



KANSAS CORPORATION COMMISSION 1205133
OIL & GAS CONSERVATION DIVISION

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

For KCC Use:
Effective Date:
District #
SGA? Yes No

NOTICE OF INTENT TO DRILL

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

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

Expected Spud Date: month day year

OPERATOR: License#
Name:
Address 1:
Address 2:
City: State: Zip:
Contact Person:
Phone:

CONTRACTOR: License#
Name:

Well Drilled For: Well Class: Type Equipment:
Oil Gas Enh Rec Storage Disposal Seismic; # of Holes Other
Infield Pool Ext. Wildcat Other
Mud Rotary Air Rotary Cable
If OWWO: old well information as follows:

Operator:
Well Name:
Original Completion Date: Original Total Depth:

Directional, Deviated or Horizontal wellbore? Yes No
If Yes, true vertical depth:
Bottom Hole Location:
KCC DKT #:

Spot Description:
- - - Sec. Twp. S. R. E W
feet from N / S Line of Section
feet from E / W Line of Section
Is SECTION: Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

County:
Lease Name: Well #:
Field Name:
Is this a Prorated / Spaced Field? Yes No
Target Formation(s):
Nearest Lease or unit boundary line (in footage):
Ground Surface Elevation: feet MSL
Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No
Depth to bottom of fresh water:
Depth to bottom of usable water:
Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set:
Length of Conductor Pipe (if any):
Projected Total Depth:
Formation at Total Depth:
Water Source for Drilling Operations: Well Farm Pond Other:
DWR Permit #: (Note: Apply for Permit with DWR)
Will Cores be taken? Yes No
If Yes, proposed zone:

AFFIDAVIT

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

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

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

Submitted Electronically

For KCC Use ONLY
API # 15 -
Conductor pipe required feet
Minimum surface pipe required feet per ALT. I II
Approved by:
This authorization expires:
(This authorization void if drilling not started within 12 months of approval date.)
Spud date: Agent:

Remember to:

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

Well will not be drilled or Permit Expired Date:
Signature of Operator or Agent:

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

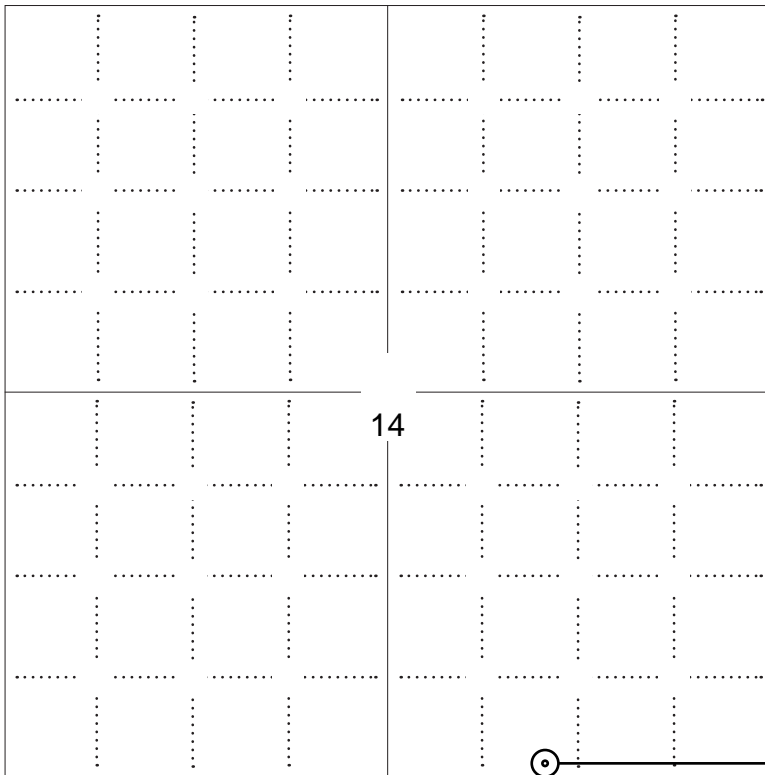
Is Section: Regular or Irregular

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.

100 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.

