For KCC Use:

Eff	e	ct	iv	е	Date:

District	#	

SGA? Yes No

Kansas Corporation Commission 1232541

OIL & GAS CONSERVATION DIVISION

March 2010 Form must be Typed Form must be Signed All blanks must be Filled

Form C-1

NOTICE	OF INTENT	TO DRILL
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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:	Spot Description:
month day year	
OPERATOR: License#	
Name:	feet from L E / W Line of Section
Address 1:	Is SECTION: Regular Irregular?
Address 2:	(Note: Locate well on the Section Plat on reverse side)
City: State: Zip: +	County:
Contact Person:	Lease Name: Well #:
Phone:	Field Name:
CONTRACTOR: License#	Is this a Prorated / Spaced Field?
Name:	Target Formation(s):
Well Drilled For: Well Class: Type Equipment: Oil Enh Rec Infield Mud Rotary Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable Seismic ; # of Holes Other Other: Other Other Original Completion Date: Original Total Depth: Original Completion Date: Directional, Deviated or Horizontal wellbore? Yes No If Yes, true vertical depth:	Nearest Lease or unit boundary line (in footage):
Bottom Hole Location:	DWR Permit #:
KCC DKT #:	(Note: Apply for Permit with DWR)
NOO DI(1 #	Will Cores be taken?
	If Yes, proposed zone:

AFFIDAVIT

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

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

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

Submitted E	Electronically
-------------	----------------

For KCC Use ONLY	
API # 15	
Conductor pipe required	feet
Minimum surface pipe required	feet per ALT.
Approved by:	
This authorization expires: (This authorization void if drilling not started within 12	
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.

ш

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

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



For KCC Use ONLY

API # 15 - ____

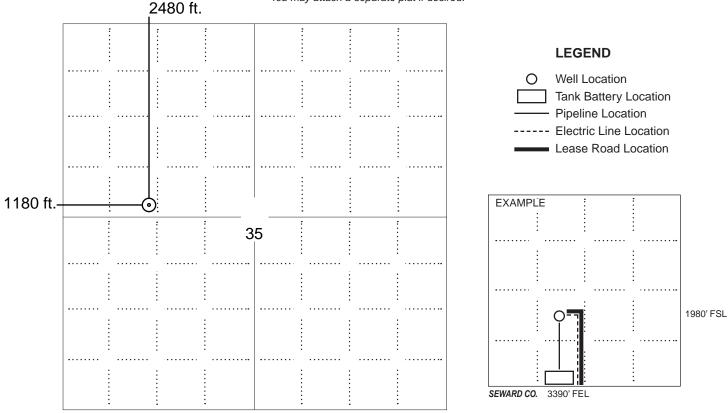
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

Operator:	Location of Well: County:
Lease:	feet from N / S Line of Section
Well Number:	feet from E / W Line of Section
Field:	Sec Twp S. R E 📃 W
Number of Acres attributable to well: QTR/QTR/QTR/QTR of acreage:	Is Section: Regular or Irregular
	If Section is Irregular, locate well from nearest corner boundary.
	Section corner used: NE NW SE SW

PLAT

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



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

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

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

Side Two



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form must be Typed

Form CDP-1

May 2010

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: _ - ____ - ____ - ____ Pit is: **Emergency Pit** Burn Pit Proposed Existing Sec.____Twp.____R.___ East West Settling Pit **Drilling Pit** If Existing, date constructed: Feet from North / South Line of Section Haul-Off Pit Workover Pit ____Feet from ___ East / ___ West Line of Section Pit capacity: (If WP Supply API No. or Year Drilled) County _(bbls) Is the pit located in a Sensitive Ground Water Area? Yes No Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) Is the bottom below ground level? Artificial Liner? How is the pit lined if a plastic liner is not used? Yes Yes No No ____Length (feet) ___ _____Width (feet) Pit dimensions (all but working pits): N/A: Steel Pits Depth from ground level to deepest point: __ __ (feet) No Pit If the pit is lined give a brief description of the liner Describe procedures for periodic maintenance and determining material, thickness and installation procedure. liner integrity, including any special monitoring. Depth to shallowest fresh water ____ Distance to nearest water well within one-mile of pit: feet. Source of information: KDWR measured well owner electric log _feet Depth of water well ____ __ feet Emergency, Settling and Burn Pits ONLY: Drilling, Workover and Haul-Off Pits ONLY: Producing Formation: _ Type of material utilized in drilling/workover: Number of producing wells on lease: _____ Number of working pits to be utilized: ____ Barrels of fluid produced daily: Abandonment procedure: Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Drill pits must be closed within 365 days of spud date. Submitted Electronically KCC OFFICE USE ONLY Steel Pit Liner RFAC RFAS Permit Number: No Date Received: Permit Date: Lease Inspection: Yes

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



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT Form KSONA-1 January 2014 Form Must Be Typed Form must be Signed All blanks must be Filled

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 #	Well Location:		
Name:			
Address 1:	County:		
Address 2:	Lease Name: Well #:		
City: State: Zip:+	If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:		
Contact Person:			
Phone: () Fax: ()			
Email Address:			
Surface Owner Information:			
Name:	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		
Address 1:			
Address 2:	county, and in the real estate property tax records of the county treasurer.		
City: State: Zip:+			

