

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form T-1

July 2014

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

**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: _____

Date: _____

Signature: _____

New Operator's License No. _____

Contact Person: _____

New Operator's Name & Address: _____

Phone: _____

Oil / Gas Purchaser: _____

Date: _____

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 _____

KDOR Lease No.: _____

[illegible]

* When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located.

KDOR Lease No.: _____

[illegible]

* When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located.

KDOR Lease No.: _____

[illegible]

* When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located.

KDOR Lease No.: _____

[illegible]

* When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located.

KDOR Lease No.: _____

[illegible]

* When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located.

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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

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: _____

Book: S98 Page: 562

Pages Recorded 3

Recording Fee: \$55.00

Date Recorded: 7/30/2018 11:30:02 AM
✓✓

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, **Duke Oil & Gas Company LLC, a Kansas Limited Liability Company**, hereinafter called Assignor, for and in consideration of One Dollar (\$1.00) and other valuable consideration, the receipt and sufficiency whereof are acknowledged, does hereby sell, assign, transfer and set over unto **Altavista Energy, Inc., a Kansas corporation**, hereinafter called Assignee, All of Assignor's Working Interest in and to the following oil and gas leases (the "Property"):

See Exhibit A

together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith. All recording office references to book and page numbers are to the official public records of **Woodson County, Kansas**.

TO HAVE AND TO HOLD the rights, titles and interests hereby conveyed and assigned, forever.

Except as otherwise provided herein, the terms and conditions of this Assignment shall inure to the benefit of and be binding upon the respective successors, assigns, and legal representatives of the parties hereto. Neither this Assignment nor any other agreement contemplated hereby shall be deemed to confer upon any person not a party hereto or thereto any rights or remedies hereunder or thereunder.

Assignor makes this assignment with the representation and warranty that the Working Interest hereby conveyed is free and clear of any liens or encumbrances created by Assignor.

THIS ASSIGNMENT is made without any further warranties, either express or implied.

EXECUTED this 25 day of July, 2018.

DUKE OIL & GAS COMPANY, LLC

7-25-2018

Date

By: Tyler Nitsche

Tyler Nitsche

Member

STATE OF KANSAS)
)ss:
COUNTY OF FRANKLIN)

ACKNOWLEDGMENT FOR LLC

BE IT REMEMBERED that on this 25 day of JULY, 2018, before me, the undersigned, a Notary Public, duly commissioned, in and for the county and state aforesaid, came Tyler Nitsche, Member of Duke Oil & Gas Company, LLC, a limited liability company of the State of Kansas, personally known to me to be such member, and to be the same person who executed as such member the foregoing instrument of writing on behalf of said limited liability company, and he duly acknowledged the execution of the same for himself and for said limited liability company for the uses and purposes therein set forth.

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

Phillip Frick

Notary Public

Appointment/Commission Expires:

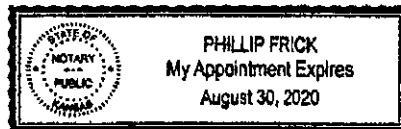


Exhibit A

LEASE A (The NE/4 and S/2 SW/4 and NW/4 SW/4 of the Alexander, W/2 of Section 35)

DATED: September 16, 2002
RECORDED: Book 84, Page 75
LESSOR: Kenneth Laymon and Regina Laymon, his wife
LESSEE: Laymon Oil II LLC
LEGAL: All of Section 2, Township 24 South, Range 16 East and the West Half (W/2) of Section 35, Township 23 South, Range 16 East, containing 960 acres, more or less, all in Woodson County, Kansas - **For the purposes of this Exhibit A, this Lease is being assigned ONLY insofar as it covers the W/2 of Section 35, Township 23 South, Range 16 East, and the NE/4, S/2 of the SW/4, and NW/4 SW/4 of Section 2, Township 24 South, Range 16 East.**
INTEREST: 2% WI, 1.75% NRI

LEASE B (NE/4 Section 35)

DATED: September 15, 2002
RECORDED: Book 84, Page 73
LESSOR: Cecil A. Butler and Bernice L. Butler, his wife
LESSEE: Laymon Oil II LLC
LEGAL: The Northeast Quarter (NE/4) of Section 35, Township 23 South, Range 16 East, containing 160 acres, more or less, in Woodson County, Kansas
INTEREST: 2% WI, 1.75% NRI

