For KCC Use:

Eff	e	ct	iv	е	Date

District	±	
DISTINCT	TT .	

SGA?	Yes	No

Form

KANSAS CORPORATION COMMISSION **OIL & GAS CONSERVATION DIVISION**

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

Form C-1

1250644

NOTICE OF INTENT TO DRILL

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

KSONA-1,	Certification of	[•] Compliance with	the Kansas	Surface Owner	r Notification	Act, MUST	be submitted	with this for	m
----------	------------------	------------------------------	------------	---------------	----------------	-----------	--------------	---------------	---

Expected Spud Date:	Spot Description:
month day year	
OPERATOR: License#	feet from N / S Line of Section
Name:	feet from 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:	Nearest Lease or unit boundary line (in footage):
Oil Enh Rec Infield Mud Rotary	Ground Surface Elevation:feet MSL
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile:
Disposal Wildcat Cable	Public water supply well within one mile:
Seismic : # of Holes Other	Depth to bottom of fresh water:
Other:	Depth to bottom of usable water:
	Surface Pipe by Alternate:
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
Operator:	Length of Conductor Pipe (if any):
Well Name:	Projected Total Depth:
Original Completion Date: Original Total Depth:	Formation at Total Depth:
	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?	Well Farm Pond Other:
If Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	(Note: Apply for Permit with DWR)
KCC DKT #:	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 Electronically

For KCC Use ONLY	
API # 15	
Conductor pipe required	feet
Minimum surface pipe required	feet per ALT.
Approved by:	
This authorization expires:	
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 - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202



For KCC Use ONLY

API # 15 - .

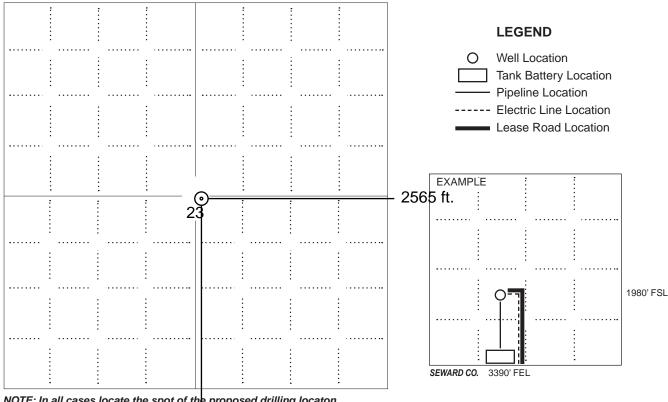
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.

2600 ft.

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

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

Side Two



1250644

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name:		binit in Dupical	License Number:	
Operator Address:				
Contact Person:			Phone Number:	
Lease Name & Well No.:			Pit Location (QQQQ):	
Type of Pit:	Ditio			
Emergency Pit Burn Pit	Pit is:	Existing	Sec. Twp R	
Settling Pit Drilling Pit	If Existing, date co			
Workover Pit Haul-Off Pit				
(If WP Supply API No. or Year Drilled)	Pit capacity:	(6615)	Feet from East / West Line of Section	
		(bbls)		County
Is the pit located in a Sensitive Ground Water A	rea? Yes	No	Chloride concentration: (For Emergency F	mg/l Pits and Settling Pits only)
Is the bottom below ground level?	Artificial Liner?		How is the pit lined if a plastic li	ner is not used?
Yes No		No		
	Length (fee		Width (feet)	N/A: Steel Pits
	om ground level to dee			No Pit
If the pit is lined give a brief description of the li material, thickness and installation procedure.	ner		dures for periodic maintenance an cluding any special monitoring.	na determining
Distance to nearest water well within one-mile of pit:		Depth to shallow Source of inform	west fresh water nation:	feet.
feet Depth of water wellfeet		measured	well owner el	ectric log KDWR
Emergency, Settling and Burn Pits ONLY:		Drilling, Worko	ver 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 p	procedure:	
Does the slope from the tank battery allow all spilled fluids to flow into the pit?		Drill pits must be closed within 365 days of spud date.		
Submitted Electronically				
Submitted Electronically				
	КСС	OFFICE USE OI		
			Liner Steel	
Date Received: Permit Num	ber:	Permi	t Date: Lease	Inspection: Yes No

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



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		
Contact Person:	the lease below:		
Phone: () Fax: ()			
Email Address:			
Surface Owner Information:			
Name:	When filing a Form T-1 involving multiple surface owners, attach an additional		
Address 1:	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 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