**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	
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: 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

ALLEN LEASE

5-15-14 14 & 23 - 26s - 14e

Legend

- PERMITTED ALLEN 3 WELL
- ELECTRIC POLES
- NEW ALLEN 4 LOCATION
- OLD ALLEN 4 LOCATION
- WELLS TO BE PLUGGED

OLD ALLEN 4 LOCATION

Allen 1

NEW ALLEN 4 LOCATION

Allen 2A

elec. pole

Allen 3

elec. pole

Allen 2T

To Be Plugged

106'

120' 260'

Gull Rd

Google earth

© 2014 Google



700 ft

ALLEN LEASE

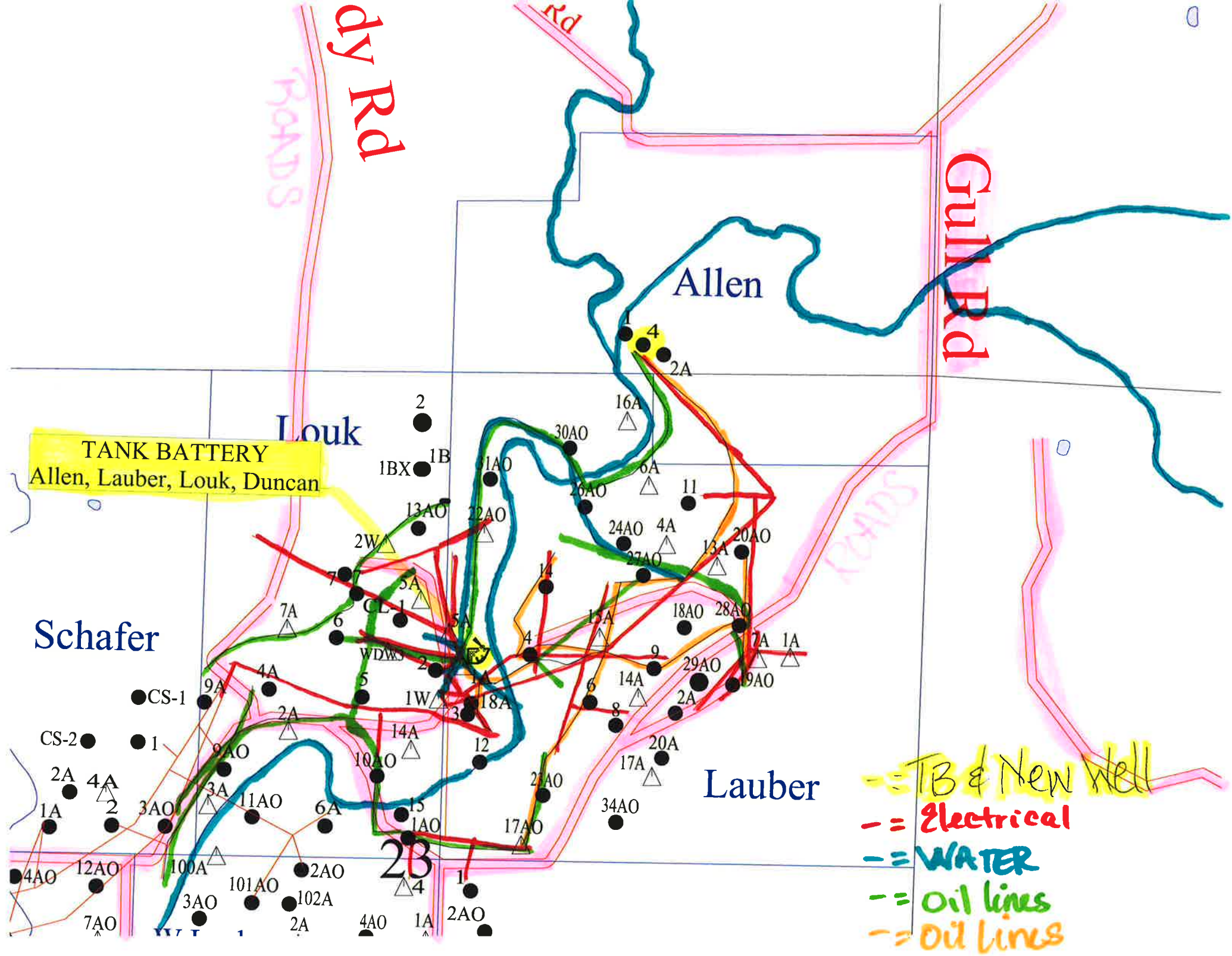
5-15-14 14 & 23 - 26s - 14e

Legend

- ▲ ELECTRIC POLLS
- NEW WELLS TO BE DRILLED
- ⊙ WELLS TO BE PLUGGED

Allen 1
Allen 4 ●
Allen 2A
elec. pole ▲
Allen 3 ●
elec. pole ▲
Allen 2T ⊙





dy Rd

ROADS

Gulf Rd

Allen

Louk

TANK BATTERY
Allen, Lauber, Louk, Duncan

Schafer

Lauber

- = TB & New Well
- = Electrical
- = WATER
- = Oil lines
- = Oil lines



My appointment expires:

Martha M. Newmark
Notary Public

written.