LEASE C (SE/4 Section 35)

DATED: September 15, 2002
RECORDED: Book 84, Page 71
LESSOR: Robert L. Riley and Zada Frances Riley, his wife
LESSEE: Laymon Oil II LLC
LEGAL: The Southeast Quarter (SE/4) of Section 35, Township 23 South, Range 16 East, containing 160 acres, more or less, in Woodson County, Kansas
INTEREST: 2% WI, 1.75% NRI

LEASE D (NW/4 Section 1 - Jones)

DATED: October 15, 2016
RECORDED: Book S97, Page 382
LESSOR: Kenneth and/or Regina Laymon LLC
LESSEE: Duke Oil and Gas Company LLC
LEGAL: The Northwest Quarter (NW/4) of Section 1, Township 24 South, Range 16 East, containing 160 acres, more or less, in Woodson County, Kansas
INTEREST: 2% WI, 1.75% NRI

LEASE E (NW/4 of Section 11 - Strahm)

DATED: April 21, 2003
RECORDED: Book 84, Page 415
LESSOR: Kenneth Laymon and Regina Laymon, his wife
LESSEE: Laymon Oil II LLC
LEGAL: The North Half (N/2) of Section 11, Township 24 South, Range 16 East, containing 320 acres, more or less, all in Woodson County, Kansas - **For the purposes of this Exhibit A, this Lease is being assigned ONLY insofar as it covers the NW/4 of Section 11, Township 24 South, Range 16 East.**
INTEREST: 2% WI, 1.75% NRI



WOODSON COUNTY REGISTER OF DEEDS

Book: S98 Page: 550

Pages Recorded 3

Recording Fee: \$55.00

Date Recorded: 7/24/2018 4:10:12 PM

✓✓

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, **Duke Oil & Gas Company LLC, a Kansas Limited Liability Company**, hereinafter called Assignor, for and in consideration of One Dollar (\$1.00) and other valuable consideration, the receipt and sufficiency whereof are acknowledged, does hereby sell, assign, transfer and set over unto **Altavista Energy, Inc., a Kansas corporation**, hereinafter called Assignee, All of Assignor's Working Interest in and to the following oil and gas leases (the "Property"):

See Exhibit A

together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith. All recording office references to book and page numbers are to the official public records of **Woodson County, Kansas**.

TO HAVE AND TO HOLD the rights, titles and interests hereby conveyed and assigned, forever.

Except as otherwise provided herein, the terms and conditions of this Assignment shall inure to the benefit of and be binding upon the respective successors, assigns, and legal representatives of the parties hereto. Neither this Assignment nor any other agreement contemplated hereby shall be deemed to confer upon any person not a party hereto or thereto any rights or remedies hereunder or thereunder.

Assignor makes this assignment with the representation and warranty that the Working Interest hereby conveyed is free and clear of any liens or encumbrances created by Assignor.

THIS ASSIGNMENT is made without any further warranties, either express or implied.

EXECUTED this 1st day of June, 2018.

DUKE OIL & GAS COMPANY, LLC

6/1/2018
Date

By: Tyler Nitsche
Tyler Nitsche Member

STATE OF KANSAS)
)ss:
COUNTY OF FRANKLIN)

ACKNOWLEDGMENT FOR LLC

BE IT REMEMBERED that on this 1 day of JUNE, 2018, before me, the undersigned, a Notary Public, duly commissioned, in and for the county and state aforesaid, came Tyler Nitsche, Member of Duke Oil & Gas Company, LLC, a limited liability company of the State of Kansas, personally known to me to be such member, and to be the same person who executed as such member the foregoing instrument of writing on behalf of said limited liability company, and he duly acknowledged the execution of the same for himself and for said limited liability company for the uses and purposes therein set forth.