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

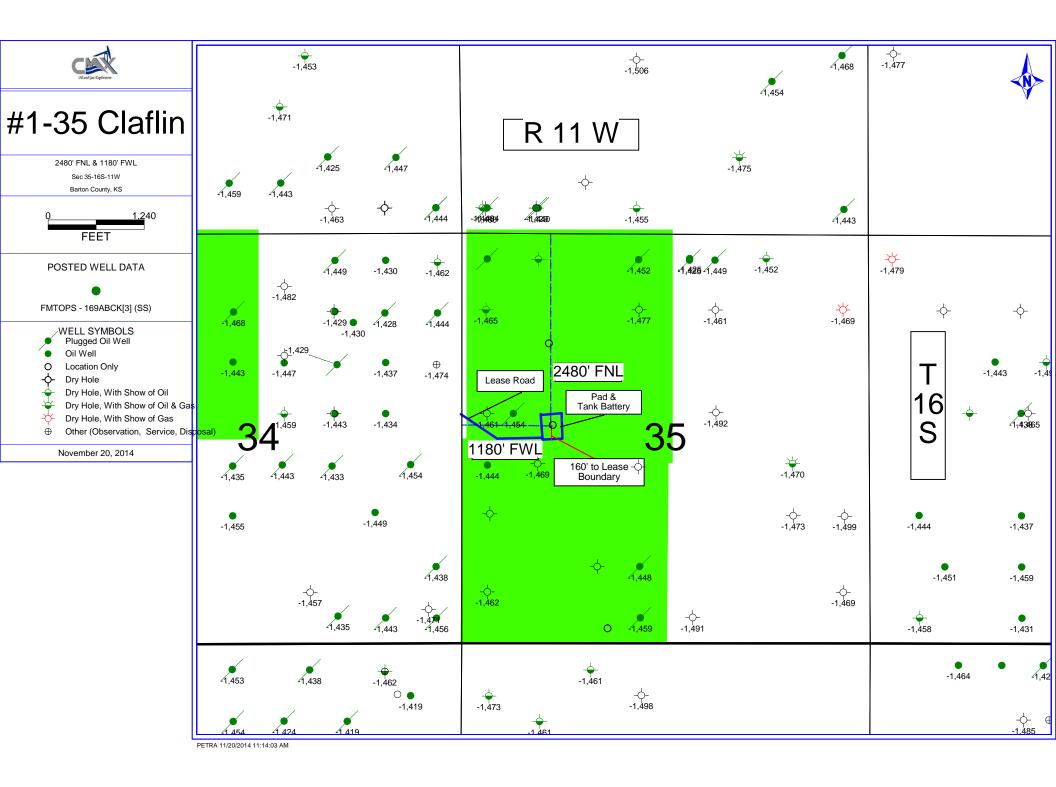
Select one of the following:

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

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

Submitted Electronically

I



PLAT & CERTIFICATION OF ACREAGE ATTRIBUTABLE TO AN OIL WELL

API Number:	Location of well: County Barton
Operator: CMX, Inc.	
Lease:Burmeister Lease	1180 feet from East / West line of section
Well Number: 1-35 Claflin	35 Sec. 16 Twp. 11 R. 🗌 East 🔽 West
Field: Kraft-Prusa	Is section: 📝 Regular 🦳 Irregular
Number of acres attributable to well:10	If section is Irregular, locate well from the nearest corner boundry:
Producing Formation(s): Arbuckle	Section corner used: 🗌 NE 🔄 NW 🔄 SE 📋 SW

(Show the location of the well and shade attributable acreage for prorated wells.) (Show the footage to the nearest lease or line; and show footage to the nearest common source supply well.)

R 11 W Henry P. & Arry C. Burneister	80 Acre Unit: 40 acres from NW/4: Burmeister 40 acres from SW/4: Burmeister
+ +	
80 Acre Unit	T 16 S
2480' FNL 160' to Lease Boundary 5	EXAMPLE
+ -4	
÷ ×	3390'
Henry P. & Amy C. Burmeister, CMX, Inc.	SEWARD CO.
Barton County The undersigned hereby certifies as Geologist	(Title) for
ONLY Inc	, a duly authorized agent, that all information shown hereon
is true and correct to the best of my knowledge and belief, that all acreage claimed attributab recovery by the subject oil well.	le to the oil well named herein will be kept exclusively for oil Reach A. Lock
AARANA JANNOD ANALAS TO THE SECTION ANALAS TO THE SECTION OF THE S	Notary Public 2014

Mail to: KCC - Conservation Division, 266 N Main Street, Ste 220, Wichita, Kansas 67202-1513

THIS AGREEMENT, Made and entered into this <u>19th</u> day of <u>April</u>, 2012, by and between <u>Henry P. Burmeister and Amy C.</u> Burmeister, husband and wife , whose mailing address is <u>1651 NE 150th Avenue</u>, Holyrood, KS 67450, hereinafter called Lessor (whether one or more) and

CADE PRODUCTION LLC whose mailing address is 11342 Birolli Place, Littleton, Colorado 80125-1816, hereinafter called Lessee:

WITNESSETH:

1. That the Lessor, for and in consideration of <u>Ten and More</u> DOLLARS (<u>\$10.00 +</u>) in hand paid, the receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained to be performed by the Lessee, has this day granted, leased, and let and by these presents does hereby grant, lease and let exclusively unto the Lessee the hereinafter described land, with any reversionary rights therein, and with the right to unitize this lease or any part thereof with other oil and gas leases as to all or any part of the lands overed thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata, and for constructing roads, laying pipelines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other

Township 16 South, Range 11 West

Section 35: NW/4

See Exhibit A Attached Hereto and Made a Part Hereof

and containing 160 acres, more or less.

2. It is agreed that this lease shall remain in force for a primary term of <u>three (3)</u> years from this date and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is produced from said leased premises or on lands pooled herewith.

3. This lease shall deliver to Lessor as royalty, free of cost, on the lease, or into the pipe line to which Lessee may connect its wells the equal one-seventh (1/7th) part of all oil produced and saved from the leased premises.

4. The Lessee shall pay to the Lessor, as a royalty one-seventh $(1/7^{th})$ of the proceeds received by the Lessee from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased. If such gas is not sold by the Lessee, Lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold as a shut-in royalty, whether one or more wells, an amount equal to One Dollar (\$1.00) per net mineral acre, and while shut in said royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas.

