1369030

Form CP-111 July 2017 Form must be Typed Form must be signed

TEMPORARY ABANDONMENT WELL APPLICATION

Form must be typed
Form must be signed
All blanks must be complete

OPERATOR: License#				API No. 15-				
Name:			Spot Description:					
Address 1:					Sec	Twp S.	R	E W
Address 2:						feet from N		
City: +				GPS Location: Lat:, Long:, Long:				
Phone:()						Elevation:	□GL	. Пкв
Phone: ()			Lease Name: Well #: Well Type: (check one) Oil Gas OG WSW Other:					
							Field Contact Person Phon	ne:()
	,			Gas Storage Permit #: Date Shut-In:				
	Conductor	Surface	Dr	oduction	Intermediate	Liner	Tubing	
Size	Conductor	Surface	FIC	duction	memediate	Linei	Tubling	
Setting Depth								
Amount of Cement								
Top of Cement								
Bottom of Cement								
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	Plug Ba	ск Беріп.		Plug Back Meth	ou:			
Geological Date:	Farmatian	Ton Formation Book			Commissio	un Information		
Formation Name		Top Formation Base	Dorfo	ration Interval	•	on Information Feet or Open Hole Interv	vol to	Foot
1	At:					eet or Open Hole Interv		_
2	At:	to Feet	Perio	ration Interval	to F	eet or Open Hole Interv	/ai to	Feet
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Do NOT Write in This Space - KCC USE ONLY	Date Tested:	R	esults:		Date Plugged:	Date Repaired: Da	ate Put Back in Serv	rice:
Review Completed by:			Comn	nents:				
TA Approved: Yes	Denied Date:							
		Mail to the App	ronriate	KCC Conserv	vation Office			
			-					

Depart hade least now hade look and head below mind were the least	KCC District Office #1 - 210 E. Frontview, Suite A, Dodge City, KS 67801	Phone 620.682.7933
1000 1000 1000 1000 1000 1000 1000 100	KCC District Office #2 - 3450 N. Rock Road, Building 600, Suite 601, Wichita, KS 67226	Phone 316.337.7400
100 100 100 100 100 100 100 100 100 100	KCC District Office #3 - 137 E. 21st St., Chanute, KS 66720	Phone 620.902.6450
Size there has been too to be the same too too too too too too too too too to	KCC District Office #4 - 2301 E. 13th Street, Hays, KS 67601-2651	Phone 785.261.6250

Book: 1277 Page: 1785-1787

Receipt #: 93077

Recording Fee: \$16.00

Date Recorded: 2/10/2014 12:33:14 PM

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Form 88 (producers) Rev. 1-83 (Paid-up)

OIL AND GAS LEASE

Kans. - Okla. - Colo.

THIS AGREEMENT, Entered into this 20th day of December, 2013, between Samuel L. Kyllingstad and Patricia M. Kyllingstad, husband and wife, 9919 Raven Field drive, San Antonio, TX 78245, hereinafter called Lessor, and Tahoe Land Services LLC, 4900 Richmond Square, Suite 108, Oklahoma City, OK 73118, hereinafter called Lessee, does witness:

hereinafter contained to be performed by the lessee, has this day granted, leased, and let and by these presents does hereby grant, lease, and let exclusively unto the Lessee the hereinafter described land, with any reversionary rights therein, and with the right to unitize this lease or any part thereof with other oil and gas leases as to all or any part of the lands covered thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including but not limited to, core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of <u>Sailne</u> State of <u>Kansas</u>, and described as follows:

Township 15 South Range 3 West Section 33: SW/4

Containing 160.00 acres, more or less, ("Leased Premises").

- 2. This lease shall remain in force for a term of THREE (3) years (called "primary term") and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is or can be produced.
- 3. The Lessee shall deliver to Lessor as royalty, free of cost, on the lease, or into the pipeline to which Lessee may connect its wells the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises, or at the Lessee's option may pay to the Lessor for such one-eighth royalty the market price at the wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipeline or into storage tanks.
- 4. The Lessee shall pay to the Lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the Lessee at the mouth of the well other the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased, less a proportionate part of the production, severance and other excise taxes, conservation fees, and the costs incurred by Lessee in processing, gathering, treating, compressing, dehydrating, transportation, and marketing, or otherwise making such gas or other substances ready for sale or use. During any period after the expiration of the primary or extended term hereof when neither oil nor gas is being so sold or used and the well or wells are shut in and there is no current production of oil or gas or operations on said leased premises sufficient to keep this lease in force, Lessee shall pay or tender a royalty of One Dollar (\$1.00) per year per net acre retained hereunder such payment or tender to be made, on or before the anniversary date of this lease next ensuing after the expiration of ninety (90) days from the date such well is shut in and thereafter on the anniversary date of this lease during the period such well is shut in, to the royalty owners. When such payment or tender is made, it will be considered that oil or gas is being produced within the meaning of the entire lease. Lessee's failure to pay or tender or to properly or timely pay or tender any such sum as royalty shall render Lessee liable for the amount due, but it shall not operate to terminate this lease.
- 5. This lease is a paid-up lease and shall be maintained during the primary term without further payments or drilling operations.
- 6. In the event said Lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein then the royalties herein provided for shall be paid to said Lessor only in the proportion which his interest bears to the whole and undivided fee; however, in the event the title to any interest in said land should revert to Lessor, or his heirs, or his or their grantee, this lease shall cover such reversion.
- 7. The Lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the Lessor. When required by Lessor, the Lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the Lessor. Lessee shall have the right at any time during, or after the expiration of this lease to remove all machinery fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.
- 8. 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 the heirs, devisees, executors, administrators, successors, and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change of ownership in the land or in the royalties or any sum due under this lease shall be binding on the Lessee until it has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or certified copy of the proceedings showing appointment of an administrator for the estate of any deceased owner, whichever is appropriate, together with all original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to Lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, or administrator, executor, or heir of Lessor.
- developed and operated as one lease, and all repeafter be owned in severalty or in separate tracts, the premises may nonetheless be proportion that the acreage owned by each separate owners in the part of the Lessee to offset wells on separate tracts into which the land covered by this lease may now or hereafter be divided by sale, devise, descent or otherwise, or to furnish separate measuring or receiving tanks.
- 10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the Lessee, at its option, may pay and discharge in whole or in part any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in the event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty accruing hereunder.

