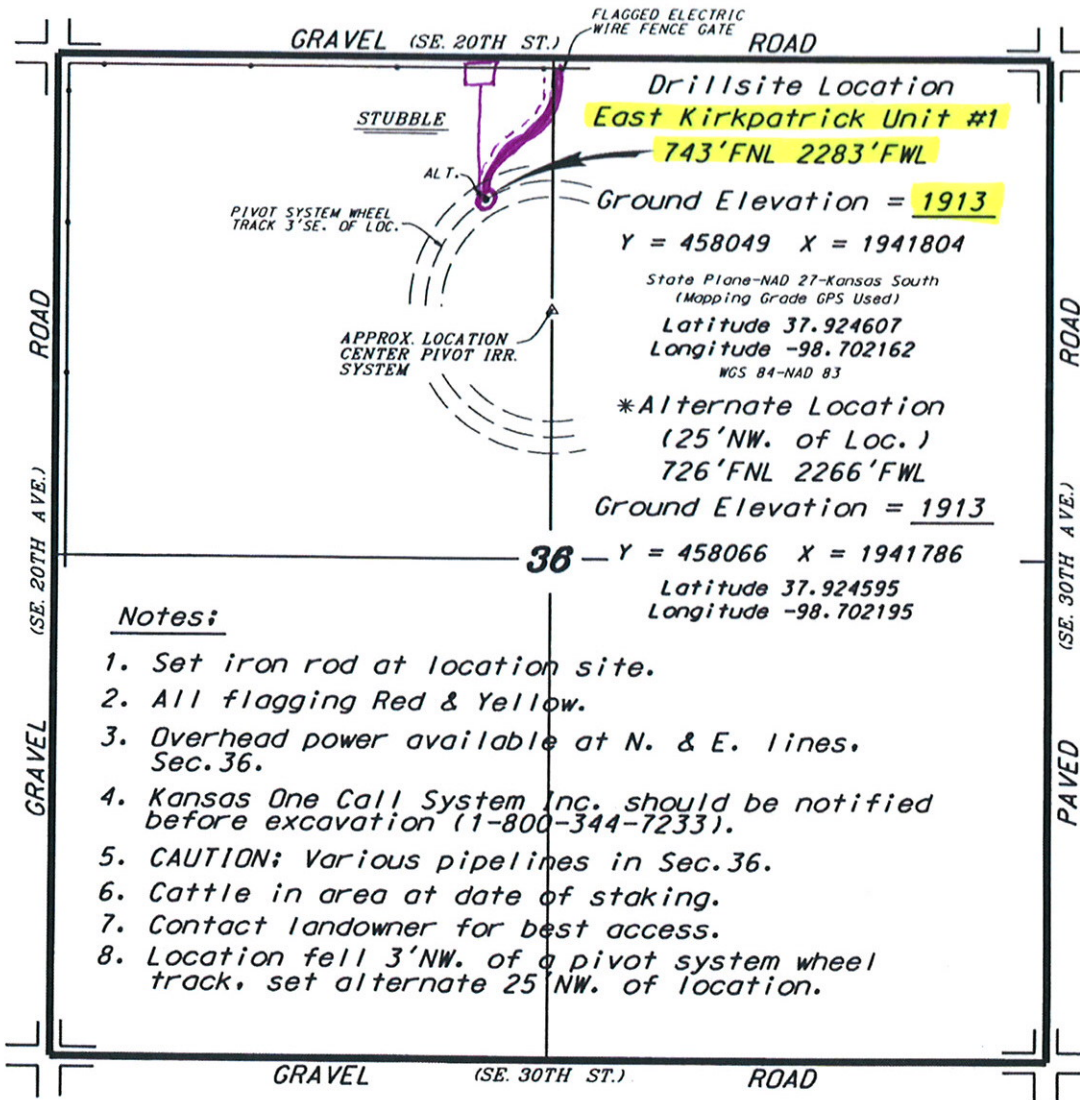


**H & D EXPLORATION, LLC  
KIRKPATRICK LEASE  
NW. 1/4, SECTION 36, T24S, R13W  
STAFFORD COUNTY, KANSAS**

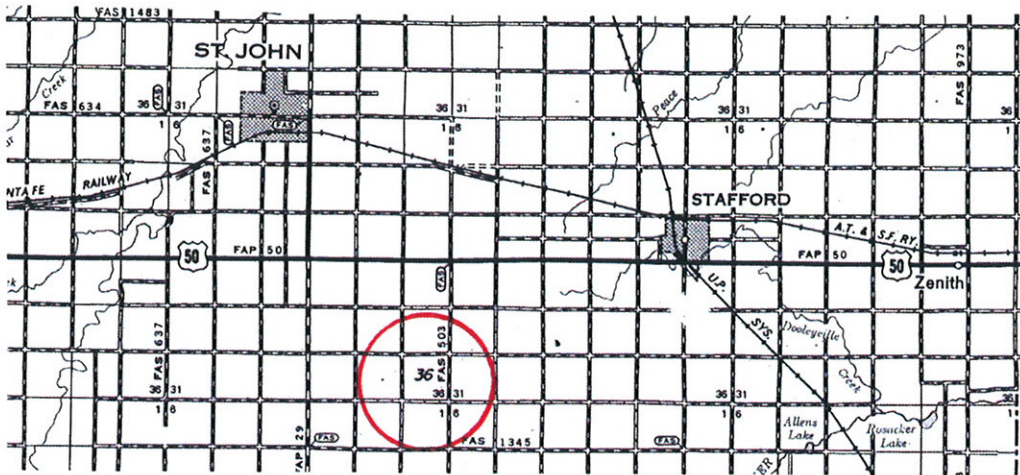


**Notes:**

1. Set iron rod at location site.
2. All flagging Red & Yellow.
3. Overhead power available at N. & E. lines. Sec. 36.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION; Various pipelines in Sec. 36.
6. Cattle in area at date of staking.
7. Contact landowner for best access.
8. Location fell 3' NW. of a pivot system wheel track, set alternate 25' NW. of location.

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

SCALE 1" = 1000'  
C.K.S.M.



Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.  
Approximate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drillsite location in the section is not guaranteed. Therefore, the operator securing this service and occupying this plat and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and said entities released from any liability from incidental or consequential damages.  
Elevations derived from National Geodetic Vertical Datum.

Date January 9, 2015

MG3U (Rev. 1993)

Recorded: 19133 Date Rec'd: 11/11/2013  
Maple Record: 7/16/2014 9:27:43 AM

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 7th day of July, 2014

by and between Edward Lee Kirkpatrick and Mary Ann Kirkpatrick husband and wife (100% of surface & 50% of minerals)

Marsha Lou Wilkening and Dennis D. Wilkening husband and wife (0% of surface & 50% of minerals)

whose mailing address is Kirkpatrick 211 SF 10th Ave, Stafford, KS 67578, Wilkening 107 Downing Rd, Hutchinson, KS 67502, hereinafter called Lesors (whether one or more)

and H&D Exploration, L.L.C. PO Box 387 Hoisington, KS 67544, hereinafter called Lessee

Lessee, in consideration of One Dollar (\$1.00) in hand paid, receipt of which is hereby 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, including but not limited to 3-D seismic, and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbon, all gases, and their respective constituent products, seeping gas, water, other fluids, and air into subsurface strata, laying pipe lines, setting oil, handling 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 hydrocarbon, 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 Stafford, State of Kansas, described as follows, to-wit:

Northwest Quarter of 36-24-13 NWA 36-24-13

In Section 36, Township 24, Range 13, and containing 160 acres, more or less, and all accretions thereto

Subject to the provisions herein contained, this lease shall remain in force for a term of One (1) years from this date (called "primary term") and as long thereafter as oil, liquid hydrocarbon, 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 tender to lessor, free of cost, one-eighth (1/8) of all proceeds received by Lessee for oil produced and sold from the leased premises.  
2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8) of the market price at the well, that is to say 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. When 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 returned hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.

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

If said Lessee owns or has interest in the above described land then the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid to said Lessee 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 Lessee.

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

No well shall be drilled deeper than 200 feet to the base of the formation 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 herein is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to the heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of interests or royalties shall be binding on the Lessee until after the Lessee has been furnished with a written transfer or assignment of 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 stand under 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 force held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to collect for lessor, by payment any mortgages, taxes or other liens on the above described lands, on the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and undersigned Lessee, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead 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 for the benefit of the lands herein described, 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 create an unit and record in the county records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit 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 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 otherwise 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 as an acreage basis bears to the total acreage so pooled in the particular unit involved.