5. This lease is a paid-up lease and may be maintaining during primary term without further payments or drilling operations.

6. In the event 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 to said Lessor only in the proportion which his interest bears to the whole and undivided fee; however, in the event the title to any interest in such land should revert to Lessor, or his heirs, or his or their grantee, this lease shall cover such reversion.

7. The Lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing ponds or wells of the Lessor. When required by Lessor, the Lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the Lessor. Lessee shall have the right at any time during, or after the expiration of the lease to remove all machinery fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.

8. 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 the heirs, devisees, executors, administrations, successors, and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change of ownership in the land or in the royalties, or any sum due under this lease shall be binding on the Lessee until it has been furnished with either the original recorded instrument of conveyance or a duty certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or certified copy of the proceedings showing appointment of an administrator of the estate of any deceased owner, whichever is appropriate together with all original recorded instruments of conveyance of duly certified copies thereof necessary in showing a complete chain of title back to Lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of such documents shall be binding on any direct or indirect assignee, grantee, devisee, or administrator, executor, or heir of Lessor.

9. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligations on the part of the Lessee to offset wells on separate tracts into which the land covered by the lease may now or hereafter be divided by sale, devisee, descent or otherwise, or to furnish separate measuring or receiving tanks.



12. Lessee, at its option, is hereby granted the right and power at any time and from time to time to pool or combine into one or more units the land covered by this lease, or any portion thereof, with other contiguous (contiguous meaning adjacent or touching corners with) land covered by another lease, or leases when, in Lessee's judgment, it is necessary or advisable to do so in order to properly develop and operate lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 80 acres each in the event of a vertical oil well, or into a unit or units not exceeding 640 acres each in the event of a vertical gas and/or condensate or distillate well, or into a unit or units not exceeding 640 acres each in the event of a horizontal oil and/or gas well, plus an acreage tolerance of ten percent (10%) to conform Governmental Survey quarter sections; provided that if any governmental regulation shall permit or prescribe a spacing pattern for the development of the field or allocate a producing allowable based on acreage per well, then any such unit may embrace as much additional acreage as may be permitted or prescribed or as may be used in such allocation of allowable. Lessee shall execute in writing and file of record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units 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 any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on such unit shall be and constitute a well hereunder. Any well drilled on any such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

13. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the Lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and determine, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

14. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If Lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended.

15. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said Lessor and Lessee.

16. EXTENSION OF PRIMARY TERM. Lessee has the option to extend the primary term of this Lease for one additional term of one (2) years from the expiration of the primary term of this Lease; said extension to be under the same terms and conditions as contained in this Lease. Lessee may exercise this option to extend this Lease if on or before the expiration date of the primary term of this Lease, Lessee pays or tenders to the Lessor or to the Lessor's credit an amount equal to the initial consideration given for the execution hereof. Exercise of this option is at Lessee's sole discretion and may be invoked by Lessee where no other alternative of the Lease Term clause extends this Lease beyond the primary term.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Lessor: Henry I.

C. Burmeiste

STATE OF KANSAS 22 6 COUNTY OF BIZTON

ACKNOWLEDGMENT INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this __19th_ day of _April_, 2012, personally appeared, __Henry P. Burmeister and Amy C. Burmeister, husband and wife__, to me known to be the identical person(s) described in and who executed the within and foregoing instrument of writing and acknowledged to me that ______ duly executed the same as their _____ free and voluntary act and deed for the uses and purposes therein set forth.

9-11-2014 My Commission Expires: NOTARY PUBLIC - Sinte of Kansas MELISSA A HUBBARD My Appl. Exp. Sept. 11, 2014

meliatolu

Notary Public

Attached to and made a part of that certain Oil & Gas Lease dated April 19, 2012, entered into by and between Henry P. Burmeister and Amy C. Burmeister, as Lessor and Cade Production LLC, as Lessee covering the NW/4 of Section 35, Township 16 South, Range 11 West, Barton County, Kansas.

The terms of this Exhibit "A" shall control and prevail in the event of any conflict with those terms contained within said Oil and Gas Lease to which is attached.

- 1. After the end of the primary term, this lease may not be maintained in force solely by reason of the shut-in royalty payments, as provided for in this lease, for any one shut-in period of more than two (2) consecutive years.
- 2. At such time as Lessee desires to commence drilling operations thereon, Lessee shall consult with Lessor in regard to and shall conduct its operations in such a manner as will least disturb, interfere with, or damage the surface contours of the leased premises. Lessee shall promptly restore any damaged caused by it to surface contours to their former condition including restoration of topsoil. In the event of production and continued use of the surface, Lessee will restore or prepare the surface so that Lessee's use thereof will not prohibit use of remaining ground. Lessee shall consult with Lessor in regard to the route of ingress and egress on said premises for the purposes of drilling and production as to use of the surface for such ingress and egress.
- 3. Lessee shall pay for damages caused by lessee's operations on said land.
- 4. Lessee or its assigns shall consult Lessor as to the location of lease roads, tank batteries, utility poles and other production facilities.
- 5. All pipelines or electric lines shall be buried below 36 inches.
- 6. This Oil and Gas Lease does not in any way grant Lessee the right to convert a producing oil and gas well or drill a well solely for salt water or fluid disposal purposes without a separate agreement with Lessor.
- 7. The acreage covered by this Oil and Gas Lease shall not be included in any vertical well production unit established by the Lessee unless 100% of the acreage belongs to the Lessor.
- 8. The acreage covered by this Oil and Gas Lease shall not be included in any horizontal well production unit established by the Lessee unless 25% or more of the total acreage included in such unit belongs to the Lessor. In the event of a well capable of production in paying quantities on a unit established under the terms of this lease shall extend beyond the primary term only that portion of the leased premises contained within said unit and shall not extend this lease as to the balance of the leased premises not within said unit beyond the expiration of the primary term.
- 9. Any rock which surfaces by reason of Lessee's operations shall be removed and placed as pond rip-rap on lands owned by Lessor is and pursuant to Lessor's reasonable direction.
- 10. Seismic operations shall be conducted only during the period commencing October 1 and ending the next March 31.
- 11. All lease roads shall be maintained in condition to allow the regular pumper access and may not promote or cause erosion.
- 12. The Lessee of his tenant shall not be required to fence oilfield structures when grazing crop land. All structures on pasture shall be fenced by Lessee.
- 13. In the event that any fencing belonging to Lessor needs to be taken down or removed by reason of oilfield operations, the same shall be repaired or replaced to Lessor's reasonable satisfaction.