- 11. If after the expiration of the primary, term, production and the capability of production of the primary, term, production and the capability of production of terminate if Lessee commences additional drilling operations or reworking operations within one hundred-twenty (120) days thereafter, or if at the expiration of the primary term, oil or gas is not being produced on said land, but Lessee is then engaged in drilling or reworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the same well or any other well thereafter commenced, with no cessation of more than one hundred-twenty (120) consecutive days, and if they result in production of oil or gas, this lease shall remain in effect so long thereafter as there is production of oil or gas under any provision of this lease. Drilling operations or reworking operations shall be deemed to be commenced when the first material is placed on the Leased Premises or when the first work other than surveying or staking the location is done thereon which is necessary for such operations.
- 12. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the Lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and terminate, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes. Lessee shall retain a continuing right-of-way and easement over, upon and across all of the leased premises to the extent necessary for Lessee and/or its gas purchaser to conduct its operations on the leased premises or lands spaced therewith, regardless if part of the leased premises revert or be released to Lessor.
- 13. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the Lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If Lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended.
- 14. If at the end of the primary term this lease is not otherwise continued in force under the provisions hereof, Lessor and Lessee hereby agree that Lessee shall have the option to extend the primary term of this lease on all or a portion of the Leased Premises for an additional TWO (2) years on or before the expiration of the primary term of this lease by tendering to Lessor a payment equal to the same per acre paid to Lessor under the original terms of this lease times the net acres actually owned by Lessor and Lessor's successors (if any) in and to the portion of the Leased Premises to be extended on the date the option is exercised. Payment shall be deemed made upon Lessee's tendering of such payment by mail to Lessor at Lessor's address shown on this lease on or before the expiration of the primary term hereof. Nothing contained herein nor any separate implied agreement between parties shall serve to bind Lessee to exercise this option and it shall be at Lessee's sole discretion to do so.
- 15. If, at any time within the primary term of this lease, as may be extended, and while this lease remains in force and effect, Lessor receives from a third party a bona fide offer acceptable to Lessor, to grant an additional lease covering all or part of the Leased Premises, Lessee shall have a continuing right of first refusal to acquire a new lease from Lessor on the same terms and conditions as proposed by the third party. If Lessor receives such an offer from a third party, Lessor shall promptly notify Lessee by certified mail of such offer. Lessee's notice shall contain all written communications that reflect the offer, along with the third party proposed lessee's name, the bonus consideration, term, and royalty consideration together with all other pertinent terms and conditions, along with a copy of the completed lease form proposed to be utilized by the third party, if available. Lessee shall have fifteen (15) days after receipt of Lessee's notice to advise Lessor in writing of Lessor election to enter into an additional oil and gas lease on the same terms and conditions as proposed by the third party offer as provided for herein and/or the recording of the such additional lease to a third party. Lessee's right of first refusal as provided for herein in any manner.
- 16. Lessee shall have the right, but not the obligation, to pool all or any part of the Leased Premises, 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 production, whenever Lessee demans, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 160 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 160 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 40 acres, plus a maximum acreage tolerance of 10%, involved that a larger unit may be promed for an oil well or gas well or horizontal completion shall not exceed 40 acres, plus a maximum acreage tolerance of 10%, involved that a larger unit may be prescribed or permitted to make the meanings prescribed by applicable law or the appropriate governmental authority and the term "viorizontal completion" means a well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical 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. Production, diffling or reworking operations anywhere on a unit which includes all or any pant of the Lessed Premises shall be treated as if it were production, diffling or reworking operations on the Lessed Premises, except that the production on which Lessee's shall be treated as and included in the unit, but only to the excitations the production in portical governmental authority or as otherwise provided for in this lesse and is demed edermination made by such governmental authority are as otherwise provided for in this lesse and is deemed advisable by Lessee. In making such a revision, Lessee shall file of record a
- 17. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors and assigns of Lessor

18. Notwithstanding anything contained herein to the contrary, it is the intent of the Lessor to lease, and Lessor does hereby grant, demise, lease and let unto Lessee, all oil, gas and other minerals owned by Lessor in Section 33, Township 15 South Range 03 West, Saline County, Kansas whether or not properly and completely described herein. In the event it is determined that Lessor actually owns more net mineral acres subject to this oil and gas lease than that assumed by the parties in the calculation of the lease bonus paid by Lessee, Lessor and Lessee agree that Lessee shall pay Lessor for such additional net acreage at the same bonus price per acre agreed upon for the execution of this oil and gas lease. Likewise, in the event it is determined that Lessor owns less net acres, or it is determined that Lessor's acreage is currently leased under a prior valid oil and gas lease, then the Lessor agrees to reimburse Lessee for the bonus per acre paid for the acreage not owned by Lessor or under the prior valid oil and gas lease.

ESTIMONY WHEREOF, we sign the day and year first above written.

Patricia M. Kyllingstad M. Kyllingstad

INDIVIDUAL)		50	
(ACKNOWLEDGEMENT FOR INDIVIDUAL)		28 day of Dec	
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Texas	Bezas	The foregoing instrument was acknowledged before me this	iner E. Ajiiiigstad and Fathera M. Ajiiiigstad,
STATE OF	COUNTY OF	The foregoing in) da

Rose M Crais
Notary Public/Printed Name

My Commission expires:

Commission Number:



Return to:
TAHOE LAND SERVICES LLC
4900 RICHMOND SQUARE, STE 108
OKC, OK 73118
W AHT: Tammy Ramer

Fee: \$15.00 Recording Fee Revera REBECCA SEEMAN RANSAS SALINE COUNTY KANSAS SALINE C Ũ Receipt #: 84354 Pages Recorded: 3

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1-83 (Paid-up) Form 88 (producers) Rev.

Okla.

OIL AND GAS LEASE

THIS AGREEMENT, Entered into this 19th day of November, 2012, between Lisa K. Short Trust dated 2/6/2007, Lisa K. Short and John C. Short, Trustees, 300 East Kansas Street, Assaria, KS 67416, hereinafter called Lessor, and Tahoe Land Services LLC, 4900 Richmond Square, Suite 108, Oklahoma City, OK 73118, hereinafter called Lessee, does witness:

hereinafter contained to be performed by the lessee, has this day granted, leased, and let and by these presents does hereby grant, lease, and let exclusively unto the Lessee the hereinafter described land, with any reversionary rights therein, and with the right to unitize this lease or any part thereof with other oil and gas leases as to all or any part of the lands covered thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including but not limited to, core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of Saline State of Kansas, and described as follows:

ಕ್ ಕ Township 15 South Range 3 West
Section 33: SW/4 less a tract described as follows: Beginning at the Southwest corner of said SW/4; thence North along the West line said SW/4 566.00 feet; thence East and parallel with the South line of said SW/4 660.00 feet; thence South and parallel with the West line said SW/4 566.00 feet to said South line; thence West along said South line 660.00 feet to the point of beginning

Containing 151.4242424 acres, more or less, ("Leased Premises").