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

Edward Lee Kirkpatrick  
Marsha Lou Wilkening  
Marsha Lou Wilkening

Mary Ann Kirkpatrick  
Dennis D. Wilkening  
Dennis D. Wilkening

Kansas )  
COUNTY OF Stafford )

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOKCoNe)

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of July, 2014.

by Edward Lee Kirkpatrick Mary Ann Kirkpatrick  
Marsha Lou Wilkening Dennis D. Wilkening

My commission expires: August 10, 2015  
Katharine M. Sipes  
Notary Public



Katharine M. Sipes  
Typed/Printed Name

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

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOKCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

by \_\_\_\_\_

My commission expires: \_\_\_\_\_  
Notary Public

Typed/Printed Name

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

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOKCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

by \_\_\_\_\_

My commission expires: \_\_\_\_\_  
Notary Public

Typed/Printed Name

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

ACKNOWLEDGMENT FOR CORPORATION (KsOKCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

by \_\_\_\_\_

of \_\_\_\_\_  
corporation, on behalf of the corporation.

My commission expires: \_\_\_\_\_  
Notary Public

Typed/Printed Name

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 7th day of July, 2014

by and between Edward Lee Kirkpatrick and Mary Ann Kirkpatrick husband and wife

whose mailing address is 211 SE 30th Ave, Stafford, KS 67578 hereinafter called Lessor (whether one or more)

and H&D Exploration, L.L.C. PO Box 387, Holsington, KS 67544 hereinafter called Lessee

Lessor, in consideration of One Dollars (\$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, developing, including but not limited to 3-D seismic and other seismic, 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 other acquired interest, therein situated in

County of Stafford State of KANSAS described as follows, to-wit

Northeast Quarter of 36-24-13 NE1/4 36-24-13

in Section 36 Township 24 Range 13 and containing 160 acres, more or less, and all accretions thereto

Subject to the provisions herein contained, this lease shall remain in force for a term of One (1) years from this date (called "primary term") and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of these, 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 tender to lessor, five (5) per cent, one-eighth (1/8) of all proceeds received by lessee for oil produced and sold from the leased premises.  
2nd To pay lessor for gas of whatsoever nature or kind produced and sold, or saved off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8), at the market price at the well, that, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sale; 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 payments or drilling operations. If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessor shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed within the term of years first mentioned

If said lessee owns a less interest in the above described land than the entire and undivided fee, simple estate therein, then the royalties herein provided for shall be paid to 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 operations thereon, except water from the wells of lessee. 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 in 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 herein is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to the heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of estate or royalties shall be binding on the lessor until after the lessee has been furnished with a written transfer or assignment of 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 evacuate and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby ratify and discharge to such portion or portions and be relieved of all obligations as to the acreage so released. All express or implied covenants of this lease shall be subject to all Federal and State laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subordinated to the rights of the holder thereof, and undersigned lessors, for themselves and their heirs, successors and assigns, hereby warrants and releases all right of dower and homestead 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 no less acreage to one another and to be into a unit or units not exceeding 80 acres each in the event of an oil well, an into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is 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 production well pooled into 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

NOTE At the end of said lease, H&D Exploration L.L.C has the option to extend this lease for one year at \$10.00 per acre

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

Edward Lee Kirkpatrick

Mary Ann Kirkpatrick

Edward Lee Kirkpatrick

Mary Ann Kirkpatrick

OF Kansas )  
COUNTY OF Stafford )

ACKNOWLEDGMENT FOR INDIVIDUAL (KsORCoNe)

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of July, 2011,  
by Edward Lee Kirkpatrick & Mary Ann Kirkpatrick

My commission expires: August 10 2015 Katharine M. Sipes  
Notary Public



Katharine M. Sipes  
Typed/Printed Name

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

ACKNOWLEDGMENT FOR INDIVIDUAL (KsORCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,  
by \_\_\_\_\_

My commission expires: \_\_\_\_\_  
Notary Public

Typed/Printed Name

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

ACKNOWLEDGMENT FOR INDIVIDUAL (KsORCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,  
by \_\_\_\_\_

My commission expires: \_\_\_\_\_  
Notary Public

Typed/Printed Name

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

ACKNOWLEDGMENT FOR CORPORATION (KsORCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,  
by \_\_\_\_\_

of \_\_\_\_\_  
corporation, on behalf of the corporation.

My commission expires: \_\_\_\_\_  
Notary Public

Typed/Printed Name