End of Exhibit "A"

my C. Sumertes

THIS AGREEMENT, Made and entered into this <u>19th</u> day of <u>April</u>, 2012, by and between <u>Henry P. Burmeister and Amy C.</u> <u>Burmeister, husband and wife</u>, whose mailing address is <u>1651 NE 150th Avenue</u>, Holyrood, KS 67450, hereinafter called Lessor (whether one or more) and

CADE PRODUCTION LLC whose mailing address is 11342 Birolli Place, Littleton, Colorado 80125-1816, hereinafter called Lessee:

WITNESSETH:

1. That the Lessor, for and in consideration of <u>Ten and More</u> DOLLARS (<u>\$10,00+</u>) in hand paid, the receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained to be performed by the Lessee, has this day granted, leased, and let and by these presents does hereby grant, lease and let exclusively unto the Lessee the hereinafter described land, with any reversionary rights therein, and with the right to unitize this lease or any part thereof with other oil and gas leases as to all or any part of the lands or during the transfer provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata, and for constructing roads, laying pipelines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the calo operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of <u>Barton</u>, State of <u>Kansas</u>, described as follows, to-wit:

Township 16 South, Range 11 West

Section 35: SW/4

See Exhibit A Attached Hereto and Made = Part Hereof

and containing 160 acres, more or less.

2. It is agreed that this lease shall remain in force for a primary term of <u>three (3)</u> years from this date and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is produced from said leased premises or on lands pooled herewith.

3. This lease shall deliver to Lessor as royalty, free of cost, on the lease, or into the pipe line to which Lessee may connect its wells the equal one-seventh (1/7th) part of all oil produced and saved from the leased premises.

4. The Lessee shall pay to the Lessor, as a royalty one-seventh $(1/7^{th})$ of the proceeds received by the Lessee from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased. If such gas is not sold by the Lessee, Lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to One Dollar (\$1.00) per net mineral acre, and while shut in said royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas.

5. This lease is a paid-up lease and may be maintaining during primary term without further payments or drilling operations.

6. In the event 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 to said Lessor only in the proportion which his interest bears to the whole and undivided fee; however, in the event the title to any interest in such land should revert to Lessor, or his heirs, or his or their grantee, this lease shall cover such reversion.

7. The Lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing ponds or wells of the Lessor. When required by Lessor, the Lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the Lessor. Lessee shall have the right at any time during, or after the expiration of the lease to remove all machinery fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.

8. 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 the heirs, devisees, executors, administrations, successors, and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change of ownership in the land or in the royalties, or any sum due under this lease shall be binding on the Lessee until it has been furnished with either the original recorded instrument of conveyance or a duty certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or certified copy of the proceedings showing appointment of an administrator of the estate of any deceased owner, whichever is appropriate together with all original recorded instruments of conveyance of duly certified copies thereof necessary in showing a complete chain of title back to Lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of such documents shall be binding on any direct or indirect assignee, grantee, devisee, or administrator, executor, or heir of Lessor.

9. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligations on the part of the Lessee to offset wells on separate tracts into which the land covered by the lease may now or hereafter be divided by sale, devisee, descent or otherwise, or to furnish separate measuring or receiving tanks.





12. Lessee, at its option, is hereby granted the right and power at any time and from time to time to pool or combine into one or more units the land covered by this lease, or any portion thereof, with other contiguous (contiguous meaning adjacent or touching corners with) land covered by another lease, or leases when, in Lessee's judgment, it is necessary or advisable to do so in order to properly develop and operate lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 80 acres each in the event of a vertical oil well, or into a unit or units not exceeding 640 acres each in the event of a vertical gas and/or condensate or distillate well, or into a unit or units not exceeding 640 acres each in the event of a horizontal oil and/or gas well, plus an acreage tolerance of ten percent (10%) to conform Governmental Survey quarter sections; provided that if any governmental regulation shall permit or prescribe a spacing pattern for the development of the field or allocate a producing allowable based on acreage per well, then any such unit may embrace as much additional acreage as may be permitted or prescribed or as may be used in such allocation of allowable. Lessee shall execute in writing and file of record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units 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 any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on such unit shall be and constitute a well hereunder. Any well drilled on any such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

13. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the Lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and determine, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

14. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If Lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended.

15. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said Lessor and Lessee.

16. EXTENSION OF PRIMARY TERM. Lessee has the option to extend the primary term of this Lease for one additional term of one (2) years from the expiration of the primary term of this Lease; said extension to be under the same terms and conditions as contained in this Lease. Lessee may exercise this option to extend this Lease if on or before the expiration date of the primary term of this Lease, Lessee pays or tenders to the Lessor's credit an amount equal to the initial consideration given for the execution hereof. Exercise of this option is at Lessee's sole discretion and may be invoked by Lessee where no other alternative of the Lease Term clause extends this Lease beyond the primary term.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

essor: Henry P. Burmeister

STATE OF KANSA) ss. COUNTY OF BARTON

ACKNOWLEDGMENT INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 19th day of April , 2012, personally appeared, ___Henry P. Burmeister and Amy C. Burmeister, husband and wife__, to me known to be the identical person(s) described in and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed the same as their _____ free and voluntary act and deed for the uses and purposes therein set forth.