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

Before me, the undersigned, a Notary Public, within and for said county and state, on this 17th day of August, 2005 personally appeared BENNIE M. BREWER, a single person, to me personally known to be the same as her free and voluntary act and deed for the uses and purposes therein set forth.

STATE OF KANSAS, COUNTY OF Coffey ss:

BENNIE M. BREWER

for the sum of: Gift

them, such lands for oil and gas and other minerals and producing, storing, treating, handling, marketing, and removing together with the exclusive right of ingress and egress at all times for the purpose of mining, drilling, and exploring

Woodson County, Kansas
North of Sandy Creek in said Section 23, all in Township 26 South, Range 14 East of the 6th P.M.,
The S/2 of the SE/4 of Section 14, less the following described tract: commencing at the Northwest corner of the SW/4 of said Section 14; running thence South 23 rods; thence East 40 1/2 rods; thence North 23 rods; thence West to place of beginning; also the North 15 acres of the NE/4 of Section 23, and 2 1/2 acres in the Northeast corner of the NW/4 of the NE/4 lying

40953

N/2 SW/4; and also a tract beginning at the Southwest corner of the N/2 of the SW/4, thence South 45 rods to center of creek, thence Northeast along center of said creek to the East line of said SW/4, thence North 11 1/2 rods to the Southeast corner of the N/2 of the SW/4, thence West 160 rods to place of beginning, All in Section 13, Township 26, Range 14, Woodson County, Kansas;
All of the rights, title, and interest owned, claimed or held by Grantor in and to the mineral rights and interest, in and to all of the following described real estate in the County of Woodson and the State of Kansas, to-wit:

GARY L. BREWER, her son, and PHYLLIS J. BREWER, her daughter, as joint tenants and not as tenants in common, with full rights of survivorship, the whole estate to vest in the survivor in the event of either,

17795

does by this instrument remise, release, and quit claim to

BENNIE M. BREWER, a single person,

11282

Quit claim deed made this 17th day of August, 2005.

QUIT CLAIM MINERAL DEED

STATE OF KANSAS }
WOODSON COUNTY } ss.

This instrument was filed for record on the 1st day of September A.D. 2005 at 11:55 o'clock A.M. and duly recorded in book 108 of Deeds on page 244 17795
REGISTER OF DEEDS/BREWER
FEE \$8.00

EXHIBIT A
WOODSON COUNTY, KANSAS

BIG SANDY GROUP



ALLEN LEASE

Lease dated 11/01/1954, from W. C. Allen and Euphie C. Allen, his wife, lessors, to E. O. Lynn and J. C. Bell, lessees, recorded 11/02/1954 in Book 27, Page 16, insofar as said lease covers the following land situated in Woodson County, Kansas:

South Half of the Southeast Quarter (S/2 SE/4) of Section Fourteen (14), Township Twenty-six (26) South, Range Fourteen (14) East of the 6th P.M., less the following described tract: Commencing at the Northwest corner of the Southwest Quarter of the Southeast Quarter (SW/4 SE/4) of said Section 14, running thence South 23 rods, thence East 40.5 rods, thence North 23 rods, thence West to place of beginning; also the North 15 acres of the Northeast Quarter of the Northeast Quarter (NE/4 NE/4) of Section Twenty-three (23), Township Twenty-six (26) South, Range Fourteen (14) East of the 6th P.M.; and 2.5 acres in the Northeast corner of the Northwest Quarter of the Northeast Quarter (NW/4 NE/4) lying North of Sandy Creek in said Section 23.

DUNCAN LEASE

Lease dated 07/27/1992, from Merry M. Garland & Dwight R. Garland, husband and wife, lessors, to Colt Energy, Inc., lessee, recorded in Book M-73, Page 88, insofar as said lease covers the following land in Woodson County, Kansas:

Southeast Quarter (SE/4) of Section Twenty-three (23), Township Twenty-six (26) South, Range Fourteen (14) East of the 6th P.M.