- (called "primary term") and as long thereafter as oil, gas, casinghead gas, This lease shall remain in force for a term of THREE (3) years (called "primary terr casinghead gasoline or any of the products covered by this lease is or can be produced.
- 3. The Lessee shall deliver to Lessor as royalty, free of cost, on the lease, or into the pipeline to which Lessee may connect its wells the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises, or at the Lessee's option may pay to the Lessor for such one-eighth royalty the market price at the wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipeline or into
- 4. The Lessee shall pay to the Lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the Lessee at the mouth of the well other sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased, less a proportionate part of the production, severance and other excise taxes, conservation fees, and the costs incurred by Lessee in processing, gathering, treating, compressing, dehydrating, transportation, and marketing, or otherwise making such gas or other substances ready for sale or use. During any period after the expiration of the primary or extended term hereof when neither oil nor gas is being so sold or used and the well or wells are shut in and there is no current production of oil or gas or operations on said leased premises sufficient to keep this lease in force, Lessee shall pay or tender a royalty of One Dollar (\$1.00) per year per net acre retained hereunder such payment or tender to be made, on or before the anniversary date of this lease unity ensuing after the expiration of ninety (90) days from the date such well is shut in and thereafter on the anniversary date of this lease during the period such well is shut in, to the royalty owners. When such payment or tender is made, it will be considered that oil or gas is being produced within the meaning of the entire lease. Lessee's failure to pay or tender or to properly or timely pay or tender any such sum as royalty shall render Lessee liable for the amount due, but it shall not operate to terminate this lease.
- 5. This lease is a paid-up lease and shall be maintained during the primary term without further payments or drilling operations.
- 6. In the event said Lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein then the royalties herein provided for shall be paid to said Lessor only in the proportion which his interest bears to the whole and undivided fee, however, in the event the title to any interest in said land should revert to Lessor, or his heirs, or his or their grantee, this lease shall cover such reversion.
- 7. The Lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the Lessor. When required by Lessor, the Lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the Lessor. Lessee shall have the right at any time during, or after the expiration of this lease to remove all machinery fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.
- 8. 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 the heirs, devisees, executors, administrators, successors, and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change of ownership in the land or in the royalties or any sum due under this lease shall be binding on the Lessee until it has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or certified copy of the proceedings showing appointment of an administrator for the estate of any deceased owner, whichever is appropriate, together with all original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to Lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, or administrator, executor, or heir of Lessor.
 - 9. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on the part of the Lessee to offset wells on separate tracts into which the land covered by this lease may now or hereafter be divided by sale, devise, descent or otherwise, or to furnish separate measuring or receiving tanks.
- 10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the Lessee, at its option, may pay and discharge in whole or in part any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in the event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by

accruing hereunder. applying to the discharge of any such mortgage, tax or other lien, any royalty

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- 11. If after the expiration of the primary term, production and the capability of production of oil or gas should cease from any cause, this lease shall not terminate if Lessee commences additional drilling operations or reworking operations within one hundred-twenty (120) days thereafter, or if at the expiration of the primary term, oil or gas is not being produced on said land, but Lessee is then engaged in drilling or reworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the same well or any other well thereafter commenced, with no cessation of more than one hundred-twenty (120) consecutive days, and if they result in production of oil or gas, this lease shall remain in effect so long thereafter as there is production of oil or gas under any provision of this lease. Drilling operations or reworking operations shall be deemed to be commenced when the first material is placed on the Leased Premises or when the first work other than surveying or staking the location is done thereon which is necessary for such operations.
- 12. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the Lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and terminate, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes. Lessee shall retain a continuing right-of-way and easement over, upon and across all of the leased premises to the extent necessary for Lessee and/or its gas purchaser to conduct its operations on the leased premises or lands spaced therewith, regardless if part of the leased premises revert or be released to Lessor.
- 13. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the Lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If Lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended.
- 14. If at the end of the primary term this lease is not otherwise continued in force under the provisions hereof, Lessor and Lessee hereby agree that Lessee shall have the option to extend the primary term of this lease on all or a portion of the Leased Premises for an additional TWO (2) years on or before the expiration of the primary term of this lease by tendering to Lessor a payment equal to the same per acre paid to Lessor under the original terms of this lease times the net acres actually owned by Lessor and Lessor's successors (if any) in and to the portion of the Leased Premises to be extended on the date the option is exercised. Payment shall be deemed made upon Lessee's tendering of such payment by mail to Lessor at Lessor's address shown on this lease on or before the expiration of the primary term hereof. Nothing contained herein nor any separate implied agreement between parties shall serve to bind Lessee to exercise this option and it shall be at Lessee's sole discretion to do so.
- 15. If, at any time within the primary term of this lease, as may be extended, and while this lease remains in force and effect, Lessor receives from a third party a bona fide offer acceptable to Lessor, to grant an additional lease covering all or part of the Leased Premises, Lessee shall have a continuing right of first refusal to acquire a new lease from Lessor on the same terms and conditions as proposed by the third party. If Lessor receives such an offer from a third party, Lessor shall promptly notify Lessee by certified mail of such offer. Lessee's notice shall contain all written communications that reflect the offer, along with the third party proposed lessee's name, the bonus consideration, term, and royalty consideration together with all other pertinent terms and conditions, along with a copy of the completed lease form proposed to be utilized by the third party, if available. Lessee shall have fifteen (15) days after receipt of Lessee's notice to advise Lessor in writing of Lessor election to enter into an additional oil and gas lease on the same terms and conditions as proposed by the third party offer as provided for herein and/or the recording of the such additional lease to a third party shall not prejudice Lessee's right of first refusal as provided for herein in any manner.
- 16. Lessee shall have the right, but not the obligation, to pool all or any part of the Leased Premises 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 production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the Leased Premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 160 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 160 acres plus a maximum acreage tolerance of 10%, and to a gas well or a horizontal completion shall not exceed 160 acres plus a maximum acreage tolerance of 10%, and to a gas well or a horizontal completion shall not exceed 64d acres, plus a maximum acreage tolerance of 10%, and to a gas well or a horizontal completion to conform to (1) any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so or (2) any governmental section that is larger than 70 acres. 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 and the term "horizontal completion interval in the reservoir. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating or reworking operations on the Leased Premises, except that the production of which the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. Pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production in order of production or the Leased Premises is ordered b permanent cessation thereof, Lessee may terminate the unit by filing of termination. Pooling hereunder shall not constitute a cross-conveyance of
- This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors and assigns of Lessor and
- 18. Notwithstanding anything contained herein to the contrary, it is the intent of the Lessor to lease, and Lessor does hereby grant, demise, lease and let unto Lessee, all oil, gas and other minerals owned by Lessor in Section 33, Township 15 South Range 03 West, Saline County, Kansas whether or not properly and completely described herein. In the event it is determined that Lessor actually owns more net mineral acres subject to this oil and gas lease than that assumed by the parties in the calculation of the lease bonus paid by Lessor and Lessee agree that Lessee shall pay Lessor for such additional net acreage at the same bonus price per acre agreed upon for the execution of this oil and gas lease. Likewise, in the event it is determined that Lessor owns less net acres, or it is determined that Lessor's acreage is currently leased under a prior valid oil and gas lease, then the Lessor agrees to reimburse Lessee for the bonus per acre paid for the acreage not owned by Lessor or under the prior valid oil and gas lease.

