



001726
CRD NO.

PRO-STAKE

Construction Site Staking



13092
INVOICE NO.



Palomino Petroleum, Inc.
OPERATOR

Ness County, KS
COUNTY

#1 ABS
LEASE NAME

Main = 2368' FNL - 2358' FEL = 2558.5' = gr. elev.
Alt. #1 = 2394' FNL - 2467' FEL = 2556.4' = gr. elev.

LOCATION SPOT

SCALE: 1" = 1000'
DATE STAKED: Aug. 4th, 2016
MEASURED BY: Norby S.
DRAWN BY: Norby S.
AUTHORIZED BY: Klee W. & Nick G.
DATE REVISED:

P.O. Box 2324 Garden City, Kansas 67846
Office/Fax: (620) 276-6159 – Cell: (620) 272-1499
burt@pro-stakellc.ksoxmail.com

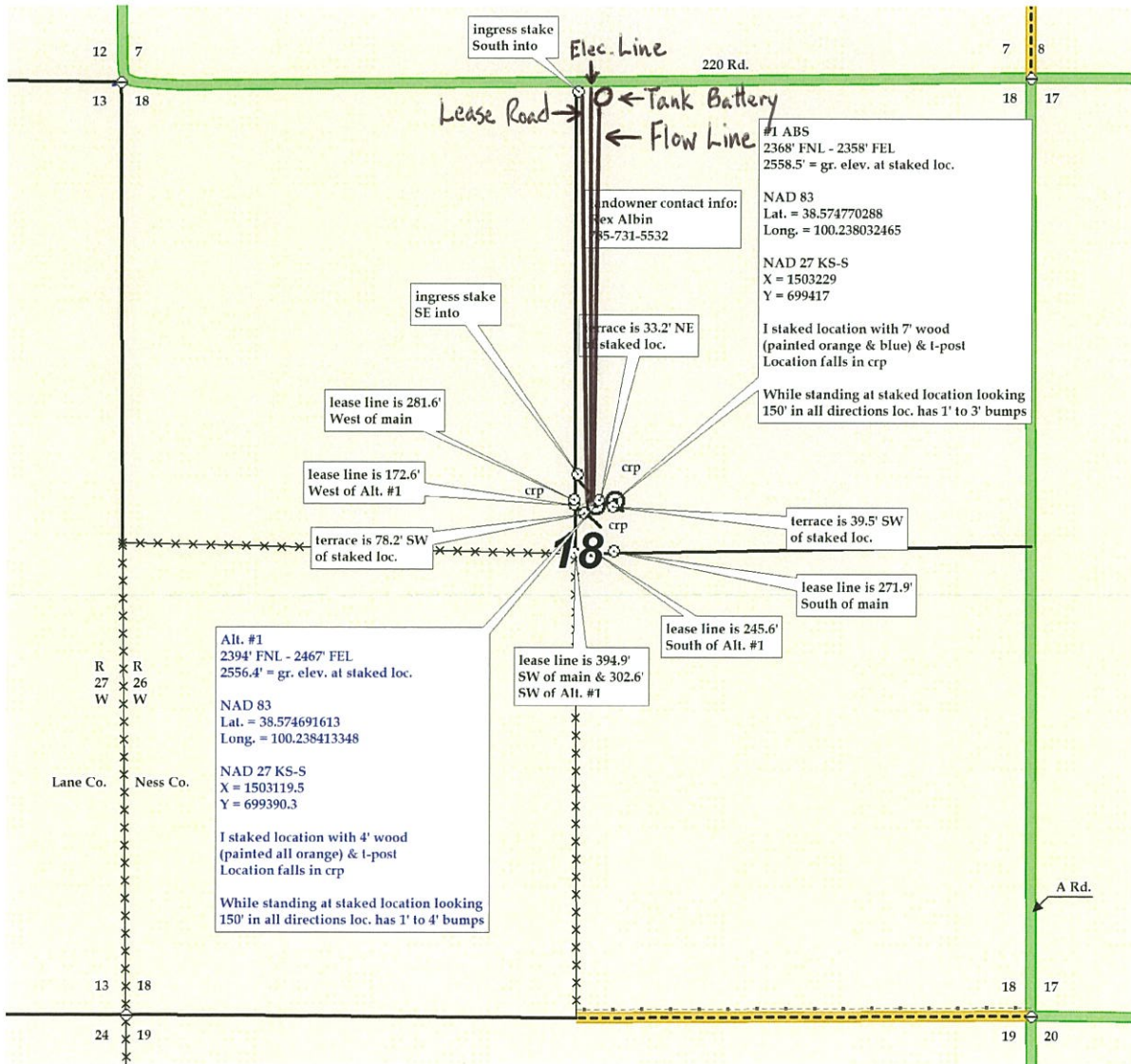
LEGEND

- ⊙ irr. well
- ⊕ water hydrant
- ⊙ tank battery
- ⊙ staked loc.
- ⊗ prod. well/aband. well
- house
- building
- G— gas line
- W— water line
- E— transmission powerline
- 3 phase powerline
- * * * single phase powerline
- x-x-x- fence
- Gravel/sand rd.
- Gravel trail/lease rd.
- Dirt rd.
- Dirt trail/lease rd.
- Hwy/blacktop rd.



DIRECTIONS: From the SW side of Utica, KS at the intersection of Hwy 4 & Jackson St. – Now go 2 miles West on Hwy 4 – Now go 4 miles South on B rd. – Now go 1 mile West on 220 Rd. to the NE corner of section 18-17s-26w – Now go 0.5 mile West on 220 Rd. to ingress stake South into – Now go approx. 