



For KCC Use ONLY

API # 15 - \_\_\_\_\_

### IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

Operator: \_\_\_\_\_

Lease: \_\_\_\_\_

Well Number: \_\_\_\_\_

Field: \_\_\_\_\_

Number of Acres attributable to well: \_\_\_\_\_

QTR/QTR/QTR/QTR of acreage: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Location of Well: County: \_\_\_\_\_

\_\_\_\_\_ feet from  N /  S Line of Section

\_\_\_\_\_ feet from  E /  W Line of Section

Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  E  W

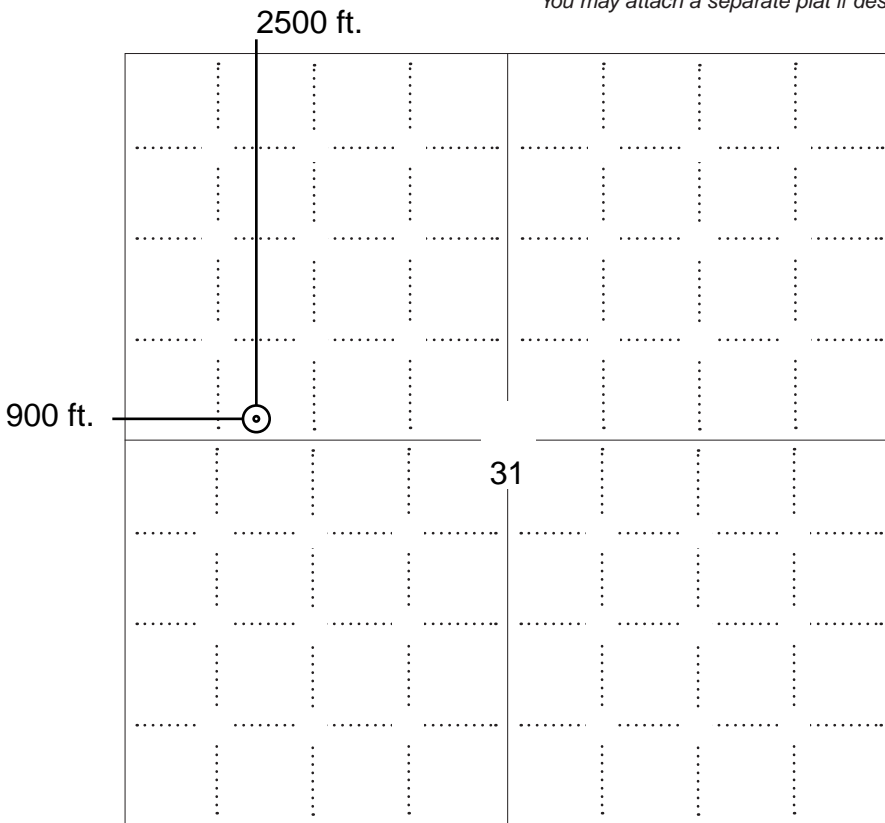
Is Section:  Regular or  Irregular

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

Section corner used:  NE  NW  SE  SW

### PLAT

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired.



### LEGEND

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



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

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

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

**APPLICATION FOR SURFACE PIT**

*Submit in Duplicate*

Operator Name:		License Number:	
Operator Address:			
Contact Person:		Phone Number:	
Lease Name & Well No.:		Pit Location (QQQQ): _____-_____-_____-_____	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	
How is the pit lined if a plastic liner is not used?			
Pit dimensions (all but working pits):    _____ Length (feet)    _____ Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) <input type="checkbox"/> No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit: _____ feet    Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
<b>Emergency, Settling and Burn Pits ONLY:</b> Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ _____ Drill pits must be closed within 365 days of spud date.	
Submitted Electronically			

**KCC OFFICE USE ONLY**

Liner     Steel Pit     RFAC     RFAS

Date Received: \_\_\_\_\_ Permit Number: \_\_\_\_\_ Permit Date: \_\_\_\_\_ Lease Inspection:     Yes     No



## CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

*This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.*

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

OPERATOR: License # \_\_\_\_\_  
Name: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Phone: ( \_\_\_\_\_ ) \_\_\_\_\_ Fax: ( \_\_\_\_\_ ) \_\_\_\_\_  
Email Address: \_\_\_\_\_

Well Location:  
\_\_\_\_ - \_\_\_\_ - \_\_\_\_ - \_\_\_\_ Sec. \_\_\_\_ Twp. \_\_\_\_ S. R. \_\_\_\_  East  West  
County: \_\_\_\_\_  
Lease Name: \_\_\_\_\_ Well #: \_\_\_\_\_

*If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:*

### Surface Owner Information:

Name: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_

*When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.*

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

### Select one of the following:

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

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

I Submitted Electronically



# Fall & Associates

Stake and Elevation Service

719 W. 5<sup>th</sup> Street

P.O. Box 404

Concordia, KS. 66901

1-800-536-2821

Date 3-31-14

Invoice Number 0327141

FORESTAR PETROLEUM CORP.

Operator

2-31

Number

K & K

Farm Name

Rawlins-KS

County-State

31

S

1s

T

31w

R

2500'FNL 900'FWL

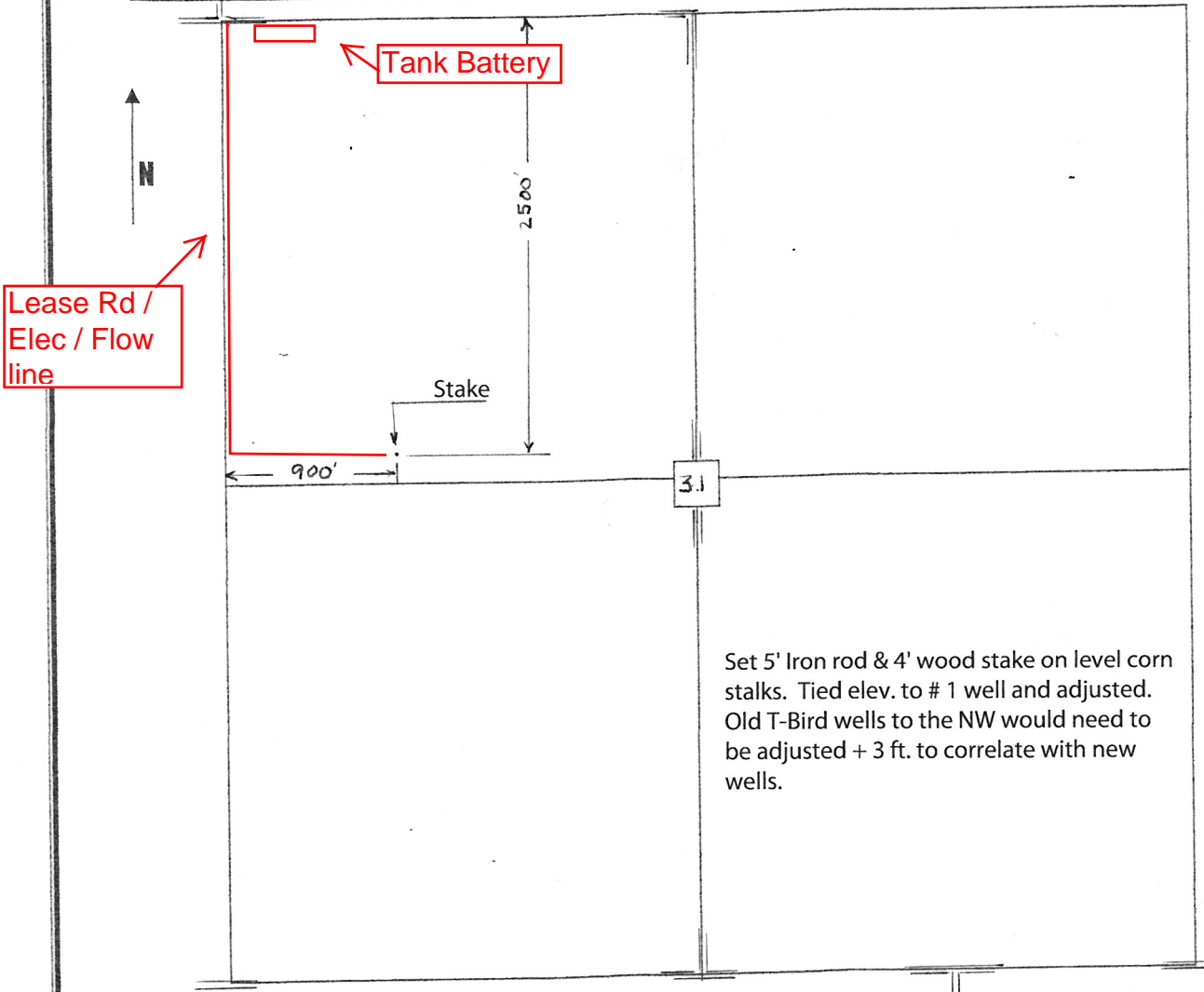
Location

Forestar Petroleum Corp.  
1801 Broadway  
Suite 600  
Denver, CO. 80202

Elevation 2870 Gr.

Ordered By: Justin

Scale 1"=1000'



Set 5' Iron rod & 4' wood stake on level corn stalks. Tied elev. to # 1 well and adjusted. Old T-Bird wells to the NW would need to be adjusted + 3 ft. to correlate with new wells.



# Fall & Associates

Stake and Elevation Service

719 W. 5<sup>th</sup> Street

P.O. Box 404

Concordia, KS. 66901

1-800-536-2821

Date 3-31-14

Invoice Number 0327141

FORESTAR PETROLEUM CORP.