IN TESTIMONY WHEREOF, we sign the day and year first above written.

Lisa K. Short Trust dated 2/6/2007

ica K Short Truetee

nn C. Short, Trustee

STATE OF Halme	ACKNOWLEDGEMENT FOR INDIVIDUAL) SS.
The foregoing instrument was acknowledged before me this $\frac{\mathcal{L} \mathcal{T}}{\text{Lisa K. Short, Trustee of the Lisa K. Short Trust dated 2/6/2007}$	27 day of Mothermian, 20 12
My Commission expires: 4-6-2013 Commission Number:	Markana A Basa D
SES OF CASOS	Barbara L Besse/
STATE OF FORMARS	(ACKNOWLEDGEMENT FOR INDIVIDUAL)
COUNTY OF Stalline	} \$8\$.
The foregoing instrument was acknowledged before me this John C. Short, Trustee of the Lisa K. Short Trust dated 2/6/2007	27 day of Movember, 20 12
My Commission expires: 4-6-2013 Commission Number:	Andrea & Lease

Return to:
Env.: TAHOE L^ND SERVICES LLC
4900 RICHMOND SQUARE, STE 108
OKC, OK 73118
AHM: Tammy Ramer

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9:45:42 Date Recorded: 1/9/2013

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Form 88 (producers)

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OIL AND GAS LEASE

THIS AGREEMENT, Entered into this 19th day of November, 2012, between John C. Short Trust dated 2/6/2007, John C. Short and Lisa K. Short, Trustees, 300 East Kansas Street, Assaria, KS 67416, hereinafter called Lessor, and Tahoe Land Services LLC, 4900 Richmond Square, Suite 108, Oklahoma City, OK 73118, hereinafter called Lessee, does witness:

1. That Lessor, for and in consideration of the sum of ten and more dollars (\$10.00), in hand paid and of the covenants and agreements hereinafter contained to be performed by the lessee, has this day granted, leased, and let and by these presents does hereby grant, lease, and let exclusively unto the Lessee the hereinafter described land, with any reversionary rights therein, and with the right to unitize this lease or any part thereof with other oil and gas leases as to all or any part of the lands covered thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including but not limited to, core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface stratta and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of Saline State of Kanssas, and described as follows:

Township 15 South Range 3 West
Section 33: SW/4 less a tract described as follows: Beginning at the Southwest corner of said SW/4; thence North along the West line said SW/4 566.00 feet; thence East and parallel with the South line of said SW/4 660.00 feet; thence South and parallel with the West line said SW/4 566.00 feet to said South line; thence West along said South line 660.00 feet to the point of beginning

Containing 151,4242424 acres, more or less, ("Leased Premises").

- casinghead gas, 2. This lease shall remain in force for a term of THREE (3) years (called "primary term") and as long thereafter as oil, gas, casinghead gasoline or any of the products covered by this lease is or can be produced.
- The Lessee shall deliver to Lessor as royalty, free of cost, on the lease, or into the pipeline to which Lessee may connect its wells the
 equal one-eighth (1/8th) part of all oil produced and saved from the leased premises, or at the Lessee's option may pay to the Lessor for such
 one-eighth royalty the market price at the wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipeline or into one-eighth roya storage tanks.
- 4. The Lessee shall pay to the Lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the Lessee at the mouth of the well other sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased, less a proportionate part of the production, severance and other excise taxes, conservation fees, and the costs incurred by Lessee in processing, gathering, treating, compressing, dehydrating, transportation, and marketing, or otherwise making such gas or other substances ready for sale or use. During any period after the expiration of the primary or extended term hereof when neither oil nor gas is being so sold or used and the well or wells are shut in and there is no current production of oil or gas or operations on said leased premises sufficient to keep this lease in force, Lessee shall pay or tender a royalty of One Dollar (\$1.00) per year per net acre retained hereunder such payment or tender to be made, on or before the anniversary date of this lease next ensuing after the expiration of ninety (90) days from the date such well is shut in and thereafter on the anniversary date of this lease during the period such well is shut in, to the royalty owners. When such payment or tender is made, it will be considered that oil or gas is being produced within the meaning of the entire lease. Lessee's failure to pay or tender or to properly or timely pay or tender any such sum as royalty shall render Lessee liable for the amount due, but it shall not operate to terminate this lease.
- 5. This lease is a paid-up lease and shall be maintained during the primary term without further payments or drilling operations.
- 6. In the event said Lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein the royalties herein provided for shall be paid to said Lessor only in the proportion which his interest bears to the whole and undivided fee; however, in the event the title to any interest in said land should revert to Lessor, or his heirs, or his or their grantee, this lease shall cover such reversion.
- 7. The Lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the Lessor. When required by Lessor, the Lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the Lessor. Lessee shall have the right at any time during, or after the expiration of this lease to remove all machinery fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.
- 8. 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 the heirs, devisees, executors, administrators, successors. and assigns, but no change or division in ownership of the land, or royalities, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change of ownership in the land or in the royalities or any sum due under this lease shall be binding on the Lessee until if has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or certified copy of the proceedings showing appointment of an administrator for the estate of any deceased owner, whichever is appropriate, together with all original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to Lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, or administrator, executor, or heir of Lessor.
- 9. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on the part of the Lessee to offset wells on separate tracts into which the land covered by this lease may now or hereafter be divided by sale, devise, descent or otherwise, or to furnish separate measuring or receiving tanks.
- 10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the Lessee, at its option, may pay and discharge in whole or in part any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in the event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by

