



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

KANSAS CORPORATION COMMISSION 1209689  
 OIL & GAS CONSERVATION DIVISION

Form C-1  
 March 2010

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

**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: \_\_\_\_\_

<b>Well Drilled For:</b>	<b>Well Class:</b>	<b>Type Equipment:</b>
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic ; _____ # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Mud Rotary
<input type="checkbox"/> Other: _____		<input type="checkbox"/> Air Rotary
		<input type="checkbox"/> Cable
<input type="checkbox"/> 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  
(Q/Q/Q/Q) \_\_\_\_\_ 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: \_\_\_\_\_

E  
 W

For KCC Use ONLY

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

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

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

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

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

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

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

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

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

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

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

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

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

Is Section:  Regular or  Irregular

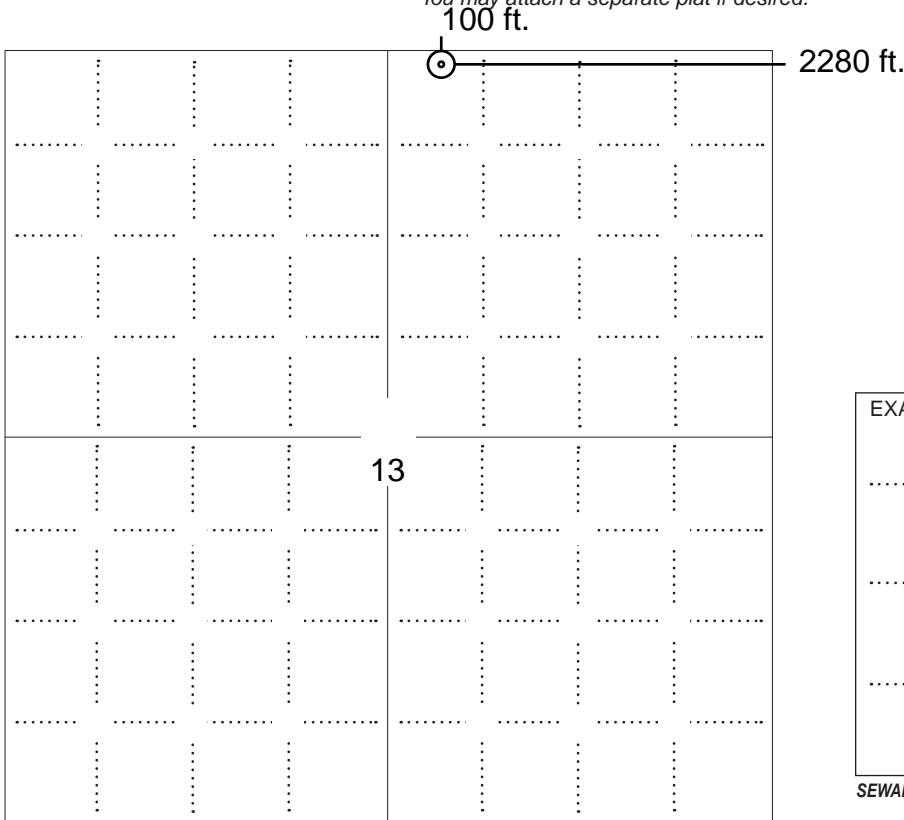
**If Section is Irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

### PLAT

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

You may attach a separate plat if desired.



### LEGEND

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



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

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

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



### APPLICATION FOR SURFACE PIT

Submit in Duplicate

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

<b>KCC OFFICE USE ONLY</b>					
		<input type="checkbox"/> Liner	<input type="checkbox"/> Steel Pit	<input type="checkbox"/> RFAC	<input type="checkbox"/> RFAS
Date Received: _____	Permit Number: _____	Permit Date: _____	Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> 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.

