

REQUEST FOR CHANGE OF OPERATOR TRANSFER OF INJECTION OR SURFACE PIT PERMIT

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

Check Applicable Boxes:

- Oil Lease: No. of Oil Wells _____ **
- Gas Lease: No. of Gas Wells _____ **
- Gas Gathering System: _____
- Saltwater Disposal Well - Permit No.: _____
Spot Location: _____ feet from N / S Line
_____ feet from E / W Line
- Enhanced Recovery Project Permit No.: _____
Entire Project: Yes No
Number of Injection Wells _____ **

Field Name: _____

**** Side Two Must Be Completed.**

Effective Date of Transfer: _____

KS Dept of Revenue Lease No.: _____

Lease Name: _____

_____ Sec. _____ Twp. _____ R. E W

Legal Description of Lease: _____

County: _____

Production Zone(s): _____

Injection Zone(s): _____

Surface Pit Permit No.: _____
(API No. if Drill Pit, WO or Haul)

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Type of Pit: Emergency Burn Settling Haul-Off Workover Drilling

Past Operator's License No. _____

Contact Person: _____

Past Operator's Name & Address: _____

Phone: _____

Title: _____

Signature: _____

New Operator's License No. _____

Contact Person: _____

New Operator's Name & Address: _____

Phone: _____

Title: _____

Signature: _____

Acknowledgment of Transfer: The above request for transfer of injection authorization, surface pit permit # _____ has been noted, approved and duly recorded in the records of the Kansas Corporation Commission. This acknowledgment of transfer pertains to Kansas Corporation Commission records only and does not convey any ownership interest in the above injection well(s) or pit permit.

_____ is acknowledged as

the new operator and may continue to inject fluids as authorized by

Permit No.: _____ . Recommended action: _____

Date: _____

Authorized Signature

_____ is acknowledged as

the new operator of the above named lease containing the surface pit

permitted by No.: _____ .

Date: _____

Authorized Signature

DISTRICT _____ EPR _____ PRODUCTION _____ UIC _____

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

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 # _____
Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Contact Person: _____
Phone: (_____) _____ Fax: (_____) _____
Email Address: _____

Well Location:
____ - ____ - ____ - ____ Sec. ____ Twp. ____ S. R. ____ East West
County: _____
Lease Name: _____ Well #: _____

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____

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: _____ Signature of Operator or Agent: _____ Title: _____

OIL AND GAS LEASE

AGREEMENT, Made and entered into March 1, 2017, by and between: Tony B Watts & Wendy K. Watts, husband and wife, Party of the first part, hereinafter called Lessor (whether one or more) and R & B Oil & Gas, Inc. Party of the second part, hereinafter called Lessee.

WITNESSETH, That the said Lessor, for and in consideration of \$1200.00 (One Thousand Two Hundred & 00/100 Hundred) DOLLARS, cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of Lessee to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let unto said Lessee, for the sole and only purpose of mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situated in the County of Barber, State of Kansas, described as follows, to-wit:

East Half of the Northwest Quarter (E/2 NW/4) and Northeast Quarter (NE/4)

of Section 20 Township 33S Range 12W and containing 240 acres more or less (the "leased premises").

It is agreed that this lease shall remain in full force for a term of ONE year(s) from this date (the "primary term"), and as long thereafter as oil or gas, or either of them, is produced from said land by the Lessee, or the premises are being developed or operated. This is a paid up lease which shall remain valid for the entirety of the primary term with Lessee having no obligation to conduct exploration, drilling or any other operations during such primary term, or any extension thereof.

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

To deliver to the credit of Lessor in the pipe line or storage tanks to which Lessee may connect its wells, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or from time to time, at the option of Lessee, Lessee may contract with a third party for the purchase of all oil produced and saved from the leased premises in which case Lessor shall be entitled to receive one-eighth (1/8) of the proceeds paid by the crude oil purchaser in connection with the sale of all oil produced and save.