2350' / 0.4 mile South through mowed crp to ingress stake SE into – Now go approx. 270' SE through terraced crp, into main staked location.
Final ingress must be verified with landowner or operator.

*This drawing does not constitute a monumented survey or a land survey plat.
This drawing is for construction purposes only.*





001726
CRD NO.

PRO-STAKE

LLC

13092
INVOICE NO.



Palomino Petroleum, Inc.
OPERATOR

Construction Site Staking

P.O. Box 2324 Garden City, Kansas 67846
Office/Fax: (620) 276-6159 – Cell: (620) 272-1499
burt@pro-stakellc.ksoxmail.com

LEGEND

- ⊙ irr. well
- ⊕ water hydrant
- ⊕ tank battery
- ⊙ staked loc.
- ⊗ prod. well/aband. well
- house
- building
- G— gas line
- W— water line
- E— transmission powerline
- 3 phase powerline
- * * * single phase powerline
- x—x—x— fence
- ▬ gravel/sand rd.
- ▬ gravel trail/lease rd.
- ▬ dirt rd.
- ▬ dirt trail/lease rd.
- ▬ Hwy/blacktop rd.

Ness County, KS
COUNTY

18 17s 26w
Sec. Twp. Rng.

#1 ABS
LEASE NAME

Main = 2368' FNL - 2358' FEL = 2558.5' = gr. elev.
Alt. #1 = 2394' FNL - 2467' FEL = 2556.4' = gr. elev.

