired Date: _ Signature of Operator or Agent:

ш

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



For KCC Use ONLY

API # 15 - ____

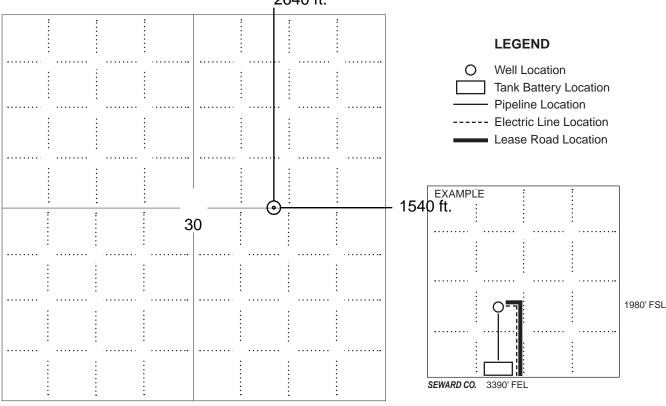
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

Operator:	Location of Well: County:
Lease:	feet from N / S Line of Section
Well Number:	feet from E / W Line of Section
Field:	Sec Twp S. R E 📃 W
Number of Acres attributable to well: QTR/QTR/QTR/QTR of acreage:	Is Section: Regular or Irregular
	If Section is Irregular, locate well from nearest corner boundary.
	Section corner used: NE NW SE SW

PLAT

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of 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. 2640 ft.



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

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

- 1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
- 2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
- 3. The distance to the nearest lease or unit boundary line (in footage).
- 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.

Side Two

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION 1191404

May 2010 Form must be Typed

Form CDP-1

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name:		ionni în Duplicat	License Number:		
Operator Address:			1		
Contact Person:			Phone Number:		
Lease Name & Well No.:			Pit Location (QQQQ):		
Type of Pit:	Pit is:		· ·		
Emergency Pit Burn Pit	Proposed	Existing	SecTwpR East West		
Settling Pit Drilling Pit	If Existing, date co	nstructed:	Feet from North / South Line of Section		
Workover Pit Haul-Off Pit	Pit capacity:		Feet from East / West Line of Section		
(If WP Supply API No. or Year Drilled)		(bbls)	County		
Is the pit located in a Sensitive Ground Water Area?			Chloride concentration: (For Emergency	mg/l Pits and Settling Pits only)	
Is the bottom below ground level?	Artificial Liner?	No	How is the pit lined if a plastic	liner is not used?	
Pit dimensions (all but working pits):	Length (fe	et)	Width (feet)	N/A: Steel Pits	
Depth fro	Depth from ground level to deepest point:			No Pit	
Distance to nearest water well within one-mile of	of pit:	Depth to shallo Source of inforr	west fresh water	feet.	
feet Depth of water well	feet	measured well owner electric log KDWR			
Emergency, Settling and Burn Pits ONLY:		Drilling, Worko	over and Haul-Off Pits ONLY:		
Producing Formation:		Type of material utilized in drilling/workover:			
Number of producing wells on lease:		Number of working pits to be utilized:			
Barrels of fluid produced daily:		Abandonment procedure:			
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No		Drill pits must be closed within 365 days of spud date.			
Submitted Electronically		· · · ·			
	КСС	OFFICE USE O		el Pit	
Date Received: Permit Num	ber:	Permi	t Date: Lease	e Inspection: Yes No	

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

OIL & GAS CONS CERTIFICATION OF C	ATION COMMISSION 1191404 ERVATION DIVISION TO UNISION Form Must Be Typed COMPLIANCE WITH THE NER NOTIFICATION ACT
T-1 (Request for Change of Operator Transfer of Injection Any such form submitted without an acco	of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); or Surface Pit Permit); and CP-1 (Well Plugging Application). companying Form KSONA-1 will be returned. Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)
OPERATOR: License #	Well Location:
Surface Owner Information: Name: Address 1: Address 2: City:	When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