The Lessee shall pay to Lessor for gas produced on the leased premises 1/8 part of the market value of such gas at the mouth of the well. If, at any time or from time to time, after the Primary Term, there is a well on the leased premises, or on lands unitized or pooled therewith, capable of producing gas in paying quantities, but which is shut-in or production therefrom is suspended for any reason, such well shall be considered for all purposes and under all provisions of this lease to be a well producing in paying quantities and this lease shall remain in full force and effect. In such event, and if this lease is not then being maintained in force and effect under any other provisions hereof, Lessee shall pay or tender to Lessor, as a shut-in royalty, the sum of one dollar (\$1.00) per acre for each acre then covered by this lease, with such payment due on or before one year from the date this lease began being maintained in force solely by such shut-in well, with like payments thereafter at annual intervals on or before the anniversary of the date the first payment was due, unless the lease is then being maintained in force and effect as otherwise provided herein.

In calculating royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes, and any costs or expenses incurred for treating, processing, compressing, transporting and otherwise marketing production or making production marketable.

If said Lessor owns a less interest in the leased premises than the entire and undivided fee simple estate therein, then the royalties herein provided shall be paid the Lessor only in the proportion which his 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 leased premises for its operations thereon, except water from wells of Lessor.

When requested by Lessor, Lessee shall bury pipe lines below plow depth.

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

Lessee shall pay for damages caused by its operations to growing crops on said leased premises.

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

If, within ninety (90) days prior to the end of the primary term or at any time at or after the end of the primary term, Lessee should complete (whether as a producer or a dry hole) or abandon a well on the leased premises or on land pooled therewith, or should production previously secured cease to be in paying quantities from any cause, this lease shall continue in force and effect for ninety (90) days from such completion, abandonment or cessation of production in paying quantities. If, at the latter of the expiration of the primary term or the expiration of the ninety (90) day period provided for in the preceding sentence, oil, gas, or other mineral is not being produced on the leased premises or on land pooled therewith, but Lessee is then engaged in operations for drilling, completion or reworking a well, or other operations to achieve or restore production from the leased premises or lands pooled therewith, this lease shall remain in force so long thereafter as Lessee is engaged in any such operations on any well with no cessation between any such operations or between such operations and production of more than ninety (90) consecutive days, and then for so long thereafter as oil, gas, or other mineral is produced from the leased premises or from land pooled therewith. There shall be no covenant to drill exploratory wells or any additional wells except as may be expressly provided herein.

Lessee shall have the right but not the obligation to pool or unitize all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones and as to any or all substances covered by this lease, either before or after the commencement of drilling or production, whenever Lessee deems it necessary or proper to do so, whether or not, similar pooling authority exists with respect to such other lands or interests. Provided, that a pooled unit for an vertical oil well shall not exceed 160 acres plus a maximum acreage tolerance of 10%, and a pooled unit for a gas well or any horizontal well, whether oil or gas, shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger pooled unit may be formed for an oil well, gas well or horizontal well to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on a 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal well" means an oil or gas well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical completion component in the reservoir. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling or unitization. Production, drilling or reworking operations anywhere on a pooled unit which includes all or any part of the leased premises, regardless of whether such production was obtained or such drilling or reworking operations were commenced before or after the execution of this

lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if there were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit. The production on which Lessor's royalty is calculated from a pooled unit shall be that proportion of the total production from such pooled unit which the surface acreage covered by this lease and included in the pooled unit bears to the total surface acreage in the pooled unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder and Lessee shall have the recurring right but not the obligation to revise any pooled unit formed hereunder by expansion or contraction or both, either before or after commencement of production. To revise a pooled unit hereunder, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the leased premises is included in or excluded from the pooled unit by virtue of such revision, the proportion of pooled unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. Lessee may terminate a pooled unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests. If the estate of either party hereto is transferred, and the privilege of transferring in whole or in part is expressly allowed, or if the rights hereunder of either party hereto are vested by descent or devise, the covenants hereof shall extend to and be binding on the heirs, devisees, executors, administrators, successors, or assigns, but no change in the ownership of the leased premises or of any right hereunder shall be binding on the Lessee until after Lessee has been furnished with the original or a certified copy of any transfer by Lessor or with a certified copy of the will of Lessor together with a transcript of the probate thereof or, in the event Lessor dies intestate, with a transcript of the administration proceedings, at least thirty days before said royalties are payable or due. It is hereby agreed in the event this lease shall be assigned as to a part or as to parts of the leased premises, and the assignee or assignees of such part or parts shall fail to make or default in the payment of the proportionate part of the royalties due from him or them, or breach this lease in any other manner, such default shall not operate to defeat or affect this lease in so far as it covers any other part or parts of the leased premises owned by the Lessee or another assignee. 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 of the leased premises and such obligations shall be the full responsibility of the assignee. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases less than all of the interest or area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