accruing royalty any ö tax mortgage, any such 5 to the applying

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- 11. If after the expiration of the primary term, production and the capability of production of oil or gas should cease from any cause, this lease shall not terminate if Lessee commences additional drilling operations or reworking operations within one hundred-twenty (120) days thereafter, or if at the expiration of the primary term, oil or gas is not being produced on said land, but Lessee is then engaged in drilling or reworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the same well or any other well thereafter commenced, with no cessation of more than one hundred-twenty (120) consecutive days, and if they result in production of oil or gas, this lease shall remain in effect so long thereafter as there is production of oil or gas under any provision of this lease. Drilling operations or reworking operations shall be deemed to be commenced when the first material is placed on the Leased Premises or when the first work other than surveying or staking the location is done thereon which is necessary for such operations.
- 12. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the Lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and terminate, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes. Lessee shall retain a continuing right-of-way and easement over, upon and across all of the leased premises to the extent necessary for Lessee and/or its gas purchaser to conduct its operations on the leased premises or lands spaced therewith, regardless if part of the leased premises revert or be released to Lessor. 12. Lessee r placing same of thereby, then a terminate, but a effect for all pu
- 13. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the Lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If Lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended.
- 14. If at the end of the primary term this lease is not otherwise continued in force under the provisions hereof, Lessor and Lessee hereby agree that Lessee shall have the option to extend the primary term of this lease on all or a portion of the Leased Premises for an additional TWO (2) years on or before the expiration of the primary term of this lease by tendering to Lessor a payment equal to the same per acre paid to Lessor under the original terms of this lease times the net acres actually owned by Lessor and Lessor's successors (if any) in and to the portion of the Leased Premises to be extended on the date the option is exercised. Payment shall be deemed made upon Lessee's tendering of such payment by mail to Lessor at Lessor's address shown on this lease on or before the expiration of the primary term hereof. Nothing contained herein nor any separate implied agreement between parties shall serve to bind Lessee to exercise this option and it shall be at Lessee's sole discretion to do so.

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- 15. If, at any time within the primary term of this lease, as may be extended, and while this lease remains in force and effect, Lessor receives from a third party a bona fide offer acceptable to Lessor, to grant an additional lease covering all or part of the Leased Premises, Lessee shall have a continuing right of first refusal to acquire a new lease from Lessor on the same terms and conditions as proposed by the third party. If Lessor receives such an offer from a third party, Lessor shall promptly notify Lessee by certified mail of such offer. Lessee's notice shall contain all written communications that reflect the offer, along with the third party proposed lessee's name, the bonus consideration, term, and royalty consideration together with all other pertinent terms and conditions, along with a copy of the completed lease form proposed to be utilized by the third party, if available. Lessee shall have fifteen (15) days after receipt of Lessee's notice to advise Lessor in writing of Lessor election to enter into an additional oil and gas lease on the same terms and conditions as proposed by the third party offer as provided for herein and/or the recording of the such additional lease to a third party shall not prejudice Lessee's right of first refusal as provided for herein in any manner.
- 16. Lessee shall have the right, but not the obligation, to pool all or any part of the Leased Premises or interests, as to any or all depths or zones, and as to eny or all substances covered by this Lease, either before or after the commencement of production, whenever Lessee demans, in the cases and yether to do not or increasts. The unit formed by such pooling for an oil well which is not a shall not exceed 640 acres, plus a maximum acreage tolerance of 10%, and for a gas well or a notice will which its not a shall not exceed 640 acres, plus a maximum acreage tolerance of 10%, and for a gas well or a notice of shall not exceed 640 acres, plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 160 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 40 acres, plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion to conform to (1) any well spacing or density pattern that may be prescribed or permitted by any governmental authority having built will be the term and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority and the term "horizontal component of the gross completion interest in the reservoir exceeds the vertical 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. Production, diffling or reworking operations anywhere on a unit which includes all or any pant of the Lessed Premises shall be treated as if if were production, diffling or reworking operations on the Lessed Premises, except that the production on which Lessee's pattern that the production of the total unit production of unit production or the obligation to evise any unit formed hereunder by expansion or contraction or operations and without the reservoir in order to conform to evision any space of the Lessee Premises is all
- of Lessor assigns and on all successors conditions, and stipulations shall extend to and be binding 17. This lease and all its terms,
- 18. Notwithstanding anything contained herein to the contrary, it is the intent of the Lessor to lease, and Lessor does hereby grant, demise, lease and let unto Lessee, all oil, gas and other minerals owned by Lessor in Section 33, Township 15 South Range 03 West, Saline County, Kansas whether or not properly and completely described herein. In the event it is determined that Lessor actually owns more net mineral acres subject to this oil and gas lease than that assumed by the parties in the calculation of the lease bonus paid by Lessor and Lessee agree that Lessee shall pay Lessor for such additional net acreage at the same bonus price per acre agreed upon for the execution of this oil and gas lease. Likewise, in the event it is determined that Lessor owns less net acres, or it is determined that Lessors acreage is currently leased under a prior valid oil and gas lease, then the Lessor agrees to reimburse Lessee for the bonus per acre paid for the acreage not owned by Lessor or under the prior valid oil and gas lease.

IN TESTIMONY WHEREOF, we sign the day and year first above written.

John C. Short Trust dated 2/6/2007

n C. Short, Trustee

sa K. Short, Trustee

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ACKNOWLEDGEMENT FOR INDIVIDUAL) SS. SS. S. S. S. S. S.	27 day of Mov 120 12	Notary Public/Signature Notary Public/Printed Name	SS. (ACKNOWLEDGEMENT FOR INDIVIDUAL) SS.	Notary Public/Signature Notary Public/Printed Name
STATE OF . Hansas	The foregoing instrument was acknowledged before me this John C. Short, Trustee of the John C. Short Trust dated 2/6/2007	My Commission expires: Commission Number:	STATE OF COUNTY OF The foregoing instrument was acknowledged before me this SS. County OF Lisa K. Short, Trustee of the John C. Short Trust dated 2/6/2007	My Commission expires: Commission Number:

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Return to:

6NN: TAHOE L'ND SERVICES LLC
4900 RICHMOND SQUARE, STE 108
OKC, OK 73118

PATH: TAMMY RAME

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sers) Rev.

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JIL AND GAS LEASE

hereinafter contained to be performed by the lessee, has this day granted, leased, and let and by these presents does hereby grant, lease, and let exclusively unto the Lessee the hereinafter described land, with any reversionary rights therein, and with the right to unitize this lease or any part thereof with other oil and gas leases as to all or any part of the lands covered thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including but not limited to, core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of Saline State of Kansas, and described as follows: 6, 2007, Lisa P THIS AGREEMENT, Entered into this 4th day of December, 2013, between Lisa K. Short Trust dated February 6 Short and John C. Short, Trustees, 300 East Kansas Street, Assaria, KS 67416, hereinafter called Lessor, and Tahoe Land 4900 Richmond Square, Suite 108, Oklahoma City, OK 73118, hereinafter called Lessee, does witness:

Township 15 South Range 3 West
Section 33: A tract in the SW/4 described as follows: Beginning at the Southwest corner of said SW/4; thence North along the West line of said SW/4 566.00 feet; thence East and parallel with the South line of said SW/4 566.00 feet; thence South and parallel with the West line of said SW/4 566.00 feet to said South line; thence West along said South line 660.00 feet to the point of beginning in Section 33-15S-3W Saline County, KS

Containing 8.5757576 acres, more or less, ("Leased Premises").

