



00-14s-27w-999  
CRD NO.

00-14s-27w-999  
DMT NO.

# PRO-STAKE

LLC

Construction Site Staking

14149

INVOICE NO.



**Palomino Petroleum, Inc.**  
OPERATOR

**Gove County, KS**  
COUNTY

**Coberly-Hearn #1**  
LEASE NAME

**147' FSL - 1729' FEL**  
LOCATION SPOT

**2510.7'**  
GR ELEVATION

**38.786384860**  
NAD 83 LAT

**100.361512493**  
NAD 83 LONG

**31**      **14s**      **27w**  
**Sec.**      **Twp.**      **Rng.**

**SCALE:** 1" = 1000'  
**DATE STAKED:** February 13<sup>th</sup>, 2019  
**MEASURED BY:** Pierce R.  
**DRAWN BY:** Pierce R.  
**AUTHORIZED BY:** Nick G.  
**DATE REVISED:**

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

### LEGEND

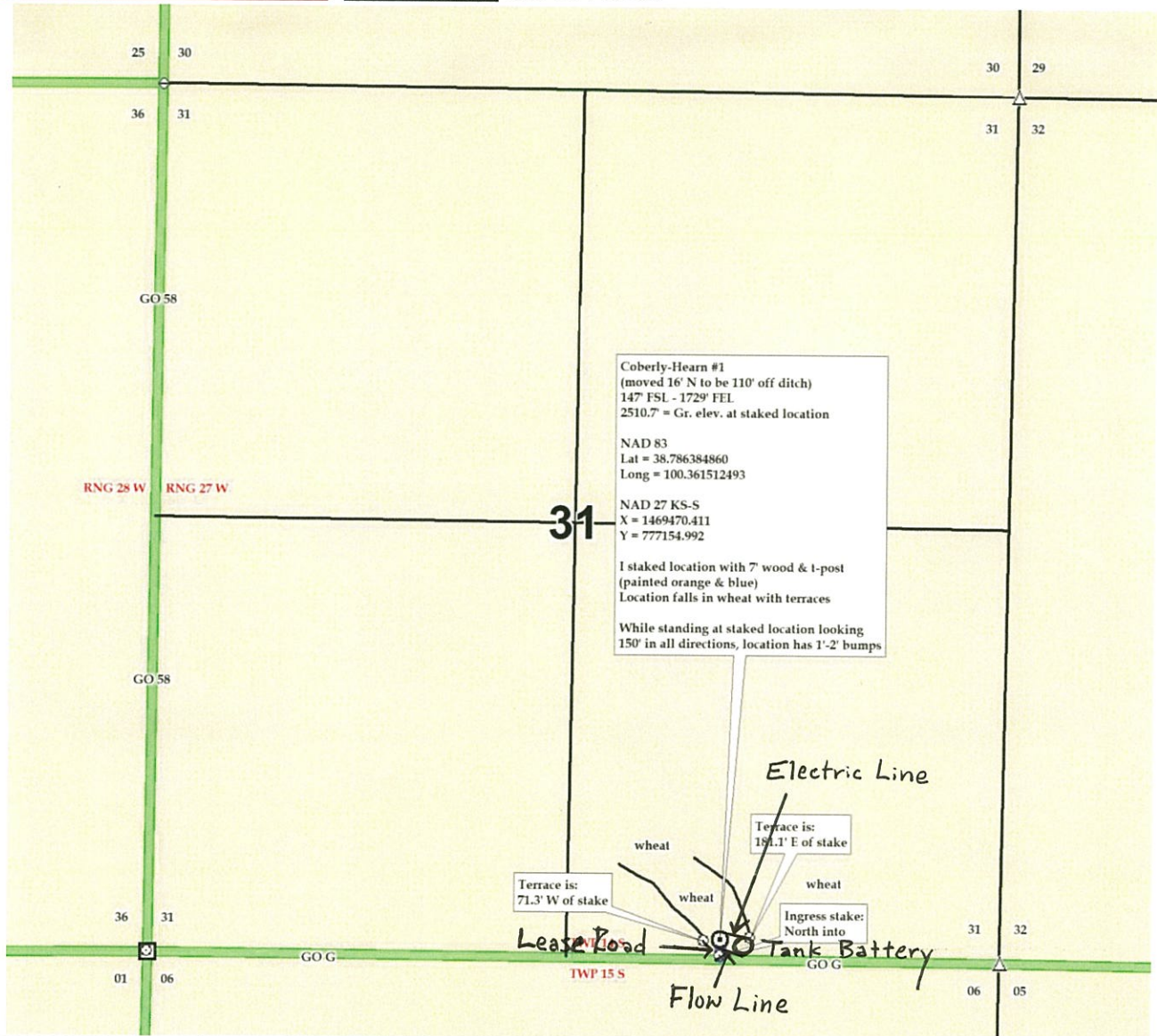
- ⊙ irr. well
- ⊕ water hydrant
- ⊕ tank battery
- ⊙ staked loc.
- ⊗ prod. well/aband. well
- house
- building
- G — gas line
- W — water line
- E — transmission powerline
- 3 — 3 phase powerline
- \* \* single phase powerline
- x — x — fence
- ▬ gravel/sand rd.
- ▬ gravel trail/lease rd.
- ▬ dirt rd.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

**DIRECTIONS:** From Gove City, KS at the intersection of Broad St./Hwy. 23 & 4<sup>th</sup> St. – Now go approx. 10.2 miles South on Hwy. 23 – Now go 2 miles East on I Rd. – Now follow curve and go 1 mile South on 48 Rd. – Now follow curve and go 5 miles East on GO H Rd. – Now go 1 mile South on GO 58 Rd. to the SW corner of section 31-14s-27w – Now go approx. 0.7 miles East on GO G Rd. to ingress stake N into – Now go approx. 145' North through wheat with terraces into staked location



**Final ingress must be verified with landowner or operator.**  
*This drawing does not constitute a monumented survey or a land survey plat.*  
*This drawing is for construction purposes only.*

**LANDOWNER/CONTACT: Jim Coberly: 620-397-3365**







00-14s-27w-999  
CRD NO.