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 may reimburse itself from any royalties accruing hereunder. Lessor warrants that Lessor is not currently receiving any bonus, delay rental, storage payments or production royalty or shut-in royalties as the result of the existence of any prior oil and gas lease or storage lease covering all or any part of the leased premises; that the leased premises is not currently subject to any prior oil and gas lease or storage lease; and that there are no producing wells currently existing on the leased premises, or upon other lands within the boundaries of a drilling or production unit utilizing all or a part of the leased premises. Lessor further warrants that there are no current surface operations being conducted upon the leased premises in preparation for the drilling of a well upon the leased premises and that may be construed as extending the terms of prior oil and gas lease that covered the leased premises.

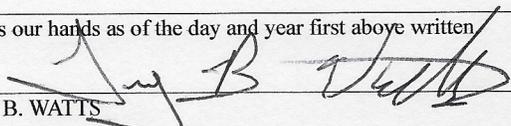
Should there be any dispute or concern as to the Lessor's ownership of the leased premises or right to royalties on production from the leased premises or lands pooled therewith, Lessee shall be entitled to suspend payment of all royalty amounts in dispute until such time as the dispute is settled by a non-appealable final judgment of a court of competent jurisdiction or is otherwise settled to the satisfaction of the Lessee.

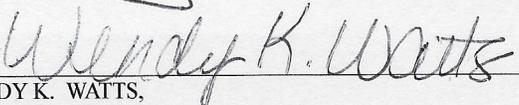
No litigation shall be initiated by Lessor, nor shall this lease be deemed to terminate automatically or otherwise, due to any breach or default by Lessee hereunder, including, but not limited to, breach of implied covenant, cessation of production or failure to maintain production in paying quantities, until after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to begin to undertake curative actions for a period of ninety (90) days after Lessee's receipt of such written notice. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. If this lease, or a portion thereof, is terminated for any cause, it shall nevertheless remain in force and effect as to sufficient acreage around each well on which there are operations being conducted or which is then capable of producing in paying quantities to constitute a drilling unit for such well to have a maximum allowable under applicable governmental regulations (but in no event less than forty acres), with such acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require. Lessee shall also have such easements on, over, under and across the leased premises as are necessary to conduct or continue operations, production and transportation of production on the acreage so retained.

The terms, covenants, and conditions hereof shall run with the land and herewith and shall be binding upon the parties hereto, their heirs, administrators, devisees, executors, successors and assigns; however 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 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 or by war, rebellion, insurrection, riots, strikes, fires, storms, floods, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or any other cause beyond the reasonable control of Lessee.

To the extent the lessor is a trust, the undersigned trustee(s) certify that (i) the trust remains in full force and effect and is correctly identified above; (ii) that the undersigned trustee(s) has/have full power and authority to execute this lease on behalf of the trust without the consent or approval of any other party or co-trustee; and (iii) that the undersigned is a duly acting and appointed trustee of the trust. If the lessor is a corporation, limited liability company, partnership, limited partnership, or other entity, the undersigned certifies that it is signing on behalf of such corporation, limited liability company, partnership, limited partnership or other entity has full authority and capacity to execute this lease on behalf of the lessor.

