



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

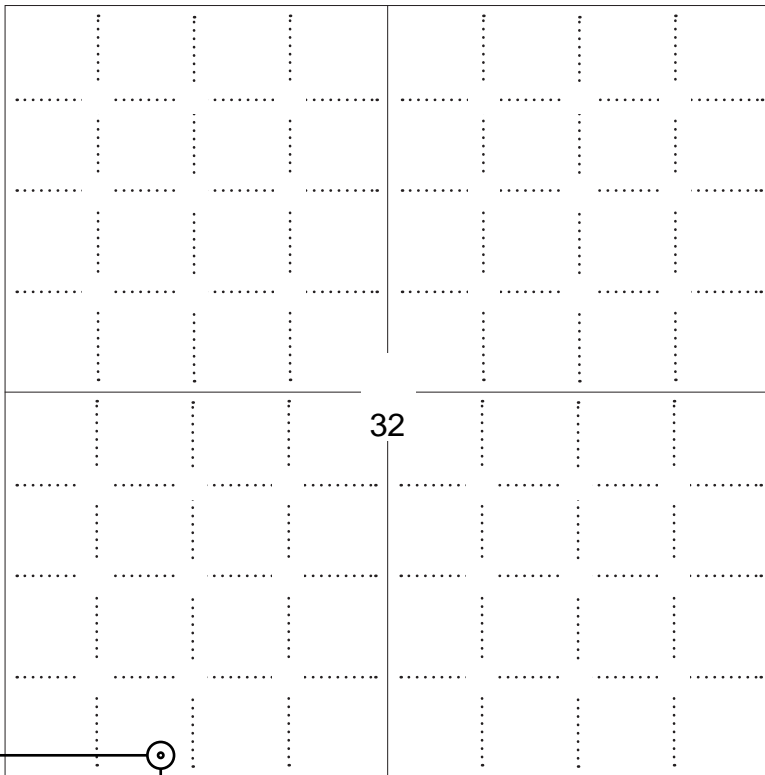
Is Section:  Regular or  Irregular

**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.



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

155 ft.

**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.

### LEGEND

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



SEWARD CO. 3390' FEL

**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



63U (Rev. 1993) LS#4466

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 7th day of August 2008

by and between Byron D. Sowers and Linda M. Sowers, husband and wife

whose mailing address is 2935 CO RD L, Colby, KS 67701 hereinafter called Lessor (whether one or more), and Funk Petroleum LLC, 2110 N. 1184 Rd, Eudora, KS 60025

Lessor, in consideration of ten and more Dollars (\$ 10.00 + ) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Logan State of Kansas described as follows to-wit:

\*See Exhibit A attached hereto and made a part hereof:

In Section XXX Township XXX Range XXX and containing 2278 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) of the market price at the well, fluid, 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, and payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.

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

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

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

When requested by lessor, lessee shall bury lessee's pipe lines below plow depth. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of lessor.

Lessee shall pay for damages caused by lessee's operations to growing crops on said land. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

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

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

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

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

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a 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 pooled in the unit or units, 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 pooled in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

\*See rider attached hereto and made a part hereof:

IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written. Witnesses: X: Linda M. Sowers X: Byron D. Sowers Linda M. Sowers Byron D. Sowers

STATE OF Kansas

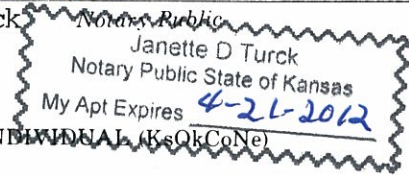
COUNTY OF Logan

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this 7th day of August, 2008, by Byron D. Sowers and Linda M. Sowers, husband and wife and \_\_\_\_\_

My commission expires April 21, 2012

*Janette D. Turck*  
Janette D. Turck



15-0024

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 Logan

This instrument was filed for record on the 8th day of Aug. 2008.

at 3:25 o'clock P. M., and duly recorded in Book 145 Page 344-347 of the records of this office.

By Janet Besseman Register of Deeds.

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



MICROFILMED INDEXED

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



## Exhibit A

(Tract 1) Township 15 South – Range 34 West  
Section 06: N/2

(Tract 2) Township 15 South - Range 34 West

Section 6: SW/4 AND a tract more particularly described as follows: Beginning at the Northwest corner of the SE/4, thence South 759 feet, thence East 114.75 feet, thence North 759 feet, thence West 114.75 feet to the point of beginning.

Township 14 South – Range 34 West  
Section 32: SW/4

(Tract 3) Township 15 South – Range 34 West  
Section 07: N/2

(Tract 4) Township 15 South – Range 34 West  
Section 09: N/2

(Tract 5) Township 15 South – Range 34 West  
Section 09: S/2

(Tract 6) Township 15 South – Range 34 West

Section 04: Except three tracts described as follows:

- (1) A tract commencing at the Northeast corner of said Section, thence on an assumed bearing of South 00 degrees 06 minutes 17 seconds East, along the East line of said Section, a distance of two thousand seven hundred fourteen and thirty-three hundredths (2,714.33) feet to the point of beginning. From the point of beginning, thence South 00 degrees 06 minutes 17 seconds East along the East line of said Section, a distance of one thousand three hundred eighteen and four hundredths (1,318.04) feet, thence North 88 degrees 58 minutes 05 seconds West for a distance of five thousand two hundred eighty and seventy-four hundredths (5,280.74) feet to the West line of said Section, thence North 00 degrees 26 minutes 00 seconds West, along the West line of said Section, for a distance of three thousand fifty-five and seventy-four hundredths (3,055.74) feet, thence South 54 degrees 53 minutes 25 seconds East for a distance of one thousand nine hundred thirty-three and fifty-nine hundredths (1,933.59) feet, thence South 15 degrees 40 minutes 34 seconds East for a distance of three hundred fifty-one and two hundredths (351.02) feet, thence South 88 degrees 59 minutes 18 seconds East for a distance of one thousand three hundred eight and five hundredths (1,308.05) feet, thence North 67 degrees 42 minutes 45 seconds East for a distance of three hundred ninety-six and sixty-one hundredths (396.61) feet, thence South 86 degrees 17 minutes 39 seconds East for a distance of one thousand two hundred fifty-one and forty-one hundredths (1,251.41) feet, thence South 58 degrees 30 minutes 16 seconds East for a distance of eight hundred twenty-one and thirty-four hundredths (821.34) feet to the point of beginning.
- (2) A tract beginning at the Northeast corner of said Section, thence on an assumed bearing of South 00 degrees 06 minutes 16 seconds East, along the East line of said Section, a distance of three hundred ninety-five and seventy-nine hundredths (395.79) feet, thence South 25 degrees 52 minutes 35 seconds West for a distance of four hundred sixty and sixty-one hundredths (460.61) feet, thence South 77 degrees 45 minutes 32 seconds West for a distance of one hundred sixty-five and seventy-eight hundredths (165.78) feet, thence North 83 degrees 40 minutes 15 seconds West for a distance of eight hundred fifty-nine and sixty-nine hundredths (859.69) feet, thence North 64 degrees 23 minutes 45 seconds West for a distance of one hundred twenty-two and twenty-seven hundredths (122.27) feet, thence North 42 degrees 14 minutes 33 seconds West for a distance of two hundred sixty-four and ninety-one hundredths (264.91) feet, thence North 26 degrees 01 minutes 06 seconds West for a distance of five hundred fifty-eight and twenty-two hundredths (558.22) feet to the North line of said Section, thence North 90 degrees 00 minutes 00 seconds East, along said North line, for a distance of one thousand seven hundred forty-nine and ninety-seven hundredths (1,749.97) feet to the point of beginning.
- (3) A tract of land commencing at the Northeast corner of said Section, thence on an assumed bearing of South 90 degrees 00 minutes 00 seconds West, along the North line of said Section, a distance of two thousand one hundred twenty-two and twenty hundredths (2,122.20) feet to the point of beginning. From the point of beginning, thence South 09 degrees 01 minutes 37 seconds East for a distance of nine hundred sixty-one and seventy-six hundredths (961.76) feet, thence South 42 degrees 32 minutes 01 seconds West for a distance of three hundred four and sixty-one hundredths (304.61) feet, thence South 53 degrees 20 minutes 52 seconds West for a distance of four hundred sixteen and sixty-nine hundredths (416.69) feet, thence South 81 degrees 13 minutes 06 seconds West for a distance of two hundred seventeen and thirty-two hundredths (217.32) feet, thence North 70 degrees 55 minutes 52 seconds West for a distance of two hundred twenty-two and eighty-six hundredths (222.86) feet, thence North 43 degrees 13 minutes 49 seconds West for a distance of two hundred ninety-two and ninety-two hundredths (292.92) feet, thence North 30 degrees 43 minutes 45 seconds West for a distance of two hundred sixty and fifty hundredths (260.50) feet, thence North 16 degrees 19 minutes 08 seconds West for a distance of nine hundred eighty-five and seventy-eight hundredths (985.78) feet to the North line of said Section, thence North 90 degrees 00 minutes 00 seconds East, along the said North line for a distance of one thousand four hundred twenty-five and forty-six hundredths (1,425.46) feet to the point of beginning.