9-11-2014 My Commission Expires: NOTARY PUBLIC - State of Kansas MELISSA A. HUBBARD My Appl. Exp. Sept. 11, 2014

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Notary Public

Attached to and made a part of that certain Oil & Gas Lease dated April 19, 2012, entered into by and between Henry P. Burmeister and Amy C. Burmeister, as Lessor and Cade Production LLC, as Lessee covering the SW/4 of Section 35, Township 16 South, Range 11 West, Barton County, Kansas.

The terms of this Exhibit "A" shall control and prevail in the event of any conflict with those terms contained within said Oil and Gas Lease to which is attached.

- 1. After the end of the primary term, this lease may not be maintained in force solely by reason of the shut-in royalty payments, as provided for in this lease, for any one shut-in period of more than two (2) consecutive years.
- 2. At such time as Lessee desires to commence drilling operations thereon, Lessee shall consult with Lessor in regard to and shall conduct its operations in such a manner as will least disturb, interfere with, or damage the surface contours of the leased premises. Lessee shall promptly restore any damaged caused by it to surface contours to their former condition including restoration of topsoil. In the event of production and continued use of the surface, Lessee will restore or prepare the surface so that Lessee's use thereof will not prohibit use of remaining ground. Lessee shall consult with Lessor in regard to the route of ingress and egress on said premises for the purposes of drilling and production as to use of the surface for such ingress and egress.
- 3. Lessee shall pay for damages caused by lessee's operations on said land.
- 4. Lessee or its assigns shall consult Lessor as to the location of lease roads, tank batteries, utility poles and other production facilities.
- 5. All pipelines or electric lines shall be buried below 36 inches.
- 6. This Oil and Gas Lease does not in any way grant Lessee the right to convert a producing oil and gas well or drill a well solely for salt water or fluid disposal purposes without a separate agreement with Lessor.
- 7. The acreage covered by this Oil and Gas Lease shall not be included in any vertical well production unit established by the Lessee unless 100% of the acreage belongs to the Lessor.
- 8. The acreage covered by this Oil and Gas Lease shall not be included in any horizontal well production unit established by the Lessee unless 25% or more of the total acreage included in such unit belongs to the Lessor. In the event of a well capable of production in paying quantities on a unit established under the terms of this lease shall extend beyond the primary term only that portion of the leased premises contained within said unit and shall not extend this lease as to the balance of the leased premises not within said unit beyond the expiration of the primary term.
- 9. Any rock which surfaces by reason of Lessee's operations shall be removed and placed as pond rip-rap on lands owned by Lessor is and pursuant to Lessor's reasonable direction.
- 10. Seismic operations shall be conducted only during the period commencing October 1 and ending the next March 31.
- 11. All lease roads shall be maintained in condition to allow the regular pumper access and may not promote or cause erosion.
- 12. The Lessee of his tenant shall not be required to fence oilfield structures when grazing crop land. All structures on pasture shall be fenced by Lessee.
- 13. In the event that any fencing belonging to Lessor needs to be taken down or removed by reason of oilfield operations, the same shall be repaired or replaced to Lessor's reasonable satisfaction.

End of Exhibit "A"

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() . Surmeretos Amy C. Barmeister

PLAT & CERTIFICATION OF ACREAGE ATTRIBUTABLE TO AN OIL WELL

API Number:	Location of well: County Barton
Operator: CMX, Inc.	
Lease:Burmeister Lease	1180 feet from East / West line of section
Well Number: 1-35 Claflin	35 Sec. 16 Twp. 11 R. 🗌 East 🔽 West
Field: Kraft-Prusa	Is section: 📝 Regular 🦳 Irregular
Number of acres attributable to well:10	If section is Irregular, locate well from the nearest corner boundry:
Producing Formation(s): Arbuckle	Section corner used: 🗌 NE 🔄 NW 🔄 SE 📋 SW

(Show the location of the well and shade attributable acreage for prorated wells.) (Show the footage to the nearest lease or line; and show footage to the nearest common source supply well.)

R 11 W Henry P. & Arriy C. Burneister	80 Acre Unit: 40 acres from NW/4: Burmeister 40 acres from SW/4: Burmeister
+ +	
80 Acre Unit	T 16 S
2460' FNL 160' to Lease Boundary	EXAMPLE
+ -+ -+	
+ ×	3390'
Henry P. & Amy C. Burmeister	SEWARD CO.
Barton County The undersigned hereby certifies as Geologist	(Title) for
CNV Inc), a duly authorized agent, that all information shown hereon
is true and correct to the best of my knowledge and belief, that all acreage claimed attributat recovery by the subject oil well. Signature:	ble to the oil well named herein will be kept exclusively for oil Reah A. Lack
WARRUMYAM JANNOD WARRANG TO IP COMMISSION SAFETY AND TO IP COMMISSION SAFETY T	Movember 2014 May May Muer Notary Public

Mail to: KCC - Conservation Division, 266 N Main Street, Ste 220, Wichita, Kansas 67202-1513

THIS AGREEMENT, Made and entered into this <u>19th</u> day of <u>April</u>, 2012, by and between <u>Henry P. Burmeister and Amy C.</u> Burmeister, husband and wife , whose mailing address is <u>1651 NE 150th Avenue</u>, Holyrood, KS 67450, hereinafter called Lessor (whether one or more) and

CADE PRODUCTION LLC whose mailing address is 11342 Birolli Place, Littleton, Colorado 80125-1816, hereinafter called Lessee:

WITNESSETH:

1. That the Lessor, for and in consideration of <u>Ten and More</u> DOLLARS (<u>\$10.00 +</u>) in hand paid, the receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained to be performed by the Lessee, has this day granted, leased, and let and by these presents does hereby grant, lease and let exclusively unto the Lessee the hereinafter described land, with any reversionary rights therein, and with the right to unitize this lease or any part thereof with other oil and gas leases as to all or any part of the lands overed thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata, and for constructing roads, laying pipelines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other

Township 16 South, Range 11 West

Section 35: NW/4

See Exhibit A Attached Hereto and Made a Part Hereof

and containing 160 acres, more or less.