Witness our hands as of the day and year first above written


TONY B. WATTS


WENDY K. WATTS,

OIL AND GAS LEASE

AGREEMENT, Made and entered into March 1, 2017, by and between: Mark A. Watts Revocable Trust Dated August 16, 2013, Mark A. Watts Trustee, Party of the first part, hereinafter called Lessor (whether one or more) and R & B Oil & Gas, Inc. Party of the second part, hereinafter called Lessee.

WITNESSETH, That the said Lessor, for and in consideration of \$1200.00 (One Thousand Two Hundred & 00/100 Hundred) DOLLARS, cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of Lessee to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let unto said Lessee, for the sole and only purpose of mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situated in the County of Barber, State of Kansas, described as follows, to-wit:

East Half of the Northwest Quarter (E/2 NW/4) and Northeast Quarter (NE/4)
of Section 20 Township 33S Range 12W and containing 240 acres more or less (the "leased premises").

It is agreed that this lease shall remain in full force for a term of ONE year(s) from this date (the "primary term"), and as long thereafter as oil or gas, or either of them, is produced from said land by the Lessee, or the premises are being developed or operated. This is a paid up lease which shall remain valid for the entirety of the primary term with Lessee having no obligation to conduct exploration, drilling or any other operations during such primary term, or any extension thereof.

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

To deliver to the credit of Lessor in the pipe line or storage tanks to which Lessee may connect its wells, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or from time to time, at the option of Lessee, Lessee may contract with a third party for the purchase of all oil produced and saved from the leased premises in which case Lessor shall be entitled to receive one-eighth (1/8) of the proceeds paid by the crude oil purchaser in connection with the sale of all oil produced and save.

The Lessee shall pay to Lessor for gas produced on the leased premises 1/8 part of the market value of such gas at the mouth of the well. If, at any time or from time to time, after the Primary Term, there is a well on the leased premises, or on lands unitized or pooled therewith, capable of producing gas in paying quantities, but which is shut-in or production therefrom is suspended for any reason, such well shall be considered for all purposes and under all provisions of this lease to be a well producing in paying quantities and this lease shall remain in full force and effect. In such event, and if this lease is not then being maintained in force and effect under any other provisions hereof, Lessee shall pay or tender to Lessor, as a shut-in royalty, the sum of one dollar (\$1.00) per acre for each acre then covered by this lease, with such payment due on or before one year from the date this lease began being maintained in force solely by such shut-in well, with like payments thereafter at annual intervals on or before the anniversary of the date the first payment was due, unless the lease is then being maintained in force and effect as otherwise provided herein.

In calculating royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes, and any costs or expenses incurred for treating, processing, compressing, transporting and otherwise marketing production or making production marketable.

If said Lessor owns a less interest in the leased premises than the entire and undivided fee simple estate therein, then the royalties herein provided shall be paid the Lessor only in the proportion which his 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 leased premises for its operations thereon, except water from wells of Lessor.

When requested by Lessor, Lessee shall bury pipe lines below plow depth.

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

Lessee shall pay for damages caused by its operations to growing crops on said leased premises.

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

If, within ninety (90) days prior to the end of the primary term or at any time at or after the end of the primary term, Lessee should complete (whether as a producer or a dry hole) or abandon a well on the leased premises or on land pooled therewith, or should production previously secured cease to be in paying quantities from any cause, this lease shall continue in force and effect for ninety (90) days from such completion, abandonment or cessation of production in paying quantities. If, at the latter of the expiration of the primary term or the expiration of the ninety (90) day period provided for in the preceding sentence, oil, gas, or other mineral is not being produced on the leased premises or on land pooled therewith, but Lessee is then engaged in operations for drilling, completion or reworking a well, or other operations to achieve or restore production from the leased premises or lands pooled therewith, this lease shall remain in force so long thereafter as Lessee is engaged in any such operations on any well with no cessation between any such operations or between such operations and production of more than ninety (90) consecutive days, and then for so long thereafter as oil, gas, or other mineral is produced from the leased premises or from land pooled therewith. There shall be no covenant to drill exploratory wells or any additional wells except as may be expressly provided herein.