LAUBER LEASE

(1) Lease dated 04/26/1923, from C. H. Lauber & Dora Lauber, husband and wife, lessors, to J. F. Schiltz, F. M. Watt, Wm. Teaschner & Andrew Miller, lessees, recorded 04/30/1923 at Book V, Page 12, insofar as said lease covers the following land in Woodson County, Kansas:

144 acres in the Northeast Quarter (NE/4) of Section Twenty-three (23), Township Twenty-six (26) South, Range Fourteen (14) East of the 6th P.M., except a strip of land along the South side 160 rods long and 40 rods wide containing 40 acres.

(2) Lease dated 05/26/1932, from C. H. Lauber & Dora Lauber, husband and wife, lessors, to The Woodson Pipe Line & Producing Company, lessee, recorded 05/28/1932 at Book 4, Page 430, insofar as said lease covers the following land in Woodson County, Kansas:

South Half of the South Half of the Northeast Quarter (S/2 S/2 NE/4); East Half of the North Half of the Southwest Quarter (E/2 N/2 SW/4); East 10 acres of the Northwest Quarter of the Southwest Quarter (NW/4 SW/4); except the following tract: beginning at a point 38 rods West of SE corner of NE/4 of said SW/4, thence West 62 rods, thence North 20 rods, thence East 40 rods, thence Southeasterly on a line to beginning; all in Section Twenty-three (23), Township Twenty-six (26) South, Range Fourteen (14) East of the 6th P.M.

(3) Lease dated 08/05/1955, from Myrtle A. Winters (f/k/a Myrtle A. Lauber) and Geo. Winters, husband and wife, *et al.*, lessors, to The Woodson Pipe Line & Producing Company, lessee, recorded 09/02/1955 at Book 28, Page 407, insofar as said lease covers the following land in Woodson County, Kansas:

Northeast Quarter of the Southwest Quarter (NE/4 SW/4); the East 10 acres of the Northwest Quarter of the Southwest Quarter (NW/4 SW/4); except the following tract: beginning 38 rods West of the SE corner of said NE/4 SW/4, thence West 62 rods, thence North 20 rods, thence East 40 rods, thence Southeasterly to beginning; all in Section Twenty-three (23), Township Twenty six (26) South, Range Fourteen (14) East of the 6th P.M.

LOUK LEASE

(1) Lease dated 04/09/1925, from C. W. Louk & Hattie Louk, husband and wife, lessors, to Sam Watt, lessee, recorded 07/22/1925 at Book Z, Page 53, insofar as said lease covers the following land in Woodson County, Kansas:

East Half of the Northwest Quarter (E/2 NW/4) of Section Twenty-three (23), Township Twenty-six (26) South, Range Fourteen (14) East of the 6th P.M., except the South 10 acres.

(2) Lease dated 04/08/1955, from Sidonie Schafer, a widow, *et al.*, lessors, to The Woodson Pipe Line & Producing Company, lessee, recorded 09/19/1955 at Book 30, Page 35, insofar as said lease covers the following land in Woodson County, Kansas:

South 10 acres of the East Half of the Northwest Quarter (E/2 NW/4) of Section Twenty-three (23); and the Southeast Quarter of the Northeast Quarter (SE/4 NE/4) of Section Twenty-two (22); all in Township Twenty-six (26) South, Range Fourteen (14) East of the 6th P.M.;

(3) Lease dated 08/26/1955, from Melvina G. Schafer, as guardian of Geraldine Louise Schafer, a minor, lessor, to The Woodson Pipe Line & Producing Company, lessee, recorded 09/19/1955 at Book 28, Page 416, insofar as said lease covers the following land in Woodson County, Kansas:

South 10 acres of the East Half of the Northwest Quarter (E/2 NW/4) of Section Twenty-three (23); and the Southeast Quarter of the Northeast Quarter (SE/4 NE/4) of Section Twenty-two (22); all in Township Twenty-six (26) South, Range Fourteen (14) East of the 6th P.M.;

SCHAFER LEASE

Lease dated 08/05/1932, from G. F. Schafer & Sidonie Schafer, husband and wife, and Arthur Fiedler & Augusta Fiedler, husband and wife, lessors, to Woodson Pipe Line and Producing Company, recorded 08/12/1932 at Book 4, Page 454, insofar as said lease covers the following land in Woodson County, Kansas:

West Half of the Northwest Quarter (W/2 NW/4) of Section Twenty-three (23), Township Twenty-six (26) South, Range Fourteen (14) East of the 6th P.M.