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

Select one of the following:

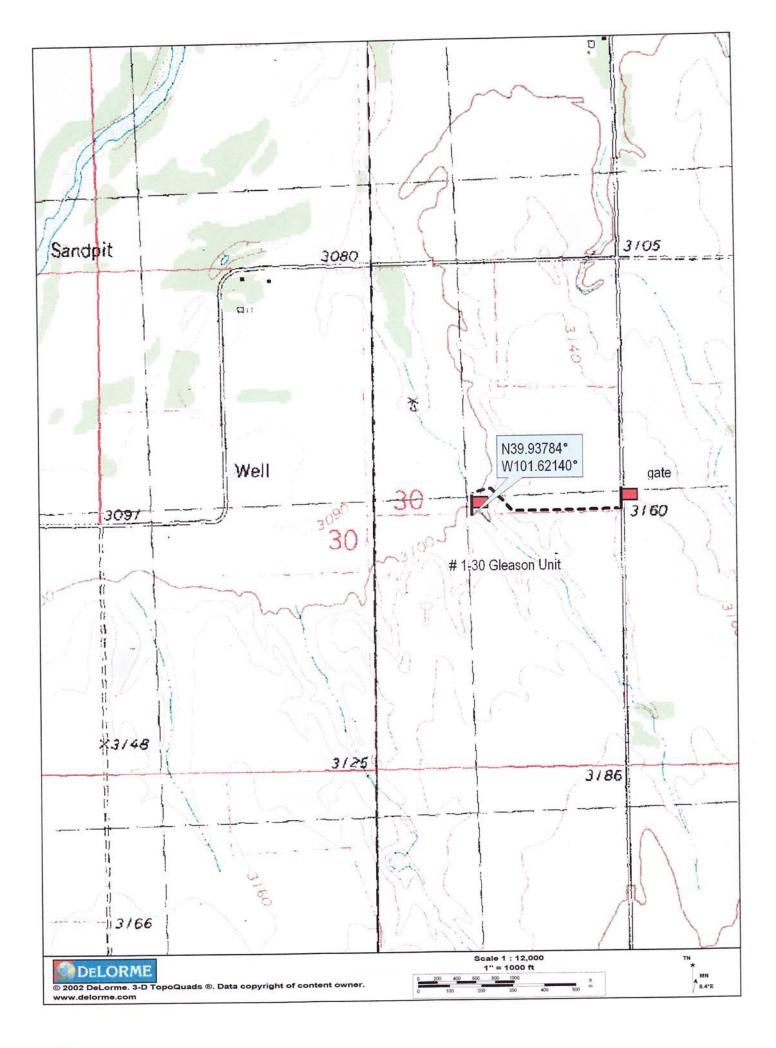
- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this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

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

Submitted Electronically

I

			ike and Ele 719 W. (P.O. B Concordia	SOCIATO vation Servi or Street ox 404 o, KS. 66901 i36-2821		Date2-	26-14 ber 0225141
MURFIN DI Operat			-30 mber		Gleason Ur Farm Name		
Count Murfir 250 N Suite 3	nne-KS y-State Drilling Water 300 ta, KS. 67202	<u>30</u> S	T	8 <mark>8w</mark>	2640'FNL 1540 Location	FEL Elevation Ordered By:	3115 GR. Shauna
N				Scale 1"=1000*	2640'	-	
				Stake	Lead Line & TB's	000 × 00 1540′ →	
	Set 5' Iron rod & 4 to steep slope past from E/4 corner.						



AFFIDAVIT OF EXTENSION OF LEASES

STATE OF KANSAS)

COUNTY OF CHEYENNE)

Michael A. Pisciotte, being first duly sworn deposes and says:

My name is Michael A. Pisciotte, of Murfin Drilling Company, Inc. and of lawful age and reside in Butler County, Kansas.