Lessee shall have the right but not the obligation to pool or unitize all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones and as to any or all substances covered by this lease, either before or after the commencement of drilling or production, whenever Lessee deems it necessary or proper to do so, whether or not, similar pooling authority exists with respect to such other lands or interests. Provided, that a pooled unit for an vertical oil well shall not exceed 160 acres plus a maximum acreage tolerance of 10%, and a pooled unit for a gas well or any horizontal well, whether oil or gas, shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger pooled unit may be formed for an oil well, gas well or horizontal well to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on a 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal well" means an oil or gas well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical completion component in the reservoir. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling or unitization. Production, drilling or reworking operations anywhere on a pooled unit which includes all or any part of the leased premises, regardless of whether such production was obtained or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if there were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit. The production on which Lessor's royalty is calculated from a pooled unit shall be that proportion of the total production from such pooled unit which the surface acreage covered by this lease and included in the pooled unit bears to the total surface acreage in the pooled unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder and Lessee shall have the recurring right but not the obligation to revise any pooled unit formed hereunder by expansion or contraction or both, either before or after commencement of production. To revise a pooled unit hereunder, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the leased premises is included in or excluded from the pooled unit by virtue of such revision, the proportion of pooled unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. Lessee may terminate a pooled unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests. If the estate of either party hereto is transferred, and the privilege of transferring in whole or in part is expressly allowed, or if the rights hereunder of either party hereto are vested by descent or devise, the covenants hereof shall extend to and be binding on the heirs, devisees, executors, administrators, successors, or assigns, but no change in the ownership of the leased premises or of any right hereunder shall be binding on the Lessee until after Lessee has been furnished with the original or a certified copy of any transfer by Lessor or with a certified copy of the will of Lessor together with a transcript of the probate thereof or, in the event Lessor dies intestate, with a transcript of the administration proceedings, at least thirty days before said royalties are payable or due. It is hereby agreed in the event this lease shall be assigned as to a part or as to parts of the leased premises, and the assignee or assignees of such part or parts shall fail to make or default in the payment of the proportionate part of the royalties due from him or them, or breach this lease in any other manner, such default shall not operate to defeat or affect this lease in so far as it covers any other part or parts of the leased premises owned by the Lessee or another assignee. 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 of the leased premises and such obligations shall be the full responsibility of the assignee. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases less than all of the interest or area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

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 may reimburse itself from any royalties accruing hereunder. Lessor warrants that Lessor is not currently receiving any bonus, delay rental, storage payments or production royalty or shut-in royalties as the result of the existence of any prior oil and gas lease or storage lease covering all or any part of the leased premises; that the leased premises is not currently subject to any prior oil and gas lease or storage lease; and that there are no producing wells currently existing on the leased premises, or upon other lands within the boundaries of a drilling or production unit utilizing all or a part of the leased premises. Lessor further warrants that there are no current surface operations being conducted upon the leased premises in preparation for the drilling of a well upon the leased premises and that may be construed as extending the terms of prior oil and gas lease that covered the leased premises.

Should there be any dispute or concern as to the Lessor's ownership of the leased premises or right to royalties on production from the leased premises or lands pooled therewith, Lessee shall be entitled to suspend payment of all royalty amounts in dispute until such time as the dispute is settled by a non-appealable final judgment of a court of competent jurisdiction or is otherwise settled to the satisfaction of the Lessee.

No litigation shall be initiated by Lessor, nor shall this lease be deemed to terminate automatically or otherwise, due to any breach or default by Lessee hereunder, including, but not limited to, breach of implied covenant, cessation of production or failure to maintain production in paying quantities, until after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to begin to undertake curative actions for a period of ninety (90) days after Lessee's receipt of such written notice. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. If this lease, or a portion thereof, is terminated for any cause, it shall nevertheless remain in force and effect as to sufficient acreage around each well on which there are operations being conducted or which is then capable of producing in paying quantities to constitute a drilling unit for such well to have a maximum allowable under applicable governmental regulations (but in no event less than forty acres), with such acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require. Lessee shall also have such easements on, over, under and across the leased premises as are necessary to conduct or continue operations, production and transportation of production on the acreage so retained.