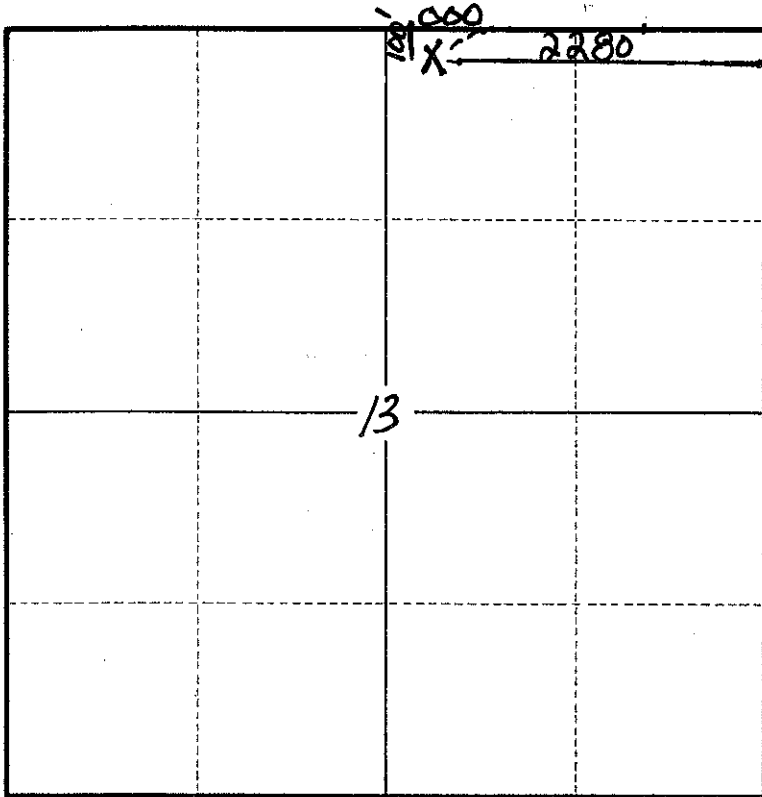
*If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.*

I Submitted Electronically

GSK Unit #1

100' FNL 2280' FEL

13-95-34W



000 = Proposed tank battery

X = Location

--- = trail in

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 16th day of October 2011  
by and between Ralph S. Goossen Trustee of the Revocable Inter Vivos Trust of Ralph S. Goossen, dated March 20, 2002 and  
Ralph S. Goossen Trustee of the Revocable Inter Vivos Trust of Gloria Goossen, dated March 20, 2000.

whose mailing address is 719 Maple, Friend, NE 68359 hereinafter called Lessor (whether one or more),  
and Castle Resources, Inc. hereinafter called Lessee:  
PO Box 87, Schoenchen, KS 67667-0087

Lessor, in consideration of One and More Dollars (\$ One (1.00)) 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 Thomas State of Kansas Described as follows to wit:

Township 9 South, Range 34 West  
Sec. 13: NW/4 and West 72 acre of the NE/4

In Section Township Range and containing 232 acres, more or less and all  
accretions thereto

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

In consideration of the premises the said Lessee covenants and agrees:  
1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from  
the leased premises.  
2nd. To pay Lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8), at the  
market price at the well, (but, as to gas sold by Lessee, in no event more than one-eighth (1/8) of the proceeds received by Lessee from such sales), for the gas sold, used off the premises,  
or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, Lessee may pay or tender as royalty One  
Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding  
paragraph.

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

Lessee 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 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 EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF:

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

Revocable Inter Vivos Trust of Gloria Goossen, dated March 20, 2002  
Ralph S. Goossen Trustee  
Ralph S. Goossen, Trustee


Revocable Inter Vivos Trust of Ralph S. Goossen, dated March 20, 2002  
Ralph S. Goossen Trustee  
Ralph S. Goossen, Trustee

## EXHIBIT "A"

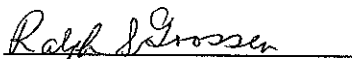
1. Lessee, or its assigns, will consult with Lessor regarding routes of ingress and egress prior to commencing operations.
2. Lessee, or its assigns, will restore surface to original condition as nearly as is practicable upon completion of operations, including backfilling all pits when dried and restoring terraces disturbed by operations.
3. Lessee or its assigns shall consult Lessor as to the location of lease roads, tank batteries, utility poles, and other production facilities.
4. All pipeline or electric lines shall be buried below 36 inches.
5. When preparing development locations the topsoil shall be segregated to be replaced on the surface upon completion of drilling activities. Any terraces driven over or altered for drilling or tank locations shall be restored to original height and cross section.
6. Prior to abandonment or termination of said lease or the abandonment of drillsites constructed by Lessee, Lessee shall promptly fill all pits, ponds, remove all structures, and reasonably restore the premises to the condition existing at the time the lease was executed.
7. 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 tender to Lessor, the sum of \$10.00 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, this lease shall thereby be modified and the primary term shall be extended for an additional term of two(2) years from the end of the primary term hereof. Said payment may be made by check or draft of Lessee or any assignee thereof, mailed or delivered direct to Lessor at the address first provided above, on or before the end of the primary term.
8. 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 assigns, 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. Lessee agrees that it will not interfere with the passage of the sprinkler system, it is further understood and agreed that the Lessee, at its option and expense, may place the equipment in pits or depressions below the normal surface and use low-profile pump jacks to avoid interference with the sprinkler.
5. Lessee or its assign agree not to construct any pits in the tire tracks of self-propelled overhead sprinkler system. It is agreed that Lessee or its assigns can trench across tracks should power lines, lead lines or other trenchable items be needed.