(Tract 7) Township 14 South – Range 34 West  
Section 31: S/2

1. Any terraces driven over or altered for drilling or tank locations shall be restored to original *height and contour* as nearly as is practicable.
2. In the event of drilling operations on said land, Lessee or assigns agree to backfill all slush pits, level the location and restore the surface as nearly as is practicable. Lessee or assigns agrees to pay for all damages of any nature arising from its operations on the above-described land.
3. It is understood and agreed that upon the termination of production on the Lease, all equipment of Lessee shall be removed within six (6) months and all sites shall be restored to their original condition a nearly as is practicable
4. A sufficient dike shall be placed around tank batteries. Also tank batteries and pumping equipment units shall be fenced to restrain cattle in pastures or on ground that Lessor grazes cattle on milo stalks or wheat. Lessee or assigns agrees to comply with all applicable Federal, State and Local laws and regulations.
5. 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 bonus money paid per mineral acre multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this Lease; and subject to the other provisions of this Lease. The primary term shall be extended for an additional term of one (1) year from the end of the primary term hereof.
6. If any part of the leased premises are subject to or enrolled in the Conservation Reserve Program, Lessee shall reseed to grass all areas thereof affected by Lessee's operations and hold Lessor harmless from penalties or liquidated damages assessed the Department of Agriculture, the Soil Conservation Service or the Agricultural Stabilization and Conservation Services under the Conservation Reserve Program as a result of Lessee's operations.
7. It is the intention of the parties hereto to cause as little interference with farming operations on said land as possible, including but not limited to the operation of pivotal irrigation sprinklers, or other irrigation methods. If the lands covered hereby are irrigated by the use of a self-propelled overhead sprinkler system, presently in operation or installed hereafter, the Lessee, prior to conducting operations hereon, shall consult with the Lessor in regard to said drilling operations. Said operations shall be conducted in such a manner as will least disturb or interfere with Lessor's irrigation system or the surface contours of the leased premises. Should any alterations to the surface contours be caused by its operations, Lessee, or his assign, shall restore said surface contours to their former condition as nearly as is practicable. In the event of production and continued use of the surface, Lessee, or his assigns, will restore or prepare the surface and situate and install all equipment needed in connection therewith, so that Lessee's use thereof will not interfere with the passage of said overhead sprinkler irrigation system. Any production equipment, including but not limited to pump jacks, hydraulic lifting or other equipment necessary to produce any oil or gas well on said land shall use low profile equipment and/or recess equipment to such depths as to permit the use by Lessor of circular irrigation sprinkler system.

X: Linda M. Sowers  
Linda M. Sowers

X: Byron D. Sowers  
Byron D. Sowers



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

63U (Rev. 1993)  
LS #4469

OIL AND GAS LEASE

Reorder No.  
09-115



Kansas Blue Print  
700 S. Broadway, PO Box 103  
Wichita, KS 67201-0763  
316-264-0344-264-5168 fax  
www.kbp.com - kbp@kbp.com

AGREEMENT, Made and entered into the 24th day of August 2008

by and between Armin J. Sowers and Vickie R. Sowers, husband and wife

whose mailing address is HC 2 Box 126, Dresden, KS 67651 hereinafter called Lessor (whether one or more),  
and Funk Petroleum LLC, 2110 N. 1184 Rd, Eudora, KS 60025

hereinafter called Lessee:  
Lessor, in consideration of ten and more Dollars (\$ 10.00 + ) in hand paid, receipt of which  
to be 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, ~~to be used for the purpose of producing oil, liquid hydrocarbons, gases and their respective constituent products and other~~ the following described land, together with any reversionary rights and after-acquired interest,  
therein situated in County of Logan ~~State of Kansas~~ <sup>URS + AJS</sup> State of Kansas described as follows to-wit:

Township 15 South - Range 34 West  
(Tract 1) Section 05: S/2  
Township 15 South - Range 34 West  
(Tract 2) Section 05: N/2  
Township 15 South - Range 34 West  
(Tract 3) Section 08: NE/4

In Section XXX Township XXX Range XXX and containing 800 acres, more or less, and all  
accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of four (4) years from this date (called "primary term"), and as long thereafter  
as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said land is pooled.

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

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

2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8)  
at the market price at the well, but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales, for the gas sold, used off the  
premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender  
as royalty One Dollar (\$1.00) per 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 lessee 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 said undivided fee.

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

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

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

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

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

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

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

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

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment  
any mortgage, 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 under-  
signed lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far  
as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

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

\*See rider attached hereto and made a part hereof.