The terms, covenants, and conditions hereof shall run with the land and herewith and shall be binding upon the parties hereto, their heirs, administrators, devisees, executors, successors and assigns; however 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 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 or by war, rebellion, insurrection, riots, strikes, fires, storms, floods, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or any other cause beyond the reasonable control of Lessee.

To the extent the lessor is a trust, the undersigned trustee(s) certify that (i) the trust remains in full force and effect and is correctly identified above; (ii) that the undersigned trustee(s) has/have full power and authority to execute this lease on behalf of the trust without the consent or approval of any other party or co-trustee; and (iii) that the undersigned is a duly acting and appointed trustee of the trust. If the lessor is a corporation, limited liability company, partnership, limited partnership, or other entity, the undersigned certifies that it is signing on behalf of such corporation, limited liability company, partnership, limited partnership or other entity has full authority and capacity to execute this lease on behalf of the lessor.

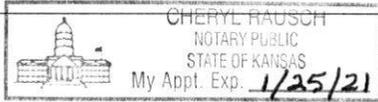
Witness our hands as of the day and year first above written.


MARK A. WATTS

STATE OF Kansas
COUNTY OF Barber
The foregoing instrument was acknowledged before me this 7th day of March, 2017,
By Mark A. Watts, Trustee of the Mark A. Watts Trust dated August 16, 2013

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

My commission expires 1/25/21



Cheryl Rausch
Notary Public

STATE OF _____
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____,
By _____ and _____

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

My commission expires _____
Notary Public

STATE OF _____
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____,
By _____ and _____

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

My commission expires _____
Notary Public

STATE OF _____
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____,
By _____ and _____

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

My commission expires _____
Notary Public

STATE OF _____
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____,
By _____ and _____
as Trustee(s) of the _____

ACKNOWLEDGMENT FOR TRUST (KsOkCoNe)

My commission expires _____
Notary Public

STATE OF _____
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____,
by _____
of _____ a _____, on
behalf of the _____.

ACKNOWLEDGMENT FOR CORPORATION, LLC (KsOkCoNe)

My commission expires _____
Notary Public

No. _____

OIL AND GAS LEASE

FROM

TO

R & B Oil & Gas, Inc. _____

Date March 1, 2017

Section 20 Twp. 33S Rge. 12W

No. of Acres 240 Term 1 Year

E/2 NW/4 and NE/4 County Barber

STATE OF Kansas _____

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.

_____ Register of Deeds

By _____

When recorded, return to _____

OIL AND GAS LEASE

AGREEMENT, Made and entered into March 1, 2017, by and between: Gary L. Watts & Karen Watts Living Trust dated 6-3-2014, Gary L. Watts & Karen S. Watts, Co-Trustees, Party of the first part, hereinafter called Lessor (whether one or more) and R & B Oil & Gas, Inc. Party of the second part, hereinafter called Lessee.

WITNESSETH, That the said Lessor, for and in consideration of \$2400.00 (Two Thousand Four Hundred & 00/100 Hundred) DOLLARS, cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of Lessee to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let unto said Lessee, for the sole and only purpose of mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situated in the County of Barber, State of Kansas, described as follows, to-wit:

East Half of the Northwest Quarter (E/2 NW/4) and Northeast Quarter (NE/4)

of Section 20 Township 33S Range 12W and containing 240 acres more or less (the "leased premises").

It is agreed that this lease shall remain in full force for a term of ONE year(s) from this date (the "primary term"), and as long thereafter as oil or gas, or either of them, is produced from said land by the Lessee, or the premises are being developed or operated. This is a paid up lease which shall remain valid for the entirety of the primary term with Lessee having no obligation to conduct exploration, drilling or any other operations during such primary term, or any extension thereof.