Revocable Inter Vivos Trust of Gloria  
Goossen dated March 20, 2002

Revocable Inter Vivos Trust of Ralph S.  
Goossen dated March 20, 2002



Ralph S. Goossen, Trustee



Ralph S. Goossen, Trustee





OIL AND GAS LEASE

AGREEMENT, Made and entered into the 6<sup>th</sup> day of January 2012  
by and between Stramel Farms, Inc.

whose mailing address is 225 La Hacienda Drive, Colby, KS 67701 hereinafter called Lessor (whether one or more),

and Castle Resources, Inc.

PO Box 87, Schoenchen, KS 67667-0087 hereinafter called Lessee:

Lessor, in consideration of One and More Dollars (\$) One (1.00) ) 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 Lessor 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 Thomas State of Kansas Described as follows to wit:

Township 9 South, Range 34 West Township 9 South, Range 33 West Township 8 South, Range 33 West Township 8 South, Range 34 West  
Sec. 1: NE/4 & E/2NW/4 Sec. 5: SE/4 Sec. 20: NW/4 Sec. 35: NW/4  
Sec. 12: NE/4; SE/4 Sec. 7: NE/4; NW/4  
Sec. 24: SE/4

In Section Township Range and containing 1520 acres, more or less and all accretions thereto

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

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

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

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

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

If said Lessor owns a less interest in the above 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.

Lessee 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 80 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 EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF:

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

Stramel Farms, Inc.

BY: Ronald R. Stramel Pres.  
Ronald R. Stramel, President

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) ss.

ACKNOWLEDGMENT FOR INDIVIDUAL

Before me, the undersigned, a Notary Public, within and for said county and state, on this \_\_\_\_\_ day of \_\_\_\_\_, 2012, personally appeared \_\_\_\_\_

to me personally known to be the identical person \_\_\_\_\_ who executed the within and foregoing instrument and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ 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 \_\_\_\_\_ Notary Public

STATE OF Kansas )  
COUNTY OF Thomas ) ss.

ACKNOWLEDGMENT FOR CORPORATION

The foregoing instrument was acknowledged before me this 6<sup>th</sup> day of January, 2012, by Ron R. Stramel, President of Stramel Farms, Inc. a Kansas corporation on behalf of the corporation.

My commission expires 9-19-13

Steven L. James  
Notary Public



FILE NUMBER 20120411 BK 219 PG 297 - 302  
RECORDED 1/10/2012 at 11:10 AM  
RECORDING FEE: \$ 28.00  
Thomas County, KANSAS  
KARLA SULLIVAN, DEPUTY Lora L Volk  
LORA L. VOLK, REGISTER OF DEEDS



INDEXED  
MICROFILMED

This addendum is attached to and made part of the oil and gas lease (hereinafter "lease") attached hereto and dated January 6, 2012. If any conflict exists between the Lease and this addendum, then this addendum shall govern and be controlling.

Royalty Costs. It is agreed between the parties that, notwithstanding any language herein to the contrary, all oil, gas, or other proceeds accruing to Lessor under this lease or by law shall be without deduction, for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and marketing the oil, gas and other products produced hereunder to transform the product into marketable form; however, Lessor's share of any such costs which result in enhancing the value of the marketable oil, gas or other products to receive a better price may be deducted from Lessor's share of production so long as they are based on Lessee's actual cost of such enhancements. In no event, however, shall Lessor receive a price that is less than, or more than, the price received by Lessee.

Assignment. This lease shall not be assignable in whole or in part by Lessee except with the written consent of Lessor. Any purported assignment without Lessor's prior written consent shall be void.

Depth. In the event this lease is extended by commercial production beyond its primary term, then on such date this lease shall terminate as to all rights one hundred (100) feet and more below the stratigraphic equivalent of the deepest penetrated formation in the well or wells located on the leased premises, or land unitized therewith. If Lessee is in the process of drilling or completing a well at the end of the primary term of this lease, this clause shall become effective upon conclusion of such operations.