State of Kansas  
ss  
Logan County

Filed For Record Aug. 25 2008 AD  
at 4:40 o'clock P. M. Book 145 Page 441-443

Joyce L. Bosserman  
Register of Deeds

Kathryn A. Hargish  
Deputy

MICROFILMED -  
INDEXED -

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

Witnesses:  
X: Vickie R. Sowers  
Vickie R. Sowers

X: Armin J. Sowers  
Armin J. Sowers

STATE OF Kansas  
COUNTY OF Thomas

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this 24th day of August, 2008,  
by Armin J. Sowers and Vickie R. Sowers, husband and wife

My commission expires April 21, 2012

*Janette D. Turck*  
Janette D. Turck



LOGAN S. - 0031

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

County

This instrument was filed for record on the \_\_\_\_\_

day of \_\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and duly recorded

in Book \_\_\_\_\_ Page \_\_\_\_\_ of \_\_\_\_\_

the records of this office.

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

1. Any terraces driven over or altered for drilling or tank locations shall be restored to original *height and contour* as nearly as is practicable.
2. In the event of drilling operations on said land, Lessee or assigns agree to backfill all slush pits, level the location and restore the surface as nearly as is practicable. Lessee or assigns agrees to pay for all damages of any nature arising from its operations on the above-described land.
3. It is understood and agreed that upon the termination of production on the Lease, all equipment of Lessee shall be removed within six (6) months and all sites shall be restored to their original condition a nearly as is practicable
4. A sufficient dike shall be placed around tank batteries. Also tank batteries and pumping equipment units shall be fenced to restrain cattle in pastures or on ground that Lessor grazes cattle on milo stalks or wheat. Lessee or assigns agrees to comply with all applicable Federal, State and Local laws and regulations.
5. Lessor reserves the right to designate all routes of ingress and egress and must be consulted by Lessee as to the location of all roads, pipelines, tank batteries, power lines, and other equipment and machinery necessary for production prior to its construction and installation, so as to minimize interference with the surface farming operations. Lessor's designation of routes of ingress and egress shall not be unreasonably withheld.

X Vickie R. Sowers  
Vickie R. Sowers

X: Armin J. Sowers  
Armin J. Sowers

147 248 Logan South 50

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

63U (Rev. 1993)  
LS#4484

OIL AND GAS LEASE

Reorder No.  
09-115



Kansas Blue Print  
700 S. Broadway, PO Box 793  
Wichita, KS 67201-0793  
316-261-9341-261-5163 fax  
www.kbp.com - kbp@kbp.com

AGREEMENT, Made and entered into the 27th day of December 2008  
by and between The Frazier Family Inter Vivos Trust, (John R. Frazier and Dorothy A. Petree), Trustees AND Dorothy A. Petree Inter Vivos Trust, By: (John R. Frazier and Dorothy A. Petree), Trustees

whose mailing address is 580 North 4th Street, Wills Point, TX 75169 hereinafter called Lessor (whether one or more),  
and Kansas CBM, One Warren Place, 6100 South Yale, Ste 2010, Tulsa, OK 74136

hereinafter called Lessee:  
Lessor, in consideration of ten and more Dollars (\$ 10.00 +) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Logan State of Kansas described as follows to-wit:  
Township 14 South - Range 34 West  
Section 31: SE/4  
Section 32: SW/4

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

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

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

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

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

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

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

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

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

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

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

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lease 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 purpose 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 lessor'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 the pooled unit, the amount of royalties 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 this primary term, this Lease is not otherwise continued in force under the provisions hereof, this Lease shall expire ~~unless~~ <sup>unless</sup> Lessee on or before the end of the primary term shall pay or tender to Lessor the sum equal to one half (1/2) the total original per acre bonus paid to Lessor under the initial primary term of said Lease multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this Lease; and subject to the other provisions of this Lease. The primary term shall be extended for an additional term of 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.

X: [Signature]  
(Dorothy A. Petree), Trustee of the Frazier Family Inter Vivos Trust

X: [Signature]  
(Dorothy A. Petree), Trustee of the Dorothy A. Petree Inter VV

X: [Signature]  
(John R. Frazier), Trustee of the Frazier Family Inter Vivos Trust

X: [Signature]  
(John R. Frazier), Trustee of the Dorothy A. Petree Inter Vivos Trust



STATE OF Texas  
COUNTY OF VAN ZANDT ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)  
The foregoing instrument was acknowledged before me this 13<sup>th</sup> day of January 2009  
by (John R. Frazier), Trustee of the Frazier Family Inter Vivos Trust AND  
the Dorothy A. Petree Inter Vivos Trust

15-0050

My commission expires January 15, 2009  
CATHY LEE SIMS  
MY COMMISSION EXPIRES  
January 15, 2009

*Cathy Lee Sims*  
Notary Public *Cathy Lee Sims*

STATE OF Colorado  
COUNTY OF JEFFERSON ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)  
The foregoing instrument was acknowledged before me this 13<sup>th</sup> day of January 2009  
by (Dorothy A. Petree), Trustee of the Frazier Family Inter Vivos Trust AND  
the Dorothy A. Petree Inter Vivos Trust

My commission expires 10/29/2012

JEFFREY MCALISTER  
Notary Public  
State of Colorado

*Jeffrey McAlister*  
Notary Public *Jeffrey McAlister*

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 Hogan  
This instrument was filed for record on the 14<sup>th</sup>  
day of February, 2009.  
at 10:00 o'clock A.M., and duly recorded  
in Book 147 Page 248-249 of  
the records of this office.  
By Janet B. Basseman Register of Deeds.  
#122  
When recorded, return to \_\_\_\_\_



MICROFILMED  
INDEXED

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

Notary Public  
143 548

AFFIDAVIT BY TRUSTEES

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

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

Township 14 South Range 34 West

Section 31: SW/4 SE/4
Section 32: SW/4 SW/4

2- That we are the presently-existing trustees of the trust known as the, The Frazier Family Inter Vivos Trust

dated, XXXXXXXXXXXXXXXXXXXX to which the above-described property was conveyed by deed recorded in Book 119 at page 816 of the records of the Registrar of Deed of said County.

3- That said trust is revocable and is presently in existence.
4- That we are authorized, without limitation, to execute and deliver to Kansas CBM LLC as lessee, an oil and gas lease or leases covering the above-described lands for a primary term of three (3) years.
5- That the original grantor-settlors of said trust were and

FURTHER AFFIANTS SAITH NAUGHT:

X: John R. Frazier 1-13-09 (John R. Frazier), Trustee The Frazier Family Inter Vivos Trust
X: Dorothy A. Petree 1-21-09 (Dorothy A. Petree), Trustee The Frazier Family Inter Vivos Trust



13th day of January, 2009

Cathy Lee Sims, Notary Public

STATE OF )
COUNTY OF )

SUBSCRIBED AND SWORN TO this 13th day of January, 2009.