- This lease shall remain in force for a term of THREE (3) years (called "primary term") and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is or can be produced.
- 3. The Lessee shall deliver to Lessor as royalty, free of cost, on the lease, or into the pipeline 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 at the Lessee's option may pay to the Lessor for such one-eighth royalty the market price at the wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipeline or into storage tanks.
- 4. The Lessee shall pay to the Lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the Lessee at the mouth of the well from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased, less a proportionate part of the production, severance and other excise taxes, conservation fees, and the costs incurred by Lessee in processing, gathering, treating, compressing, dehydrating, transportation, and marketing, or otherwise making such gas or other substances ready for sale or use. During any period after the expiration of the primary or extended term hereof when neither oil nor gas is being so sold or used and the well or wells are shut in and there is no current production of oil or gas or operations on said leased premises sufficient to keep this lease in force, Lessee shall pay or tender a royalty of One Dollar (\$1.00) per year per net acre retained hereunder such payment or tender to be made, on or before the anniversary date of this lease next ensuing after the expiration of ninety (90) days from the date such well is shut in and thereafter on the anniversary date of this lease during the period such well is shut in, to the royalty owners. When such payment or tender is made, it will be considered that oil or gas is being produced within the meaning of the entire lease. Lessee's failure to pay or tender or to properly or timely pay or tender any such sum as royalty shall render Lessee liable for the amount due, but it shall not operate to terminate this lease.
- 5. This lease is a paid-up lease and shall be maintained during the primary term without further payments or drilling operations.
- 6. In the event said Lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein the royalties herein provided for shall be paid to said Lessor only in the proportion which his interest bears to the whole and undivided fee; however, in the event the title to any interest in said land should revert to Lessor, or his heirs, or his or their grantee, this lease shall cover such reversion.
- 7. The Lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the Lessor. When required by Lessor, the Lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the Lessor. Lessee shall have the right at any time during, or after the expiration of this lease to remove all machinery fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.
 - 8. 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 the heirs, devisees, executors, administrators, successors. and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change of ownership in the land or in the royalties or any sum due under this lease shall be binding on the Lessee until it has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner, whichever is appropriate, together with all original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to Lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, or administrator, executor, or heir of Lessor.
- 9. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on the part of the Lessee to offset wells on separate tracts into which the land covered by this lease may now or hereafter be divided by sale, devise, descent or otherwise, or to furnish separate measuring or receiving tanks.
- D. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the Lessee, at its option, may pay discharge in whole or in part any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and

Book: 1279 Page: 434

itself I may and ders thereof nts of any holder or accruing hereunder. d to 1 subrogated to the subsect of the subsection of t or or ptions at shall be mortgage, tax o 4 and, in the event it exercises such option, applying to the discharge of any such mortgi

- lease shall not terminate if Lessee commences additional drilling operations or reworking operations within one hundred-twenty (120) days thereafter, or if at the expiration of the primary term, oil or gas is not being produced on said land, but Lessee is then engaged in drilling or reworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the same well or any other well thereafter commenced, with no cessation of more than one hundred-twenty (120) consecutive days, and if they result in production of oil or gas, this lease shall remain in effect so long thereafter as there is production of oil or gas under any provision of this lease. Drilling operations or reworking operations shall be deemed to be commenced when the first material is placed on the Leased Premises or when the first work other than surveying or staking the location is done thereon which is necessary for such operations.
 - 12. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the Lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and terminate, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes. Lessee shall retain a continuing right-of-way and easement over, upon and across all of the leased premises to the extent necessary for Lessee and/or its gas purchaser to conduct its operations on the leased premises or lands spaced therewith, regardless if part of the leased premises revert or be released to Lessor.
- 13. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the Lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If Lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended.
- 14. If at the end of the primary term this lease is not otherwise continued in force under the provisions hereof, Lessor and Lessee hereby agree that Lessee shall have the option to extend the primary term of this lease on all or a portion of the Leased Premises for an additional TWO (2) years on or before the expiration of the primary term of this lease by tendering to Lessor a payment equal to the same per acre paid to Lessor under the original terms of this lease times the net acres actually owned by Lessor and Lessor's successors (if any) in and to the portion of the Leased Premises to be extended on the date the option is exercised. Payment shall be deemed made upon Lessee's tendering of such payment by mail to Lessor at Lessor's address shown on this lease on or before the expiration of the primary term hereof. Nothing contained herein nor any separate implied agreement between parties shall serve to bind Lessee to exercise this option and it shall be at Lessee's sole discretion to do so.
- name, tree completed lease to advise Lessor by the third party. 15. If, at any time within the primary term of this lease, as may be extended, and while this lease remains in force and effect, Lessor receives from a third party a bona fide offer acceptable to Lessor, to grant an additional lease covering all or part of the Leased Premises, Lessee shall have a continuing right of first refusal to acquire a new lease from Lessor on the same terms and conditions as proposed by the third party. If Lessor receives such an offer from a third party, Lessor shall promptly notify Lessee by certified mail of such offer. Lessee's notice shall contain all written communications that reflect the offer, along with the third party proposed lessee's name, the bonus consideration, term, and royalty consideration together with all other pertinent terms and conditions, along with a copy of the completed lease form proposed to be utilized by the third party, if available. Lessee shall have fifteen (15) days after receipt of Lessee's notice to advise Lessor in writing of Lessor election to enter into an additional oil and gas lease on the same terms and conditions as proposed by the third party offer as provided for herein and/or the recording of the such additional lease to a third party shall not prejudice Lessee's right of first refusal as provided for herein in any manner.
- 16. Lessee shall have the right, but not the obligation, to pool all or any part of the Leased Premises 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 production, whenever Lessee demans, in necessary or proper to do so in order to barrier production the Leases of Premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 160 acres plus a maximum acreage tolerance of 10%, and for a gas well or a notive land completion shall not exceed 4160 acres plus a maximum acreage tolerance of 10%, and for a gas well or a notizontal completion shall not exceed 160 acres plus a maximum acreage tolerance of 10%, and for a gas well or a notizontal completion shall not exceed 4160 acres plus a maximum acreage tolerance of 10%, provided that a larger unit may be prescribed or permitted by any governmental authority having jurisdiction to do so or (2) any governmental section that is larger than 704 acres. 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 and the terms "in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component in the reservoir. In exercising its pooling rights hereunder, Lessee shall find of record a written declaration describing the unit and stating the foreign that the production of the total unit production of the production of the total unit production of the production of the total unit production of the total configuration approaches, exceep that the production of the total unit production of the Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not th
- of Lessor assigns and on all successors to and be binding stipulations shall extend and conditions, and all its terms,
- 18. Notwithstanding anything contained herein to the contrary, it is the intent of the Lessor to lease, and Lessor does hereby grant, demise, lease and let unto Lessee, all oil, gas and other minerals owned by Lessor in Section 33, Township 15 South Range 03 West, Saline County, Kansas whether or not properly and completely described herein. In the event it is determined that Lessor actually owns more net mineral acres subject to this oil and gas lease than that assumed by the parties in the calculation of the lease bonus paid by Lessor and Lessee agree that Lessee shall pay Lessor for such additional net acreage at the same bonus price per acre agreed upon for the execution of this oil and gas lease. Likewise, in the event it is determined that Lessor owns less net acres, or it is determined that Lessor's acreage is currently leased under a prior valid oil and gas lease, then the Lessor agrees to reimburse Lessee for the bonus per acre paid for the acreage not owned by Lessor or under the prior valid oil and gas lease.

