For KCC Use:

Effective	Date:
D:	

District	#	

SGA?	Yes	No

Form

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

NOTICE OF INTENT TO DRILL

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

KSONA-1, Certification of Compliance with the	Kansas Surface Owner Notification	Act, MUST be submitted with this form
---	-----------------------------------	---------------------------------------

Expected Spud Date:	Spot Description:
month day year OPERATOR: License#	
Address 1:	Is SECTION: Regular Irregular?
Address 2:	(Note: Locate well on the Section Plat on reverse side) County: Lease Name: Well #:
Phone:	Eease Name: Weil #
CONTRACTOR: License# Name:	Is this a Prorated / Spaced Field? Yes No 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):
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 Electronically

For KCC Use ONLY	
API # 15	
Conductor pipe required	feet
Minimum surface pipe required	feet per ALT. II
Approved by:	
This authorization expires:	rted within 12 months of approval date.)
Spud date: Age	ent:

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 - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202



For KCC Use ONLY

API # 15 - ____

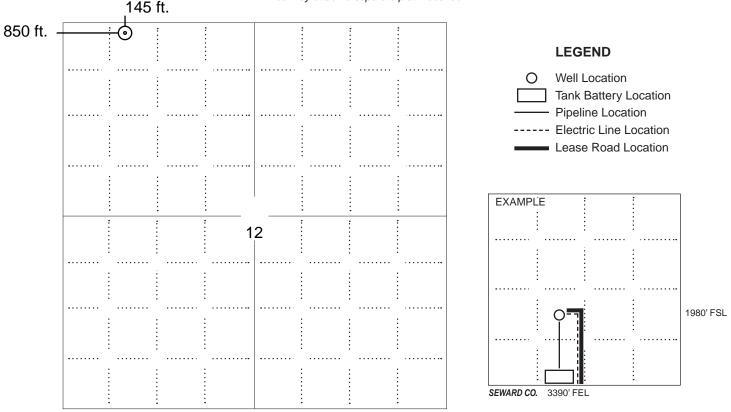
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.



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

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

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

Side Two

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION Form CDP-1 May 2010

1191549

May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name:		ionnt în Duplicat	License Number:				
Operator Address:							
Contact Person:			Phone Number:				
Lease Name & Well No.:			Pit Location (QQQQ):				
Type of Pit:	Pit is:		·				
Emergency Pit Burn Pit	Proposed	Existing	SecTwp R	East West			
Settling Pit Drilling Pit	If Existing, date co	nstructed:	Feet from No	rth / South Line of Section			
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:		Feet from Ea	st / West Line of Section			
		(bbls)		County			
Is the pit located in a Sensitive Ground Water A	rea? Yes	No	Chloride concentration: (For Emergency Pite)	mg/l s and Settling Pits only)			
Is the bottom below ground level?	Artificial Liner?	No	How is the pit lined if a plastic line	er is not used?			
Pit dimensions (all but working pits):	Length (fe	et)	Width (feet)	N/A: Steel Pits			
Depth fro	om ground level to dee	epest point:	(feet)	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		ctric log KDWR			
Emergency, Settling and Burn Pits ONLY:		Drilling, Worko	ver and Haul-Off Pits ONLY:				
Producing Formation:		Type of materia	al utilized in drilling/workover:				
Number of producing wells on lease:		Number of worl	orking pits to be utilized:				
Barrels of fluid produced daily:		Abandonment p	procedure:				
Does the slope from the tank battery allow all s flow into the pit?	pilled fluids to	Drill pits must b	be closed within 365 days of spud date.				
Submitted Electronically							
	KCC OFFICE USE ONLY						
Date Received: Permit Num	ber:	Permi	t Date: Lease Ir	nspection: Yes No			

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

OIL & GAS CONSI CERTIFICATION OF C	ATION COMMISSION 1191549 ERVATION DIVISION 1191549 COMPLIANCE WITH THE NER NOTIFICATION ACT
T-1 (Request for Change of Operator Transfer of Injection of	Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); or Surface Pit Permit); and CP-1 (Well Plugging Application). mpanying Form KSONA-1 will be returned. Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)
OPERATOR: License #	Well Location:S. R East West County: Lease Name: Well #: If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:
Surface Owner Information: Name: Address 1: Address 2: City:	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.