, Notary Public

STATE OF Colorado )
COUNTY OF Jefferson )

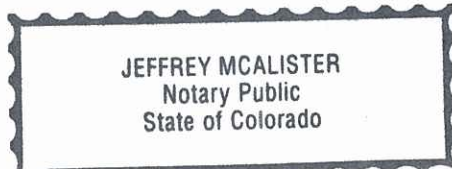
BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this January 21, 2009 day of January, 2009 appeared (Dorothy A. Petree), Trustee AND (John R. Frazier), Trustee of the Frazier Family Inter Vivos Trust

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

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

My Commission Expires: 10/29/2012

[Signature], Notary Public





**AFFIDAVIT BY TRUSTEES**

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

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

**Township 14 South Range 34 West**

Section 31: ~~XXXX~~ SE/4

Section 32: ~~XXXX~~ SW/4

2- That we are the presently-existing trustees of the trust known as the, The Dorothy A Petree Family Inter Vivos Trust

dated, XXXXXXXXXXXXXXXXXXXX to which the above-described property was conveyed by deed recorded in Book 119 at page 816 of the records of the Registrar of Deed of said County.

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

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

5- That the original grantor-settlers of said trust were \_\_\_\_\_ and \_\_\_\_\_

**FURTHER AFFIANTS SAITH NAUGHT:**

X: John R. Frazier 1-13-09 X: Dorothy A. Petree 1/21/09  
(John R. Frazier), Trustee (Dorothy A. Petree), Trustee  
The Dorothy A. Petree Family Inter Vivos Trust The Dorothy A. Petree Family Inter Vivos Trust



13<sup>th</sup> day of January, 2009

Cathy Lee Sims  
Notary Public  
State of Texas

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

SUBSCRIBED AND SWORN TO this \_\_\_\_\_ day of January, 2009.

\_\_\_\_\_, Notary Public

STATE OF Colorado )  
COUNTY OF Jefferson )

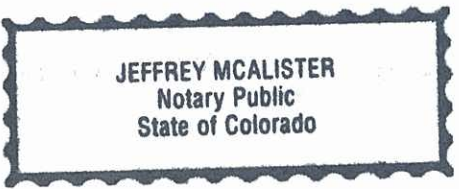
BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this January 21, 2009 day of January, 2009 appeared (Dorothy A. Petree), Trustee AND (John R. Frazier), Trustee of the The Dorothy A. Petree Family Inter Vivos Trust

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

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

My Commission Expires: 6/29/2012

Jeffrey McAlister  
Notary Public



AFFIDAVIT BY TRUSTEES

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

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

Township 14 South Range 34 West

Section 31: SW/4
Section 32: SW/4

2- That we are the presently-existing trustees of the trust known as the, The Frazier Family Inter Vivos Trust

dated, XXXXXXXXXXXXXXXXXXXX to which the above-described property was conveyed by deed recorded in Book 119 at page 816 of the records of the Registrar of Deed of said County.

- 3- That said trust is revocable and is presently in existence.
4- That we are authorized, without limitation, to execute and deliver to Kansas CBM LLC as lessee, an oil and gas lease or leases covering the above-described lands for a primary term of three (3) years.
5- That the original grantor-settlors of said trust were and

FURTHER AFFIANTS SAITH NAUGHT:

X: John R. Frazier 1-13-09 (John R. Frazier), Trustee The Frazier Family Inter Vivos Trust
X: Dorothy A. Petree 1-21-09 (Dorothy A. Petree), Trustee The Frazier Family Inter Vivos Trust



13th day of January, 2009

Cathy Lee Sims, Notary Public

STATE OF
COUNTY OF

SUBSCRIBED AND SWORN TO this 13th day of January, 2009.

, Notary Public

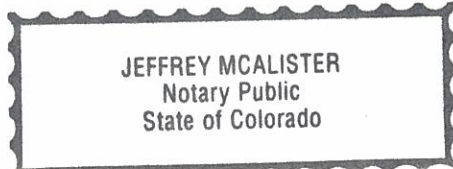
STATE OF Colorado
COUNTY OF Jefferson

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this January 21, 2009 day of January, 2009 appeared (Dorothy A. Petree), Trustee AND (John R. Frazier), Trustee of the Frazier Family Inter Vivos Trust

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

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

My Commission Expires: 10/29/2012
Notary Public



State of Kansas
Logan County
Filed For Record Feb. 22 2010 AD
at 10:35 o'clock A.M. Book 151 Page 346
Janet Berseman Register of Deeds
\$800

MICROFILMED INDEXED



AFFIDAVIT BY TRUSTEES

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

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

Township 14 South Range 34 West

Section 31: SW/4
Section 32: SW/4

2- That we are the presently-existing trustees of the trust known as the, The Dorothy A Petree Family Inter Vivos Trust

dated, to which the above-described property was conveyed by deed recorded in Book 119 at page 817 of the records of the Registrar of Deed of said County.

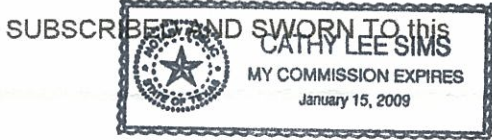
3- That said trust is revocable and is presently in existence.

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

5- That the original grantor-settlors of said trust were and

FURTHER AFFIANTS SAITH NAUGHT:

X: [Signature] 1-13-09 X: [Signature] 1/21/09
(John R. Frazier), Trustee (Dorothy A. Petree), Trustee
The Dorothy A. Petree Family Inter Vivos Trust The Dorothy A. Petree Family Inter Vivos Trust



13th day of January, 2009

[Signature]
STATE OF TEXAS, Notary Public

STATE OF
COUNTY OF

SUBSCRIBED AND SWORN TO this day of January, 2009.

, Notary Public

STATE OF Colorado
COUNTY OF Jefferson

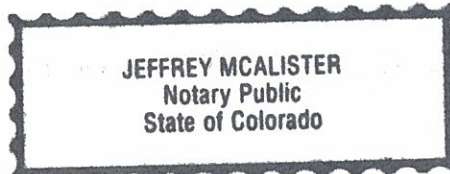
BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this January 21, 2009 appeared (Dorothy A. Petree), Trustee AND (John R. Frazier), Trustee of the The Dorothy A. Petree Family Inter Vivos Trust

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

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

My Commission Expires: 6/29/2012

[Signature]
Notary Public



State of Kansas
ss
Logan County
Filed For Record Feb. 22 2010 AD
at 10:35 o'clock A.M. Book 151 Page 347
Jared Bosseman
\$800
Register of Deeds

MICROFILMED
INDEXED

# MEMORANDUM OF LEASE EXTENSION

STATE OF KANSAS           §  
  §           **KNOWN BY ALL MEN BY THESE PRESENTS, THAT:**  
COUNTY OF LOGAN       §

WHEREAS, Kansas CBM, LLC ("KBCM") is the present leasehold owner of the Oil, Gas and Mineral Leases ("Leases") as described in Exhibit A; and,

WHEREAS, the Leases provide for a primary term from the effective date of the Lease; and,

WHEREAS, the Leases provide that Lessee has the option to extend the Lease for a stated period of time from the expiration date of the primary term of the Lease by tendering an additional payment to Lessor ("Option"); and,

WHEREAS, KBCM represents that it has exercised the Option by tendering the aforementioned payments to the Lessors listed in Exhibit A in the manner and within the required time period set forth in the Leases.

NOW, THEREFORE, this Memorandum of Lease Extension is executed by KCBM, effective December 1, 2011, and is placed of record for the sole purpose of giving public notice that the primary terms of the Leases have been extended as aforementioned.