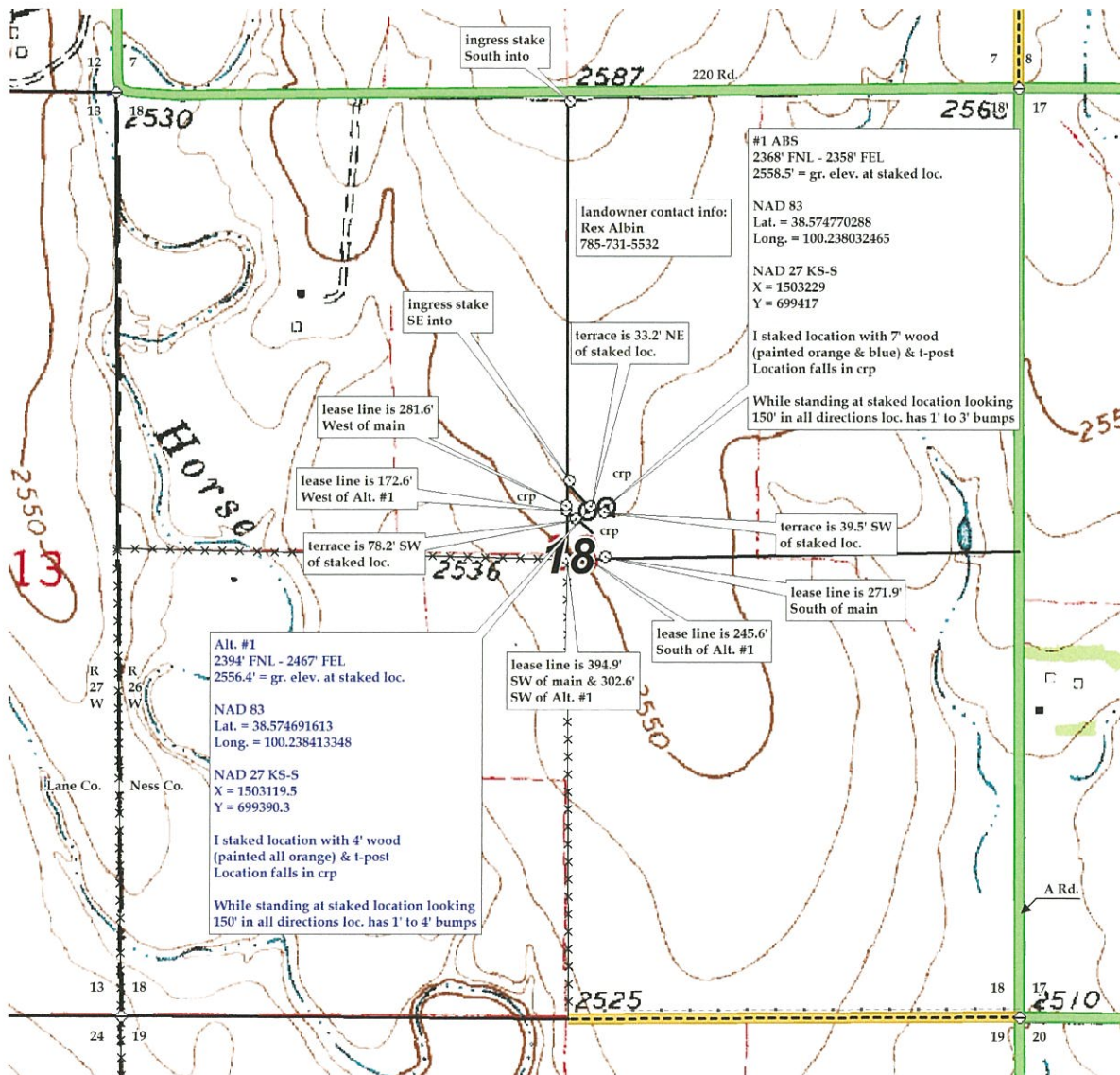
LOCATION SPOT

SCALE: 1" = 1000'
DATE STAKED: Aug. 4th, 2016
MEASURED BY: Norby S.
DRAWN BY: Norby S.
AUTHORIZED BY: Klee W. & Nick G.
DATE REVISED:



DIRECTIONS: From the SW side of Utica, KS at the intersection of Hwy 4 & Jackson St. – Now go 2 miles West on Hwy 4 – Now go 4 miles South on B rd. – Now go 1 mile West on 220 Rd. to the NE corner of section 18-17s-26w – Now go 0.5 mile West on 220 Rd. to ingress stake South into – Now go approx. 2350' / 0.4 mile South through mowed crp to ingress stake SE into – Now go approx. 270' SE through terraced crp, into main staked location.
Final ingress must be verified with landowner or operator.

*This drawing does not constitute a monumented survey or a land survey plat.
This drawing is for construction purposes only.*



63U (Rev. 1993)

OIL AND GAS LEASE

Recorder No. 09-115



Kansas Blue Print 700 S. Broadway, PO Box 103 Wichita, KS 67201-0703 316-261-0344 316-261-0185 fax www.kbp.com kbp@kbp.com

AGREEMENT, Made and entered into the 9th day of September 2013 by and between Rex D. Albin and Verda Albin a/k/a Verda J. Albin, his wife

409 W. 8th Street Quinter, KS 67752

whose mailing address is hereinafter called Lessor (whether one or more), and Palomino Petroleum, Inc.

hereinafter called Lessee:

Lessor, in consideration of One and More Dollars (\$ One (\$1.00)) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and 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 Ness State of Kansas described as follows to-wit:

Township 17 South, Range 26 West Section 18: NE/4; SE/4

In Section Township and containing 320 acres, more or less, and all accretions thereto.

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

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

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

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

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

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

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

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

No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of lessor.

Lessee shall pay for damages caused by lessee's operations to growing crops on said land.

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

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

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

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

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 lease is made, as recited herein.