Operator

2-31

Number

K & K

Farm Name

Rawlins-KS

County-State

31

S

1s

T

31w

R

2500'FNL 900'FWL

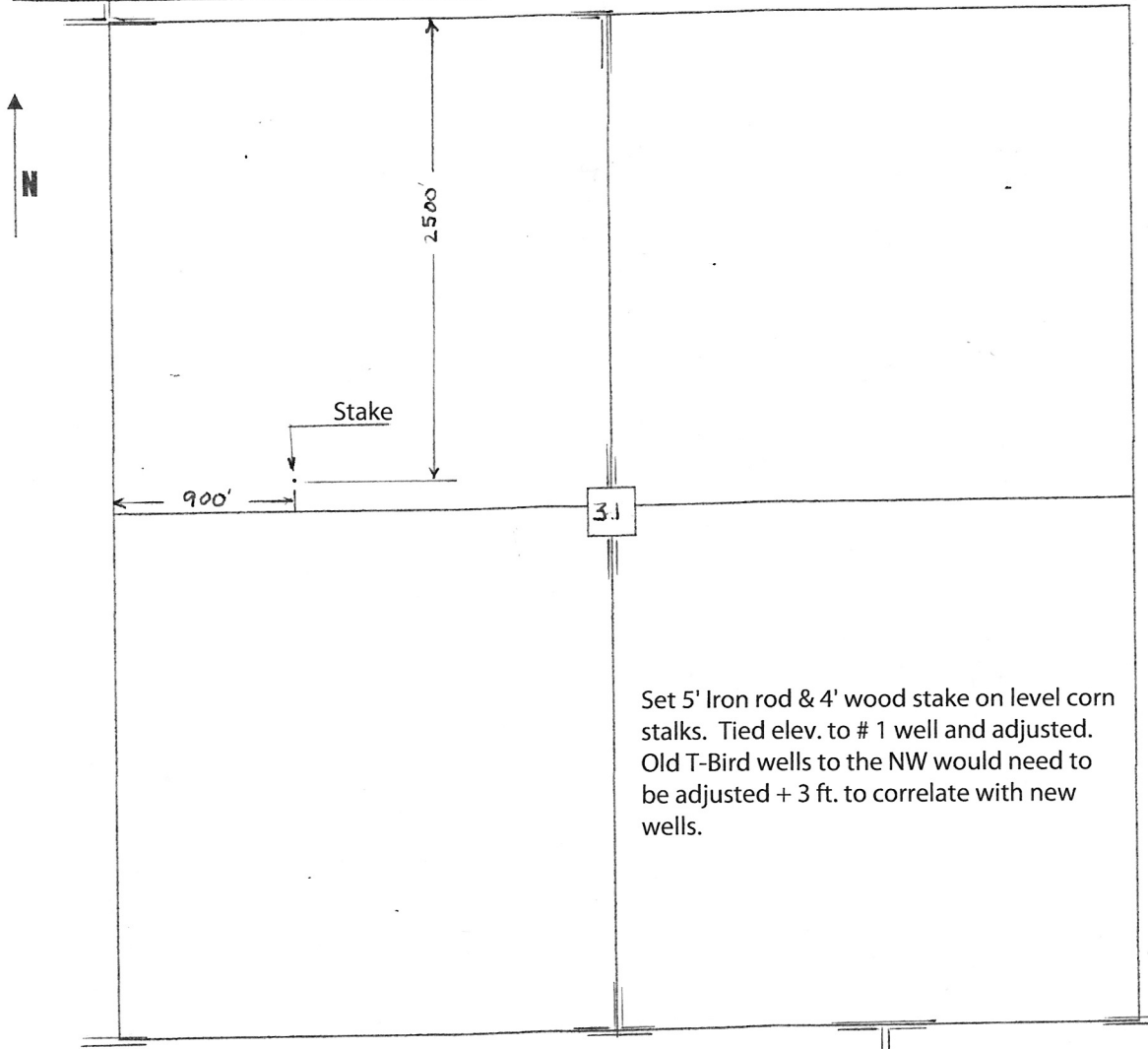