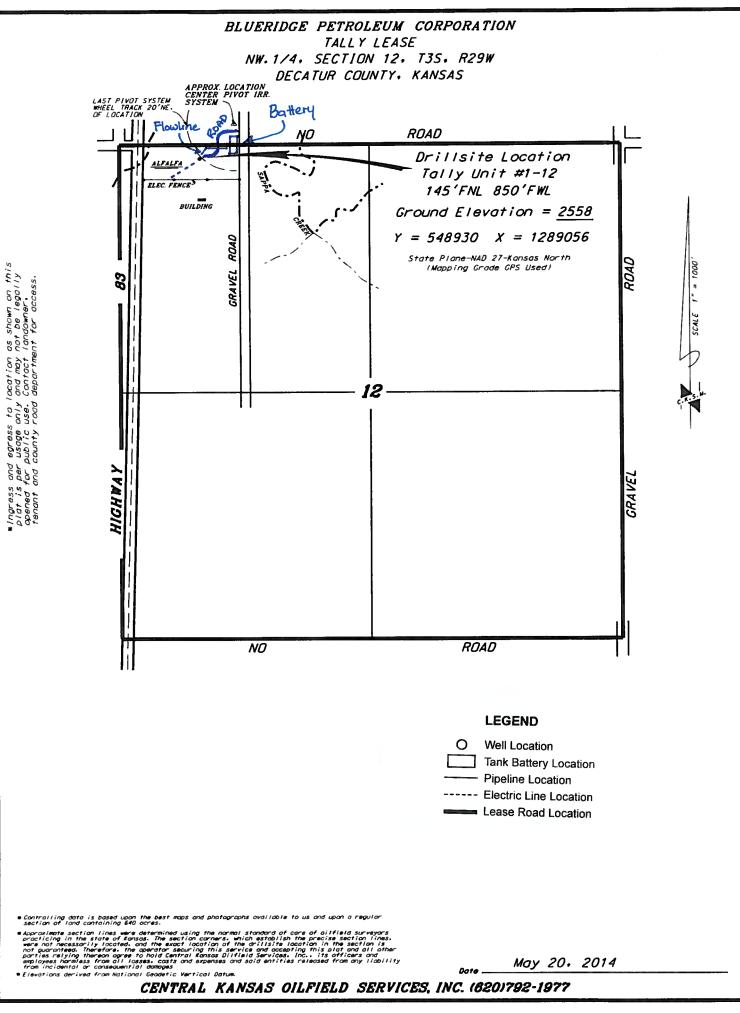
Select one of the following:

- 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



OIL AND GAS LEASE

Agreement, Made and entered into the 12th day of October

2010

by and between, Gerry N. Tally and Theresa M. Tally husband and wife.

Lessor, in consideration of <u>One and more Dollars (\$1.00+</u>) in hand paid, receipt of which is here by acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest,

> Township 3 South, Range 29 West Section 12: Pt. of NW/4 described as follows Section 1: Three (3) tracts of land in the SW/4 SEE EXHIBIT "A" ATTACHED FOR DESCRIPTIONS

In Section _____ Township ____ xxx ___ Range ____ xxx ___, and containing ____ 37.15 __acres, more or less, and all accretions thereto.

In consideration of the premises the said lessee covenants and agrees:

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

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

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

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

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operations thereon, except water from the wells of lessor.

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

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

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

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

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

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

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

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

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

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 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 the primary term shall be extended for an additional 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 written.

My Gerry N. Tally

eresa M.

BOOK BAL PAGE 298

Attached to and made a part of that certain oil and gas lease dated 12th day of October, 2010, by and between Gerry M. Tally and Theresa M. Tally, husband and wife, as Lessor, and Blue Ridge Petroleum Corporation, as Lessee.

EXHIBIT "A"

Township 3 South, Range 29 West

Section 12: Pt. of NW/4 described as follows: A tract of land beginning at a point 700 feet East of corner of Sections One (1), Two (2), Eleven (11) and Twelve (12), Township Three (3) South, Range Twenty-nine (29), West of the 6th P.M., Decatur County, Kansas; thence East \$43 feet; South 30 feet; thence West 83 feet; thence South 300 feet; thence West 760 feet; thence North 330 feet to the beginning point. Containing 4.9 acres, more or less.