For KCC Use ONLY	
API # 15	

Side Two

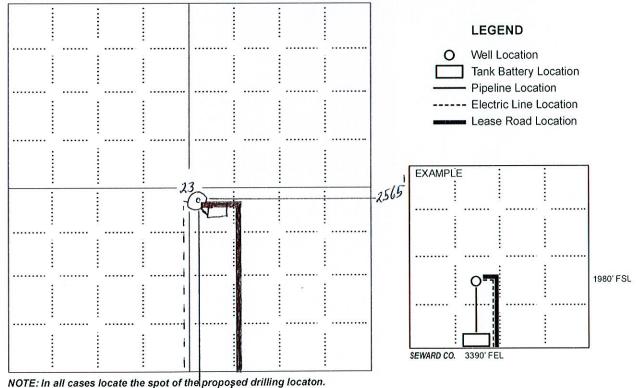
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

Operator: Messenger Petroleum Inc	Location of Well: County: 0599e
Lease: Wigger J	2600 feet from N / X S Line of Section
Well Number:# (2565 feet from X E / W Line of Section
Field: Vassar	Sec. <u>23</u> Twp. <u>16</u> S. R. <u>16</u> X E U W
Number of Acres attributable to well:	Is Section: X Regular or Irregular
	If Section is Irregular, locate well from nearest corner boundary. Section corner used: NE 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.



2600

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

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

OIL & GAS CONS CERTIFICATION OF C	ATION COMMISSION ERVATION DIVISION COMPLIANCE WITH THE INER NOTIFICATION ACT
T-1 (Request for Change of Operator Transfer of Injection	of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); or Surface Pit Permit); and CP-1 (Well Plugging Application). companying Form KSONA-1 will be returned. Cathodic Protection Borehole Intent)
OPERATOR: License # 4706 Name: Messenger Petroleum, Inc. Address 1: 525 S. Main Address 2:	Well Location: <u>NW_NW_NW_SE</u> Sec. 23 Twp. <u>16</u> S. R. <u>16</u> Sec. 23 Twp. <u>16</u> S. R. <u>16</u> West County: <u>Osage</u> Lease Name: <u>Wigger</u> Well #: <u>1</u> If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:
Surface Owner Information: Name: Donna F. Everly Address 1: PO Box 35 Address 2:	When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

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

Select one of the following:

I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.

I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I must provide the name and address of the surface owner by filling out the top section of this form and that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

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

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 4-23-15	Signature of Operator or Agent: tak	Wassance	Title: President	
Date.				

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

Form KSONA-1 July 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.

1 1

OPERATOR: License # 4706 Name: Messenger Petroleum, Inc. Address 1: 525 S. Main Address 2: City: Kingman State: KS zip: 67068 + Contact Person: Jon F. Messenger Phone: (620) 532-5400 Fax: (620) 532-5200 Email Address:	the lease below:	
Surface Owner Information: Name: Lamont Hills Resort Address 1: 22975 Address 2:	When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.	

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

Select one of the following:

L 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.

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I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 4-23-15 Signature of Operator or Agent to K. North _____ Title: President

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

Form KSONA-1 July 2014 Form Must Be Typed Form must be Signed All blanks must be Filled

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OPERATOR: License # 4706 Name: Messenger Petroleum, Inc. Address 1: 525 S. Main	Well Location: NW_NW_NW_SE Sec. 23 Twp. 16 S. R. 16 Teas County: Osage Lease Name: Wigger Well #: 1 If filing a Form T-1 for multiple wells on a lease, enter the legal description on the lease below:			
Address 2:				
Email Address:	When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.			

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

Select one of the following:

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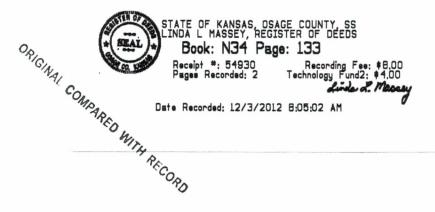
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I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: _	4-23-15	_ Signature of Operator or Agent	H. Hosser a	Tille: President	





When Recorded, Return To: HOP Energies, LLC PO Box 47911 Wichita, Ks 67201

OIL AND GAS LEASE

AGREEMENT, made and entered into this 3th day of <u>November, 2012</u>, by and between <u>Donna F. Everly, a</u> single person. whose mailing address is <u>PO Box 35 Green Mt. Falls, CO 80819</u>, hereinafter called lessor (whether one or more), and <u>HOP Energies, LLC, PO Box 47911, Wichita, KS 67201</u>, hereinafter called lessee.