**LESSEE:**

**KANSAS CBM, LLC**



**By: W.H. Kopczynski, III**

**Title: Land Manager**

MICROFILMED  
INDEXED



State of Kansas

§§

Logan County

Filed For Record Nov. 23 20 11 AD

at 11:30 o'clock A. M. Book 158 Page 585-586

Joyce L. Bosserman  
Register of Deeds

\$ 12.00

Hathryn A. Harnish  
Deputy

STATE OF OKLAHOMA   §

§

COUNTY OF TULSA       §

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 21<sup>st</sup> day of NOVEMBER, 2011, appeared W.H. Kopczynski, III, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that she executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

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



Rhonda Wyatt  
Notary Public



AFFIDAVIT OF NON-PRODUCTION

161 341

State of KANSAS

County of LOGAN

Joseph M. Baker, being first duly sworn,

deposes and says:

that I am of lawful age, being first duly sworn on his oath, states that he is familiar with the following described property, to-wit:

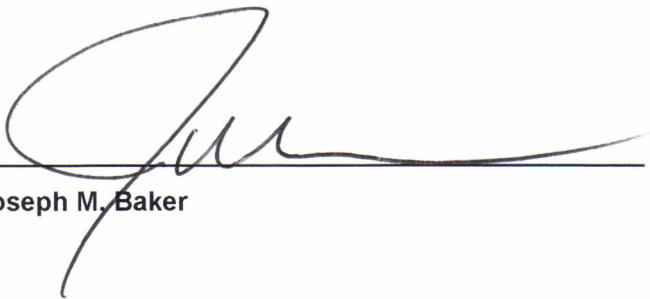
Township 14 South - Range 34 West

Section 31: SE/4

which property is owned by: Byron D. Sowers and Linda M. Sowers, husband and wife, AND the Dorothy A. Petree Inter Vivos Trust by: (John R. Frazier), Trustee AND Frazier Family Inter Vivos Trust by: (John R. Frazier), Trustee

Affiant knows of his own knowledge that there is at present no production of oil or gas on said land and that there has been no production on said land for the last ten (10) years.

Affiant further saith not.

X:   
Joseph M. Baker

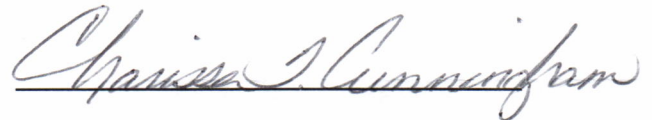
State of Kansas

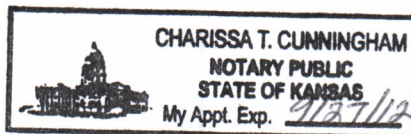
County of Sedgwick

Before me, the undersigned, a Notary Public, within and for said County and State on this 7th day of June, 2012, personally appeared Joseph M. Baker XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as a free and voluntary act and deed for the uses and purposes therein set forth, and at the same time the affiant was by me duly sworn to the foregoing Affidavit of Non-Production.

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

My Commission expires 9-27-2012





MICROFILMED INDEXED

State of Kansas  
ss  
Logan County  
Filed For Record June 11 2012 AD  
10:20 o'clock A.M. Book 161 Page 341  
Joyce Bosseman  
# 800  
Register of Deeds

RETURN TO:  
W. H. Kopczynski III  
6310 E. 102<sup>nd</sup> St.  
Tulsa, OK 74137



**ASSIGNMENT OF OVERRIDING ROYALTY INTEREST**

STATE OF KANSAS            )  
  )  
COUNTY OF LOGAN         )

THIS AGREEMENT, by and between **Kansas CBM, LLC**, whose address is 6310 East 102<sup>nd</sup> St. Tulsa, OK, 74137, hereinafter referred to as "Assignor" and **Funk Petroleum, LLC**, whose address is 2110 N. 1184 Rd. Eudora, KS 66025, its successors or assigns, hereinafter called "Assignee".

WHEREAS, Kansas CBM, LLC, is the owner of an undivided working interest in and to several oil and gas leases more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes.

NOW THEREFORE, for adequate consideration, and for the sole purpose set forth herein Assignor in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, does hereby assign, bargain and convey unto Funk Petroleum, LLC, an overriding royalty interest equal to **four and one half percent (4.5%)** total overriding royalty interest on all oil, gas, casinghead gas, condensate and any other hydrocarbons produced, saved, and sold, but not otherwise, from the lands set out in and covered by the oil and gas leases as described on Exhibit "A".

Said overriding royalty interest shall be free of all development, production, and operating expense. However, said interest shall bear and pay currently its portion of gross production taxes, pipeline taxes and all other taxes assessed against the gross production subject to said overriding royalty interest.

The overriding royalty interest herein assigned to Assignee is made subject to the terms of the oil and gas leases described on Exhibit "A" and made subject to the terms of all instruments through which or subject to which Assignor acquired or owns its interest in said leases.

Assignor shall have the right to pool the oil and gas leases and the lands covered thereby, or any part thereof, with other lands and leases into voluntary units, or into units established by any governmental authority having jurisdiction, and if said leases or any part thereof are pooled accordingly, then the overriding royalty interest conveyed herein shall be reduced in the proportion that the acreage burdened by said interest bears to all the acreage included in any such pooled unit.

In the event that any lease described on Exhibit "A" covers less than the full mineral estate in the oil, gas, and other hydrocarbons in and under the lands covered thereby or if Assignor owns less than the full leasehold estate created by such lease, then the overriding royalty interest herein conveyed shall be correspondingly proportionately reduced.

This Assignment is made without warranty of any kind, express or implied.

The 'Effective Date' of this Assignment is 9<sup>TH</sup> day of SEPTEMBER, 2012 at 12:01 a.m.




In Testimony Whereof, we sign this 25<sup>TH</sup> day of SEPTEMBER, 2012.

  
Kansas CBM, LLC  
W.H. Kopczynski III  
Land Manager

STATE OF OKLAHOMA                    }  
  } ss.  
COUNTY OF TULSA                    }

On this 25<sup>TH</sup> day of SEPTEMBER, 2012, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared **W.H. Kopczynski III** as Land Manager of **Kansas CBM, LLC**, to me known to be the identical person (s) who subscribed the name of the maker thereof to the foregoing instrument and that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

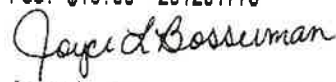
Given under my hand and seal of office the day and year last above written.