Section 1: Three (3) tracts of land described as follows:

TRACT #1: That part of the SW/4 of Section 1, Township 3 South, Range 29, West of the 6th P.M., described as: Commencing at the junction of Penn Avenue and Mill Street in Oberlin, Kansas; thence running South to the Section line between Section 1 and 12; thence East along the Section line to the point where the center of the channel of Sappa Creek intersects with the Section line between Section 1 and 12 aforesaid (which point is approximately 660 feet West of the Southeast corner of the SW/4 of Section 1, Township 3 South, Range 29; then in a Northwesterly direction along the center of the channel of Sappa Creek to the point where Mill Street in Oberlin, Kansas intersects with Sappa Creek, then West along said Mill Street to the point of beginning; and

TRACT #2: That part of the SW/4 of Section 1, Township 3 South, Range 29, West of the 6th P.M., starting at the junction of Penn Avenue and Mill Street, thence running South to the Section line, thence West to the Southwest corner of said Section 1, thence North to Mill Street; thence East along Mill Street to the place of beginning, EXCEPT a tract of land in the SW'/4 of Section 1-3-29, starting at the Southwest corner of said Section, thence East 194.5 feet for the point of beginning; thence North 314.5 feet, thence West 25 feet, thence North 627.5 feet, thence East 295.0 feet, thence South 942.0 feet, thence West 275.5 feet to the place of beginning; and

TRACT #3

a part of Section 1, Township 3 South, Range 29, West of the 6th P.M., being a tract of land described as starting at a point 1459.5 ft. East of the corner common to Sections 1, 2, 11 and 12, Township 3 South, Range 29 West of the 6th P.M., thence 100 ft. North for the point of beginning, thence West 240 feet thence North 300 ft. thence East 240 feet, thence South 300 ft. to the place of beginning.

ALL TRACTS CONTAINING 37.15 ACRES, more or less.

Signed for acknowledgment:

Gerry N. Tally

ally m Pallos

63U (Rev. 1993)

OIL AND GAS LEASE

Kansas Blue Print 700 S. Broadway PO Box 793 Wichita, KS 67201-0793 316-264-9344 -- 264-5185 fax www.kbp.com - kbp@kbp.com