1. Lessor, in consideration of Ten Dollars (\$ 10.00) and more, 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 and other means, prospecting, drilling, underground 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 temporary housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in the County of <u>Osage</u>, State of **Kansas**, described as follows, to wit:

Township 16 South, Range 16 East

Section 23: All of THE SW/4NW/4 Lying South of the Right of Way of the Railroad, in Osage County, Kansas

In Section <u>XXXX</u>, Township <u>XXXX</u>, Range <u>XXXX</u> and containing <u>24.00</u> Acres, more or less, and all accretions thereto.

- 2. Subject to the provisions herein contained, this lease shall remain in force for a term of <u>five (5)</u> years from this date (called "primary term"), and as long as thereafter as oil, liquid hydrocarbons or gas or other respective constituent products, or any form of them is produced from said land or land with which said land is pooled.
- 3. In consideration of these premises lessee covenants and agrees:
 - a. To deliver to the credit of lessor, free of cost, in the pipeline to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.
 - b. To pay lessor for gas of whatsoever nature or kind produced and sold or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.
- 4. 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.
- 5. If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee.
- 6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the leased premises for lessee's operations thereon, except water from wells of lessor.
- 7. When requested by the lessor, lessee shall bury lessee's pipelines below plow depth.
- 8. No well shall be drilled nearer than 200 feet to a house or barn now on said premises without the written consent of the lessor.
- 9. Lessee shall pay for all damages caused by lessee's operations to growing crops on said land.
- 10. 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.
- 11. 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 its heirs executors, administrators, successors or assigns, but no change in the ownership of the lands or assignment of rentals or royalties shall be binding on lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns

this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

- 12. Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.
- 13. 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.
- 14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this leases is made, as recited herein.
- 15. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well, or into a unit or units not exceeding 640 acres each in the event of a horizontal oil or gas well; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leases is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. Production, drilling or reworking operations anywhere on the unit or pooled acreage, which includes all or any part of the leased premises shall be treated as if it were production, drilling or reworking operations on the leased premises. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.
- 16. Lessee, or its assigns, will consult with Lessor regarding routes of ingress and egress prior to commencing operations.
- 17. Lessee, or its assigns, will restore surface to original condition as nearly as is practicable upon completion of operations, including backfilling all pits when dried and restoring terraces disturbed by operations.
- 18. In the event some or all of the lands covered by this lease are enrolled in the Conservation Reserve Program (CRP) of the U.S. Department of Agriculture, Lessee shall comply with the rules and notification procedures of that program insofar as the same may apply to operations of Lessee on the enrolled lands, Lessee shall compensate Lessor for CRP penalties or CRP withdrawal reimbursements resulting directly from Lessee's operations hereunder.

on Donna F. Everly STATE of Colorado Acknowledgment for Individual (KS, OK, CO)) SS: 9 COUNTY of Pa)

Before me, the undersigned, a Notary Public, within and for said County and State, on this $\underline{\mathcal{B}}^{\mathcal{H}}$ day of <u>November, 2012</u>, personally appeared <u>Donna F. Everly, a single person</u>, to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that <u>she</u> executed the same as <u>her</u> free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

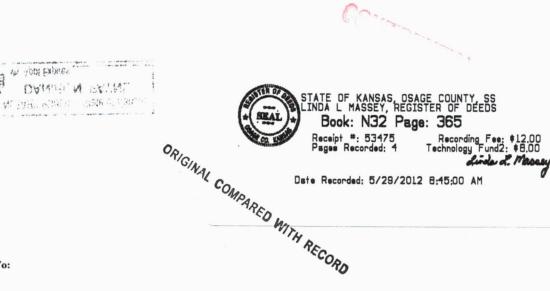
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires

Notary Public

NANCY J. BERNARD Notary Public State of Colorado My Commission Expires 11

63 U-HPKN (Rev. 1993, ATH 1/24/2012)



When Recorded, Return To:

3.

OIL AND GAS LEASE

AGREEMENT, made and entered into this <u>16th</u> day of <u>May</u>, 2012, by and between <u>Glenn R. Bauck and</u> <u>Velma L. Bauck, Trustees under The Bauck Family Trust</u> whose mailing address is <u>23055 S K368 Hwy</u> <u>Vassar, KS 66543</u>, hereinafter called lessor (whether one or more), and <u>HOP Energies, LLC, PO Box 47911</u>, <u>Wichita, KS 67201</u>, hereinafter called lessee.

1. Lessor, in consideration of Ten Dollars (\$ 10.00) and more, 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 and other means, prospecting, drilling, underground 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 temporary housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in the County of **Osage**, State of **Kansas**, described as follows, to wit:

See Exhibit "A" attached hereto and made a part hereof for complete description.