Best Efforts. In selling gas produced from the leased premises, or any lands with which the leased premises may be unitized, Lessee shall exercise good faith and use due diligence and prudence to market such gas at the best price and upon the most favorable terms then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar quality that may be obtainable by Lessee at the time or times such gas is contracted for sale, but in no event less than the price obtained by the operator of the well, or the operator's subsidiary, or any of its affiliates.

Pugh. Notwithstanding anything to the contrary in this lease, all portions of this lease not included in a unit created or acknowledged by the Kansas Corporation Commission and not producing or upon which drilling operations have not commenced, shall be released at the expiration of the primary term of this lease. Should the unit as established by the Kansas Corporation Commission be changed after the expiration of the primary term, all portions of this lease not included in the newly prescribed Kansas Corporation Commission unit will be released.

Damages. Lessee shall pay for and be liable to Lessor for any and all damages which are caused, directly or indirectly, by Lessee's operations. Lessee agrees to restore all drillsites to their original condition.

Set Back. No well shall be located closer than two hundred (200) feet to any dwellings, barns, or outbuildings existing at the time.

Fencing. Lessee, if requested by Lessor, shall fence the well site and install cattle guards a minimum of twenty feet wide and of adequate strength with steel gates at all places where lease roads enter the leased premises or go through existing fences. The cattle guards and gates shall become the property of Lessee upon expiration or termination of the lease.

Pipelines. All pipelines shall be buried below three feet of plow depth.

Restoration. Lessee agrees to restore the lease premises and any drill sites to Lessors' satisfaction and shall otherwise be responsible for returning the lands covered by this lease to the same or substantially the same condition as they were at the commencement of this lease.

Indemnification. Lessee shall indemnify, defend, and hold Lessor harmless from any injuries, expenses, damages, attorneys' fees, and/or claims to any persons or property arising from, related to, or in connection with Lessee's production, operations, and/or use of said premises. Lessor shall further not be liable or responsible for, and Lessee hereby releases Lessor from all liability or responsibility to any person claiming by or through or under Lessee, by way of subrogation or otherwise, for any injury, loss, or damage to any person or property in or around the premises which is the subject matter of this lease or to Lessee's business irrespective of the cause of such injury, loss, or damage.

Fresh Water. Lessee shall not use fresh water obtained from or under the leased premises without the express written consent of Lessee, which water, if allowed, shall be purchased at the price prevailing in the area.

Salt Water Disposal Well. Lessee agrees that no Salt Water Disposal Well shall be completed on this lease unless oil production is established and said Salt Water Disposal Well is deemed necessary for production on the leased premises. In no event shall a Salt Water Disposal Well be completed on this lease if it shall have the effect of assisting the production on another lease. The establishment of any salt water disposal well shall be contingent on the parties negotiating and entering into a separate agreement concerning reasonable compensation to be paid to Lessee and other related terms.

Shut-in Royalty. Notwithstanding anything to the contrary herein, it is understood and agreed that this lease may not be maintained in force for any one continuous period of time longer than two (2) years after the expiration of the primary term hereof solely by the provisions of the shut-in royalty clause. Said shut-in royalty will be calculated at five dollars (\$5.00) per net acre, per year.

Interference. Lessee and/or its assigns shall consult with Lessor and any tenant in regard to the timing (for consideration of the stage of the crop, compaction issues, etc.) and as to the route of ingress or egress on the leased premises for the purpose of drilling, exploration, and production, and shall at all times take all reasonable and necessary measures to provide the least amount of interference with Lessor's and any tenant's productive use of the leased premises. Prior to the construction of any roads, pipelines, tank battery installations or installation of other equipment on the leased premises, Lessee and/or its assigns, shall consult and agree with Lessor and any tenant as to the location and direction of the same and as to reasonable compensation therefor. There should be no oil road surfaces or hard surfacing of any access road without written consent of and compensation to Lessor. If the leased premises are or become irrigated by the use of a self-propelled overhead sprinkler system, Lessee, prior to conducting operations hereunder, shall conduct its operations so as not to interfere with the passage of the irrigation sprinkler system.

Assisting Other Leases. No substances produced from the leased premises shall be used to assist the operations or production on another lease.