[

AGREEMEN	T, Made and entered	l into the 3	1 st d	ay of		Janua	ıry			, 2014
by and betwe	en	Charles A.	Harms, a s	single man						
whose mailin	g address is		611 N. Pe	en Ave, Ob	perlin, KS (57749		hereinafter called	l Lessor (whe	ther one or more),
and	J. Fred Han	nbright, Inc.,			,			-		
		ket, #1415, W	ichita, Ka	nsas 67202	2				hereinaf	ter called Lessee:
Less	or, in consideration o			ne and More	*****	Dollars (\$		1.00 & More) in hand paid,
the purpose respective co	of investigating, exp instituent products, in d things thereon to pr	bloring by geophysic njecting gas, water, roduce, save, take car	al and other 1 other fluids, an e of, treat, mai	means, prospect nd air into subs nufacture, proce	ing drilling, m urface strata, la ss, store and tra	f the lessee herein conta ining and operating for ying pipe lines, storing nsport said oil, liquid hy owing described land, to	and product oil, building drocarbons,	ing oil, liquid hy g tanks, power sta gases and their res	drocarbons, a tions, telepho pective const ghts and after	Il gases, and their ne lines, and other ituent products and -acquired
interest, there	ein situated in County	/ of		Decatur		State of	Ka	ansas	Described as	follows to wit:
feet for t Thence S Section I Twelve (thence E thence N *** <i>It is</i>	the point of be South 942.0 fe [12: A tract of l [1, 2, 11 & 12), ast 16 Rods 12 North along the	ginning; then et, thence Wes land beginning , Township Th 2 ½ Links; the e Center of sa of the Lessor J	te North 3 st 275.5 fe g at a poin tree (3) So ence South id Creek t <i>herein to</i>	314.5 feet, t eet to the pl nt 19 Rods outh, Rang n 20 Rods; to place of grant unto	thence We lace of beg 13 ½ Link e Twenty- thence We beginning o Lessee an	the Southwest (st 25 feet, thence inning. AND; s East of Cornel Nine (29), West est 31 Rods 12 ½ (Pt. of NW/4NV of Oil and Gas Lo	e North (r of Secti of the 6 th Links to W/4 of 12	675.5 feet, th ions One, Tv ' P.M., Deca o the Center 2-3-29).	ence Eas vo, Eleve tur Coun of Sappa	t 295.0 feet. n and ty, Kansas; n Creek;
In Section	XXX	Township	XXX	Range	XXX	and containing	9.0	acres, more or	ess and all ac	cretions thereto
as oil, liquid In con 1st. To the leased pr 2nd. T market price in the manuf (\$1.00) per paragraph. This le or any exter quantities, th If said only in the p	sideration of the pren o deliver to the credit emises. To pay lessor for gas at the well, (but, as t acture of products the year per net mineral case may be maintain ision thereof, the less is lease shall continu lessor owns a less in roportion which lessor	r other respective com- nises the said lessee of a of lessor, free of cos- of whatsoever nature to gas sold by lessee, erefrom, said paymen acre retained hereur ned during the primar see shall have the rig and be in force wit iterest in the above do or's interest bears to t	stituent product covenants and it st, in the pipe l cor kind produ- in no event mo- tts to be made ider, and if su- y term hereof- th to drill suc- h like effect as escribed land th he whole and u	ets, or any of the agrees: line to which les used and sold, o ore than one-eig monthly. Where ch payment or t without further h well to compl if such well had han the entire an undivided fee.	em, is produced see may conne r used off the p hth (1/8) of the gas from a we tender is made payment or dril letion with reas I been complete d undivided fee	Three(3) year from said land or land v et wells on said land, the remises, or used in the r proceeds received by le Il producing gas only is it will be considered th ling operations. If the le onable diligence and di d within the term of year e simple estate therein, th see's operation thereon,	vith which sa e equal one-o nanufacture ssee from su not sold or u at gas is bei ssee shall co spatch, and i rs first menti nen the royal	of any products the ch sales), for the g sed, lessee may pa ing produced with mmence to drill a if oil or gas, or eit ioned. ties herein provide	all oil produ terefrom, one as sold, used y or tender as in the meanir well within the her of them, d for shall be	ced and saved from eighth (1/8), at the off the premises, or royalty One Dollar up of the preceding the term of this lease be found in paying