Location

Forestar Petroleum Corp.  
1801 Broadway  
Suite 600  
Denver, CO. 80202

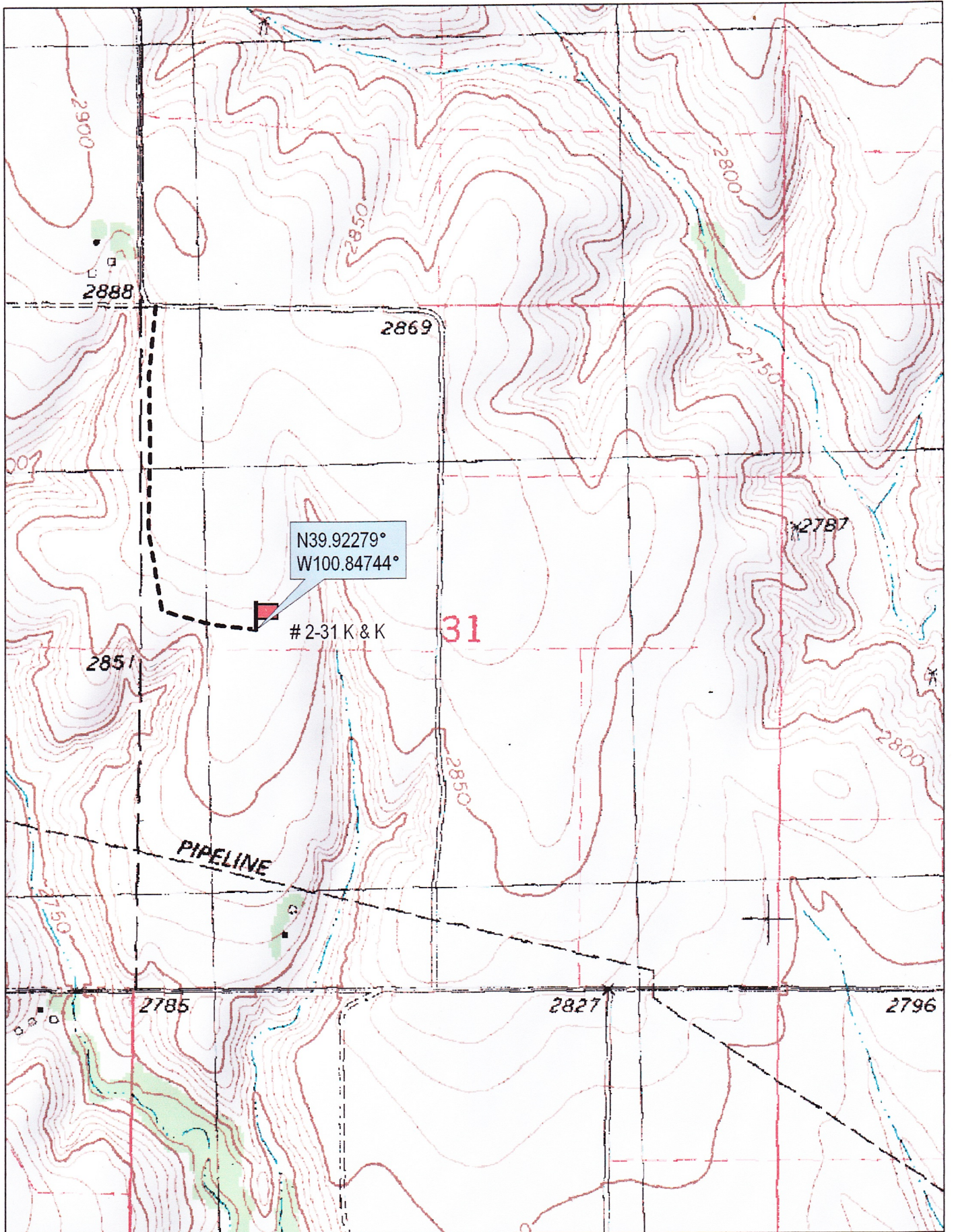
Elevation 2870 Gr.