PENDLAY LEASE

Lease dated 11/06/1944, from Libbie Rehmer Pendlay, a single person, lessor, to Ruth B. Lane, lessee, recorded 12/09/1944 at Book 18, Page 6, insofar as said lease covers the following land in Woodson County, Kansas:

North Half of the Southeast Quarter (N/2 SE/4) of Section Twenty-two (22); all in Township Twenty-six (26) South, Range Fourteen (14) East of the 6th P.M.

SCOTT LEASE

(1) Lease dated 12/16/1944, from The Victory Life Insurance Company, a corporation, lessor, to James L. Adamson, lessee, recorded 12/29/1944 at Book 18, Page 10, insofar as said lease covers the following land in Woodson County, Kansas:

Northwest Quarter of the Southwest Quarter (NW/4 SW/4) of Section Twenty-two(22); all in Township Twenty-six (26) South, Range Fourteen (14) East of the 6thP.M., and Southeast Quarter of the Southwest Quarter (SE/4 SW/4); West Half of the Northwest Quarter of the Southwest Quarter (W/2 NW/4 SW/4); West Half of the East Half of the Northwest Quarter of the Southwest Quarter (W/2 E/2 NW/4 SW/4); Southeast Quarter of the Southeast Quarter of the Northwest Quarter of the Southwest Quarter (SE/4 SE/4 NW/4 SW/4); Southwest Quarter of the Southwest Quarter of the Northeast Quarter of the Southwest Quarter (SW/4 SW/4 NE/4 SW/4); North Half of the Northeast Quarter of the Southwest Quarter of the Southwest Quarter (N/2 NE/4 SW/4 SW/4); East 12 rods off the North Half of the Northwest Quarter of the Southwest Quarter of the Southwest Quarter (N/2 NW/4 SW/4 SW/4); and commencing 38 rods West of the SE corner of the Northeast Quarter of the Southwest Quarter (NE/4 SW/4) and running thence West 22 rods, thence N 20 rods, thence in a straight line to beginning; the South Half of the Southwest Quarter of the Southwest Quarter (S/2 SW/4 SW/4) and the South Half of the North Half of the Southwest Quarter of the Southwest Quarter (S/2 N/2 SW/4 SW/4) except 12 rods off the West side of said tracts; LESS a 10-acre square tract around an existing oil well under oil and gas lease dated 12/16/40, recorded at Book M-15, page 426; all in Section Twenty-three (23), Township Twenty-six (26) South, Range Fourteen (14) East of the 6th P.M.,

(2) Lease dated 12/16/1940, from The Victory Life Insurance Company, lessor, to The Woodson Pipe Line & Producing Company, lessee, recorded 07/21/1941 at Book 15, Page 426, insofar as said lease covers the following land in Woodson County, Kansas:

10 acre tract with 1 producing well in Section Twenty-three (23), Township Twenty-six (26) South, Range Fourteen (14) East of the 6th P.M.

AFFIDAVIT OF PRODUCTION

The undersigned, of lawful age, being first duly sworn, upon oath states that:

- 1. Affiant is an owner or duly authorized agent of the owner of the oil and gas leases described in **EXHIBIT A** attached hereto.
- 2. Each such lease is for a definite or primary term and as long thereafter as oil or gas is produced from said land.
- 3. Oil and/or gas was found upon and has been produced from the land described in each such lease under and in accordance with the terms and conditions of each such oil and gas lease.
- 4. The contingencies necessary to maintain and extend each such oil and gas lease beyond the definite or primary term therein expressed have been satisfied, and notice is given of the continuing validity of each such lease upon the lands therein described.

Dated this 19th day of June, 2006.

Colt Energy, Inc.

by: Nicholas K Powell

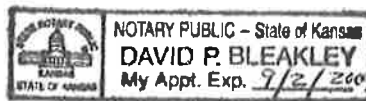
Nicholas K. Powell, President of
Colt Energy, Inc.

STATE OF Kansas, COUNTY OF Johnson, ss:

This instrument was subscribed, sworn to and acknowledged before me on June 19, 2006
by Nicholas K. Powell, President of Colt Energy, Inc., a Kansas Corporation.