Pits. No earthen reserve pits shall be utilized in the reentry, drilling, completion or operation of any well that may be drilled on the leased premises. This does not include a 20 mill liner haul off pit. Lessee shall be required to keep topsoil separate from subsoil and return the same as topsoil when pits are leveled. Lessee further agrees that after drilling and completion operations have been completed, Lessee will fill the pits within a reasonable amount of time after such pits have dried and cured. Prior to filling any pits containing a plastic liner, the liner will be removed or destroyed to such an extent that it will not interfere with cultivation or free penetration of water.

Clean Sites. Lessee shall maintain production sites in a clean and uncluttered condition. All anchors used in drilling and workover operations shall be marked plainly with Tposts so as to be reasonably visible during farming and/or ranching operations.

Removal. Lessee shall have a reasonable time not to exceed one hundred eighty (180) days to plug any well, to remove any equipment, pipelines, roads, and any other such items, and to return the leased premises to their original condition. Any item not so removed shall be deemed to be abandoned by Lessee and shall become the property of Lessor, in which case the lease shall be deemed to be breached and Lessor may pursue Lessee for damages. Lessor, however, shall leave any casing in any well from ground level to a depth of two hundred (200) feet in order to protect any existing or future water wells on the leased premises.

CRP. In the event some or all the leased premises are or become enrolled in the Conservation Reserve Program (CRP) of the U.S. Department of Agriculture, Lessee shall comply with the rules and notification procedures of that program insofar as the same may apply to operations of Lessee on the leased premises. Lessee shall compensate Lessor for CRP penalties or CRP withdrawal reimbursements resulting directly from Lessee's operations hereunder.

Inspection. Lessor shall be allowed free access at all reasonable times to books, records, and drilling data accumulated pursuant to operations conducted pursuant to this lease.

Costs and Fees. In the event Lessee does not rectify any and all breaches of this lease within thirty (30) days after Lessor gives notice, then Lessee shall pay all reasonable investigative costs, litigation costs, and attorney's fees incurred by Lessor resulting therefrom.

Less Restrictive. If any provision hereof is less restrictive as to the obligations and requirements of Lessee or is otherwise in conflict with any applicable local, state, or federal law, rule, or regulation, then the said local, state, or federal law, rule, or regulation shall govern.

Release. Upon termination, expiration, or surrender of this lease in whole or in part, Lessee shall within thirty (30) days file an appropriate release of lease with the Register of Deeds for the appropriate county and provide Lessor with a certified copy of the same.

Time of Essence. Time is specifically made of the essence of this lease.

Extension. 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 tender to Lessor, the sum of \$ 40.00 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, this lease shall thereby be modified and the primary term shall be extended for an additional term of two(2) years from the end of the primary term hereof. Said payment may be made by check of Lessee or any assignee thereof, mailed or delivered direct to Lessor at the address first provided above, on or before the end of the primary term.

Tracts. All tracts of land described in this lease will be treated as if they were leased individually.

Seismic Clause. Lessee agrees to complete 3-D seismic operations on or before December 31, 2012 on said described tracts. Any tracts that are not able to be included into the 3-D seismic operations due to the location of said tract as it relates to the main 3-D seismic activates being preformed by Lessee, will become orphan tracts. These orphan tracts, if not able to be included in with other tracts of land not owned by Lessor, and when combine together create at least a one square mile of contiguous acreage, will not be subject to the December 31, 2012 deadline.

If Lessee has not completed the 3-D operations on said tracts, less any orphan tracts, by December 31, 2012, Lessee will file a release of oil and gas lease on all said tracts, in Thomas County Register of Deeds and release all right and title to said oil and gas leases.

If Lessee does perform the 3-D operations on said tracts, less any orphan tracts, on or before December 31, 2012, Lessee will retain the full terms and conditions of the said oil and gas leases, as if there were no seismic operations clause.

Lessee agrees they will make available copies of the seismic information that covers Lessors leased land, once the seismic has been processed and interpreted. Lessee or its assigns agree to keep all dynamite shot holes used in the 3-D seismic operations, at least 300 feet from any existing irrigation wells on said acreage.

Cumulative Remedies. In the event of a breach of this lease, the party adversely affected by the breach shall not be required to elect a single remedy, but shall be entitled to pursue any and all available legal and/or equitable remedies, including but not limited to injunctive relief, specific performance, and the recovery of money damages. The parties agree that the specific mention of certain remedies in this lease shall not in any way prevent the parties from pursuing any other remedies available to them that may not have been specifically mentioned in this lease.