- In Section <u>XXXX</u>, Township <u>XXXX</u>, Range <u>XXXX</u> and containing <u>101.000</u> Acres, more or less, and all accretions thereto.
- 2. Subject to the provisions herein contained, this lease shall remain in force for a term of <u>three (3)</u> years from this date (called "primary term"), and as long as thereafter as oil, liquid hydrocarbons or gas or other respective constituent products, or any form of them is produced from said land or land with which said land is pooled.
 - In consideration of these premises lessee covenants and agrees:
 - a. To deliver to the credit of lessor, free of cost, in the pipeline to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.
 - b. To pay lessor for gas of whatsoever nature or kind produced and sold or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.
- 4. 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.
- 5. If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee.
- 6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the leased premises for lessee's operations thereon, except water from wells of lessor.
- 7. When requested by the lessor, lessee shall bury lessee's pipelines below plow depth.
- 8. No well shall be drilled nearer than 200 feet to a house or barn now on said premises without the written consent of the lessor.
- 9. Lessee shall pay for all damages caused by lessee's operations to growing crops on said land.
- 10. 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.
- 11. 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 its heirs executors, administrators, successors or assigns, but no change in the ownership of the lands or assignment of rentals or royalties shall be binding on lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns

this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

- 12. Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.
- 13. 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.
- 14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this leases is made, as recited herein.
- 15. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well, or into a unit or units not exceeding 640 acres each in the event of a horizontal oil or gas well; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leases is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. Production, drilling or reworking operations anywhere on the unit or pooled acreage, which includes all or any part of the leased premises shall be treated as if it were production, drilling or reworking operations on the leased premises. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.
- 16. Lessee, or its assigns, will consult with Lessor regarding routes of ingress and egress prior to commencing operations.
- 17. In the event some or all of the lands covered by this lease are enrolled in the Conservation Reserve Program (CRP) of the U.S. Department of Agriculture, Lessee shall comply with the rules and notification procedures of that program insofar as the same may apply to operations of Lessee on the enrolled lands, Lessee shall compensate Lessor for CRP penalties or CRP withdrawal reimbursements resulting directly from Lessee's operations hereunder.
- 18. If at the end of the primary term, this lease is not otherwise continued in force under the provisions hereof, this lease shall expire, unless Lessee on or before the end of the primary term shall pay or tender to Lessor, the sum of seven (7) dollars multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this lease; and subject to the other provisions of this lease, this lease shall thereby be modified and the primary term shall be extended for an additional term of $\underline{two}(2)$ year(s) from the end of the primary term hereof. Said payment may be made by check or draft of Lessee or any assignee thereof, mailed or delivered direct to Lessor at the address first provided above, on or before the end of the primary term.
- 19. See attached "Exhibit B" attached hereto and made a part hereof for additional provisions

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Glenn R. Bauck, Trustee

Banck, Trustee

COUNTY of

STATE of

Kansas Osage

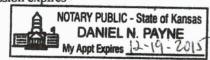
Acknowledgment for Individual (KS, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this 16th dav of May, 2012, personally appeared Glenn R. Bauck and Velma L. Bauck, Trustees under the Bauck Family Trust , to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that <u>they</u> executed the same as <u>their</u> free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

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

SS:

My commission expires



Daniel N. Payne, Notary Public

63 U-HPKN (Rev. 1993, ATH 1/24/2012)



This Exhibit "A" is attached to and made a part of that certain oil and gas lease dated May 16, 2012, by and between, Glenn R. Bauck and Velma L. Bauck, Trustees under the Bauck Family Trust, Lessor to HOP Energies, LLC, Lessee.

Township 16 South, Range 16 East:

Section 23: S/2NE/4 lying South of Missouri Pacific Railroad Right of Way, containing 12.28 acres, more or less and,

Beginning at the SE corner of the said NE/4; thence on a bearing North 00 degrees 43 minutes 00 seconds West along the East line of the said NE/4 for a distance of 1821.67 feet; thence on a bearing of South 88 degrees 49 minutes 28 seconds West for a distance of 302.22 feet ; thence on a bearing of South 58 degrees 33 minutes 52 seconds West for a distance of 266.07 feet; thence on a bearing of South 77 degrees 11 minutes 58 seconds West for a distance of 94.99 feet; thence on a bearing of South 44 degrees 32 minutes 29 seconds West for a distance of 188.63 feet; thence on a bearing of South 00 degrees 43 minutes 00 seconds East for a distance of 1542.93 feet to a point on the South line of the said NE/4; thence on a bearing of North 88 degrees 21 minutes 25 seconds East along the said South line for a for a distance of 758.52 feet to the Point of Beginning, containing 28.72 acres, more or less.

Section 24: A tract of land commencing at the NW corner of the NW/4; thence South along the West line of said Section 200 rods; thence East 80 rods; thence north 120 rods; thence West 5 rods to stone fence; thence Northeasterly with stone fence to North line of said Section; thence West 99 rods to place of beginning, except the following described tracts:

A tract of land commencing at the NW corner of the NW/4; thence East 1645 feet along Section line to a point 30 feet North of the North corner of the stone fence; thence South 30 feet to said fence corner; thence in a southerly direction 665 feet along said fence to a point 660 feet South and 1435 feet East of the Point of Beginning; thence West 1435 feet to the West line of said Quarter Section; thence North 660 feet to the point of beginning, **and except**

A tract commencing at the NW corner of said NW/4; thence south 01 degree 01 minute 30 seconds West along the West line of said NW/4 for a distance of 660.07 feet to the SW corner of the North 660 feet of said NW/4 and the true point of beginning; thence South 89 degrees 48 minutes 23 seconds East parallel with the North line of said NW/4 and along said South line for a distance of 1443.43 feet to the center of an existing stone fence; thence South 17 degrees 55 minutes 00 seconds West with the centerline of said stone fence for a distance of 676.66 feet; thence North 89 degrees 03 minutes 40 seconds West with the line of an existing fence for a distance of 538.21 feet; thence North 68 degrees 28 minutes 00 seconds West for a distance of 267.87 feet to the West line of said NW/4; thence North 01 degree 01 minute 30 seconds East along the West line of said NW/4 for a distance of 414.21 feet to the true Point of Beginning, the remainder consisting of 60 acres, more or less.

EXHIBIT "B"

Notwithstanding the provisions contained in the attached lease to the contrary, the following conditions, amendments, modifications and reservations shall apply:

- 1. Lessee, or its assigns, will restore surface to original condition as nearly as is practicable upon completion of operations, including backfilling all pits when dried and restoring terraces disturbed by operations.
- Lessee shall pay Lessor for any and all damages caused by Lessee's oil and gas exploration, operations, production or development, including, but not limited to, damage to improvements, livestock, personal property, land, soil, grass and crops. Lessee shall pay Lessor a minimum of \$1,000.00 for each drill site location on the leased premises, prior to commencement of drilling operations.
- 3. Lessee, will in a mutually agreed upon local bank with Lessor, deposit in escrow the sum of \$5,000.00 prior to the commencement of drilling operations on the described acreage. The terms of said escrow shall provide that these funds shall be surety for Lessor that Lessee will return the leased premises to the condition as provided in paragraph 1 above, within one year after the termination of the lease if the premises are abandoned by Lessor. The terms of paragraph 1 having been complied with, these funds shall revert to the Lessee one year after termination of this lease. The escrow agent shall make the determination of compliance with the terms above set.

4 1 mi 1002 OF KANSAS, OSAGE COUN L MASSEY, REGISTER OF MANIEL N ENTINE Book: N32 Page: 366 Where A REAL PROPERTY AND ORIGINAL COMPARED WITH RECORD *: 53475 Recording Fee: \$12.00 Technology Fund2: \$8.00 Rec Date Recorded: 5/29/2012 8:45:01 AM

When Recorded, Return To:

OIL AND GAS LEASE

AGREEMENT, made and entered into this <u>16th</u> day of <u>May</u>, <u>2012</u>, by and between <u>Keith L. Persinger</u>, <u>President of Lamont Hill Resort, Inc</u> whose mailing address is <u>23053 S Hwy 368 Vassar, KS 66543</u>, hereinafter called lessor (whether one or more), and <u>HOP Energies, LLC, PO Box 47911, Wichita, KS 67201</u>, hereinafter called lessee.

1. Lessor, in consideration of Ten Dollars (\$ 10.00) and more, 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 and other means, prospecting, drilling, underground 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 temporary housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in the County of <u>Osage</u>, State of <u>Kansas</u>, described as follows, to wit:

See Exhibit "A" attached hereto and made a part hereof for complete description.

- In Section <u>XXXX</u>, Township <u>XXXX</u>, Range <u>XXXX</u> and containing <u>203.630</u> Acres, more or less, and all accretions thereto.
- 2. Subject to the provisions herein contained, this lease shall remain in force for a term of <u>three (3)</u> years from this date (called "primary term"), and as long as thereafter as oil, liquid hydrocarbons or gas or other respective constituent products, or any form of them is produced from said land or land with which said land is pooled.
- 3. In consideration of these premises lessee covenants and agrees:
 - a. To deliver to the credit of lessor, free of cost, in the pipeline to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.
 - b. To pay lessor for gas of whatsoever nature or kind produced and sold or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.
- 4. 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.
- 5. If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee.
- 6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the leased premises for lessee's operations thereon, except water from wells of lessor.
- 7. When requested by the lessor, lessee shall bury lessee's pipelines below plow depth.
- 8. No well shall be drilled nearer than 200 feet to a house or barn now on said premises without the written consent of the lessor.
- 9. Lessee shall pay for all damages caused by lessee's operations to growing crops on said land.
- 10. 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.
- 11. 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 its heirs executors, administrators, successors or assigns, but no change in the ownership of the lands or assignment of rentals or royalties shall be binding on lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns

this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.12. Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any

- 12. Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.
- 13. 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.
- 14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this leases is made, as recited herein.
- 15. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well, or into a unit or units not exceeding 640 acres each in the event of a horizontal oil or gas well; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leases is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. Production, drilling or reworking operations anywhere on the unit or pooled acreage, which includes all or any part of the leased premises shall be treated as if it were production, drilling or reworking operations on the leased premises. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.
- 16. Lessee, or its assigns, will consult with Lessor regarding routes of ingress and egress prior to commencing operations.
- 17. In the event some or all of the lands covered by this lease are enrolled in the Conservation Reserve Program (CRP) of the U.S. Department of Agriculture, Lessee shall comply with the rules and notification procedures of that program insofar as the same may apply to operations of Lessee on the enrolled lands, Lessee shall compensate Lessor for CRP penalties or CRP withdrawal reimbursements resulting directly from Lessee's operations hereunder.
- 18. If at the end of the primary term, this lease is not otherwise continued in force under the provisions hereof, this lease shall expire, unless Lessee on or before the end of the primary term shall pay or tender to Lessor, the sum of <u>seven (7) dollars</u> multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this lease; and subject to the other provisions of this lease, this lease shall thereby be modified and the primary term shall be extended for an additional term of <u>two (2)</u> year(s) from the end of the primary term hereof. Said payment may be made by check or draft of Lessee or any assignee thereof, mailed or delivered direct to Lessor at the address first provided above, on or before the end of the primary term.
- 19. See attached "Exhibit B" attached hereto and made a part hereof for additional provisions

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Keith L. Persinger	•							
STATE of K	ansas)						
COINTY of)	SS:	Acknow	ledgment for	Corporatio	on (KS, OK,	CO)
	sage)						
Be it remen	bered that on this	<u>16th</u>	day of	May, 20	12 , before	me, the un	dersigned, a	Notary
Public, duly commis	sioned, in and for the	he count	and state a	foresaid, ca	me Keith L.	Persinger	. Presiden	t of
Lamont Hill Resort	. Inc.				the State of			
personally known to		er and t	o be the san	ne person w	the state of _	as such off	icer the forea	oing
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IN WITNESS WHEI	REOF, I have herei	into set n	ny hand and	official se	al the day and	l year last a	above written	L.
	res ARY PUBLIC - State of F DANIEL N. PAYN Appt Expires <u>12-19</u> -	E			Daniel N. Pa	ayne, Nota	V. F	\sim
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63 U-HPKN (Rev. 1993, ATH 1/24/2012)

This Exhibit "A" is attached to and made a part of that certain oil and gas lease dated May 16, 2012, by and between, Keith L. Persinger, President of Lamont Hill Resort, Inc., Lessor to HOP Energies, LLC, Lessee.

Township 16 South, Range 16 East:

Section 23: NE/4 lying North of the Missouri Pacific Railroad Right of way, Except the following described tract: beginning at the SE corner of the said NE/4; thence on a bearing North 00 degrees 43 minutes 00 seconds West along the East line of the said NE/4 for a distance of 1821.67 feet; thence on a bearing of South 88 degrees 49 minutes 28 seconds West for a distance of 302.22 feet; thence on a bearing of South 58 degrees 33 minutes 52 seconds West for a distance of 266.07 feet; thence on a bearing of South 77 degrees 11 minutes 58 seconds West for a distance of 94.99 feet; thence on a bearing of South 44 degrees 32 minutes 29 seconds West for a distance of 188.63 feet; thence on a bearing of South 00 degrees 43 minutes 00 seconds East for a distance of 1542.93 feet to a point on the South line of the said NE/4; thence on a bearing of North 88 degrees 21 minutes 25 seconds East along the said South line for a distance of 758.52 feet to the Point of Beginning, and Except