WHEREAS, the oil and gas leases described in Exhibit "A" attached hereto and made a part hereof in each and every instance contains an option to extend the primary term of each referenced lease for an additional three (3) year period by paying or tendering to each Lessor(s) the sum of as described by each lease.

Affiant knows of his own knowledge that the above sums have been paid or tendered to Lessor(s) and that the primary term of each lease has been extended as aforesaid and said leases remain valid and in force.

Affiant further saith not.

EXECUTED this _28th day of _FEGRARY_, 2011.

Michael A. Pisciotte

Murfin Drilling Company, Inc.

REGISTER OF DEEDS, CHEYENNE COUNTY, KANSAS MARY M. MORROW Book: 170 Page: 374 Recording Fee: \$12.00

Receipt *: 3680 Pages Recorded: 2

Date Recorded: 3/1/2011 11:30:00 AM

ACKNOWLEDGMENT

STATE OF KANSAS

COUNTY OF SEDGWICK

Before me, the undersigned, a Notary Public, within and for said County and State on this 28^{+-} day of 72 d person who executed the within and foregoing instrument and acknowledged to me that he executed the same as a free and voluntary act and deed for the uses and purposes therein set forth, and at the same time the affiant was by me duly sworn to the foregoing Affidavit.

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

My commission expires: 2-21-15



hi A. Allen

Notary Public Julie A. Allen

159 PAGE 682 AMENDIMENT OF OIL AND GAS LEASE

WHEREAS, on the 9th day of March, 2008, Jimmy G. Gleason and Annette C. Gleason, husband and wife, as Lessor, executed an Oil and Gas Lease to Murfin Drilling Company, Inc., as Lessee, and recorded in Book 158, Page 108 of the Records of Chevenne County, Kansas, covering the following described lands in Chevenne County, Kansas, to wit:

Township 1 South, Range 38 West Section 19: SE/4, NE/4, SE/4NW/4

Section 30: E/2

STATE OF KANSAS, CHEYENNE COUNTY This instrument was filed for record on the day of. o'clock A .M. and recorded Book Deeds legister of Re: Murfin

and containing 680 acres, more or less; and,

WHEREAS, the above described Oil and Gas Lease was recorded with a Rider, but the face of the said Lease did not make any reference to said Rider and it being the intent of the undersigned to attach the Rider to the Lease; and,

WHEREAS, Paragraph 8 of the RIDER to the Oil and Gas Lease calls for the creation of separate leases according to the described Tracts without including a description of those referenced tracts in Cheyenne County, Kansas; and

NOW, THEREFORE, the undersigned parties, in consideration of Ten and no/100 Dollars (\$10.00) and other good and valuable consideration, receipt of which is hereby acknowledged, do hereby amend said Oil and Gas Lease to include the following language on the face of the lease:

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

AND FURTHERMORE, do hereby amend said Rider to the Oil and Gas Lease adding the following language to the top of the Rider:

Township 1 South, Range 38 West

- / Tract 1: Section 19: SE/4
- ^J Tract 2: Section 19: NE/4, SE/4NW4/4
- Tract 3: Section 30: NE/4
- Tract 4: Section 30: NW/4

AND FURTHERMORE, do hereby further ratify, grant, lease and let all of the above described lands in accordance with the terms and provisions of said Lease, as herein amended. Except as herein amended, the aforedescribed Oil and Gas Lease shall remain in full force and effect in accordance with the original terms and conditions therein set out.

EXECUTED this 2/st day of July, 2008

(Jimmy G/Gleason)

(Annette C. Gleason)

State of Wyoming

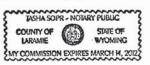
ACKNOWLEDGMENT

County of Cheyenne

Before me, the undersigned, a Notary Public, within and for said County and State on this , 2008, personally appeared Jimmy G. Gleason and Annette C. Gleason, husband and wife, to me personally known to be the identical persons who executed the within and foregoing instrument and acknowledged to me that they executed the same as a free and voluntary act and deed for the uses and purposes therein set forth in the foregoing Amendment of Oil and Gas Lease.