David P. Bleakley

Notary Public – David P. Bleakley
App't. Expires: 9/2/2009



No. 9707683 Book S87 Page(s): 334 - 337

WOODSON COUNTY, KS, SS

RECORDED

Jun 20, 2006 11:45 AM Fees \$20.00

Mardelle S. Pringle, Register of Deeds

✓✓

OIL DIVISION ORDER AND AGREEMENT

TO: COFFEYVILLE RESOURCES REFINING & MARKETING, LLC
Attn: Owner Relations Dept.
10 E. Cambridge Circle, Suite 250
Kansas City, KS 66103

Lease No. 40953
Lease Name: BSU-Allen
Effective Date: August 1, 2001

COPY

Date: April 22, 2010

Revised Legal

Each of the undersigned (herein referred to individually and collectively as "Owner") hereby guarantees, represents and warrants to Coffeyville Resources Refining & Marketing, LLC (CRRM), its successors and assigns, that each Owner is the legal owner of the Owner's respective interest, in the proportions hereinafter stated, in all Oil (as defined herein) produced and saved from the BSU-Allen lease, located in the County of Woodson, State of Kansas, described as follows (the "Lands"):

Section 14: S/2 SE/4 less a tract in Section 14; N 15 acres of the NE/4 NE/4, 2.5 acres NW/4 NE/4 lying N of Sandy Creek in Section 23; all in Township 26 South, Range 14 East

Effective at 8:00 A.M. August 1, 2001 and until further written notice, CRRM is hereby authorized to receive all such produced Oil, for CRRM's own purchase or for resale, to receive payment therefore, to make payment of and/or give credit for all proceeds derived therefrom as follows:

Table with 3 columns: Owner No., Credit To, Decimal Interest. Row 1: 13921, Colt Energy Inc P O Box 388 Iola, KS 66749-0388, WI 0.87500000

Colt Energy Inc agrees to make payment to those holding legal title to the working interest, and any valid representative on assigned oil proceeds for the crude oil covered by this Division Order, and agrees to indemnify and hold harmless Coffeyville Resources Refining & Marketing, LLC for any loss, or damage it might suffer, including reasonable attorney fees, from having made payment to Colt Energy Inc

All provisions appearing on the reverse side hereof are incorporated herein by reference and are an essential part of this Division Order and Agreement (the "Agreement") with the same effect as if printed above the Owner's signatures. If Owner and CRRM are or become parties to a crude oil purchase or sale agreement ("Contract") concerning the Lands, the Contract will control any conflicts between the "Agreement" and the Contract. Notwithstanding anything to the contrary, all matters related to the division and ownership of oil shall be governed by the "Agreement."

The Owners expressly waive any claim against CRRM for any and all amounts owed to the Owners from any third party for Oil produced from the Lands prior to the effective date hereof.

Signatures of Witnesses

Handwritten signatures of witnesses: D.P. Blakely and Stephanie Rufford

Owner Signature(s) Below

Handwritten signature of Nicholas K. Powell

Colt Energy Inc

Nicholas K Powell President
Print Authorizing Name & Title

Address if different than above

Taxpayer ID Number or Social Security Number for 1099 Reporting

Redacted taxpayer ID number

(913) 236-0016

Daytime Telephone

Email

Federal Law requires you to furnish your Social Security or Taxpayer Identification Number. Failure to comply will result in 28% tax withholding and will not be refundable by Payor.

Sign and return this original

jlm

The following provisions are also part of this Agreement. All provisions contained herein shall be binding upon the Owners and CRRM and their successors, legal representatives, transferees and assigns.

FIRST: The word "Oil" shall mean all crude oil, condensate and other marketable liquid hydrocarbons produced and saved from the above described real property. Oil shall become CRRM's property as soon as the same is received into CRRM's custody or that of any carrier designated by CRRM. CRRM is not obligated to: (a) receive Oil in definite quantities, (b) receive Oil for fixed periods, or (c) provide storage.

SECOND: The Oil shall be delivered f.o.b. to any carrier designated by CRRM which gathers and receives crude oil, condensate or other liquid hydrocarbons, and CRRM shall pay for such Oil to the Owners according to the division of interests herein specified at the price agreed upon and confirmed in writing between CRRM and the lease operator.