IN TESTIMONY WHEREOF, we sign the day and year first above writter

Lisa K. Short Trust dated February 6, 2007

Lisa K. Short, Trustee

for C. Short, Trustee

ACKNOWLEDGEMENT FOR INDIVIDUAL) SS.	Short Trust dated February 6, 2007	Notary Public/Signature Kim Linn Notary Public/Printed Name
STATE OF Kansas COUNTY OF Saline	The foregoing instrument was acknowledged before me this day of DCDMN by Lisa K. Short Trust dated February 6, 2007	My Commission expires: 7/15/17 Commission Number: KIM LINN KIM LINN My Appt. Expires 7/15/17

Recording Fee: \$15.00 Revecos Beeman COUNTY KANSAS REBECCA SEEMAN RENECCA SEEMAN RANGE SALINE COUNTY KANGE STATE STAT Receipt #: 86431 Pages Recorded: 3 CN

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JIL AND GAS LEASE

Okla.

and wife, Suite 108, into this 10th day of January, 2013, between Kevin Pihl and Rebecca Pihl, husband 37456, hereinafter called Lessor, and Tahoe Land Services LLC, 4900 Richmond Square, 37456, hereinafter called Lessor, and Tahoe Land Services LLC, 4900 Richmond Square, 37456, hereinafter called Lessor, and Tahoe Land Services LLC, 4900 Richmond Square, 37456, hereinafter called Lessor, and Tahoe Land Services LLC, 4900 Richmond Square, 37456, hereinafter called Lessor, and Tahoe Land Services LLC, 4900 Richmond Square, 37456, hereinafter called Lessor, and Tahoe Land Services LLC, 4900 Richmond Square, 37456, hereinafter called Lessor, and Tahoe Land Services LLC, 4900 Richmond Square, 37456, hereinafter called Lessor, and Tahoe Land Services LLC, 4900 Richmond Square, 37456, hereinafter called Lessor, and Tahoe Land Services LLC, 4900 Richmond Square, 37456, hereinafter called Lessor, and Tahoe Land Services LLC, 4900 Richmond Square, 37456, hereinafter called Lessor, and Tahoe Land Services LLC, 4900 Richmond Square, 37456, hereinafter called LLC, 4900 Richmond Square, 37456, hereinafter called LLC, 4900 Richmond Square, 4900 Richmond Square, 4900 Richmond Square, 4900 Richmond Square, 4900 Richmond Research Called Research LLC, 4900 Richmond Research Researc THIS AGREEMENT, Entered into this 10th day of Janus 4631 West Falun Road, Lindsborg, KS 67456, hereinafter called Les Oklahoma City, OK 73118, hereinafter called Lessee, does witness: hereinafter contained to be performed by the lessee, has this day granted, leased, and let and by these presents does hereby grant, lease, and let exclusively unto the Lessee the hereinafter described land, with any reversionary rights therein, and with the right to unitize this lease or any part thereof with other oil and gas leases as to all or any part of the lands covered thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including but not limited to, core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of <u>Saline</u> State of <u>Kanssas</u>, and described as follows:

Township 15 South Range 3 West Section 33: W/2 NW/4

Containing 80.00 acres, more or less, ("Leased Premises").

- 2. This lease shall remain in force for a term of THREE (3) years (called "primary term") and as long thereafter as oil, gas, casinghead gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is or can be produced.
- 3. The Lessee shall deliver to Lessor as royalty, free of cost, on the lease, or into the pipeline to which Lessee may connect its wells the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises, or at the Lessee's option may pay to the Lessor for such one-eighth royalty the market price at the wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipeline or into storage tanks.
- 4. The Lessee shall pay to the Lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the Lessee at the mouth of the well from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased, less a proportionate part of the production, severance and other excise taxes, conservation fees, and the costs incurred by Lessee in processing, gathering, treating, compressing, dehydrating, transportation, and marketing, or otherwise making such gas or other substances ready for sale or use. During any period after the expiration of the primary or extended term hereof when neither oil nor gas is being so sold or used and the well or wells are shut in and there is no current production of oil or gas or operations on said leased premises sufficient to keep this lease in force, Lessee shall pay or tender a royalty of One Dollar (\$1.00) per year per net acre retained hereunder such payment or tender to be made, on or before the anniversary date of this lease next ensuing after the expiration of ninety (90) days from the date such well is shut in and thereafter on the anniversary date of this lease during the period such well is shut in, to the royalty owners. When such payment or tender is made, it will be considered that oil or gas is being produced within the meaning of the entire lease. Lessee's failure to pay or tender or to properly or timely pay or tender any such sum as royalty shall render Lessee liable for the amount due, but it shall not operate to terminate this lease.
- operations. This lease is a paid-up lease and shall be maintained during the primary term without further payments or drilling
- 6. In the event said Lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein then the royalties herein provided for shall be paid to said Lessor only in the proportion which his interest bears to the whole and undivided fee; however, in the event the title to any interest in said land should revert to Lessor, or his heirs, or his or their grantee, this lease shall cover such reversion.
- 7. The Lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the Lessor. When required by Lessor, the Lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the Lessor. Lessee shall have the right at any time during, or after the expiration of this lease to remove all machinery fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.
- 8. 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 the heirs, devisees, executors, administrators, successors. and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change of ownership in the land or in the royalties or any sum due under this lease shall be binding on the Lessee until it has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or certified copy of the proceedings showing appointment of an administrator for the estate of any deceased owner, whichever is appropriate, together with all original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to Lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, or administrator, executor, or heir of Lessor.
- 9. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on the part of the Lessee to offset wells on separate tracts into which the land covered by this lease may now or hereafter be divided by sale, devise, descent or otherwise, or to furnish separate measuring or receiving tanks.
 - 10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the Lessee, at its option, may pay and discharge in whole or in part any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in the event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty accruing hereunder.