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

Phillip Frick

Notary Public

Appointment/Commission Expires:



Exhibit A

LEASE A (The NE/4 and S/2 SW/4 and NW/4 SW/4 of the Alexander, W/2 of Section 35)

DATED: September 16, 2002
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LESSOR: Kenneth Laymon and Regina Laymon, his wife
LESSEE: Laymon Oil II LLC
LEGAL: All of Section 2, Township 24 South, Range 16 East and the West Half (W/2) of Section 35, Township 23 South, Range 16 East, containing 960 acres, more or less, all in Woodson County, Kansas – **For the purposes of this Exhibit A, this Lease is being assigned ONLY insofar as it covers the W/2 of Section 35, Township 23 South, Range 16 East, and the NE/4, S/2 of the SW/4, and NW/4 SW/4 of Section 2, Township 24 South, Range 16 East.**
INTEREST: 98% WI, 85.75% NRI

LEASE B (NE/4 Section 35)

DATED: September 15, 2002
RECORDED: Book 84, Page 73
LESSOR: Cecil A. Butler and Bernice L. Butler, his wife
LESSEE: Laymon Oil II LLC
LEGAL: The Northeast Quarter (NE/4) of Section 35, Township 23 South, Range 16 East, containing 160 acres, more or less, in Woodson County, Kansas
INTEREST: 98% WI, 85.75% NRI

LEASE C (SE/4 Section 35)

DATED: September 15, 2002
RECORDED: Book 84, Page 71
LESSOR: Robert L. Riley and Zada Frances Riley, his wife
LESSEE: Laymon Oil II LLC
LEGAL: The Southeast Quarter (SE/4) of Section 35, Township 23 South, Range 16 East, containing 160 acres, more or less, in Woodson County, Kansas
INTEREST: 98% WI, 85.75% NRI

LEASE D (NW/4 Section 1 - Jones)

DATED: October 15, 2016
RECORDED: Book 597, Page 382
LESSOR: Kenneth and/or Regina Laymon LLC
LESSEE: Duke Oil and Gas Company LLC
LEGAL: The Northwest Quarter (NW/4) of Section 1, Township 24 South, Range 16 East, containing 160 acres, more or less, in Woodson County, Kansas
INTEREST: 98% WI, 85.75% NRI

LEASE E (NW/4 of Section 11 - Strahm)

DATED: April 21, 2003
RECORDED: Book 84, Page 415
LESSOR: Kenneth Laymon and Regina Laymon, his wife
LESSEE: Laymon Oil II LLC
LEGAL: The North Half (N/2) of Section 11, Township 24 South, Range 16 East, containing 320 acres, more or less, all in Woodson County, Kansas - **For the purposes of this Exhibit A, this Lease is being assigned ONLY insofar as it covers the NW/4 of Section 11, Township 24 South, Range 16 East.**
INTEREST: 98% WI, 85.75% NRI

STATE OF KANSAS } ss.
WOODSON COUNTY }

This instrument was filed for record on
the 6th day of December
A.D. 2002 at 3:35 o'clock P. M.
and duly recorded in book 84
of Misc. on page 77
\$24.00 *M. W. Perry*
FEE ✓ REGISTER OF DEEDS

UNIT AGREEMENT

SECTION 35 OIL UNIT
VERNON OIL FIELD
WOODSON COUNTY, KANSAS

THIS AGREEMENT is entered into by and between Laymon Oil II, LLC, hereinafter referred to as lessee, and the undersigned parties hereto, hereinafter referred to as Royalty Owners, in consideration of the mutual agreements hereinafter set forth and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and for the purposes, and upon the terms and conditions which are hereafter set forth.

1.

PURPOSES

This agreement is made for the purposes of conservation and utilization of the pooled mineral, to prevent waste, to preserve the correlative rights of the owners of such mineral and to permit secondary recovery operations. To such end it is the purpose of this agreement to effect equitable participation within the unit formed hereby. This agreement is intended to be performed pursuant to and in compliance with all applicable statutes, decisions, regulations, rules, orders and directives of any governmental agency having jurisdiction of the production and conservation of the pooled mineral, and in its interpretation and applications shall in all things be subject thereto.

2.

UNIT DESCRIPTION

The pooled unit is designated as Laymon Oil II, LLC's Section 35 Oil Unit, and shall consist of all zones in and under the following described lands, to-wit:

All of Section 35, Township 23 South,
Range 16 East, Woodson County, Kansas

3.

MINERAL POOLED

The pooled mineral unitized and pooled hereunder shall be and extend only to oil and casinghead gas produced from any oil well located on the lands included in this unit or produced from any well situated on said lands which has been classified an oil well or which is subject to being so classified by the Commission of the State of Kansas.

4.