						sees operation thereon,	except water	from the wens of	105501.	
	requested by lessor,					it written consent of less	or.			
	en shall be drifted hea e shall pay for damag					consent of iess				
						emises, including the rig	ht to draw ar	d remove casing.		
If the administrate with a writte	estate of either party	y hereto is assigned, igns, but no change in ment or a true copy	and the privilon the ownership thereof. In cas	ege of assigning p of the land or	g in whole or in assignment of r	a part is expressly allow entals or royalties shall whole or in part, lessee	ed, the cove	mants hereof shall n the lessee until a	fter the lessee	has been furnished
Lesse this lease as	e may at any time exe to such portion or po	ecute and deliver to artions and be relieved	lessor or place 1 of all obligati	of record a rele ions as to the ac	ase or releases reage surrender	covering any portion or ed.	portions of t	he above describe	d premises ar	d thereby surrender
or in part, no	or lessee held liable in	n damages, for failure	e to comply the	erewith, if comp	liance is preven	Executive Orders, Rules ted by, or if such failure	is the result	of, any such Law,	Order, Rule o	or Regulation.
mortgages, 1 for themselv homestead 1	axes or other liens or ves and their heirs, su nay in any way affect	n the above described accessors and assigns t the purposes for wh	I lands, in the e , hereby surrer ich this lease is	event of default ader and release s made, as recite	of payment by all right of dov d herein.	es that the lessee shall l lessor, and be subrogate ver and homestead in the	d to the right e premises d	s of the holder the escribed herein, in	reof, and the so far as said	undersigned lessors, I right of dower and
vicinity ther other minera in the event in which the except the p had from th from a unit	eof, when in lessee's als in and under and to of an oil well, or into e land herein leased it ayment of royalties of is lease, whether the	eby given the right a judgment it is necess that may be produced a unit or units not e is situated an instrum on production from t well or wells be loca portion of the royalt	nd power to po sary or advisab I from said pre xceeding 640 a tent identifying he pooled unit ted on the prei	le to do so in or mises, such poo acres each in the g and describing , as if it were in mises covered b	der to properly ling to be of tra- event of a gas the pooled ac- cluded in this l v this lease or r	red by this lease or any develop and operate sai acts contiguous to one a well. Lessee shall execu eage. The entire acreag ease. If production is fo tot. In lieu of the royalti ge placed in the unit or	d lease prem nother and to te in writing e so pooled und on the p es elsewhere	ises so as to prom- be into a unit or and record in the into a tract or unit ooled acreage, it s herein specified,	ote the conser- units not excer conveyance re- shall be treat hall be treate lessor shall re	vation of oil, gas or eding 40 acres each ecords of the county ted, for all purposes d as if production is ceive on production
					· · · · · · · · · · · · · · · · · · ·	41 - 4 T			a tha aha	wa dagamihad