Ordered By: Justin

Scale 1"=1000'



Set 5' Iron rod & 4' wood stake on level corn stalks. Tied elev. to # 1 well and adjusted. Old T-Bird wells to the NW would need to be adjusted + 3 ft. to correlate with new wells.



N39.92279°  
W100.84744°

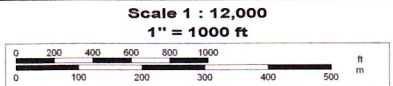
# 2-31 K & K

31

PIPELINE



© 2002 DeLorme. 3-D TopoQuads ®. Data copyright of content owner.  
www.delorme.com



OIL AND GAS LEASE

Lease No. 1

AGREEMENT, Made and entered into this 10 August 2006 day of February 25th, 2006 by and between K & K Partnership Gary Kastens and Terry Kastens, Owners

whose mailing address is Rt2, Box 81, Herndon, KS 67739 hereinafter called Lessor (whether one or more), and IA OPERATING, INC., a Kansas Corporation, 900 North Tyler Road #14, Wichita, Kansas, 67212, hereinafter called Lessee:

Lessor, in consideration of One Thousand Four Hundred Forty Dollars (\$1,440.00) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Rawlins State of Kansas described as follows to-wit:

Township 1 South, Range 32 West Section 35: N2 - Sold

Township 1 South, Range 31 West Section 31: NW4

In Section , Township , Range , and containing 480 acres more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of three (3) years from this date (called "primary term") and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them is produced from said land or land with which said land is pooled.

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

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

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

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

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

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

When requested by Lessor, Lessee shall bury Lessee's pipelines below plow depth.

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

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

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

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

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

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

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

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portions 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 extend the lease or any part thereof by paying or tendering to Lessor, the sum of Five Dollars (\$5.00) multiplied by the number of net mineral acres for any portion so extended and subject to this lease, the primary term of this lease or any portion thereof shall be extended for an additional term of Five (5) 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.

K & K Partnership Gary Kastens, Owner Terry Kastens, Owner

Under the powers granted in that certain "Geophysical Permit and Oil and Gas Option to Lease Agreement" dated Feb, 25, 2005 and recorded in Book X-70 at Page 228, the date of this lease has been changed to the date said Option was exercised

X-77 - 25 15173 2005



STATE OF ~~KANSAS~~  
COUNTY OF RAWLINS

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this 25 day of FEBRUARY, 2005  
by GARY KASTENS, OWNER and \_\_\_\_\_

My commission expires \_\_\_\_\_



*Michelle R. Reeh*  
Notary Public

STATE OF Kansas  
COUNTY OF Riley

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this 28 day of February, 2005  
by Terry Kastens, owner and N/A