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

This lease is comprised of two (2) separate leases described as the following tracts:

Township 17 South, Range 26 West

Tract 1) Section 18: NE/4

Tract 2) Section 18: SE/4

This lease shall be considered for all purposes a separate lease on each tract.

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

Witnessed: Rex D. Albin

Verda Albin a/k/a Verda J. Albin



State of Kansas Ness County

Book: 367 Page: 255

Receipt #: 46380 Recording Fee: \$12.00

Pages Recorded: 2

Cashier Initials: MH

Date Recorded: 10/30/2013 10:20:02 AM

STATE OF Kansas
COUNTY OF Goose ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
The foregoing instrument was acknowledged before me this 16th day of September 2013
by Rex D. Albin and Verda Albin a/k/a Verda J. Albin

My commission expires 3/12/17
MAHLENEK-WOLF
MY COMMISSION EXPIRES
March 12, 2017

M. K. Wolf
Notary Public

STATE OF _____
COUNTY OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
The foregoing instrument was acknowledged before me this _____ day of _____
by _____ and _____

My commission expires _____
Notary Public

STATE OF _____
COUNTY OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
The foregoing instrument was acknowledged before me this _____ day of _____
by _____ and _____

My commission expires _____
Notary Public

STATE OF _____
COUNTY OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
The foregoing instrument was acknowledged before me this _____ day of _____
by _____ and _____

My commission expires _____
Notary Public

No. _____
OIL AND GAS LEASE
FROM _____
TO _____
Date _____
Section _____ Twp. _____ Rge. _____
No. of Acres _____ Term _____
County _____
STATE OF _____
County _____
This instrument was filed for record on the _____
day of _____
at _____ o'clock _____ M., and duly recorded
in Book _____ Page _____ of
the records of this office.
By _____
Register of Deeds.
When recorded, return to _____

STATE OF _____
COUNTY OF _____ ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)
The foregoing instrument was acknowledged before me this _____ day of _____
by _____
of _____ a _____
corporation, on behalf of the corporation.
My commission expires _____

Notary Public

OIL AND GAS LEASE



AGREEMENT, Made and entered into the 4th day of April 2014 by and between Gordon J. Breit and Mary L. Breit, his wife

whose mailing address is 21344 A Road Utica, KS 67584 hereinafter called Lessor (whether one or more), and Palomino Petroleum, Inc.

hereinafter called Lessee: Lessor, in consideration of One and More Dollars (\$ One (\$1.00)) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and 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 Ness State of Kansas described as follows to-wit:

Township 17 South, Range 26 West Section 18: SW/4

In Section Township Range and containing 160 acres, more or less, and all accretions thereto.

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

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

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

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

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

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operation thereon, except water from the wells of lessor. When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of lessor. Lessee shall pay for damages caused by lessee's operations to growing crops on said land.

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

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

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

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

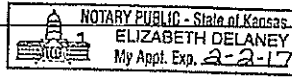
Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated 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 as 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 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: Gordon J. Breit, Mary L. Breit

STATE OF Kansas ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe) 2014 E.D.
COUNTY OF Ness The foregoing instrument was acknowledged before me this 7th day of April 2012
by Gordon J. Breit and Mary L. Breit, his wife

My commission expires 2-2-17



Elizabeth Delaney
Notary Public

STATE OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____
by _____ and _____

My commission expires _____
Notary Public

STATE OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____
by _____ and _____

My commission expires _____
Notary Public

STATE OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____
by _____ and _____

My commission expires _____
Notary Public

No. _____
OIL AND GAS LEASE
FROM _____
TO _____
Date _____
Section _____ Twp. _____ Rge. _____
No. of Acres _____ Term _____
County _____
STATE OF _____
County _____
This instrument was filed for record on the _____
day of _____
at _____ o'clock _____ M., and duly recorded
in Book _____ Page _____ of
the records of this office.
By _____
Register of Deeds.
When recorded, return to _____

STATE OF _____ ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____
by _____
of _____ a _____
corporation, on behalf of the corporation.

My commission expires _____
Notary Public

OIL AND GAS LEASE

Recorder No. 09-115



Kansas Blue Print 700 S. Broadway PO Box 703 Wichita, KS 67201-0703 316-264-3244-3244-3165 fax www.kbp.com - kbp@kbp.com

AGREEMENT, Made and entered into the 9th day of September 2013 by and between Mary J. Schwindt and Richard D. Schwindt, her husband

PO Box 37 Utica, KS 67584

whose mailing address is hereinafter called Lessor (whether one or more), and Palomino Petroleum, Inc.

hereinafter called Lessee:

Lessor, in consideration of One and More Dollars (\$ One (\$1.00)) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and 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 Ness State of Kansas described as follows to-wit:

Township 17 South, Range 26 West Section 18: NW/4

In Section Township Range and containing 160 acres, more or less, and all accretions thereto.