Commission expires: 6-6-15                      
Notary Public



State of Kansas, Logan County  
This instrument was filed for  
Record on September 27, 2012 11:49:00 AM  
Recorded in Book 162 Page 877-879  
Fee: \$16.00 201201775



  
Joyce L. Bosserman, Register of Deeds

MICROFILMED -  
INDEXED -

EXHIBIT "A"

DATED: December 27<sup>th</sup>, 2008  
LESSOR: The Frazier Family Inter Vivos Trust, (John R. Frazier and Dorothy A. Petree), Trustees AND Dorothy A. Petree Inter Vivos Trust, By: (John R. Frazier and Dorothy A. Petree), Trustees  
LESSEE: Kansas CBM, LLC  
RECORDED: Book 147, Page 248  
LEGAL: Southeast Quarter of Section 31, Township 14 South, Range 34 West and Southwest quarter of Section 32, Township 14 South, Range 34 West

---

Logan S. -  
0050



STATE OF KANSAS )  
 ) ss  
COUNTY OF LOGAN )

**AFFIDAVIT OF PRODUCTION**

Affiant on oath swears that the following statements are true:

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

I know of my own personal knowledge that Kansas CBM, LLC is the current owner of record of that certain Oil and Gas Lease (the "Lease") dated December 27<sup>th</sup>, 2008 between The Frazier Family Inter Vivos Trust, (John R. Frazier and Dorothy A. Petree), Trustees AND Dorothy A. Petree Inter Vivos Trust, By: (John R. Frazier and Dorothy A. Petree), Trustees, as Lessor, and Kansas CBM, LLC, as Lessee, recorded at Volume 147, Page 249 of the Records of Logan County, Kansas, covering the following lands, to wit:

Township 14 South – Range 34 West  
Section 31: SE/4  
Section 32: SW/4

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

The present owner of the Lease has caused a well to be drilled on the Lease, which well was completed on or about SEPTEMBER 9, 2012. Since that day, to the date of this Affidavit, that well has continued to produce oil/gas in paying quantities.

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

State of Kansas, Logan County  
This instrument was filed for  
Record on September 27, 2012 11:49:00 AM  
Recorded in Book 162 Page 884-884  
Fee: \$8.00 201201777



Kansas CBM LLC

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

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

MICROFILMED  
INDEXED

STATE OF OKLAHOMA }  
 } ss.  
COUNTY OF TULSA }

On this 25<sup>th</sup> day of SEPTEMBER, 2012, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared **W.H. Kopczynski III** as Land Manager of **Kansas CBM, LLC**, to me known to be the identical person (s) who subscribed the name of the maker thereof to the foregoing instrument and that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

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

Commission expires: 10/6/15



*Kristina Richey*

STATE OF KANSAS )  
 ) ss  
COUNTY OF LOGAN )

**AFFIDAVIT OF PRODUCTION**

Affiant on oath swears that the following statements are true:

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

I know of my own personal knowledge that Kansas CBM, LLC is the current owner of record of that certain Oil and Gas Lease (the "Lease") dated August 7<sup>th</sup>, 2008 between Byron D. Sowers and Linda M. Sowers, husband and wife, as Lessor, and Funk Petroleum, LLC, as Lessee, recorded at Volume 145, Page 344 of the Records of Logan County, Kansas, covering the following lands, to wit:

See Exhibit A attached hereto and made a part hereof

The Lease has a stated primary term of three (3) years from its effective date with an exercised option to extend for an additional one (1) year, and contains a provision that the Lease shall remain in force and effect as long thereafter as the Lessee produces oil or gas, or either of them, from the lands subject to the Lease.

The present owner of the Lease has caused a well to be drilled on the Lease, which well was commenced prior to the expiration on August 7<sup>th</sup> 2012 and completed on or about SEPTEMBER 9, 2012. Since that day, to the date of this Affidavit, that well has continued to produce oil/gas in paying quantities.

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



State of Kansas, Logan County  
This instrument was filed for  
Record on September 27, 2012 11:49:00 AM  
Recorded in Book 162 Page 885-886  
Fee: \$12.00 201201778  
*Joyce L. Bosserman*  
Joyce L. Bosserman, Register of Deeds



MICROFILMED -  
INDEXED -

Kansas CBM LLC

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

STATE OF OKLAHOMA }  
 } ss.  
COUNTY OF TULSA }

On this 25<sup>th</sup> day of SEPTEMBER, 2012, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared **W.H. Kopczynski III** as Land Manager of **Kansas CBM, LLC**, to me known to be the identical person (s) who subscribed the name of the maker thereof to the foregoing instrument and that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

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

Commission expires: 6-6-15



*Kristina Richey*  
Notary Public



## Exhibit A

(Tract 1) Township 15 South – Range 34 West  
Section 06: N/2

(Tract 2) Township 15 South - Range 34 West

Section 6: SW/4 AND a tract more particularly described as follows: Beginning at the Northwest corner of the SE/4, thence South 759 feet, thence East 114.75 feet, thence North 759 feet, thence West 114.75 feet to the point of beginning.

Township 14 South – Range 34 West

Section 32: SW/4

(Tract 3) Township 15 South – Range 34 West  
Section 07: N/2

(Tract 4) Township 15 South – Range 34 West  
Section 09: N/2

(Tract 5) Township 15 South – Range 34 West  
Section 09: S/2

(Tract 6) Township 15 South – Range 34 West

Section 04: Except three tracts described as follows:

- (1) A tract commencing at the Northeast corner of said Section, thence on an assumed bearing of South 00 degrees 06 minutes 17 seconds East, along the East line of said Section, a distance of two thousand seven hundred fourteen and thirty-three hundredths (2,714.33) feet to the point of beginning. From the point of beginning, thence South 00 degrees 06 minutes 17 seconds East along the East line of said Section, a distance of one thousand three hundred eighteen and four hundredths (1,318.04) feet, thence North 88 degrees 58 minutes 05 seconds West for a distance of five thousand two hundred eighty and seventy-four hundredths (5,280.74) feet to the West line of said Section, thence North 00 degrees 26 minutes 00 seconds West, along the West line of said Section, for a distance of three thousand fifty-five and seventy-four hundredths (3,055.74) feet, thence South 54 degrees 53 minutes 25 seconds East for a distance of one thousand nine hundred thirty-three and fifty-nine hundredths (1,933.59) feet, thence South 15 degrees 40 minutes 34 seconds East for a distance of three hundred fifty-one and two hundredths (351.02) feet, thence South 88 degrees 59 minutes 18 seconds East for a distance of one thousand three hundred eight and five hundredths (1,308.05) feet, thence North 67 degrees 42 minutes 45 seconds East for a distance of three hundred ninety-six and sixty-one hundredths (396.61) feet, thence South 86 degrees 17 minutes 39 seconds East for a distance of one thousand two hundred fifty-one and forty-one hundredths (1,251.41) feet, thence South 58 degrees 30 minutes 16 seconds East for a distance of eight hundred twenty-one and thirty-four hundredths (821.34) feet to the point of beginning.
- (2) A tract beginning at the Northeast corner of said Section, thence on an assumed bearing of South 00 degrees 06 minutes 16 seconds East, along the East line of said Section, a distance of three hundred ninety-five and seventy-nine hundredths (395.79) feet, thence South 25 degrees 52 minutes 35 seconds West for a distance of four hundred sixty and sixty-one hundredths (460.61) feet, thence South 77 degrees 45 minutes 32 seconds West for a distance of one hundred sixty-five and seventy-eight hundredths (165.78) feet, thence North 83 degrees 40 minutes 15 seconds West for a distance of eight hundred fifty-nine and sixty-nine hundredths (859.69) feet, thence North 64 degrees 23 minutes 45 seconds West for a distance of one hundred twenty-two and twenty-seven hundredths (122.27) feet, thence North 42 degrees 14 minutes 33 seconds West for a distance of two hundred sixty-four and ninety-one hundredths (264.91) feet, thence North 26 degrees 01 minutes 06 seconds West for a distance of five hundred fifty-eight and twenty-two hundredths (558.22) feet to the North line of said Section, thence North 90 degrees 00 minutes 00 seconds East, along said North line, for a distance of one thousand seven hundred forty-nine and ninety-seven hundredths (1,749.97) feet to the point of beginning.
- (3) A tract of land commencing at the Northeast corner of said Section, thence on an assumed bearing of South 90 degrees 00 minutes 00 seconds West, along the North line of said Section, a distance of two thousand one hundred twenty-two and twenty hundredths (2,122.20) feet to the point of beginning. From the point of beginning, thence South 09 degrees 01 minutes 37 seconds East for a distance of nine hundred sixty-one and seventy-six hundredths (961.76) feet, thence South 42 degrees 32 minutes 01 seconds West for a distance of three hundred four and sixty-one hundredths (304.61) feet, thence South 53 degrees 20 minutes 52 seconds West for a distance of four hundred sixteen and sixty-nine hundredths (416.69) feet, thence South 81 degrees 13 minutes 06 seconds West for a distance of two hundred seventeen and thirty-two hundredths (217.32) feet, thence North 70 degrees 55 minutes 52 seconds West for a distance of two hundred twenty-two and eighty-six hundredths (222.86) feet, thence North 43 degrees 13 minutes 49 seconds West for a distance of two hundred ninety-two and ninety-two hundredths (292.92) feet, thence North 30 degrees 43 minutes 45 seconds West for a distance of two hundred sixty and fifty hundredths (260.50) feet, thence North 16 degrees 19 minutes 08 seconds West for a distance of nine hundred eighty-five and seventy-eight hundredths (985.78) feet to the North line of said Section, thence North 90 degrees 00 minutes 00 seconds East, along the said North line for a distance of one thousand four hundred twenty-five and forty-six hundredths (1,425.46) feet to the point of beginning.

(Tract 7) Township 14 South – Range 34 West  
Section 31: S/2



RETURN TO:  
W. H. Kopczynski III  
6310 E. 102<sup>nd</sup> St.  
Tulsa, OK 74137

**PARTIAL ASSIGNMENT OF OIL AND GAS LEASE**

STATE OF KANSAS       §  
                                  §  
COUNTY OF LOGAN     §

THIS PARTIAL ASSIGNMENT OF OIL AND GAS LEASE, hereinafter referred to as "Assignment", is from **KANSAS CBM, LLC**, hereinafter referred to as "Assignor", whose address is 6310 E. 102<sup>nd</sup> St., Tulsa, OK 74137, to **VOSBURGH EXPLORATION, LLC**, whose address is 13018 Pinehurst Dr., Wichita, KS 67230, **LIES EXPLORATION, LLC**, whose address is 17 East Stonebridge Circle, Wichita, KS 67230, **ALLAM EXPLORATION, LLC**, whose address is 200 W. Douglas #520, Wichita, KS 67202, and **SWEETMAN INVESTMENTS, LLC**, whose address is 4912 East 29<sup>th</sup> Street North, Wichita, KS 67220, hereinafter referred to as "Assignees".

WHEREAS, Assignor is the owner of an undivided working interest in and to that certain oil and gas lease more particularly described in the Addendum attached hereto and made a part hereof, covering lands and filed of record in Logan County, Kansas.

NOW THEREFORE, for ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor does hereby quitclaim, grant, bargain, assign, sell and convey to Assignees an undivided **40.00%** working interest on an 8/8ths basis, in and to that certain oil and gas lease set forth on the Addendum attached hereto, in the following proportions:

<b>VOSBURGH EXPLORATION, LLC</b>	<b>15.00%</b>
<b>LIES EXPLORATION, LLC</b>	<b>10.00%</b>
<b>ALLAM EXPLORATION, LLC</b>	<b>7.500%</b>
<b>SWEETMAN INVESTMENTS, LLC</b>	<b>7.500%</b>

It is the intent of this assignment to convey the above set forth percentages out of the whole, undivided leasehold interest in and to that oil and gas lease set forth on the Addendum.

This Assignment is made subject to any and all lease burdens relating to or affecting the oil and gas leasehold estate interest being assigned, and together with a like interest in the production therefrom, all property and rights incident thereto, including, but not limited to, production from the Byron #1-31 well.

This Assignment is made without warranty of title, either express or implied.

The 'Effective Date' of this Assignment is 9<sup>th</sup> day of SEPTEMBER, 2012 at 12:02 a.m.



**ADDENDUM**

Attached hereto and made a part of that certain Partial Assignment of Oil and Gas Lease by and between Kansas CBM, LLC ("Assignor") and Vosburgh Exploration LLC, Lies Exploration LLC, Allam Exploration LLC, and Sweetman Investments LLC ("Assignees"), covering that certain below set forth lease in Logan County, Kansas.

LOGAN S. -  
0024

DATED: August 7<sup>th</sup>, 2008  
 LESSOR: Byron D. Sowers and Linda M. Sowers, husband and wife  
 LESSEE: Funk Petroleum, LLC  
 RECORDED: Book 145, Page 344  
 LEGAL: See Exhibit A attached hereto and made a part hereof

LOGAN S. -  
0050

DATED: December 27<sup>th</sup>, 2008  
 LESSOR: The Frazier Family Inter Vivos Trust, (John R. Frazier and Dorothy A. Petree), Trustees AND Dorothy A. Petree Inter Vivos Trust, By: (John R. Frazier and Dorothy A. Petree), Trustees  
 LESSEE: Kansas CBM, LLC  
 RECORDED: Book 147, Page 248  
 LEGAL: Southeast Quarter of Section 31, Township 14 South, Range 34 West and Southwest quarter of Section 32, Township 14 South, Range 34 West

---

## Exhibit A

(Tract 1) Township 15 South – Range 34 West  
Section 06: N/2

(Tract 2) Township 15 South - Range 34 West

Section 6: SW/4 AND a tract more particularly described as follows: Beginning at the Northwest corner of the SE/4, thence South 759 feet, thence East 114.75 feet, thence North 759 feet, thence West 114.75 feet to the point of beginning.