***It is understood and agreed by and between the parties hereto that Lessee shall make no entry onto the above described lands for the purpose of oil and gas exploration or drilling without Lessor's written consent.

BOOK B29 PAGE 728

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

(Charles A. Harms) X:



63U (Rev. 1993)

OIL AND GAS LEASE

AGREEMENT, M	fade and entered int	to the	6 th da	y of		Decem	ber	,	, 2013
by and between	Janice Lyr	nn Chase ai	nd Galen W.	Olson, wif	fe and hus	oand			
whose mailing add	drace is		1600 1120	th Deed Ok	anlin VC	(7740	hereinafter	called Lessor (wheth	er one or more)
	. Fred Hamb	right Inc	1698 1130	Koad, Ob	berlin, KS	67749		called Lessor (wheth	er one or more),
	25 N. Marke			1898 67202		9,		hereinafte	r called Lessee:
ware the first state of the second state of th	consideration of	19771 TE 39 V		e and More		Dollars (\$	1.00 & 1	More) in hand paid,
the purpose of in respective constitu- structures and thir	vestigating, explor uent products, injec- ngs thereon to produ-	ing by geophys sting gas, water ace, save, take o	sical and other m r, other fluids, an care of, treat, man	ieans, prospecti d air into subsu ufacture, proces	ing drilling, m urface strata, lass, store and tra	of the lessee herein containing and operating for aying pipe lines, storing of msport said oil, liquid hydrowing described land, tog	and producing oil, liqu oil, building tanks, pow frocarbons, gases and the	id hydrocarbons, all er stations, telephone eir respective constitu	gases, and their e lines, and other uent products and
interest, therein si	tuated in County of			Decatur		State of	Kansas	Described as fo	ollows to wit:
Section 1: A tr West of the 6 th thence right (E Section 12: A t West of the 6 th 83 feet to a poi	P.M., thence W Cast) 137.5 feet to rract of land deso P.M., thence So nt, thence left (N	ibed as start est along the o a point, the cribed as star uth 330 feet	South line of S nce right (Sout ring at a point to a point, then	Section 1, Tow th) 20 feet to 1,459.5 feet E ice right (We	wnship 3 Sou the point of East of the co st) 220.5 fee	rner common to Sect 1th, Range 29 West, 1 beginning. orner common to Sect t to a point, thence rig e North line of said S	137.5 feet, thence rig tions 1, 2, 11 & 12, T ght (North) 300 feet	ht (North) 20 feet 'ownship 3 South, to a point, thence	t to a point, , Range 29 e right (East)
feet to the poin	0 0	T L	VVV	Dener	vvv		1 (757		ations therete
In Section	XXX	Township	XXX	Range	XXX	and containing	1.6757 acres, mo	re or less and all accr	coons mereto
2	the provisions herei					Imee(5)	s from this date (called "		s long thereafter
					m, is produced	from said land or land wi	th which said land is poo	oled.	
	ation of the premise				see may conne	ct wells on said land, the	equal one-eighth (1/8) n	art of all oil produce	d and saved from
the leased premise		lessor, nee or e	osi, in the pipe in	ne to which less	see may conne	et wens on said land, the	equal one-eighti (178) p	art of an on produces	a and saved from
market price at the in the manufacture (\$1.00) per year p paragraph.	e well, (but, as to g e of products theref per net mineral acr	as sold by lesse rom, said paym e retained here	e, in no event more nents to be made n under, and if such	re than one-eigh nonthly. Where h payment or te	oth (1/8) of the gas from a we ender is made	remises, or used in the m proceeds received by less Il producing gas only is n it will be considered tha	see from such sales), for ot sold or used, lessee m t gas is being produced	the gas sold, used of ay pay or tender as ro within the meaning	f the premises, or oyalty One Dollar of the preceding
or any extension	thereof, the lessee	shall have the 1	right to drill such	well to comple	etion with reas	ling operations. If the less onable diligence and disp of within the term of years	patch, and if oil or gas,	rill a well within the or either of them, be	found in paying
	or owns a less intere ttion which lessor's				d undivided fee	e simple estate therein, the	en the royalties herein pr	ovided for shall be pa	aid the said lessor
						see's operation thereon, e	xcept water from the we	lls of lessor.	
-	ested by lessor, less								
						it written consent of lesso	r.		
	Il pay for damages o							- 1	
If the estate administrators, su with a written tra	e of either party he	reto is assigned but no change t or a true copy	d, and the privileg in the ownership y thereof. In case	ge of assigning of the land or a	in whole or in ssignment of r	emises, including the righ a part is expressly allowe entals or royalties shall be whole or in part, lessee sl	d, the covenants hereof e binding on the lessee u	shall extend to their ntil after the lessee h	as been furnished
Lessee may this lease as to su	at any time execut ch portion or portio	te and deliver to ns and be reliev	o lessor or place o ved of all obligation	of record a releations as to the acro	ise or releases eage surrender	covering any portion or p ed.	ortions of the above des	cribed premises and	thereby surrender
or in part, nor less	see held liable in da	mages, for failt	ire to comply ther	ewith, if compli	iance is preven	Executive Orders, Rules of ted by, or if such failure i	s the result of, any such	Law, Order, Rule or I	Regulation.
mortgages, taxes for themselves an	or other liens on the	e above describ ssors and assign	ed lands, in the ev ns, hereby surrence	ent of default o ler and release a	of payment by a large the second s	es that the lessee shall ha lessor, and be subrogated ver and homestead in the	to the rights of the holde	er thereof, and the un	dersigned lessors,
vicinity thereof, v other minerals in in the event of an in which the land except the payme had from this leas from a unit so po	when in lessee's jud and under and that oil well, or into a u herein leased is si ent of royalties on p se, whether the wel	gment it is nece may be produc unit or units not tuated an instru- roduction from l or wells be loo tion of the roya	essary or advisable ed from said pren exceeding 640 ac unen fortifying the pooled unit, tated on the prem	e to do so in ord nises; such pool ores each in the and describing as if it were inc ises covered by	ter to properly ing to be of tra- event of a gas the pooled acr uded in this le this lease or n	red by this lease or any p develop and operate said acts contiguous to one and well. Lessee shall executo eage. The entire acreage ease. If production is foun ot. In lieu of the royalties ge placed in the unit or hi	lease premises so as to other and to be into a un e in writing and record in so pooled into a tract o and on the pooled acreage s elsewhere herein speci-	promote the conserva it or units not exceed a the conveyance recor- r unit shall be treated e, it shall be treated a fied, lessor shall rece	ation of oil, gas or ling 40 acres each ords of the county d, for all purposes as if production is vive on production
		<u> </u>		-		that Lessee shall t Lessor's writter	-	onto the abov	e described
IN WITNESS WHI Witnesses:	EREOF, the undersigne	ed execute this ins	trument as of the day	/ and year first abo	ove written.				
~						0. 1	1/	Al .	/

x: My U WM Mig (Janice Lynn Chase)