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

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

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

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

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

Lessee shall have the right to use, free of cost, gas, oil or other hydrocarbons produced on said land for lessee's operation thereon, except water from the wells of lessor.

When requested by lessor, lessee shall bury lessee's pipe lines below plow depth, at least 36" off the surface. 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 until 60 days after lease ends.

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

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

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

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

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

Lessee shall not pool leased acreage without separate written permission of Lessor.

Lessee is not given authority or rights under this lease to inject salt water or to conduct seismic testing without first entering into separate written agreement(s).

IN WITNESS WHEREOF, the undersigned execute this instrument on the day and year first above written. Witnesses: Mary J. Schwindt, Richard D. Schwindt



State of Kansas Ness County Book: 367 Page: 199 Receipt #: 46352 Recording Fee: \$12.00 Pages Recorded: 2 CASHIER Initials: MH Date Recorded: 10/28/2013 10:20:00 AM

STATE OF Kansas
COUNTY OF Ness ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
The foregoing instrument was acknowledged before me this 23rd day of October 2013
by Mary J. Schwindt and Richard D. Schwindt

My commission expires 7-22-2017 DEBRA FRANK
NOTARY PUBLIC Debra Frank
STATE OF KANSAS Notary Public
My Appt. Exp. 7-22-2017

STATE OF _____
COUNTY OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
The foregoing instrument was acknowledged before me this _____ day of _____
by _____ and _____

My commission expires _____
Notary Public

STATE OF _____
COUNTY OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
The foregoing instrument was acknowledged before me this _____ day of _____
by _____ and _____

My commission expires _____
Notary Public

STATE OF _____
COUNTY OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
The foregoing instrument was acknowledged before me this _____ day of _____
by _____ and _____

My commission expires _____
Notary Public

No. _____
OIL AND GAS LEASE
FROM _____
TO _____
Date _____
Section _____ Twp. _____ Rge. _____
No. of Acres _____ Term _____
County _____
STATE OF _____
County _____
This instrument was filed for record on the _____
day of _____
at _____ o'clock _____ M., and duly recorded
in Book _____ Page _____ of
the records of this office.
By _____
Register of Deeds.
When recorded, return to _____

STATE OF _____
COUNTY OF _____ ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)
The foregoing instrument was acknowledged before me this _____ day of _____
by _____
of _____ a _____
corporation, on behalf of the corporation.
My commission expires _____

Notary Public

CONSENT TO UNITIZE AGREEMENT

LESSORS:

Mary J. Schwindt and Richard D. Schwindt, her husband.

LESSEE: Palomino Petroleum, Inc.

ACREAGE: NW/4 Section 18, Township 17 South, Range 26 West

COUNTY: NESS COUNTY, KS

DATE: August 2, 2016

The undersigned hereby consent to unitize **NW/4 Section 18, Township 17 South, Range 26 West, Ness County, KS**, in accordance with base lease dated September 9th, 2013 (Book 367, Page 199) with **NE/4; SE/4; SW/4 Section 18, Township 17 South, Range 26 West, Ness County, KS**, in accordance with base leases dated September 9, 2013 (Book 367, Page 255) and April 4th, 2014 (Book 370, Page 77).

It is further agreed that access road(s) and any tank battery for said unit drilling operation referenced above will not be located on **NW/4 Section 18, Township 17 South, Range 26 West, Ness County, KS**.

Mary J. Schwindt
Mary J. Schwindt

08/12/16
Date

Richard D. Schwindt
Richard D. Schwindt

08/12/16
Date

STATE OF KANSAS
COUNTY OF Ness, ss:

BE IT REMEMBERED, that on this 12th of August, 2016, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Mary J. Schwindt and Richard D. Schwindt, her husband, personally known to me to be the identical persons who executed the foregoing CONSENT TO UNITIZE AGREEMENT and acknowledge to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

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

Debra Frank
NOTARY PUBLIC -

My commission expires: 7-22-2017

DEBRA FRANK
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. 7-22-2017