Township 14 South – Range 34 West  
Section 32: SW/4

(Tract 3) Township 15 South – Range 34 West  
Section 07: N/2

(Tract 4) Township 15 South – Range 34 West  
Section 09: N/2

(Tract 5) Township 15 South – Range 34 West  
Section 09: S/2

(Tract 6) Township 15 South – Range 34 West

Section 04: Except three tracts described as follows:

- (1) A tract commencing at the Northeast corner of said Section, thence on an assumed bearing of South 00 degrees 06 minutes 17 seconds East, along the East line of said Section, a distance of two thousand seven hundred fourteen and thirty-three hundredths (2,714.33) feet to the point of beginning. From the point of beginning, thence South 00 degrees 06 minutes 17 seconds East along the East line of said Section, a distance of one thousand three hundred eighteen and four hundredths (1,318.04) feet, thence North 88 degrees 58 minutes 05 seconds West for a distance of five thousand two hundred eighty and seventy-four hundredths (5,280.74) feet to the West line of said Section, thence North 00 degrees 26 minutes 00 seconds West, along the West line of said Section, for a distance of three thousand fifty-five and seventy-four hundredths (3,055.74) feet, thence South 54 degrees 53 minutes 25 seconds East for a distance of one thousand nine hundred thirty-three and fifty-nine hundredths (1,933.59) feet, thence South 15 degrees 40 minutes 34 seconds East for a distance of three hundred fifty-one and two hundredths (351.02) feet, thence South 88 degrees 59 minutes 18 seconds East for a distance of one thousand three hundred eight and five hundredths (1,308.05) feet, thence North 67 degrees 42 minutes 45 seconds East for a distance of three hundred ninety-six and sixty-one hundredths (396.61) feet, thence South 86 degrees 17 minutes 39 seconds East for a distance of one thousand two hundred fifty-one and forty-one hundredths (1,251.41) feet, thence South 58 degrees 30 minutes 16 seconds East for a distance of eight hundred twenty-one and thirty-four hundredths (821.34) feet to the point of beginning.
- (2) A tract beginning at the Northeast corner of said Section, thence on an assumed bearing of South 00 degrees 06 minutes 16 seconds East, along the East line of said Section, a distance of three hundred ninety-five and seventy-nine hundredths (395.79) feet, thence South 25 degrees 52 minutes 35 seconds West for a distance of four hundred sixty and sixty-one hundredths (460.61) feet, thence South 77 degrees 45 minutes 32 seconds West for a distance of one hundred sixty-five and seventy-eight hundredths (165.78) feet, thence North 83 degrees 40 minutes 15 seconds West for a distance of eight hundred fifty-nine and sixty-nine hundredths (859.69) feet, thence North 64 degrees 23 minutes 45 seconds West for a distance of one hundred twenty-two and twenty-seven hundredths (122.27) feet, thence North 42 degrees 14 minutes 33 seconds West for a distance of two hundred sixty-four and ninety-one hundredths (264.91) feet, thence North 26 degrees 01 minutes 06 seconds West for a distance of five hundred fifty-eight and twenty-two hundredths (558.22) feet to the North line of said Section, thence North 90 degrees 00 minutes 00 seconds East, along said North line, for a distance of one thousand seven hundred forty-nine and ninety-seven hundredths (1,749.97) feet to the point of beginning.
- (3) A tract of land commencing at the Northeast corner of said Section, thence on an assumed bearing of South 90 degrees 00 minutes 00 seconds West, along the North line of said Section, a distance of two thousand one hundred twenty-two and twenty hundredths (2,122.20) feet to the point of beginning. From the point of beginning, thence South 09 degrees 01 minutes 37 seconds East for a distance of nine hundred sixty-one and seventy-six hundredths (961.76) feet, thence South 42 degrees 32 minutes 01 seconds West for a distance of three hundred four and sixty-one hundredths (304.61) feet, thence South 53 degrees 20 minutes 52 seconds West for a distance of four hundred sixteen and sixty-nine hundredths (416.69) feet, thence South 81 degrees 13 minutes 06 seconds West for a distance of two hundred seventeen and thirty-two hundredths (217.32) feet, thence North 70 degrees 55 minutes 52 seconds West for a distance of two hundred twenty-two and eighty-six hundredths (222.86) feet, thence North 43 degrees 13 minutes 49 seconds West for a distance of two hundred ninety-two and ninety-two hundredths (292.92) feet, thence North 30 degrees 43 minutes 45 seconds West for a distance of two hundred sixty and fifty hundredths (260.50) feet, thence North 16 degrees 19 minutes 08 seconds West for a distance of nine hundred eighty-five and seventy-eight hundredths (985.78) feet to the North line of said Section, thence North 90 degrees 00 minutes 00 seconds East, along the said North line for a distance of one thousand four hundred twenty-five and forty-six hundredths (1,425.46) feet to the point of beginning.

(Tract 7) Township 14 South – Range 34 West  
Section 31: S/2



**NEW GULF OPERATING, LLC  
BYRON LEASE  
SW.1/4, SECTION 32, T14S, R34W  
LOGAN COUNTY, KANSAS**

NO

ROAD

**Notes:**

1. Set (2) wood stakes at location site.
2. All flagging Red & Yellow.
3. No overhead power available at Sec.32.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec.32.
6. Contact landowner for best access.

ROAD

ROAD

**32**

*Drillsite Location  
Byron #3-32P*

*155'FSL 1068'FWL*

*Ground Elevation = 3009*

*Y = 180891 X = 1108569*

*State Plane-NAD 27-Kansas North  
(Mapping Grade GPS Used)*

**STUBBLE**

Lease Road

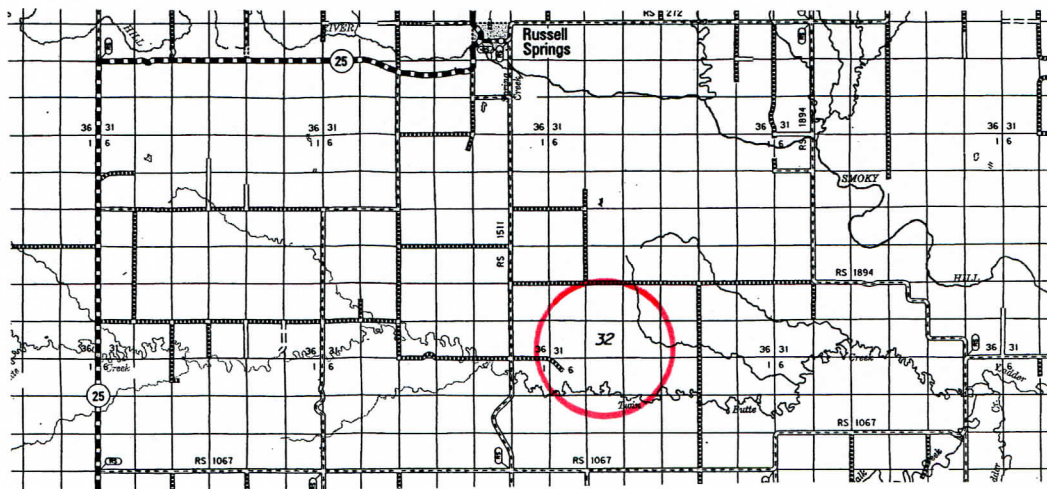
**TANK  
BATTERY**

NO

ROAD

NO

\*Ingress and egress to location as shown on this plat is for usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.



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

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

\* Elevations derived from National Geodetic Vertical Datum.

Date March 31, 2014