My commission expires Oct 21 2008



*Cheryl K. Smith*  
Notary Public

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

No. \_\_\_\_\_

OIL AND GAS LEASE

FROM

TO

Date \_\_\_\_\_

Section \_\_\_\_\_

No. of Acres \_\_\_\_\_

County \_\_\_\_\_

STATE OF KANSAS

County RAWLINS

This instrument was filed for record on the 28th

day of August, 2006.

at 9:00 o'clock A.M., and duly recorded

in Book X-77 Page 25 of \_\_\_\_\_

the records of this office.

*Candy Marshall*  
Register of Deeds.

By \_\_\_\_\_

When recorded, return to \_\_\_\_\_

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
by \_\_\_\_\_ of \_\_\_\_\_

corporation, on behalf of the corporation.

My commission expires \_\_\_\_\_

Notary Public

OIL AND GAS LEASE

Handwritten: 430

AGREEMENT, Made and entered into this 10 day of August 2006  
Helen Marintzer IRRV Trust 7th day of March 2003 by and between

whose mailing address is 2730 S. Meadow Lane, Hastings, NE 68901 hereinafter called Lessor (whether one or more), and  
IA OPERATING, INC., a Kansas Corporation, 900 North Tyler Road #14, Wichita, Kansas, 67212, hereinafter called Lessee:

Lessor, in consideration of Nine Hundred Sixty Dollars (\$ 960.00 ) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Rawlins State of Kansas described as follows to-wit:

Township 1 South, Range 31 West; Section 31: SW4  
Township 1 South, Range 32 West; Section 36: SE4 KLC #2-31

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

Subject to the provisions herein contained, this lease shall remain in force for a term of three (3) years from this date (called "primary term") and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them is produced from said land or land with which said land is pooled.

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

1<sup>st</sup>. 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.

2<sup>nd</sup>. 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 describe land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the said Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

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

When requested by Lessor, Lessee shall bury Lessee's pipelines below plow depth.

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

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

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

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

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

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

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

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portions 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 extend the lease or any part thereof by paying or tendering to Lessor, the sum of Five Dollars (\$5.00) multiplied by the number of net mineral acres for any portion so extended and subject to this lease, the primary term of this lease or any portion thereof shall be extended for an additional term of Five (5) 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.

Daniel J. Marintzer, TRUSTEE FOR  
HELEN MARINTZER, IRRV TRUST

Under the powers granted in that certain "Geophysical Permit and Oil and Gas Option to Lease Agreement" dated March, 7, 2005 and recorded in Book X-70 at Page 241, the date of this lease has been changed to the date said Option exercised.

COPY

OIL AND GAS LEASE

Helen Marintzer IRRV Trust  
18

AGREEMENT, Made and entered into this 10 day of August 2006, by and between Helen Marintzer IRRV Trust and Regis Kogl, Trustee

whose mailing address is 1695 S. Endicott St., Lakewood, CO 80232 hereinafter called Lessor (whether one or more), and IA OPERATING, INC., a Kansas Corporation, 900 North Tyler Road #14, Wichita, Kansas, 67212, hereinafter called Lessee:

Lessor, in consideration of Nine Hundred Sixty Dollars (\$ 960.00 ) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Rawlins State of Kansas described as follows to-wit:

assignment Township 1 South, Range 31 West; Section 31: SW4 K/K #2-31  
Township 1 South, Range 32 West; Section 36: SE4 - Sold

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

Subject to the provisions herein contained, this lease shall remain in force for a term of three (3) years from this date (called "primary term") and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them is produced from said land or land with which said land is pooled.

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

1<sup>st</sup>. 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.

2<sup>nd</sup>. 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 describe land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the said Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

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

When requested by Lessor, Lessee shall bury Lessee's pipelines below plow depth.

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

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

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

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

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

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

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

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portions 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 extend the lease or any part thereof by paying or tendering to Lessor, the sum of Five Dollars (\$5.00) multiplied by the number of net mineral acres for any portion so extended and subject to this lease, the primary term of this lease or any portion thereof shall be extended for an additional term of Five (5) 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.