2. It is agreed that this lease shall remain in force for a primary term of <u>three (3)</u> years from this date and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is produced from said leased premises or on lands pooled herewith.

3. This lease shall deliver to Lessor as royalty, free of cost, on the lease, or into the pipe line to which Lessee may connect its wells the equal one-seventh (1/7th) part of all oil produced and saved from the leased premises.

4. The Lessee shall pay to the Lessor, as a royalty one-seventh $(1/7^{th})$ of the proceeds received by the Lessee from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased. If such gas is not sold by the Lessee, Lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold as a shut-in royalty, whether one or more wells, an amount equal to One Dollar (\$1.00) per net mineral acre, and while shut in said royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas.

5. This lease is a paid-up lease and may be maintaining during primary term without further payments or drilling operations.

6. In the event 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 to said Lessor only in the proportion which his interest bears to the whole and undivided fee; however, in the event the title to any interest in such land should revert to Lessor, or his heirs, or his or their grantee, this lease shall cover such reversion.

7. The Lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing ponds or wells of the Lessor. When required by Lessor, the Lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the Lessor. Lessee shall have the right at any time during, or after the expiration of the lease to remove all machinery fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.

8. 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 the heirs, devisees, executors, administrations, successors, and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change of ownership in the land or in the royalties, or any sum due under this lease shall be binding on the Lessee until it has been furnished with either the original recorded instrument of conveyance or a duty certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or certified copy of the proceedings showing appointment of an administrator of the estate of any deceased owner, whichever is appropriate together with all original recorded instruments of conveyance of duly certified copies thereof necessary in showing a complete chain of title back to Lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of such documents shall be binding on any direct or indirect assignee, grantee, devisee, or administrator, executor, or heir of Lessor.

9. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligations on the part of the Lessee to offset wells on separate tracts into which the land covered by the lease may now or hereafter be divided by sale, devisee, descent or otherwise, or to furnish separate measuring or receiving tanks.



12. Lessee, at its option, is hereby granted the right and power at any time and from time to time to pool or combine into one or more units the land covered by this lease, or any portion thereof, with other contiguous (contiguous meaning adjacent or touching corners with) land covered by another lease, or leases when, in Lessee's judgment, it is necessary or advisable to do so in order to properly develop and operate lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 80 acres each in the event of a vertical oil well, or into a unit or units not exceeding 640 acres each in the event of a vertical gas and/or condensate or distillate well, or into a unit or units not exceeding 640 acres each in the event of a horizontal oil and/or gas well, plus an acreage tolerance of ten percent (10%) to conform Governmental Survey quarter sections; provided that if any governmental regulation shall permit or prescribe a spacing pattern for the development of the field or allocate a producing allowable based on acreage per well, then any such unit may embrace as much additional acreage as may be permitted or prescribed or as may be used in such allocation of allowable. Lessee shall execute in writing and file of record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units 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 any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on such unit shall be and constitute a well hereunder. Any well drilled on any such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

13. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the Lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and determine, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

14. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If Lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended.

15. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said Lessor and Lessee.

16. EXTENSION OF PRIMARY TERM. Lessee has the option to extend the primary term of this Lease for one additional term of one (2) years from the expiration of the primary term of this Lease, said extension to be under the same terms and conditions as contained in this Lease. Lessee may exercise this option to extend this Lease if on or before the expiration date of the primary term of this Lease, Lessee pays or tenders to the Lessor or to the Lessor's credit an amount equal to the initial consideration given for the execution hereof. Exercise of this option is at Lessee's sole discretion and may be invoked by Lessee where no other alternative of the Lease Term clause extends this Lease beyond the primary term.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Lessor: Henry I.

C. Burmeiste

STATE OF KANSAS 22 6 COUNTY OF BIZTON

ACKNOWLEDGMENT INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this __19th_ day of _April_, 2012, personally appeared, __Henry P. Burmeister and Amy C. Burmeister, husband and wife__, to me known to be the identical person(s) described in and who executed the within and foregoing instrument of writing and acknowledged to me that ______ duly executed the same as their _____ free and voluntary act and deed for the uses and purposes therein set forth.

9-11-2014 My Commission Expires: NOTARY PUBLIC - Sinte of Kansas MELISSA A HUBBARD My Appl. Exp. Sept. 11, 2014

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Notary Public

Attached to and made a part of that certain Oil & Gas Lease dated April 19, 2012, entered into by and between Henry P. Burmeister and Amy C. Burmeister, as Lessor and Cade Production LLC, as Lessee covering the NW/4 of Section 35, Township 16 South, Range 11 West, Barton County, Kansas.

The terms of this Exhibit "A" shall control and prevail in the event of any conflict with those terms contained within said Oil and Gas Lease to which is attached.