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

My Commission expires:



#3556-(256-259)

1	VOL 158 P	AGE 108			
FORM 88 - (PRODUCER'S SPECIAL) (PAID-UP)			Reorder No.	Kansas Blue P	rint
63U (Rev. 1993)	OIL AND G	AS LEASE	09-115	700 3. Bradwey PO Ba Webits, K3 07201-07 318-264-044-204-516 www.kbp.com-kbg@Nbp	93 5 fax 5,60m
AGREEMENT, Made and entered into the9th	day ofMarch			2	008
by and between Jimmy G. Gleason,	and			*	
	his wife				····
Annette C. Gleason,	IIIS WIE				
whose mailing address is 6656 Troyer Drive C	heyenne, Wyon	ning 82007	hereinaft	ter called Lessor (whether one or n	more)
MURFIN DRILLING COMPANY IN	IG. 250 N. Wa	ter wichita, Kai	ISas 67202		
				hereinafter caller L	65800
Lessor, in consideration of <u>ORE and</u> is here acknowledged and of the royalities hereita provided and of of of investigating, exploring by geophysical and other means, proc constituent products, injecting gas, water, other fluids, and at into and things thereon to produce, save, take care of, treat, manufacture products manufactured therefrom, and bousing and otherwise can there at the same and the care of the same and the same products manufactured therefrom, and bousing and otherwise can there at a same at a Careful same and the same at the same there is a same at a same at the same at the same at the same same at the sa	the agreements of the lesse pecting drilling, mining a subsurface strata, laying p a, process, store and transp ag for its employees, the fo	olowing described land, tog	grants, leases and lets o ring oil, liquid hydroe g tanks, power station	s, telephone lines, and other struct spective constituent products and onary rights and after-acquired int	rpose ective stures other erest,
therein situated in County of	10 St	ate of NanSas		described as follows to)-wit
Township 1 South-Range 38 West					
Section 19: SE/4, NE/4, SE/4NW/4					
Section 30: E/2					
			680		
In Section Township	, Range	three (2)		acres, more or less, an	
Subject to the provisions herein contained, this lease shall as oil, liquid hydrocarbons, gas or other respective constituent pro In consideration of the premises the said lessee covenants		roduced from said land or la	from this date (called ' nd with which said las	"primary term"), and as long ther ad is pooled.	enfte
1st. To doliver to the credit of lessor, free of cost, in the from the lessed promises.		any connect wells on said lar	ad, the equal one-eight	h (%) part of all oil produced and :	88A6
2nd. To pay lessor for gus of whatsoever nature or kind at the market price at the well, (but, as to gas sold by lessec, in r promises, or in the manufacture of products thereform, said payre as royalty One Dollar (\$3.00) per year per net mineral sere retain meaning of the preceding paragraph.	to event more than one-cip tents to be made monthly.	ghth (%) of the proceeds rece Where gas from a well pro-	tived by lessee from m ducing gas only is not	sch sales), for the gas sold, used o sold or used, lessee may pay or b	off th tende
This lease may be maintained during the primary term of this lease or any extension thereof, the lease shall have the ri found in paying quantities, this lease shall continue and be in fore	ght to drill such well to o	ompletion with reasonable d	iligence and dispatch,	and if oil or gas, or either of the	m, b
If suid lessor owns a less interest in the above described the said lessor only in the proportion which lessor's interest beam	land than the entire and	andivided fee simple estate			s pai