X Regis Kogl TTE  
Regis Kogl, Trustee  
Helen Marintzer IRRV Trust

Under the powers granted in that certain "Geophysical Permit and Oil and Gas Option to Lease Agreement" dated March, 7, 2005 and recorded in Book X-70 at Page 272, the date of this lease has been changed to the date said Option was exercised'

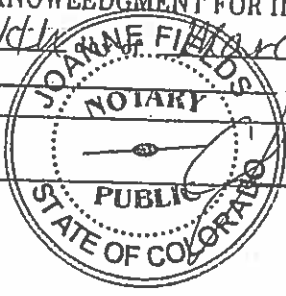
1515282007 X-77-63

STATE OF Colorado  
COUNTY OF Jefferson

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this 11th day of March, 2005  
by Regis M. Kogel and \_\_\_\_\_

My commission expires 8/26/2006



[Signature]  
Notary Public

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

No. \_\_\_\_\_  
**OIL AND GAS LEASE**

FROM \_\_\_\_\_  
TO \_\_\_\_\_

Date \_\_\_\_\_  
Section \_\_\_\_\_ Twp. \_\_\_\_\_ Rge. \_\_\_\_\_  
No. of Acres \_\_\_\_\_ Term \_\_\_\_\_  
County \_\_\_\_\_

STATE OF KANSAS  
County RAWLINS

This instrument was filed for record on the 28th  
day of August, 2006

at 9:00 o'clock AM, and duly recorded  
in Book X-77 Page 63 of

the records of this office.  
Candy Marshall  
Register of Deeds.

By \_\_\_\_\_  
When recorded, return to \_\_\_\_\_

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
by \_\_\_\_\_  
of \_\_\_\_\_ a \_\_\_\_\_  
corporation, on behalf of the corporation.

My commission expires \_\_\_\_\_

Notary Public

This instrument was filed for record this 11th day of October 2012 at 9:00 AM and recorded in book X-92 of Misc. page 400.

*Carolyn Marshall*

Carolyn Marshall-Register of Deeds

SEP 14 2012

**RATIFICATION OF OIL AND GAS LEASE**

KNOW ALL MEN BY THESE PRESENTS:

THAT, WHEREAS, a certain Oil and Gas Lease dated August 10, 2006 was made, executed, and, delivered by **K & K Farms, A Partnership Consisting of Terry Kastens and Gary Kastens**, Rt 2, Box 81, Herndon, KS 67839, Lessor, to **IA Operating, Inc.**, 900 North Tyler Road #14, Wichita, Kansas, 67212, Lessee, covering the following described lands in Rawlins County, State of Kansas, to wit:

<u>Township 1 South, Range 31 West of the 6<sup>th</sup> P.M.</u>	<u>Acres</u>
Section 31: NW/4	160.0

containing 160.0 acres (the "Lands"), more or less, and recorded at Book X-77, at Page 25 of the records in the office of the Register of Deeds in Rawlins County ("Oil and Gas Lease").

NOW, THEREFORE, In consideration of the sum of One Dollar (\$1.00) and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, that K&K Farms, A Partnership Consisting of Terry Kastens and Gary Kastens, General Partners, the undersigned, do hereby ratify, adopt and confirm the hereinabove described Oil and Gas Lease and all of its terms and provisions, and K&K Farms, A Partnership Consisting of Terry Kastens and Gary Kastens, does hereby lease, demise and let the Lands unto Lessee, its assigns and successors in interest, as fully and completely as if it had originally been named as Lessor and had executed and delivered the same. This instrument shall cover and bind all interest in the Lands described above, which K&K Farms, A Partnership Consisting of Terry Kastens and Gary Kastens, may acquire subsequent to the date of the Oil and Gas Lease and is intended further to cover and bind any interest in said lands, which K&K Farms, A Partnership Consisting of Terry Kastens and Gary Kastens, may hereafter acquire by way of reversion or otherwise.