Nations Clause. In the event Lessee enters into a similar agreement with another owner of mineral rights in substantially the same situation as Lessor, during the term of this lease and any extensions thereof, located in the general prospect area of Lessee, under more favorable financial terms to the lessor than what are contained in this lease, then Lessee shall immediately notify Lessor in writing of those facts and promptly cooperate in drafting and executing any and all documents necessary to modify this lease, together with any addendums and/or extensions thereto, so as to apply those said favorable financial terms to this lease and to the benefit of Lessor. Whether or not to modify the lease to include all or a portion of the more favorable terms shall be at the sole discretion of Lessor. Said modifications shall be effective as of no later than the date the lease is entered into with the other mineral rights owner which precipitated the modifications. If the modification is in regards to lease rates which have already been paid under this lease, then the modification shall be effective retroactive so to require Lessee to pay Lessor the difference between the more favorable lease rate and the lease rate already paid under this lease. Exceptions to this provision shall include, but not be limited to, the following examples 1.) Small tracts of land that were not leased that may be required for a possible drill site, usually 5-10 acres, more or less or tracts that maybe require to allow for participation in unit location. 2.) A tract of land usually 160 acres or less that needs to be acquired to square off the seismic area, or may lie inside the 3-D area and without this tract will cause a hole or reduce quality from the 3-D seismic. 3.) Any tract of land that if not leased, and is the last tract to complete the seismic shoot and without this tract will cause the seismic activities to not be completed will also be exempt.

Construction. The parties agree that this Addendum shall not be construed more or less favorably for either party based on who drafted the Addendum, as all parties have fully participated in the negotiation, review, and revision of the Addendum.

No Waiver. If either party to this lease fails to insist upon strict performance of any obligation under this lease, that failure will not result in a waiver of that party's right to demand strict performance in the future. This will be the case no matter how long the failure to insist upon strict performance continues.

Singular. Whenever appropriate, the singular shall include the plural and the impersonal pronoun shall include the personal pronoun.

Paragraph Headings. The parties agree that the paragraph headings in this Addendum are for reference only and shall not be used to vary the terms and conditions of this lease.

LESSOR

Stramel Farms, Inc.

Date By: 1-6-12  
Ronald R. Stramel, President

By: Ronald R. Stramel Pres.

LESSEE

Castle Resources, Inc.

By: Jerry D. Green  
Jerry D. Green, President

Date: 1-6-12

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 13<sup>th</sup> day of August 2011  
by and between Harvey S. Kistler and Linda L. Kistler, Trustees of the Harvey S. Kistler Trust dated June 25, 1998 and  
Linda L. Kistler and Harvey S. Kistler, Trustees of the Linda L. Kistler Trust dated June 25, 1998

whose mailing address is 1046 County Road 18, Colby, KS 67701 hereinafter called Lessor (whether one or more),  
and Castle Resources, Inc.  
PO Box 87, Schoenchen, KS 67667-0087 hereinafter called Lessee:

Lessor, in consideration of One and More Dollars (\$) One (1.00) ) 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 other 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 Thomas State of Kansas Described as follows to wit:

Township 9 South, Range 34 West  
Sec. 11: SE/4  
Sec. 11: SW/4  
Sec. 12: SW/4  
Sec. 14: NE/4  
Sec. 14: SE/4

In Section --- Township --- Range --- 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 Two (2) years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said land is pooled.

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

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

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

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

If said Lessor owns a less interest in the above 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.

Lessee 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 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 EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF:

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

Harvey S. Kistler Trust dated June 25, 1998

Linda L. Kistler Trust dated June 25, 1998

*Harvey S. Kistler Trustee*  
Harvey S. Kistler, Trustee

*Linda L. Kistler Trustee*  
Linda L. Kistler, Trustee

*Linda L. Kistler Trustee*  
Linda L. Kistler, Trustee

*Harvey S. Kistler Trustee*  
Harvey S. Kistler, Trustee

STATE OF Kansas  
COUNTY OF Thomas

) ss. ACKNOWLEDGMENT FOR INDIVIDUAL

Before me, the undersigned, a Notary Public, within and for said county and state, on this 6<sup>th</sup> day of September, 2011, personally appeared Harvey S. Kistler and Linda L. Kistler, Trustees of the Harvey S. Kistler Trust dated June 25, 1998 to me personally known to be the identical person s who executed the within and foregoing instrument and acknowledged to me that they executed the same as their 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 2/24/2013  
**JOYCE ROHN**  
NOTARY PUBLIC  
STATE OF KANSAS  
My Appl. Exp. 2/24/2013