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

To deliver to the credit of Lessor in the pipe line or storage tanks to which Lessee may connect its wells, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or from time to time, at the option of Lessee, Lessee may contract with a third party for the purchase of all oil produced and saved from the leased premises in which case Lessor shall be entitled to receive one-eighth (1/8) of the proceeds paid by the crude oil purchaser in connection with the sale of all oil produced and save.

The Lessee shall pay to Lessor for gas produced on the leased premises 1/8 part of the market value of such gas at the mouth of the well. If, at any time or from time to time, after the Primary Term, there is a well on the leased premises, or on lands unitized or pooled therewith, capable of producing gas in paying quantities, but which is shut-in or production therefrom is suspended for any reason, such well shall be considered for all purposes and under all provisions of this lease to be a well producing in paying quantities and this lease shall remain in full force and effect. In such event, and if this lease is not then being maintained in force and effect under any other provisions hereof, Lessee shall pay or tender to Lessor, as a shut-in royalty, the sum of one dollar (\$1.00) per acre for each acre then covered by this lease, with such payment due on or before one year from the date this lease began being maintained in force solely by such shut-in well, with like payments thereafter at annual intervals on or before the anniversary of the date the first payment was due, unless the lease is then being maintained in force and effect as otherwise provided herein.

In calculating royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes, and any costs or expenses incurred for treating, processing, compressing, transporting and otherwise marketing production or making production marketable.

If said Lessor owns a less interest in the leased premises than the entire and undivided fee simple estate therein, then the royalties herein provided shall be paid the Lessor only in the proportion which his 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 leased premises for its operations thereon, except water from wells of Lessor.

When requested by Lessor, Lessee shall bury pipe lines below plow depth.

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

Lessee shall pay for damages caused by its operations to growing crops on said leased premises.

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

If, within ninety (90) days prior to the end of the primary term or at any time at or after the end of the primary term, Lessee should complete (whether as a producer or a dry hole) or abandon a well on the leased premises or on land pooled therewith, or should production previously secured cease to be in paying quantities from any cause, this lease shall continue in force and effect for ninety (90) days from such completion, abandonment or cessation of production in paying quantities. If, at the latter of the expiration of the primary term or the expiration of the ninety (90) day period provided for in the preceding sentence, oil, gas, or other mineral is not being produced on the leased premises or on land pooled therewith, but Lessee is then engaged in operations for drilling, completion or reworking a well, or other operations to achieve or restore production from the leased premises or lands pooled therewith, this lease shall remain in force so long thereafter as Lessee is engaged in any such operations on any well with no cessation between any such operations or between such operations and production of more than ninety (90) consecutive days, and then for so long thereafter as oil, gas, or other mineral is produced from the leased premises or from land pooled therewith. There shall be no covenant to drill exploratory wells or any additional wells except as may be expressly provided herein.

Lessee shall have the right but not the obligation to pool or unitize all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones and as to any or all substances covered by this lease, either before or after the commencement of drilling or production, whenever Lessee deems it necessary or proper to do so, whether or not, similar pooling authority exists with respect to such other lands or interests. Provided, that a pooled unit for a vertical oil well shall not exceed 160 acres plus a maximum acreage tolerance of 10%, and a pooled unit for a gas well or any horizontal well, whether oil or gas, shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger pooled unit may be formed for an oil well, gas well or horizontal well to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on a 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal well" means an oil or gas well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical completion component in the reservoir. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling or unitization. Production, drilling or reworking operations anywhere on a pooled unit which includes all or any part of the leased premises, regardless of whether such production was obtained or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if there were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit. The production on which Lessor's royalty is calculated from a pooled unit shall be that proportion of the total production from such pooled unit which the surface acreage covered by this lease and included in the pooled unit bears to the total surface acreage in the pooled unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder and Lessee shall have the recurring right but not the obligation to revise any pooled unit

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 may reimburse itself from any royalties accruing hereunder. Lessor warrants that Lessor is not currently receiving any bonus, delay rental, storage payments or production royalty or shut-in royalties as the result of the existence of any prior oil and gas lease or storage lease covering all or any part of the leased premises; that the leased premises is not currently subject to any prior oil and gas lease or storage lease; and that there are no producing wells currently existing on the leased premises, or upon other lands within the boundaries of a drilling or production unit utilizing all or a part of the leased premises. Lessor further warrants that there are no current surface operations being conducted upon the leased premises in preparation for the drilling of a well upon the leased premises and that may be construed as extending the terms of prior oil and gas lease that covered the leased premises.