K&K Farms, A Partnership Consisting of Terry Kastens and Gary Kastens, hereby agrees and declares that said Oil and Gas Lease is binding on it, is a valid and subsisting Oil and Gas Lease, and that this instrument shall be binding upon its respective executors, administrators, successors or assigns.

EXECUTED, This 11<sup>th</sup> day of September, 2012.

K & K Farms. A PARTNERSHIP CONSISTING OF TERRY KASTENS and GARY KASTENS.

*Gary Kastens*  
Gary Kastens, General Partner

*Terry Kastens*  
Terry Kastens, General Partner



## ADDENDUM TO OIL AND GAS LEASE

17. Notwithstanding that Lessee will require ingress and egress for operations without delay, Lessee shall consult with the Lessor as to the location, direction and designation of any roadway or access route on the leased premises. Furthermore prior to the construction of any roads (including the installation of cattle guards, where necessary), pipelines, tank battery installations, or installations of other equipment on the leased premises, Lessee shall consult with the surface owner and/or tenant as to the locations of same. Upon request by Lessor, Lessee shall construct and enclose fencing around its surface equipment.
18. When preparing development locations, the topsoil shall be segregated to be replaced on the surface upon completion of drilling activities. Any terraces driven over or altered for drilling or tank locations shall be restored to original height and contour as nearly as practicable.
19. In the event of drilling operations on said land, Lessee or its assigns agree to bury lines to a depth of not less than thirty-six (36) inches below the surface. Lessee or its assigns agree to backfill all slush pits, level the location and restore the surface as nearly as is practicable. Lessee or its assigns agree to pay for all damages of any nature arising from its operations on the above land.
20. 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 practicable.
21. A sufficient dike shall be placed around tank batteries. Also, upon request by Lessor, tank batteries and pumping equipment units shall be fenced to retain cattle in pastures or on ground that Lessor grazes cattle. Lessor shall not be held liable for any damage to Lessee's equipment caused by Lessor's livestock.
22. Lessee shall pay Lessor for reasonable damages to all property, real, personal or mixed, caused by its operations on said land, including but not limited to land, growing crops, grass, buildings, livestock, fences and other improvements and personal property.
23. Lessee shall reasonably restore the premises as nearly as practicable to its original contours and condition, including but not limited to the filling of all pits, ponds, and removal of all structures placed thereon during the term of said lease and upon abandonment of said lease, Lessee shall similarly comply with the provisions of restoration herein set forth within six (6) months from the date of abandonment.
24. In the event that the Lessee desires to drill a test well(s) on the leased premises, Lessee, prior to the commencement of such drilling operations on the leased premises, shall consult with Lessor (surface owner and/or tenant) and mutually agree to the minimum estimated crop damage normally associated with and occasioned by such drilling operations. Lessee shall pay Lessor (surface owner and/or tenant) the then agreed upon estimated crop damage prior to the commencement of its drilling operations. Further, upon the completion of Lessee's drilling and/or well completion operations and the restoration of said land as set forth herein, Lessee shall consult with Lessor (surface owner and/or tenant) in connection with the determination of any additional measurable, crop damage (if any) that may exceed the original minimum, estimated crop damage payment previously paid to Lessor (surface owner and/or tenant) for such operations.
25. Notwithstanding any provisions herein to the contrary, Lessee shall not use fresh water obtained from or under the leased premises for the benefit of Lessee's operations without express written consent of the surface owner of the leased premises.

26. Lessee specifically agrees that promptly upon completion of a well non-productive or the abandonment of a producer the surface of the land will promptly be restored to its former condition as nearly as possible and this shall include, but not limited to: removal of drilling mud, junk and debris from the premises; filling drill sites, restoration of top soil; deep chiseling of drill site and unused roads; restoration of any irrigation ditches and laterals disturbed by drilling operations; and prompt removal of unused buildings, machinery and tanks. Lessee also agrees to restore the surface to as near its original condition as soon as possible after each operation on the land has been completed.

Signed for Identification:

x Robert V. Thompson  
Robert V. Thompson

x Naiad A. Thompson  
Naiad A. Thompson

x Sherri A. Norland  
Sherri A. Norland

x Susan G. Shelley  
Susan G. Shelley