X: Jala (Galen W. Olson) W

BOOK 329 PAGE 730



63U (Rev. 1993)	OIL AND	OIL AND GAS LEASE				
AGREEMENT, Made and entered into the 4 th	day of	February		, 2014		
by and between Danny Elwood	l, a single man					
whose mailing address is 16	93 Highway 83, Oberlin,	KS 67749	hereinafter call	ed Lessor (whether one or more),		
J. Fred Hambright, Inc.,						
125 N. Market, #1415, Wich	ita, Kansas 67202	a tan manana ana ana amin'ny faritr'o dia amin'ny faritr'o dia dia mampiasa amin'ny faritr'o dia mangana dia		hereinafter called Lessee:		
Lessor, in consideration of	One and More	Dollars (\$	1.00 & Mor	e) in hand paid,		
receipt of which is here acknowledged and of the royaltie the purpose of investigating, exploring by geophysical a respective constituent products, injecting gas, water, othe structures and things thereon to produce, save, take care of other products manufactured therefrom, and housing and o	and other means, prospecting drill r fluids, and air into subsurface st r treat, manufacture, process, store therwise caring for its employees, t	ing, mining and operating for and rata, laying pipe lines, storing oil, l and transport said oil, liquid hydroca he following described land, togethe	producing oil, liquid h building tanks, power st arbons, gases and their ru- er with any reversionary	ydrocarbons, all gases, and their tations, telephone lines, and other espective constituent products and rights and after-acquired		
interest, therein situated in County of	Decatur	State of	Kansas	Described as follows to wit:		
Section 12: That part of the Northwest Quarter lying West of the West line of Penn Avenue in the said quarter section, and described as follows: S Section Twelve (12), Township Three (3) South, Avenue in Oberlin, Kansas, extended South alor Northwest Quarter (NW/4) of said Section Twel- beginning. AND; A tract of land beginning at a point One Hundred of Section Twelve (12), Township Three (3) South record in Book 8 at Page 536 of the deed records is the East line of the present Highway), thence S line from such point on the West line of said sect City of Oberlin, Decatur County, Kansas, thence record in Book A-42 on Page 346 in the records	te City of Oberlin, Decatur Co tarting at a point 2,153.5 feet Range Twenty-Nine (29) Wes og the present road in said qu ve (12), Township Three (3) S ed Fifty Feet (150') South of t th, Range Twenty-nine (29) W s of Decatur County, Kansas, South along the West line of S tion straight East to the East te North to the place of beginn ds of Decatur County, Kansas	ounty, Kansas, extended South North of the Southwest corne st of the 6 th P.M., thence East 1 arter section, thence North 15 South, Range Twenty-Nine (29 the Southeast corner of that pa Vest of the 6 th P.M. conveyed to thence West by a straight line Section 12 a sufficient distance line of the present road being ing; EXCEPT a tract deeded 3.	h along the present 1 r of the Northwest (1,460 feet more or le 0 feet, thence West 1) West, thence South art of a tract of the N o Albertena Jackson e to the West line of t to make a tract of t the West line extend to Decatur Coopera	North and South road in Quarter (NW/4) of said ess, to the West line of Penn to the West line of said h 150 feet to the point of Northwest Quarter (NW/4) a by that deed which is of said Quarter section (which en (10) acres by running a led of Penn Avenue in the tive Association, Inc. and		
*** <i>It is the intention of the Lessor herein to gram</i>	t unto Lessee an Oil and Gas L XXX Range XX			the INW/4 12-38-29W.		
			4.0 acres, more or			
Subject to the provisions herein contained, this leas				nary term") and as long thereafter		
as oil, liquid hydrocarbons, gas or other respective constitu	ent products, or any of them, is pro	duced from said land or land with w	hich said land is pooled			
In consideration of the premises the said lessee cove	Ŧ					
1st. To deliver to the credit of lessor, free of cost, in the leased premises.	the pipe line to which lessee may	connect wells on said land, the equa	al one-eighth (1/8) part of	of all oil produced and saved from		
2nd. To pay lessor for gas of whatsoever nature or market price at the well, (but, as to gas sold by lessee, in r in the manufacture of products therefrom, said payments to (\$1.00) per year per net mineral acre retained hereunder paragraph.	o event more than one-eighth (1/8) be made monthly. Where gas from	of the proceeds received by lessee f n a well producing gas only is not so	from such sales), for the old or used, lessee may p	gas sold, used off the premises, or ay or tender as royalty One Dollar		