- 1. After the end of the primary term, this lease may not be maintained in force solely by reason of the shut-in royalty payments, as provided for in this lease, for any one shut-in period of more than two (2) consecutive years.
- 2. At such time as Lessee desires to commence drilling operations thereon, Lessee shall consult with Lessor in regard to and shall conduct its operations in such a manner as will least disturb, interfere with, or damage the surface contours of the leased premises. Lessee shall promptly restore any damaged caused by it to surface contours to their former condition including restoration of topsoil. In the event of production and continued use of the surface, Lessee will restore or prepare the surface so that Lessee's use thereof will not prohibit use of remaining ground. Lessee shall consult with Lessor in regard to the route of ingress and egress on said premises for the purposes of drilling and production as to use of the surface for such ingress and egress.
- 3. Lessee shall pay for damages caused by lessee's operations on said land.
- 4. Lessee or its assigns shall consult Lessor as to the location of lease roads, tank batteries, utility poles and other production facilities.
- 5. All pipelines or electric lines shall be buried below 36 inches.
- 6. This Oil and Gas Lease does not in any way grant Lessee the right to convert a producing oil and gas well or drill a well solely for salt water or fluid disposal purposes without a separate agreement with Lessor.
- 7. The acreage covered by this Oil and Gas Lease shall not be included in any vertical well production unit established by the Lessee unless 100% of the acreage belongs to the Lessor.
- 8. The acreage covered by this Oil and Gas Lease shall not be included in any horizontal well production unit established by the Lessee unless 25% or more of the total acreage included in such unit belongs to the Lessor. In the event of a well capable of production in paying quantities on a unit established under the terms of this lease shall extend beyond the primary term only that portion of the leased premises contained within said unit and shall not extend this lease as to the balance of the leased premises not within said unit beyond the expiration of the primary term.
- 9. Any rock which surfaces by reason of Lessee's operations shall be removed and placed as pond rip-rap on lands owned by Lessor is and pursuant to Lessor's reasonable direction.
- 10. Seismic operations shall be conducted only during the period commencing October 1 and ending the next March 31.
- 11. All lease roads shall be maintained in condition to allow the regular pumper access and may not promote or cause erosion.
- 12. The Lessee of his tenant shall not be required to fence oilfield structures when grazing crop land. All structures on pasture shall be fenced by Lessee.
- 13. In the event that any fencing belonging to Lessor needs to be taken down or removed by reason of oilfield operations, the same shall be repaired or replaced to Lessor's reasonable satisfaction.

End of Exhibit "A"

my C. Sumertes

THIS AGREEMENT, Made and entered into this <u>19th</u> day of <u>April</u>, 2012, by and between <u>Henry P. Burmeister and Amy C.</u> <u>Burmeister, husband and wife</u>, whose mailing address is <u>1651 NE 150th Avenue</u>, Holyrood, KS 67450, hereinafter called Lessor (whether one or more) and

CADE PRODUCTION LLC whose mailing address is 11342 Birolli Place, Littleton, Colorado 80125-1816, hereinafter called Lessee:

WITNESSETH:

1. That the Lessor, for and in consideration of <u>Ten and More</u> DOLLARS (<u>\$10,00+</u>) in hand paid, the receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained to be performed by the Lessee, has this day granted, leased, and let and by these presents does hereby grant, lease and let exclusively unto the Lessee the hereinafter described land, with any reversionary rights therein, and with the right to unitize this lease or any part thereof with other oil and gas leases as to all or any part of the lands or during the transfer provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata, and for constructing roads, laying pipelines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the calo operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of <u>Barton</u>, State of <u>Kansas</u>, described as follows, to-wit:

Township 16 South, Range 11 West

Section 35: SW/4

See Exhibit A Attached Hereto and Made = Part Hereof

and containing 160 acres, more or less.

2. It is agreed that this lease shall remain in force for a primary term of <u>three (3)</u> years from this date and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is produced from said leased premises or on lands pooled herewith.

3. This lease shall deliver to Lessor as royalty, free of cost, on the lease, or into the pipe line to which Lessee may connect its wells the equal one-seventh (1/7th) part of all oil produced and saved from the leased premises.

4. The Lessee shall pay to the Lessor, as a royalty one-seventh $(1/7^{th})$ of the proceeds received by the Lessee from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased. If such gas is not sold by the Lessee, Lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to One Dollar (\$1.00) per net mineral acre, and while shut in said royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas.

5. This lease is a paid-up lease and may be maintaining during primary term without further payments or drilling operations.

6. In the event 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 to said Lessor only in the proportion which his interest bears to the whole and undivided fee; however, in the event the title to any interest in such land should revert to Lessor, or his heirs, or his or their grantee, this lease shall cover such reversion.

7. The Lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing ponds or wells of the Lessor. When required by Lessor, the Lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the Lessor. Lessee shall have the right at any time during, or after the expiration of the lease to remove all machinery fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.

8. 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 the heirs, devisees, executors, administrations, successors, and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change of ownership in the land or in the royalties, or any sum due under this lease shall be binding on the Lessee until it has been furnished with either the original recorded instrument of conveyance or a duty certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or certified copy of the proceedings showing appointment of an administrator of the estate of any deceased owner, whichever is appropriate together with all original recorded instruments of conveyance of duly certified copies thereof necessary in showing a complete chain of title back to Lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of such documents shall be binding on any direct or indirect assignee, grantee, devisee, or administrator, executor, or heir of Lessor.

9. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligations on the part of the Lessee to offset wells on separate tracts into which the land covered by the lease may now or hereafter be divided by sale, devisee, descent or otherwise, or to furnish separate measuring or receiving tanks.





12. Lessee, at its option, is hereby granted the right and power at any time and from time to time to pool or combine into one or more units the land covered by this lease, or any portion thereof, with other contiguous (contiguous meaning adjacent or touching corners with) land covered by another lease, or leases when, in Lessee's judgment, it is necessary or advisable to do so in order to properly develop and operate lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 80 acres each in the event of a vertical oil well, or into a unit or units not exceeding 640 acres each in the event of a vertical gas and/or condensate or distillate well, or into a unit or units not exceeding 640 acres each in the event of a horizontal oil and/or gas well, plus an acreage tolerance of ten percent (10%) to conform Governmental Survey quarter sections; provided that if any governmental regulation shall permit or prescribe a spacing pattern for the development of the field or allocate a producing allowable based on acreage per well, then any such unit may embrace as much additional acreage as may be permitted or prescribed or as may be used in such allocation of allowable. Lessee shall execute in writing and file of record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units 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 any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on such unit shall be and constitute a well hereunder. Any well drilled on any such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

13. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the Lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and determine, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

14. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If Lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended.

15. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said Lessor and Lessee.

16. EXTENSION OF PRIMARY TERM. Lessee has the option to extend the primary term of this Lease for one additional term of one (2) years from the expiration of the primary term of this Lease; said extension to be under the same terms and conditions as contained in this Lease. Lessee may exercise this option to extend this Lease if on or before the expiration date of the primary term of this Lease, Lessee pays or tenders to the Lessor's credit an amount equal to the initial consideration given for the execution hereof. Exercise of this option is at Lessee's sole discretion and may be invoked by Lessee where no other alternative of the Lease Term clause extends this Lease beyond the primary term.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

essor: Henry P. Burmeister

STATE OF KANSA) ss. COUNTY OF BARTON

ACKNOWLEDGMENT INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 19th day of April , 2012, personally appeared, ___Henry P. Burmeister and Amy C. Burmeister, husband and wife__, to me known to be the identical person(s) described in and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed the same as their _____ free and voluntary act and deed for the uses and purposes therein set forth.

9-11-2014 My Commission Expires: NOTARY PUBLIC - State of Kansas MELISSA A. HUBBARD My Appl. Exp. Sept. 11, 2014

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Notary Public

Attached to and made a part of that certain Oil & Gas Lease dated April 19, 2012, entered into by and between Henry P. Burmeister and Amy C. Burmeister, as Lessor and Cade Production LLC, as Lessee covering the SW/4 of Section 35, Township 16 South, Range 11 West, Barton County, Kansas.

The terms of this Exhibit "A" shall control and prevail in the event of any conflict with those terms contained within said Oil and Gas Lease to which is attached.

- 1. After the end of the primary term, this lease may not be maintained in force solely by reason of the shut-in royalty payments, as provided for in this lease, for any one shut-in period of more than two (2) consecutive years.
- 2. At such time as Lessee desires to commence drilling operations thereon, Lessee shall consult with Lessor in regard to and shall conduct its operations in such a manner as will least disturb, interfere with, or damage the surface contours of the leased premises. Lessee shall promptly restore any damaged caused by it to surface contours to their former condition including restoration of topsoil. In the event of production and continued use of the surface, Lessee will restore or prepare the surface so that Lessee's use thereof will not prohibit use of remaining ground. Lessee shall consult with Lessor in regard to the route of ingress and egress on said premises for the purposes of drilling and production as to use of the surface for such ingress and egress.
- 3. Lessee shall pay for damages caused by lessee's operations on said land.
- 4. Lessee or its assigns shall consult Lessor as to the location of lease roads, tank batteries, utility poles and other production facilities.
- 5. All pipelines or electric lines shall be buried below 36 inches.
- 6. This Oil and Gas Lease does not in any way grant Lessee the right to convert a producing oil and gas well or drill a well solely for salt water or fluid disposal purposes without a separate agreement with Lessor.
- 7. The acreage covered by this Oil and Gas Lease shall not be included in any vertical well production unit established by the Lessee unless 100% of the acreage belongs to the Lessor.
- 8. The acreage covered by this Oil and Gas Lease shall not be included in any horizontal well production unit established by the Lessee unless 25% or more of the total acreage included in such unit belongs to the Lessor. In the event of a well capable of production in paying quantities on a unit established under the terms of this lease shall extend beyond the primary term only that portion of the leased premises contained within said unit and shall not extend this lease as to the balance of the leased premises not within said unit beyond the expiration of the primary term.
- 9. Any rock which surfaces by reason of Lessee's operations shall be removed and placed as pond rip-rap on lands owned by Lessor is and pursuant to Lessor's reasonable direction.
- 10. Seismic operations shall be conducted only during the period commencing October 1 and ending the next March 31.
- 11. All lease roads shall be maintained in condition to allow the regular pumper access and may not promote or cause erosion.
- 12. The Lessee of his tenant shall not be required to fence oilfield structures when grazing crop land. All structures on pasture shall be fenced by Lessee.
- 13. In the event that any fencing belonging to Lessor needs to be taken down or removed by reason of oilfield operations, the same shall be repaired or replaced to Lessor's reasonable satisfaction.

End of Exhibit "A"

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DECLARATION OF UNITIZATION

CMX, Inc. states that they are the owner of the following described oil and gas leases:

Oil & Gas Lease dated April 19, 2012, by and between Henry P. Burmeister and Amy C. Burmeister, husband and wife, Lessor and Cade Production, LLC, Lessee, covering the NW/4 of Section 35, Township 16 South, Range 11 West, containing 160 acres, more or less, and recorded in Book 617, Page 498 of the records of Barton County Register of Deeds.

Oil & Gas Lease dated April 19, 2012, by and between Henry P. Burmeister and Amy C. Burmeister, husband and wife, Lessor and Cade Production, LLC, Lessee, covering the SW/4 of Section 35, Township 16 South, Range 11 West, containing 160 acres, more or less, and recorded in Book 617, Page 499 of the records of Barton County Register of Deeds.

And that pursuant to the rights granted them in said leases, they do hereby declare that the all leases in described above are pooled and consolidated for the production of oil and gas, with the producing unit being designated as the E/2 SW/4 NW/4; W/2 SE/4 NW/4; E/2 NW/4 SW/4 and the W/2 NE/4 SW/4, c Section 35, Township 16 South, Range 11 West, Barron County, Kansas, containing 80 a less plore of

Douglas H. McGinness II President

State of: Kansas County of : Sedgwick

BE IT REMEMBERED, That on this <u>all</u> day of <u>Hovember</u>, 2014, before me, the undersigned, a notary public in and for the County and State aforesaid, came Douglas H. McGinness II, President, for CMX, Inc, who is personally known to me to be the same person who executed the within instrument of writing and such person duly acknowledged the execution of the same.

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

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3/9/01/ My Appointment Expires:

