For KCC Use:

Eff	e	ct	iv	е	Date:

District	#	

SGA?	Yes	No

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

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

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

Expected Spud Date:	Spot Description:
month day year	
OPERATOR: License#	feet from N / S Line of Section
Name:	E / W Line of Section
Address 1:	Is SECTION: Regular Irregular?
Address 2:	(Note: Locate well on the Section Plat on reverse side)
City: State: Zip: +	County:
Contact Person:	Lease Name: Well #:
Phone:	Field Name:
CONTRACTOR: License#	Is this a Prorated / Spaced Field?
Name:	Target Formation(s):
Well Drilled For: Well Class: Type Equipment: Oil Enh Rec Infield Mud Rotary Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable Seismic ; # of Holes Other Other:	Nearest Lease or unit boundary line (in footage): Ground Surface Elevation: feet MSL Water well within one-quarter mile: Yes No Public water supply well within one mile: Yes No Depth to bottom of fresh water:
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. II
Approved by:	
This authorization expires:	rted within 12 months of approval date.)
Spud date: Age	ent:

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 - ____

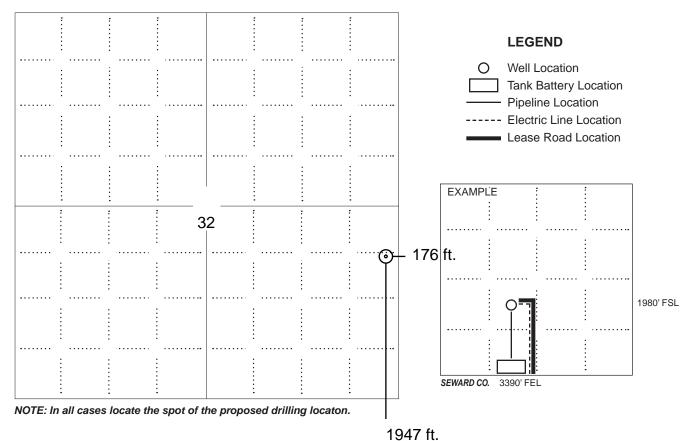
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.



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



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

Form must be Typed

Form CDP-1 May 2010

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name:			License Number:	
Operator Address:				
Contact Person:			Phone Number:	
Lease Name & Well No.:			Pit Location (QQQQ):	
Type of Pit:	Pit is:			
Emergency Pit Burn Pit	Proposed	Existing	SecTwpR East West	
Settling Pit Drilling Pit	If Existing, date co	nstructed:	Feet from North / South Line of Section	
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:		Feet from East / West Line of Section	
		(bbls)	County	
Is the pit located in a Sensitive Ground Water A	vrea? Yes	No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)	
Is the bottom below ground level?	Artificial Liner?	No	How is the pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits):	Length (fee	et)	Width (feet)N/A: Steel Pits	
Depth fro	om ground level to dee	epest point:	(feet) No Pit	
Distance to nearest water well within one-mile	of pit:	Depth to shallow Source of inforr	owest fresh water feet. mation:	
feet Depth of water well	feet	measured	well owner electric log KDWR	
Emergency, Settling and Burn Pits ONLY:		Drilling, Worko	over 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 s flow into the pit?	pilled fluids to	Drill pits must b	be closed within 365 days of spud date.	
Submitted Electronically		· · · ·		
	KCC	OFFICE USE OI	NLY	
Date Received: Permit Num	ber:	Permi	hit Date: Lease Inspection: Yes No	



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

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

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License #	Well Location:
Name:	
Address 1:	County:
Address 2:	Lease Name: Well #:
City: State: Zip:+	If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:
Contact Person:	
Phone: () Fax: ()	
Email Address:	
Surface Owner Information:	
Name:	When filing a Form T-1 involving multiple surface owners, attach an additional
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

OIL AND GAS LEASE

DIRECT INDIRECT COMPLORIG.

NUMERICAL

AGREEMENT, Made and entered into the 24th day of February, 2014, by and between Sharen K. Hempler and Brant Hempler, wife and husband, 27152 Road B, Almena, Kansas 67622-9855, hereinafter called Lessor (whether one or more), and Blue Goose Drilling Co., Inc., P.O. Box 1413 Great Bend KS 67530 hereinafter called Lessee:

Lessor, in consideration of Twenty and no/ Dollars (\$20.00) per acre 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, mining and operating for and producing oil liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Lane, State of Kansas, described as follows to-wit:

SOUTHWEST QUARTER (SW4) OF SECTION THIRTY THREE (33) TOWNSHIP SEVENTEEN (17) SOUTH, RANGE TWENTY-SEVEN (27) WEST, LANE COUNTY, KANSAS

Subject to the provision herein contained, this lease shall remain in force for a term of three (3) years from this date with a three (3) year option at Twenty and no/100 Dollars (\$20.00) per acre (called "primary term"), and as long thereafter as oil, liquid hydrocarbons or other respective constituents 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:

1". To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on

said land, the equal one-sixth (1/6) part of all oil produced and saved from the leased premises.

 2^{n4} . To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or in the manufacture of 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-sixth (1/6) of the proceeds received by lessee from such sales), for 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 withing the meaning of the preceding paragraph.

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

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the said lessor only in the proportion which lessor's interest bears to the whole and undivided fee.

Lessee shall have the right to use, free of cost, gas, and oil produced on said land for lessee's operation thereon.

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 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.

Lessee shall pay to the surface owner Six Dollars (\$6.00) per acre for Seismic damage to be paid when seismic work is competed.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalities shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

If said land is now or hereafter owned in severalty or in separate tracts, this lease shall nevertheless be developed and operated as one lease and all royalty and shut-in royalty accruing hereunder shall be treated as an entirety and divided among such separate owners in the proportion that the acreage (or royalty interest therein on an acreage basis) owned by each bears to the entire leased acreage. Lessee shall have no obligation to offset wells on separate tracts into which said land may be divided, or to furnish separate measuring or receiving tanks. If this lease is assigned as to a part or parts of said land, all rental payable hereunder shall be apportioned between and thereafter payable by the several leasehold owners in the proportion that the acreage owned by each bears to the entire leased acreage, and default in rental payment by anyone shall not defeat or affect the rights of any other leasehold owner. In calculating rental and shut-in royalty payments, said land shall be treated as comprising the number of acres stated above, whether actually comprising more or less, and the acreage included in any assignment or release as recited therein in good faith shall be conclusive for calculating subsequent payments.

Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

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 payments any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to protectly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

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

Sharen, K. Lengles Rv.

Brant Hengler

sf0546.wpd

STATE OF KANSAS
COUNTY OF NORTON

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

and Brant Hempler, wife and hu	isband. -U-16 Junee	e Scherman Notary Public	_, 20 <u>\U</u> , by Sharen K. Hemp
COUNTY OF Philips	ACKNOWLEDGMENT	State of Karsas My Appl. Ep. 10-4-6 Record Concentration (Ksokco	Ne)
of Blue	cknowledged before me this Goose Drilling Co, Inc. a co	day of prporation, on behalf of the corp	_, 20, by poration.
fy commission expires		Notary Public	
10.10			
No	TwpRge	STATE OF HALL JAN County Kapl This instrument was filed for record on the day of Caple 1. 2014 at 1125 o clock A. M. and duly recorded in Book 448 Page 12. of the records of this office.	By When recorded, return to

1 201 2010 - 1919 - 1919

OIL AND GAS LEASE

AGREEMENT, Made and entered into the day of May, 2015, by and between Sharen K. Hempler and Brant Hempler, wife and husband, 27152 Road B, Almena, Kansas 67622-9855, hereinafter called Lessor (whether one or more), and Blue Goose Drilling Co., Inc., P.O. Box 1413 Great Bend KS 67530 hereinafter called Lessee:

Lessor, in consideration of Twenty and no/ Dollars (\$20.00) per acre 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, mining and operating for and producing oil liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Lane, State of Kansas, described as follows to-wit:

EAST HALF OF THE SOUTHEAST QUARTER (E/2 SE/4) OF SECTION THIRTY-TWO (32), TOWNSHIP SEVENTEEN (17) SOUTH, RANGE TWENTY-SEVEN (27) WEST, LANE COUNTY, KANSAS

Subject to the provision herein contained, this lease shall remain in force for a term of three (3) years from this date with a three (3) year option at Twenty and no/100 Dollars (\$20.00) per acre (called "primary term"), and as long thereafter as oil, liquid hydrocarbons or other respective constituents products, or any of them, is produced from said land or land with which said land is pooled.

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

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on said land, the equal one-sixth (1/6) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or in the manufacture of 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-sixth (1/6) of the proceeds received by lessee from such sales), for 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 withing the meaning of the preceding paragraph.

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

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the said lessor only in the proportion which lessor's interest bears to the whole and undivided fee.

Lessee shall have the right to use, free of cost, gas, and oil produced on said land for lessee's operation thereon. 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 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.

Lessee shall pay to the surface owner Six Dollars (\$6.00) per acre for Seismic damage to be paid when seismic work is competed.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

If said land is now or hereafter owned in severalty or in separate tracts, this lease shall nevertheless be developed and operated as one lease and all royalty and shut-in royalty accruing hereunder shall be treated as an entirety and divided among such separate owners in the proportion that the acreage (or royalty interest therein on an acreage basis) owned by each bears to the entire leased acreage. Lessee shall have no obligation to offset wells on separate tracts into which said land may be divided, or to furnish separate measuring or receiving tanks. If this lease is assigned as to a part or parts of said land, all rental payable hereunder shall be apportioned between and thereafter payable by the several leasehold owners in the proportion that the acreage, and default in rental payment by anyone shall not defeat or affect the rights of any other leasehold owner. In calculating rental and shut-in royalty payments, said land shall be treated as

comprising the number of acres stated above, whether actually comprising more or less, and the acreage included in any assignment or release as recited therein in good faith shall be conclusive for calculating subsequent payments.

Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

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 payments any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties herein as the amount of this 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.

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

Hender Bv: haren Sharen K. Hempler Brant Hempler STATE OF KANSAS COUNTY OF NORTON ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe) The foregoing instrument was acknowledged before me this 29 day of M/a 3 , 2015, by Sharen K. Hempler and Brant Hempler, wife and husband. 13-2019 My commission expires: Notary Public DONELLE J. STEWART A Notary Public - State of Kansas . Appt. Expires 01-13-2019 dm2986.wpd

OIL AND GAS LEASE

AGREEMENT, Made and entered into the AGREEMENT, Made and entered into the Weiser, husband and wife, PO Box 293, Dighton, KS 67839, hereinafter called Lessor (whether one or more), and Blue Goose Drilling Co., Inc., P.O. Box 1413 Great Bend KS 67530 hereinafter called Lessee

Lessor, in consideration of Twenty and no/ Dollars (\$20.00) per acre in hand paid, receipt of which is hereby acknowledged and of the royalties herein provided rud of the agreenents of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by grophysical and other means, prospecting drilling, mining and operating for and producing oil liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other, fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other 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 Lane, State of Kansas, described as follows to-wit:

The Southwest Quarter (SW/4) of Section Nine (5), Township Eighteen (18) South, Range Twenty-seven (27) West, Lane County, Kanses;

The Northwest Quarter (NE/4) of Section Nine (9), Township Eighteen (18) South, Range Twenty-seven (27) West, Lane County, Kansas; The Northwest Quarter (NW/4) of Section Nine (9), Township Eighteen (18) South, Range Twenty-seven (27) West, Lane County, Kansas; The Northwest Quarter (NW/4) Section Four (4), Township Eighteen (18) South, Range Twenty-seven (27) West, Lane County, Kansas; The Southwest Quarter (NW/4) Section Four (4), Township Eighteen (18) South, Range Twenty-seven (27) West, Lane County, Kansas; The Southwest Quarter (SW/4) Section Four (4), Township Eighteen (18) South, Range Twenty-seven (27) West, Lane County, Kansas; The Southwest Quarter (SW/4) of Section Thirty-three (33), Township Seventeen (17) South, Range Twenty-seven (27) West, Lane County, Kansas;

The East Half of the Southeast Quarter (E/2 SE/4) of Section Thirty-two (32), Township Seventeen (17) South, Range Twenty-seven (27) West, Lane County, Kansas;

The Northeast Quarter of the Northeast Quarter (NE/4 NE/4) of Section Five (5), Township Eighteen (18) South, Range Twenty-seven (27) West, Lane County, Kansas.

containing 1030 acres more or less

Subject to the provision herein contained, this lease shall remain in force for a term of three (3) years from this date (called "primary term"), with a three (3) year option at Twenty and no/100 Dollars (\$20.00) per sere, and as long thereafter as oil, liquid hydrocarbons or other respective constituents 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:

1". To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on

said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or in the manufacture of 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 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 withing the meaning of the preceding paragraph.

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

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the said lessor only in the proportion which lessor's interest bears to the whole and undivided fee.

Lessee shall have the right to use, free of cost, gas, and oil produced on said land for lessee's operation thereon.

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 on said land.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

If said land is now or hereafter owned in severalty or in separate tracts, this lease shall nevertheless be developed and operated as one lease and all royalty and shut-in royalty accruing hereunder shall be treated as an entirety and divided among such separate owners in the proportion that the acreage (or royalty interest therein on an acreage basis) owned by each bears to the entire leased acreage. Lessee shall have no obligation to offset wells on separate tracts into which said land may be divided, or to furnish separate measuring or receiving tanks. If this lease is assigned as to a part or parts of said land, all rental payable hereunder shall be apportioned between and thereafter payable by the several leasehold owners in the proportion that the acreage owned by each bears to the entire leased acreage, and default in rental payment by anyone shall not defeat or affect the rights of any other leasehold owner. In calculating rental and shut-in royalty payments, said land shall be treated as comprising the reunder stall be conclusive for aclculating subsequent payments.

Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

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 payments 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 helder thereof, and the undersigned lessors, for diemselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 640 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, Oil and Gas Lease Page 2

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

Witnesses:

By RICHARD L. WEISER

STATE OF KANSAS COUNTY OF LANE

A. TERESA J. COOLEY

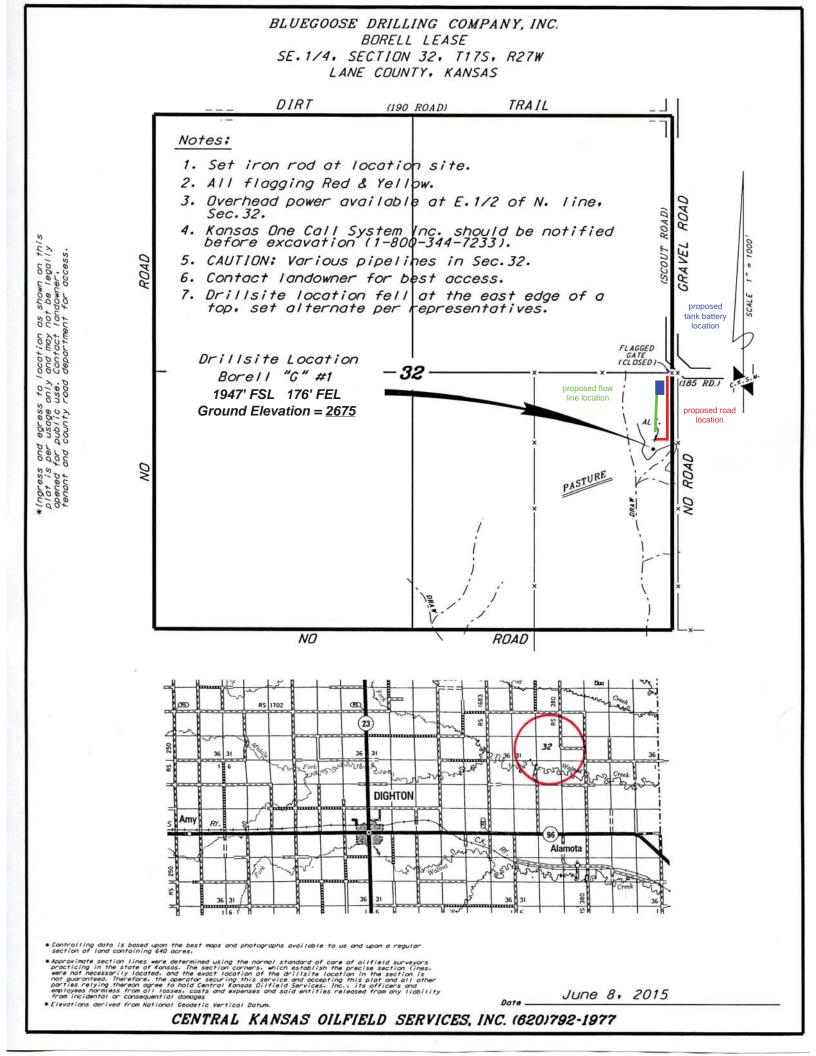
LINDA M. WEISER

lipa

	LEDGMENT FOR INDIVIDUAL	(KsOkCoNe)
The foregoing instrument was ack Richard L. and Linda M. Weiser,	nowledged before me this 210 ⁴ / ₄	day of S July, 2012, by
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STATE OF KOKONS		Notary Public
COUNTY OF LAC	EDGMENT FOR CORPORATION	N (KsOkCoNe)
The foregoing instrument was ack		day of, 20, by Co, Inc. a corporation, on behalf of
the corporation.	of Blue Goose Diming	co, nic. a corporation, on behan or
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My commission expires		Notary Public
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NUMERICAL



Conservation Division 266 N. Main St., Ste. 220 Wichita, KS 67202-1513



Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Shari Feist Albrecht, Chair Jay Scott Emler, Commissioner Pat Apple, Commissioner Sam Brownback, Governor

June 11, 2015

Martin Miller Blue Goose Drilling Company, Inc. PO BOX 1413 GREAT BEND, KS 67530-1413

Re: Drilling Pit Application Borell G 1 SE/4 Sec.32-17S-27W Lane County, Kansas

Dear Martin Miller:

District staff has inspected the above referenced location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has recommended that the reserve pit be lined with bentonite or native clay, constructed **without slots**, the bottom shall be flat and reasonably level and the free fluids must be removed. The fluids are to be removed from the reserve pit after drilling operations have ceased.

KEEP PITS away from draw/drainage.

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

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through KOLAR within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the District Office at (620) 225-8888.