- ny cause, this ity (120) days d in drilling or r on the same f they result in of this lease. 11. If after the expiration of the primary term, production and the capability of production of the primary term, additional drilling operations or reworking operations within one hundred-twenty (12 thereafter, or if at the expiration of the primary term, oil or gas is not being produced on said land, but Lessee is then engaged in dreworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the well or any other well thereafter commenced, with no cessation of more than one hundred-twenty (120) consecutive days, and if they production of oil or gas, this lease shall remain in effect so long thereafter as there is production of oil or gas under any provision of this Drilling operations or reworking operations shall be deemed to be commenced when the first material is placed on the Leased Premises the first work other than surveying or staking the location is done thereon which is necessary for such operations.
 - 12. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the Lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and terminate, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes. Lessee shall retain a continuing right-of-way and easement over, upon and across all of the leased premises to the extent necessary for Lessee and/or its gas purchaser to conduct its operations on the leased premises or lands spaced therewith, regardless if part of the leased premises revert or be released to Lessor.
 - 13. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the Lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If Lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended.
- 14. If at the end of the primary term this lease is not otherwise continued in force under the provisions hereof, Lessor and Lessee hereby agree that Lessee shall have the option to extend the primary term of this lease on all or a portion of the Leased Premises for an additional TWO (2) years on or before the expiration of the primary term of this lease by tendering to Lessor a payment equal to the same per acre paid to Lessor under the original terms of this lease times the net acres actually owned by Lessor and Lessor's successors (if any) in and to the portion of the Leased Premises to be extended on the date the option is exercised. Payment shall be deemed made upon Lessee's tendering of such payment by mail to Lessor at Lessor's address shown on this lease on or before the expiration of the primary term hereof. Nothing contained herein nor any separate implied agreement between parties shall serve to bind Lessee to exercise this option and it shall be at Lessee's sole discretion to do so.
- 15. If, at any time within the primary term of this lease, as may be extended, and while this lease remains in force and effect, Lessor receives from a third party a bona fide offer acceptable to Lessor, to grant an additional lease covering all or part of the Leased Premises, Lessee shall have a continuing right of first refusal to acquire a new lease from Lessor on the same terms and conditions as proposed by the third party. If Lessor receives such an offer from a third party, Lessor shall promptly notify Lessee by certified mail of such offer. Lessee's notice shall contain all written communications that reflect the offer, along with the third party proposed lessee's name, the bonus consideration, term, and royalty consideration together with all other pertinent terms and conditions, along with a copy of the completed lease form proposed to be utilized by the third party, if available. Lessee shall have fifteen (15) days after receipt of Lessee's notice to advise Lessor in writing of Lessee of such third party offer as provided for herein and/or the recording of the such additional lease to a third party shall not prejudice Lessee's right of first refusal as provided for herein in any manner.
- 16. Lessee shall have the right, but not the obligation, to pool all or any part of the Leased Premises 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 production, whenever Leasee deems, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 160 acres plus a maximum acreage tolerance of 10%, and for a gas well or a notizontal completion shall not exceed 160 acres plus a maximum acreage tolerance of 10%, and for a gas well or a notizontal completion shall not exceed the cares, plus a maximum acreage tolerance of 10%, provided that a larger unit may be formed for an oil well or gas well or horizontal completion shall not exceed 640 acres, plus a maximum acreage tolerance of 10%, provided that a larger unit may be formed for an oil well or gas a well or horizontal completion to do so or (2) any governmental section that is larger than 704 acres. 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 and the terms "oil well" and "gas well and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority and the terms "oil well careficion interval in the reservoir. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the tertaked as if if were production, drilling or reworking operations anywhere on a unit inforded coloring. Production, or forting the production or which the notity bruth with the net careage covered by this lease and included in the unit bruth production is sold by Lassee. Propling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the record a written declaration describing the revision or to
- on all successors and assigns of Lessor conditions, and stipulations shall extend to and be binding 17. This lease and all its terms,
- 18. Notwithstanding anything contained herein to the contrary, it is the intent of the Lessor to lease, and Lessor does hereby grant, demise, lease and let unto Lessee, all oil, gas and other minerals owned by Lessor in Section 33, Township 15 South Range 03 West, Saline County, Kansas whether or not properly and completely described herein. In the event it is determined that Lessor actually owns more net mineral acres subject to this oil and gas lease than that assumed by the parties in the calculation of the lease bonus paid by Lessor and Lessee agree that Lessee shall pay Lessor for such additional net acreage at the same bonus price per acre agreed upon for the execution of this oil and gas lease. Likewise, in the event it is determined that Lessor owns less net acres, or it is determined that Lessor's acreage is currently leased under a prior valid oil and gas lease, then the Lessor agrees to reimburse Lessee for the bonus per acre paid for the acreage not owned by Lessor or under the prior valid oil and gas lease.

IN TESTIMONY WHEREOF, we sign the 49y and year first above written

Rebecca Pihl

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(ACKNOWLEL SMENT FOR INDIVIDUAL) } SS.

M. PHERSON

COUNTY OF

KAWSAS

STÁTE OF

Kevin Pihl and Rebecca Pihl, husband and wife The foregoing instrument was acknowledged before me this

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MARCH day of

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My Commission expires:

Commission Number

DENA G. STAMI

DENA 6 - STARNES Notary Public/Printed Name Notary Public/Signature

Conservation Division District Office No. 2 3450 N. Rock Road Building 600, Suite 601 Wichita, KS 67226



Phone: 316-337-7400 Fax: 316-630-4005 http://kcc.ks.gov/

Sam Brownback, Governor

Pat Apple, Chairman Shari Feist Albrecht, Commissioner Jay Scott Emler, Commissioner

October 19, 2017

Steven Sigler BOP West, LLC PO BOX 129 WOOSTER, OH 44691

Re: Temporary Abandonment API 15-169-20356-01-00 PIHL 1-33H NW/4 Sec.33-15S-03W Saline County, Kansas

Dear Steven Sigler:

- "Your temporary abandonment (TA) application for the well listed above has been approved. In accordance with K.A.R. 82-3-111 the TA status of this well will expire 10/19/2018.
- * If you return this well to service or plug it, please notify the District Office.
- * If you sell this well you are required to file a Transfer of Operator form, T-1.
- * If the well will remain temporarily abandoned, you must submit a new TA application, CP-111, before 10/19/2018.

You may contact me at the number above if you have questions.

Very truly yours,

Jerry Sparling"