POOLING AND EFFECT

The parties hereto commit all of their interests which are within the unit, to the extent and as above described, into said oil unit and unitize and pool hereunder the segregated and separate tracts, and their interests therein owned by each party hereto, as to the zones indicated into such oil unit for and during the term hereof and as an entirety without further regard to any prior segregations, so that, without limitations by enumeration, such pooling or unitization shall have the following effect:

- a. The unit, to the extent and as above described, shall be operated as an entirety for the exploration, development and production of the pooled mineral rather than as separate tracts.
- b. All drilling operations, reworking or other operations with respect to the pooled mineral on land within the unit, or the completion of a well on the unit capable of producing the pooled

- mineral shall be considered as though the same were on each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this agreement.
- c. Production of the pooled mineral from the unit allocated to each separate tract, respectively, as hereinafter provided shall be deemed to have been produced from each such separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this agreement.
 - d. All rights to the production of the pooled mineral from the unit, including royalties and other payments thereon, shall be determined and governed by the leases or other contracts pertaining to each separate tract, respectively, based upon the production so allocated to such tract only, and in lieu of the actual production of the pooled mineral therefrom.
 - e. Any delay rentals, shut-in gas well royalties and payments in lieu of production of gas which may be payable under the terms of each lease are not pooled or reduced hereby.
 - f. There shall be no obligation to drill internal offsets to any other well on separate tracts within the unit, nor to develop the tracts separately, as to the pooled mineral.
 - g. The obligations under the leases or other contracts on each separate tract, respectively, to drill offsets wells or reasonably to develop as to the land within the unit and the pooled mineral shall hereafter relate solely to the unit as a whole, rather than to the separate tracts.
 - h. Should this agreement terminate for any cause, in whole or in part, the leases and other contracts affecting the lands within the unit, if not then otherwise maintained in force and effect, shall remain and may be maintained in force and effect under their respective terms and conditions in the same manner as though there had been production under said lease or contract and the same had ceased on the date of the termination of this agreement.

5.

ALLOCATION OF PRODUCTION

All production of the pooled mineral from the unit shall be allocated among and to the separate tracts within the unit based upon the ratio or proportion, which the number of surface acres in each respective tract bears to the total of surface acres within the unit. For the purposes of this agreement and the allocation on the foregoing basis as between the separate tracts shall be as follows:

Southeast Quarter (SE4) of Section 35	160 Acres
Northeast Quarter (NE4) of Section 35	160 Acres
West Half (W2) of Section 35	320 Acres

6.

OPERATING PRIVILEGES

To the extent each may be empowered to do so, Royalty Owners grant Lessee full right and privilege of use of the surface and subsurface of the unit and the lands included therein for all purposes reasonably necessary or useful for carrying on the unit operations and secondary recovery operations by the injection of fluids in the unitized zones and including, without limitation, every privilege granted in any of the leases or other contracts incident to the operations thereunder. No royalty or other payment based on production of the pooled mineral shall be due and payable on such production used in the development and operation of the unit and of the facilities thereon or used in connection therewith, or otherwise not saved. Rights of way are hereby granted for the purpose of installing, maintaining and repairing facilities for secondary recovery operations and for gathering and delivering the pooled mineral and for roads, pipelines, telegraph or telephone lines reasonably necessary or useful in connection with operations on the unit.

7.

PREVIOUS CONTRACTS

The existing leases and all other contracts on the lands included within the unit and pertaining to the pooled mineral thereunder are ratified and confirmed, and shall remain in full force and effect in accordance with their respective terms and conditions, save as herein modified and amended. The terms, leases and all other contracts, as used herein, are intended to include any amendments for supplements thereto.

8.

EFFECTIVE DATE

At such time as Lessee commences secondary recovery operations Lessee shall file of record in the office of the County Register of Deeds of the county in which the unit is situated a counterpart hereof executed by Lessee. This agreement shall become effective as of the date Lessee actually commences secondary recovery operations in the unitized zones. Prior to such date, each Royalty Owner executing this instrument agrees not to withdraw therefrom in consideration of the continuing effort of Lessee to secure execution by sufficient parties to permit making the agreement effective. Lessee shall have the right to make the agreement effective as to all parties joining herein, regardless of whether or not the owners of all interests in the pooled mineral included in the unit has executed the agreement. This agreement may be executed in counterpart originals or by independent instruments of ratification, all of which shall constitute a single agreement as though all parties had signed one instrument. It shall be binding upon an inure to the benefit of each of the parties executing same, and their respective heirs, successors and assigns, but no party shall participate in any rights hereunder nor be bound hereby without joining herein.