A tract in the NE/4 described as follows: Commencing at the NW corner of the said NE/4 of said Section 23; thence North 89 degrees 05 minutes 00 seconds East along the North line of the said NE/4 a distance of 389.14 feet to the Point of Beginning; thence South 0 degrees 55 minutes 00 seconds East a distance of 40.00 feet; thence South 48 degrees 26 minutes 14 seconds East a distance of 358.21 feet; thence South 53 degrees 06 minutes 12 seconds East a distance of 64.61 feet; thence North 89 degrees 05 minutes 00 seconds East a distance of 183.80 feet; thence North 15 degrees 35 minutes 01 second East a distance of 225.15 feet; thence North 0 degrees 42 minutes 17 seconds West a distance of 106.38 feet to a point on the said South Right of way line; thence North 00 degrees 55 minutes 00 seconds West a distance of 32.17 feet to a point on the North line of the said NE/4; thence South 89 degrees 05 minutes 00 seconds West along said North line a distance of 563.37 feet to the Point of Beginning, the remainder containing 110.52 acres, more or less.

Section 23: All that part of the SE/4NW/4 lying North of the Missouri Pacific Railroad Right of Way and N/2NW/4 Except the following described tracts: Beginning at the SW corner of said N/2NW/4; thence North on the West line of said N/2NW/4 a distance of 330.00 feet; thence East parallel with the South line of said N/2NW/4 for a distance of 1320.00 feet; thence South parallel with said West line for a distance of 330.00 feet to the South line of said N/2NW/4; thence West on said South line for a distance of 1320.00 feet to the point of beginning, And Except beginning at a point on the North line of the NW/4 630.85 feet East of the NW corner of said Section; thence South parallel with the West line of said Section 886 feet; thence West parallel with the North line of said Section 245.85 feet; thence North parallel with the West line of said Section 886 feet to the North line of said Section; thence East 245.85 feet on the Section line to the point of Beginning, And Except Beginning at the NE corner of the said NW/4; thence Southerly along an old existing fence accepted as the line between the NW/4 and the NE/4 of said Section 23 a distance of 544.50 feet; thence Westerly on a line parallel with the North line of the said NW/4 a distance of 400 feet; thence Northerly on a line parallel with the existing fence line of the first course a distance of 544.50 feet to a point on the North line of the said NW/4; thence Easterly along the said North line of the NW/4 a distance of 400 feet to the NE corner of the said NW/4 and which is the Point of Beginning, containing 69.25 acres, more or less.

Section 24; A tract of land commencing at the NW corner of the NW/4; thence East 1645 feet along the Section line to a point 30 feet North of the North corner of the stone fence; thence South 30 feet to said fence corner; thence inn a Southerly direction 665 feet along said fence to a point 660 feet South and 1435 feet East of the point of beginning; thence West 1435 feet to the West line of said Quarter Section; thence North 660 feet to the Point of Beginning containing 23.5 acres, more or less.

EXHIBIT "B"

Notwithstanding the provisions contained in the attached lease to the contrary, the following conditions, amendments, modifications and reservations shall apply:

- 1. Lessee, or its assigns, will restore surface to original condition as nearly as is practicable upon completion of operations, including backfilling all pits when dried and restoring terraces disturbed by operations.
- 2. Lessee shall pay Lessor for any and all damages caused by Lessee's oil and gas exploration, operations, production or development, including, but not limited to, damage to improvements, livestock, personal property, land, soil, grass and crops. Lessee shall pay Lessor a minimum of \$1,000.00 for each drill site location on the leased premises, prior to commencement of drilling operations.
- 3. Lessee, will in a mutually agreed upon local bank with Lessor, deposit in escrow the sum of \$5,000.00 prior to the commencement of drilling operations on the described acreage. The terms of said escrow shall provide that these funds shall be surety for Lessor that Lessee will return the leased premises to the condition as provided in paragraph 1 above, within one year after the termination of the lease if the premises are abandoned by Lessor. The terms of paragraph 1 having been complied with, these funds shall revert to the Lessee one year after termination of this lease. The escrow agent shall make the determination of compliance with the terms above set.