This lease may be maintained during the primary te or any extension thereof, the lessee shall have the right t quantities, this lease shall continue and be in force with lik	o drill such well to completion with	th reasonable diligence and dispatch	n, and if oil or gas, or e			
If said lessor owns a less interest in the above descri only in the proportion which lessor's interest bears to the v		ded fee simple estate therein, then th	e royalties herein provid	led for shall be paid the said lessor		
Lessee shall have the right to use, free of cost, gas, o	oil and water produced on said land	for lessee's operation thereon, except	ot water from the wells o	f lessor.		
When requested by lessor, lessee shall bury lessee's	pipe lines below plow depth.					
No well shall be drilled nearer than 200 feet to the h	ouse or barn now on said premises	without written consent of lessor.				
Lessee shall pay for damages caused by lessee's ope	rations to growing crops on said lar	nd.				
Lessee shall have the right at any time to remove all	machinery and fixtures placed on s	said premises, including the right to	draw and remove casing	•		
If the estate of either party hereto is assigned, and administrators, successors or assigns, but no change in the with a written transfer or assignment or a true copy ther portion or portions arising subsequent to the date of assign	e ownership of the land or assignme eof. In case lessee assigns this leas	ent of rentals or royalties shall be bir	iding on the lessee until	after the lessee has been furnished		
Lessee may at any time execute and deliver to less this lease as to such portion or portions and be relieved of			ons of the above describ	ed premises and thereby surrender		
All express or implied covenants of this lease shall or in part, nor lessee held liable in damages, for failure to	comply therewith, if compliance is	prevented by, or if such failure is the	e result of, any such Law	v, Order, Rule or Regulation.		
Lessor hereby warrants and agrees to defend the tit mortgages, taxes or other liens on the above described lan for themselves and their heirs, successors and assigns, he homestead may in any way affect the purposes for which	le to the lands herein described, an ds, in the event of default of payme reby surrender and release all right	ent by lessor, and be subrogated to the of dower and homestead in the pren	ne rights of the holder th	ereof, and the undersigned lessors,		
Lessee, at its option, is hereby given the right and p vicinity thereof, when in lessee's judgment it is necessary other minerals in and under and that may be produced fro in the event of an oil well, or into a unit or units not exceed in which the land herein leased is situated an instrument except the payment of royalties on production from the p had from this lease, whether the well or wells be located from a unit so pooled only such portion of the royalty sti acreage so pooled in the particular unit involved ***It is understood and agreed by and between and gas exploration or drilling without Lessor's	over to pool or combine the acreag or advisable to do so in order to pri m said premises, such pooling to bi ding 640 acres each in the event of identifying and describing the pool ooled unit, as if it were included in on the premises covered by this lead pulated herein as the amount of his a the parties hereto that Less	e covered by this lease or any portio operly develop and operate said lease e of tracts contiguous to one another 'a gas well. Lessee shall execute in led acreage. The entire acreage so p n this lease. If production is found o se or not. In lieu of the royalties else acreage placed in the unit or his ro	the premises so as to prome r and to be into a unit or writing and record in the booled into a tract or un n the pooled acreage, it ewhere herein specified, yalty interest therein on	note the conservation of oil, gas or units not exceeding 40 acres each conveyance records of the county it shall be treated, for all purposes shall be treated as if production is lessor shall receive on production an acreage basis bears to the total		
IN WITNESS WHEREOF, the undersigned execute this instrumen Witnesses:	t as of the day and year first above written	n				
Ha 6%						

(Danny Elwood) **X**: 2720

BOOK BZ9 PAGE 887

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



Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Shari Feist Albrecht, Chair Jay Scott Emler, Commissioner Pat Apple, Commissioner Sam Brownback, Governor

May 23, 2014

Jonathan Allen Blue Ridge Petroleum Corporation PO BOX 1913 ENID, OK 73702-1913

Re: Drilling Pit Application Tally 1-12 NW/4 Sec.12-03S-29W Decatur County, Kansas

Dear Jonathan Allen:

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.

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.