THIRD: Quantities of Oil purchased by CRRM shall be determined by the method of measurement and computation employed by CRRM or its agent designated to receive such Oil including without limitation, the gauging of storage tanks using regularly compiled tank tables, the use of certified truck gauges, and the use of meters or any other reasonably accurate method of measurement and computation. CRRM shall correct the volume and gravity to a temperature of 60° Fahrenheit and shall deduct from such corrected volume the full percentages of basic sediment, water and other impurities as shown by tests conducted by CRRM or its designee. CRRM may refuse to receive any Oil that it does not consider merchantable.

FOURTH: All payments shall be delivered or mailed to the respective Owner at the addresses above stated. CRRM shall make payments hereunder monthly by CRRM's check for Oil received during the preceding calendar month; provided that if the monthly payment due an Owner is less than the greater of fifty dollars (\$50.00) or the amount under applicable state law which a purchaser is not required to immediately disburse, CRRM may defer such payment, without interest, until the amount payable to said Owner equals or exceeds said amount. In such event, payment shall be made at the next regular settlement date. CRRM is hereby authorized to withhold from the proceeds of hydrocarbons the Owner's proportionate share of any tax levied and assessed by any governmental authority on the Oil received and purchased hereunder and to pay the same. If Owner is overpaid any amount by CRRM, Owner shall promptly return such overpayment to CRRM. If Owner does not return any such overpayment within ten (10) days after mailing of written notice to Owner's last known address by CRRM and CRRM thereafter commences a legal proceeding to recover any such overpayment, as part of any judgment in CRRM's favor, CRRM shall also be awarded all costs and expenses incurred by CRRM, including reasonable attorneys fees, in attempting to recoup any such overpayment as may be permitted under applicable law. CRRM shall have the right, in its sole discretion, to set off from amounts owed to any Owner from the sale of Oil or from the sale of crude oil, condensate or other liquid hydrocarbons produced from other properties against any amounts which may be owed to CRRM by the respective Owner under the provisions hereof or any other transaction with CRRM.

FIFTH: The Owners shall furnish, at no cost to CRRM, evidence of title satisfactory to CRRM. Any Owner receiving proceeds of Oil on behalf or for the account of any other person or entity shall promptly make full and proper settlement to each such person or entity. Until satisfactory evidence of title is furnished or in the event of any adverse claim to the Oil, lien or dispute at any time concerning title or ownership to the Oil, the proceeds thereof, and/or the Lands, CRRM shall have the right at any time and from time to time to withhold payment for Oil accruing to the interest or interests affected thereby until such adverse claim, lien or dispute shall have been fully settled, without liability for damage or interest to the Owners in any such case, if permitted by applicable state law. If suit is filed or an adverse claim is made affecting title or ownership to the Oil, the proceeds thereof, and/or the Lands, each Owner shall promptly provide to CRRM (at the above address) written notice thereof, together with a certified copy of any complaint or petition filed along with all other pleadings related thereto. Each Owner shall defend, indemnify and hold CRRM and its affiliates, directors, officers, employees, agents and representatives (collectively, the "CRRM Indemnitees"), harmless from and against any and all claims, liabilities, demands, actions, causes of action, costs, damages, and expenses (including, without limitation, costs of investigation, defense and court and reasonable attorneys' fees) arising from or in any way relating, directly or indirectly, to any proceedings, actions or adverse claims concerning title to or ownership of the Oil, the proceeds thereof, taxes thereon, and/or the Lands. Such indemnification shall apply notwithstanding CRRM's negligence or other act and notwithstanding such act may occur in the future, it being the intent of the parties hereto that such indemnification shall apply to all such acts.

SIXTH: CRRM shall not be responsible for any change of ownership in the absence of actual notice and satisfactory proof thereof. Each Owner shall notify CRRM in writing of any change in their ownership. Any transfer, assignment, or conveyance of any of an Owner's interest, however accomplished, shall be made subject to this Agreement and effective at 8:00 A.M. on the first day of the calendar month following the receipt of notice by CRRM. If any such written notice is not received by CRRM, the respective Owner shall defend, indemnify and hold the CRRM Indemnitees harmless from and against any over or underpayment, or wrong payment of any such sum or sums and all other damages in connection therewith. CRRM shall have the right, in its sole discretion, to set off from amounts owed to any Owner from the sale of Oil or from the sale of crude oil, condensate or other liquid hydrocarbons produced from other properties against any amounts which may be owed to CRRM by the respective Owner under the provisions hereof or any other transaction with CRRM, if permitted by applicable state law.