Lessee shall have the right to use, free of cost, gas, oil and			reon, except water fra	m the wells of lessor.	
When requested by leasor, leases shall bury leases's mpe E					
No well shall be drilled nearer than 200 feet to the house of			of lessor.		
Lessee shall pay for damages caused by lessee's operation Lessee shall have the right at any time to remove all mad			the right to draw and	remove casing.	
If the estate of either party hereto is assigned, and the uncertors, administrators, successors or assigns, but no change lessee has been furnished with a written transfer or assignment of with respect to the assigned portion or portions arising subsequen	privilege of amigning in in the ownership of the l or a true copy thereof. In c	whole or in part is express land or assignment of rents use lessee assigns this lesse	ly allowed, the covena de or royaltics shall b	e binding on the lessee until after	er th
Lessee may at any time execute and deliver to lesser or surrender this lease as to such portion or portions and be relieved	place of record a release of	or releases covering any per	tion or portions of the	above described premises and th	oreb
All express or implied covenants of this leave shall be su in whole or in part, nor leave held liable in damages, for failure Regulation.	bject to all Federal and St to comply therewith, if co	ate Laws, Executive Orders, mpliance is prevented by, or	if such failure is the	result of, any such Law, Order, R	tale o
Leaser hereby warrants and agrees to defend the title to il any mortgages, taxes or other liens on the above described lands signed leasens, for themselves and their heirs, successors and as as said right of dower and homestead may in any way affect the p	, in the event of default of signs, hereby surrender a	f payment by lessor, and be nd release all right of dowe	subrogated to the right r and homestead in the	ats of the holder thereof, and the u	under
Lessee, at its option, is hareby given the right and power immediate vicinity theread, when in lesses's jedgment it is near conservation of oil, gas or other minorals in and under and that or units not exceeding 40 acres each in the event of an oil well, record in the conveyance records of the county in which the lap pooled into a trust or unit handl be treated as if production in found on the pooled acreage, it shall be treated as if production in polated in the involve practice, lessor shall be receive on pro- placed in the unit or his royalty interact therein on an acreage bas	creary or advisable to do may be produced from an or into a unit or units not ad herein leaned is situat is the payment of royalties had from this lease, whet incition from a unit so n	no in order to properly de- tid premises, such pooling to exceeding 640 acres each in and an instrument identifyin s on production from the po- ther the well or wells be local order only such prettion of	relop and operate said be of tracts contiguou the event of a gas we g and describing the oled unit, as if it were ted on the premises co- the preselve stimulated	d lease promises so as to promot as to one another and to be into a ell. Lessee ahall execute in writing pooled arrange. The entire acrea included in this lease. If product's vered by this lease or not. In lieu of	te th a uni g an age s ion i of th
Lessee or assigns agree to that in the event of dri as nearly as is practicable and damages caused b when pits are filled. Lessee or assigns shall consu equipment on the leased premises.	y their operations. A	All top soil shall be pile	d separately and	returned to the surface	