Joyce Rohn  
Notary Public

STATE OF Kansas  
COUNTY OF Thomas

) ss. ACKNOWLEDGMENT FOR INDIVIDUAL

Before me, the undersigned, a Notary Public, within and for said county and state, on this 6<sup>th</sup> day of September, 2011, personally appeared Linda L. Kistler and Harvey S. Kistler, Trustees of the Linda L. Kistler Trust dated June 25, 1998 to me personally known to be the identical person s who executed the within and foregoing instrument and acknowledged to me that they executed the same as their 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 2/24/2013  
**JOYCE ROHN**  
NOTARY PUBLIC  
STATE OF KANSAS  
My Appl. Exp. 2/24/2013

Joyce Rohn  
Notary Public

FILE NUMBER 20112259 BK 216 PG 532 - 534  
RECORDED 10/17/2011 at 1:08 PM  
RECORDING FEE: \$ 16.00  
Thomas County, KANSAS  
KARLA SULLIVAN, DEPUTY Lora L Volk  
LORA L. VOLK, REGISTER OF DEEDS



INDEXED  
MICROFILMED




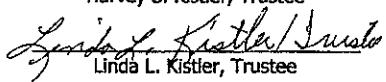
Exhibit "A" attached to and made a part of that certain Oil and Gas Lease, dated August 13, 2011 between, Harvey S. Kistler and Linda L. Kistler, Trustees of the Harvey S. Kistler Trust dated June 25, 1998; Linda L. Kistler and Harvey S. Kistler, Trustees of the Linda L. Kistler Trust dated June 25, 1998 hereinafter referred to as Lessor, and Castle Resources, Inc., hereinafter referred to as Lessee.

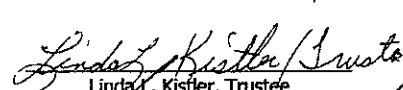
1. Lessee, or its assigns, will consult with Lessor regarding routes of ingress and egress prior to commencing operations.
2. Lessee, or its assigns, will restore surface to original condition as nearly as is practicable upon completion of operations, including backfilling all pits when dried and restoring terraces disturbed by operations.
3. In the event some or all of the lands covered by this lease are enrolled in the Conservation Reserve Program (CRP) of the U.S. Department of Agriculture, Lessee shall comply with the rules and notification procedures of that program insofar as the same may apply to operations of Lessee on the enrolled lands, Lessee shall compensate Lessor for CRP penalties or CRP withdrawal reimbursements resulting directly from Lessee's operations hereunder.
4. 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 tender to Lessor, the sum of \$15.00 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, this lease shall thereby be modified and the primary term shall be extended for an additional term of two(2) years from the end of the primary term hereof. Said payment may be made by check or draft of Lessee or any assignee thereof, mailed or delivered direct to Lessor at the address first provided above, on or before the end of the primary term.
5. It is understood and agreed by Lessor and Lessee that this lease shall be treated as a separate lease for each of the tracts listed above.
6. It is understood and agreed by Lessor and Lessee that Lessee, or its assigns, will not conduct any lease operations, including 3-D Seismic from March 31 to November 31 while crops are in the field without the express written consent of Lessor.
7. 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 assigns, 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. Lessee agrees that it will not interfere with the passage of the sprinkler system, it is further understood and agreed that the Lessee, at its option and expense, may place the equipment in pits or depressions below the normal surface and use low-profile pump jacks to avoid interference with the sprinkler. Should lessee or its assigns stop the self-propelled overhead sprinkler during active irrigation, lessee will be responsible for any loss or damages to the growing crops. The amount for such damages will be based on the current prices for said crops and the local COOP.
8. Lessee or its assign agree not to construct any pits in the tire tracks of self-propelled overhead sprinkler system. It is agreed that Lessee or its assigns can trench across tracks should power lines, lead lines or other trenchable items be needed.

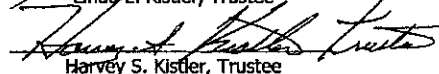
Harvey S. Kistler Trust dated June 25, 1998

Linda L. Kistler Trust dated June 25, 1998

  
Harvey S. Kistler, Trustee

  
Linda L. Kistler, Trustee

  
Linda L. Kistler, Trustee

  
Harvey S. Kistler, Trustee