SEVENTH: If an Owner is a working interest owner and/or operator, it hereby guarantees, represents and warrants to CRRM that all Oil tendered hereunder has been or will be produced and delivered in compliance with all applicable federal, state and local laws, orders, rules and regulations. In addition, if a working interest owner and/or operator: (a) is being disbursed 100% of the proceeds from the Oil, it hereby assumes liability and shall be responsible for payment of any and all proceeds from the sale of Oil to all rightful owners, including, without limitation, working interest, royalty and overriding royalty interest owners and other payments due or to become due on the Oil and, if such disbursed proceeds are inclusive of taxes, all taxes applicable to the production, purchase, sale, storage, or transportation of Oil, including, without limitation, severance taxes, to the proper governmental authorities and (b) has requested CRRM to disburse the proceeds of production, CRRM will disburse proceeds as the operator directs.

EIGHTH: This Agreement shall bind each Owner as soon as signed by them, whether or not signed by any other Owner. All provisions herein contained shall apply to each Owner separately and not jointly. This Agreement may be executed in counterparts, all of which together shall constitute one Agreement. This Agreement may be terminated effective no less than thirty (30) days after delivery of written notice. The Owners consent to CRRM or any company owning pipelines connected to wells or tanks located on the Lands or lands pooled therewith, to disconnect and remove such pipelines upon termination hereof.

NINTH: This Agreement inures to the sole and exclusive benefit of CRRM and Owner, their respective successors, legal representatives, transferees and assigns, and confers no benefit on any third party.

May 16, 2014

Dennis Kershner
Colt Energy Inc
PO BOX 388
IOLA, KS 66749-0388

Re: Drilling Pit Application
API 15-207-28914-00-00
ALLEN 4
SE/4 Sec.14-26S-14E
Woodson County, Kansas

Dear Dennis Kershner:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as practical after drilling operations have ceased.

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

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 432-2300 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through KOLAR within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the District Office at (620) 432-2300.

Summary of Changes

Lease Name and Number: ALLEN 4

API/Permit #: 15-207-28914-00-00

Doc ID: 1205133

Correction Number: 1

Approved By: Steve Bond 05/16/2014

Field Name	Previous Value	New Value
ElevationPDF	1041 Estimated	913 Estimated
Expected Spud Date	05/02/2014	05/22/2014
Ground Surface Elevation	1041	913
Is Footage Measured from the East or the West Section Line	West	East
Is Footage Measured from the East or the West Section Line KCC Only - Approved By	West Rick Hestermann 04/28/2014	East Steve Bond 05/16/2014
KCC Only - Approved Date	04/28/2014	05/16/2014
KCC Only - Date Received	04/25/2014	05/16/2014
KCC Only - Regular Section Quarter Calls	W2 SW SE SW	SE SE SW SE
LocationInfoLink	https://kolar.kgs.ku.edu/kcc/detail/locationInformation.cfm?section=14&t	https://kolar.kgs.ku.edu/kcc/detail/locationInformation.cfm?section=14&t

Summary of changes for correction 1 continued

Field Name	Previous Value	New Value
Nearest Lease Or Unit Boundary	330	100
Number of Feet East or West From Section Line	1490	1565
Number of Feet East or West From Section Line	1490	1565
Number of Feet North or South From Section Line	330	100
Number of Feet North or South From Section Line	330	100
Quarter Call 1 - Largest	SW	SE
Quarter Call 1 - Largest	SW	SE
Quarter Call 2	SE	SW
Quarter Call 2	SE	SW
Quarter Call 3	SW	SE
Quarter Call 3	SW	SE
Quarter Call 4 - Smallest	W2	SE
Quarter Call 4 - Smallest	W2	SE

Summary of changes for correction 1 continued

Field Name	Previous Value	New Value
Save Link	../../../../kcc/detail/operatorEditDetail.cfm?docID=1201683	../../../../kcc/detail/operatorEditDetail.cfm?docID=1205133
Surface Owner Name	RICHARD EARL JONES & JAY DAVIS	RICHARD EARL JONES & STANLEY JAY DAVIS

Summary of Attachments

Lease Name and Number: ALLEN 4

API: 15-207-28914-00-00

Doc ID: 1205133

Correction Number: 1

Approved By: Steve Bond 05/16/2014

Attachment Name

Map showing the distance the well has been moved

Base Lease Map

Well Schematic with roads, TB, oil, water & electric lines

Allen Lease

Fluid