9.

TERM

After acceptance by Lessee in the manner provided above, this agreement and said oil unit shall remain in force and effect for a period of five (5) years and as long thereafter a oil or casinghead gas is produced from the unit, or drilling or reworking operations are being continuously prosecuted on the unit lands in a effort to restore production thereof, and drilling or reworking operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling or reworking of a subsequent well or wells, and if production results therefrom, then so long thereafter as oil or casinghead gas is produced from unit.

10.

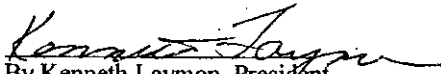
MISCELLANEOUS

- a. The marginal captions are used as a convenient guide only, and shall not in any way be considered to interpret the meaning of the agreement. Any notices given hereunder shall be considered given then duly posted by registered United States mail directed to the last known mailing address of the party to whom such notice is given.
- b. Anything in this agreement to the contrary notwithstanding, the performance of the obligations, covenants and conditions of this agreement and of the instruments comprising said unit (other than those relating to the payment of royalties) shall be excused, and all time and term limits herein extended, if performance is prevented, interrupted, delayed or suspended by or in compliance with any applicable laws, governmental regulations, rule, order or directive, federal or state, or by reason of strikes, fires, the elements, accidents, breakdown, acts of God, or the public enemy, scarcity or inability to obtain or to use equipment or materials, or any other cause, whether similar or dissimilar, beyond the control

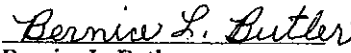
of Lessee. Performance of such obligations, covenants and conditions shall be resumed within a reasonable time after such cause has been removed. In no event, however, shall Lessee be required against its will to adjust any labor dispute.

WITNESS THE EXECUTION HEREOF as of the 15TH day of September 2002

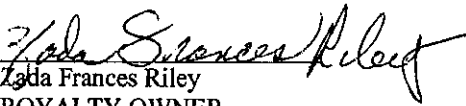
Laymon Oil II, LLC

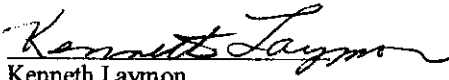

By Kenneth Laymon, President
LESSEE

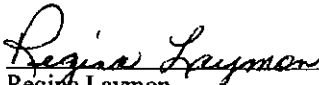
X
Cecil A. Butler
ROYALTY OWNER


Bernice L. Butler
ROYALTY OWNER


Robert L. Riley
ROYALTY OWNER


Zada Frances Riley
ROYALTY OWNER


Kenneth Laymon
ROYALTY OWNER

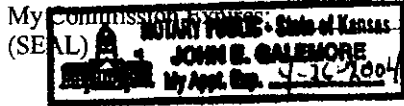

Regina Laymon
ROYALTY OWNER

THE STATE OF KANSAS:
COUNTY OF WOODSON:

Before me, the undersigned, a Notary public within and for said State, on this 15TH day of September 2002, personally appeared Cecil A. Butler and Bernice L. Butler, husband and wife, to me

personally known to be the identical persons who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

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

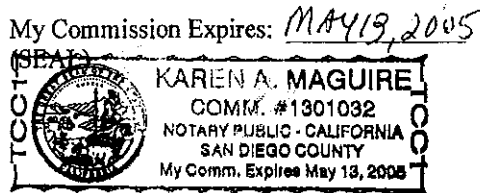


John E. Galemore

THE STATE OF CALIFORNIA:
COUNTY OF SAN DIEGO:

~~September~~ ^{October} Before me, the undersigned, a Notary public within and for said State, on this 8th day of ~~September~~ 2002, personally appeared Robert L. Riley and Zada Frances Riley, husband and wife, to me personally known to be the identical persons who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

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



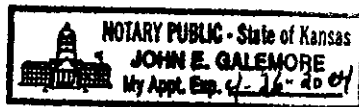
Karen A. Maguire

THE STATE OF KANSAS:
COUNTY OF WOODSON:

Before me, the undersigned, a Notary public within and for said State, on this 15th day of September 2002, personally appeared Kenneth Laymon and Regina Laymon, husband and wife, to me personally known to be the identical persons who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

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

My Commission Expires: _____
(SEAL)



John E. Galemore