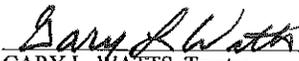
Should there be any dispute or concern as to the Lessor's ownership of the leased premises or right to royalties on production from the leased premises or lands pooled therewith, Lessee shall be entitled to suspend payment of all royalty amounts in dispute until such time as the dispute is settled by a non-appealable final judgment of a court of competent jurisdiction or is otherwise settled to the satisfaction of the Lessee.

No litigation shall be initiated by Lessor, nor shall this lease be deemed to terminate automatically or otherwise, due to any breach or default by Lessee hereunder, including, but not limited to, breach of implied covenant, cessation of production or failure to maintain production in paying quantities, until after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to begin to undertake curative actions for a period of ninety (90) days after Lessee's receipt of such written notice. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. If this lease, or a portion thereof, is terminated for any cause, it shall nevertheless remain in force and effect as to sufficient acreage around each well on which there are operations being conducted or which is then capable of producing in paying quantities to constitute a drilling unit for such well to have a maximum allowable under applicable governmental regulations (but in no event less than forty acres), with such acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require. Lessee shall also have such easements on, over, under and across the leased premises as are necessary to conduct or continue operations, production and transportation of production on the acreage so retained.

The terms, covenants, and conditions hereof shall run with the land and herewith and shall be binding upon the parties hereto, their heirs, administrators, devisees, executors, successors and assigns; however 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 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 or by war, rebellion, insurrection, riots, strikes, fires, storms, floods, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or any other cause beyond the reasonable control of Lessee.

To the extent the lessor is a trust, the undersigned trustee(s) certify that (i) the trust remains in full force and effect and is correctly identified above; (ii) that the undersigned trustee(s) has/have full power and authority to execute this lease on behalf of the trust without the consent or approval of any other party or co-trustee; and (iii) that the undersigned is a duly acting and appointed trustee of the trust. If the lessor is a corporation, limited liability company, partnership, limited partnership, or other entity, the undersigned certifies that it is signing on behalf of such corporation, limited liability company, partnership, limited partnership or other entity has full authority and capacity to execute this lease on behalf of the lessor.

Witness our hands as of the day and year first above written.



GARY J. WATTS, Trustee



KAREN S. WATTS, Trustee

STATE OF Kansas

COUNTY OF Barber

The foregoing instrument was acknowledged before me this

By Gary L. Watts & Karen S. Watts

My commission expires 3/28/20

8th

day of March, 2017

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

Ronda J. Rhodes



STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this

By _____ and _____

day of _____, _____

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

My commission expires _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this

By _____ and _____

day of _____, _____

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

My commission expires _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this

By _____ and _____

day of _____, _____

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

My commission expires _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this

By _____ and _____

as Trustee(s) of the _____

day of _____, _____

ACKNOWLEDGMENT FOR TRUST (KsOkCoNe)

My commission expires _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this

by _____

of _____ a _____, on

behalf of the _____

My commission expires _____

day of _____, _____

ACKNOWLEDGMENT FOR CORPORATION, LLC (KsOkCoNe)

Notary Public

No. _____

OIL AND GAS LEASE

FROM

TO

R & B Oil & Gas, Inc.

Date March 1, 2017

Section 20 Twp. 33S Rge. 12W

No. of Acres 240 Term 1 Year

E/2 NW/4 and NE/4 County Barber

STATE OF Kansas

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.

_____ Register of Deeds

By _____

When recorded, return to _____