TE OF KANSAS, OSAGE COUNTY, SS IDA L MASSEY, REGISTER OF DEEDS Book: N31 Page: 526 Receipt *: 52743 Pages Recorded: 2 Recording Fee: \$8.00 Technology Fund2; \$4.00 ORIGINAL COMPARED WITH RECORD ad. M Date Recorded: 2/16/2012 8:05:00 AM

When Recorded, Return To:

OIL AND GAS LEASE

AGREEMENT, made and entered into this <u>9th</u> day of <u>February, 2012</u>, by and between <u>Jette Lee Wigger, a</u> <u>single person</u> whose mailing address is <u>3322 E K-268 Highway Vassar, KS 66543</u>, hereinafter called lessor (whether one or more), and <u>HOP Energies, LLC, PO Box 47911, Wichita, KS 67201</u>, hereinafter called lessee.

1. Lessor, in consideration of Ten Dollars (\$ 10.00) and more, 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 and other means, prospecting, drilling, underground 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 temporary housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in the County of <u>Osage</u>, State of <u>Kansas</u>, described as follows, to wit:

<u>Township 16 South, Range 16 East</u> Section 23: NE/4SW/4, W/2SE/4 Section 26: West 990' of NE/4

In Section XXXX, Township XXXX, Range XXXX and containing 180.000 Acres, more or less, and all accretions thereto.

- 2. Subject to the provisions herein contained, this lease shall remain in force for a term of <u>three (3)</u> years from this date (called "primary term"), and as long as thereafter as oil, liquid hydrocarbons or gas or other respective constituent products, or any form of them is produced from said land or land with which said land is pooled.
- 3. In consideration of these premises lessee covenants and agrees:
 - a. To deliver to the credit of lessor, free of cost, in the pipeline to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.
 - b. To pay lessor for gas of whatsoever nature or kind produced and sold or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.
- 4. 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.
- 5. If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee.
- 6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the leased premises for lessee's operations thereon, except water from wells of lessor.
- 7. When requested by the lessor, lessee shall bury lessee's pipelines below plow depth.
- 8. No well shall be drilled nearer than 200 feet to a house or barn now on said premises without the written consent of the lessor.
- 9. Lessee shall pay for all damages caused by lessee's operations to growing crops on said land.
- 10. 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.
- 11. 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 its heirs executors, administrators, successors or assigns, but no change in the ownership of the lands or assignment of rentals or royalties shall be binding on lessee until after

the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

- 12. Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.
- 13. 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.
- 14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this leases is made, as recited herein.
- 15. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well, or into a unit or units not exceeding 640 acres each in the event of a horizontal oil or gas well; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leases is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. Production, drilling or reworking operations anywhere on the unit or pooled acreage, which includes all or any part of the leased premises shall be treated as if it were production, drilling or reworking operations on the leased premises. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.
- 16. Lessee, or its assigns, will consult with Lessor regarding routes of ingress and egress prior to commencing operations.
- 17. Lessee, or its assigns, will restore surface to original condition as nearly as is practicable upon completion of operations, including backfilling all pits when dried and restoring terraces disturbed by operations.
- 18. In the event some or all of the lands covered by this lease are enrolled in the Conservation Reserve Program (CRP) of the U.S. Department of Agriculture, Lessee shall comply with the rules and notification procedures of that program insofar as the same may apply to operations of Lessee on the enrolled lands, Lessee shall compensate Lessor for CRP penalties or CRP withdrawal reimbursements resulting directly from Lessee's operations hereunder.
- 19. If at the end of the primary term, this lease is not otherwise continued in force under the provisions hereof, this lease shall expire, unless Lessee on or before the end of the primary term shall pay or tender to Lessor, the sum of <u>seven (7) dollars</u> multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this lease; and subject to the other provisions of this lease, this lease shall thereby be modified and the primary term shall be extended for an additional term of <u>two (2)</u> year(s) from the end of the primary term hereof. Said payment may be made by check or draft of Lessee or any assignee thereof, mailed or delivered direct to Lessor at the address first provided above, on or before the end of the primary term.

Jette Lee Wigg	er ger		<u>19</u>	
STATE of	Kansas)	ss:	Acknowledgment for Individual (KS, OK, CO)
COUNTY of	Osage	ý		(KO, OK, CO)

Before me, the undersigned, a Notary Public, within and for said County and State, on this <u>9th</u> day of <u>February, 2012</u>, personally appeared <u>Jette Lee Wigger</u>, to me personally known to be the identical person(s) who executed the within foregoing instrument and acknowledged to me that <u>she</u> executed the same as <u>her</u> free and voluntary act(s) and deed(s) for the uses and purposes therein set forth.

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

My commission expires	· · · · · · · · · · · · · · · · · · ·
iviy commission expires	NOTARY PUBLIC - State of Kansas
(mark)	DANIEL N. PAYNE
	My Appt Expires 12-19-2015

Daniel N. Payne, Notary Public

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