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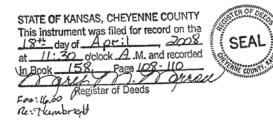
If at the end of the primary term, this lease is not otherwise continued in force under the provisions hereof this lease shall expire, unless Lessee on or before the end of the primary term shall pay or tender to the Lessor the sum of \$10.00 multiplied by the number of net mineral acres owned by the Lessor in all or any part of the lands above described and subject to this lease; and subject to the provisions of this lease, the primary term shall be extended for an additional term of three (3) years from the end of the primary term hereof.

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

Witn Annette C. Gleason lason

SSN#

Un



Jimmy G. G	amie nt was acknowledged before m leason , a/k/a jimmy	Gleason		DIVIDUAL (KsOkCoNe)	
Annette C. C	Sleason, his wife			ng	
TIND STEEDURD IN WAY	11.00 M01 No. 10 M	1.1		no Carlo	
Misconiniiksinn expines	01810		-Notan Peono	Notary Public	
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		Leramio	Wyoming Z	Pam Cohen	
STATE OF		5 My Commission 	Expires 3/15/2010	DIVIDUAL (KsOkCoNe)	
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STATE OF		~			
COUNTY OF		ROUTOWEE		DIVIDUAL (KsOkCoNe)	
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My commission expires					
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OIL AND	TO Date	No. of Acres	STATE OP County	day at . the	
TTATE OF	TO Date	ACKNOWLED	Annen Country Por	PORATION (KsOkCoNe)	
TATE OF	TO Date	ACKNOWLED	Annen Country Por	PORATION (KsOkCoNe)	
TTATE OF	was acknowledged before me	ACKNOWLED	GMENT FOR COR	PORATION (KsOkCoNe)	

VOL 158 PAGE 110

RIDER

- When preparing development locations, the topsoil shall be segregated to be replaced on the surface mon completion of drilling activities. Any tenaces driven over or altered for drilling or tank locations shall be restored to original height and contour as nearly as is practicable.
 In the event of drilling coverations on said land. Lettere or coving agrees to height all shall be restored to be a supervised on the state of the supervised of the superv
- In the event of drilling operations on said land, Lessee or assigns agree to backfill all slush pits, level the location and restore the surface as nearly as is practicable. Lessee or assigns agrees to pay for all damages of any nature atising from its operations on the above load
- pay for all damages of any nature atising from its operations on the above land.
 3. It is understood and agreed that upon the termination of production on the Lease, all equipment of Lessee shall be removed within six (6) months and all sites shall be restored to their original condition as nearly as is practicable.
- 4. Upon the completion of any drilling operations or any seismographic testing the Lessee shall leave no waste material, litter or other debris on said premises and shall restore said premises as nearly as practicable to the condition the premises were in prior to Lessee's operations
- 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.
- 6. If the lands covered hereby are irrigated by the use of a self propelled overhead sprinkler system, prescully in operation or installed hereafter, the Lessee, prior to conducting operations hereon, shall consult with the Lessor in regard to said drilling operations. Said operations shall be conducted in such a manner as will least disturb or interfiere with Lessor's irrigation system or the surface contours of the leased premises. Should any alterations to the 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 production and continued use of the surface, Lessee, or his assigns, will restore or prepare the surface and install all equipment needed in connection therewith, so that Lessee's use thereof will not interfiere with the passage of said overhead sprinkler irrigation systems. Lessee shall consult with Lessor in regard to the route of ingress and egress on said premises for the purpose of drilling and production.
- 7. If any part of the leased premises are subject to or enrolled in the Conservation Reserve Program, Lessee shall reseed to grass all acres thereof affected by Lessee's operations and hold Lessor harmless from penalties or liquidated damages assessed under the Conservation Reserve Program as a result of Lessee's operations.
- 8. It is agreed by and between the parties hereto that this lease is, in effect, a separate lease for each of the above described tracts and that the production of oil or gas on any one tract or a gas producing unit shall not extend the primary term of this lease on tracts not covered by production of oil or gas.
- 9. 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 the original per acce bonns 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 the primary term shall be extended for an additional three (3) years from the end of the primary term hereof. It is understood and agreed that the option to extend may be exercised individually according to the tracts herein described, with no obligation on the remainder tracts.

Jimmy/G. Gleason

Annette C. Gleason

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



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Shari Feist Albrecht, Chair Thomas E. Wright, Commissioner Jay Scott Emler, Commissioner Sam Brownback, Governor

March 06, 2014

Shauna Gunzelman Murfin Drilling Co., Inc. 250 N WATER STE 300 WICHITA, KS 67202-1216

Re: Drilling Pit Application Gleason Unit 1-30 E/2 Sec.30-01S-38W Cheyenne County, Kansas

Dear Shauna Gunzelman:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit within 72 hours of completion of drilling operations. KEEP PITS away from draw/drainage.

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

The fluids should be taken to an authorized disposal well. Please call the District Office at (785) 625-0550 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through KOLAR within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the District Office at (785) 625-0550.