00-14s-27w-999  
DMT NO.

# PRO-STAKE

Construction Site Staking

LLC

14149  
INVOICE NO.



**Palomino Petroleum, Inc.**  
OPERATOR

**Gove County, KS**  
COUNTY

**Coberly-Hearn #1**  
LEASE NAME

**147' FSL - 1729' FEL**  
LOCATION SPOT

**2510.7'**  
GR ELEVATION

**38.786384860**  
NAD 83 LAT

**100.361512493**  
NAD 83 LONG

**31**      **14s**      **27w**  
**Sec.**      **Twp.**      **Rng.**

**SCALE:** 1" = 1000'  
**DATE STAKED:** February 13<sup>th</sup>, 2019  
**MEASURED BY:** Pierce R.  
**DRAWN BY:** Pierce R.  
**AUTHORIZED BY:** Nick G.  
**DATE REVISED:**

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

### LEGEND

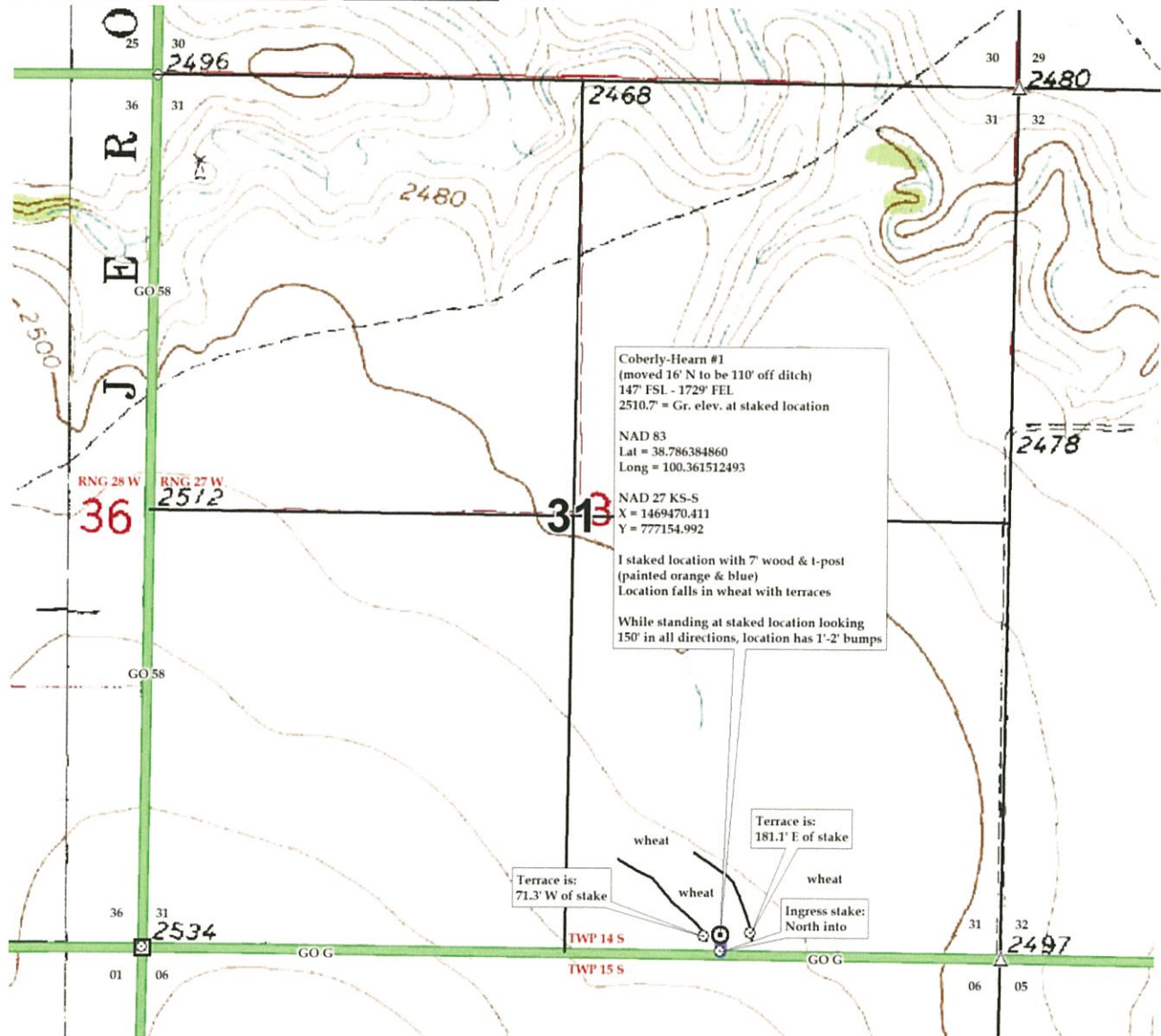
- ⊙ irr. well
- ⊕ water hydrant
- ⊕ tank battery
- ⊙ staked loc.
- ⊗ prod. well/aband. well
- house
- building
- G— gas line
- W— water line
- E— transmission powerline
- 3 phase powerline
- single phase powerline
- x—x—x— fence
- ▬ gravel/sand rd.
- ▬ gravel trail/lease rd.
- ▬ dirt rd.
- ▬ dirt trail/lease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



**DIRECTIONS:** From Gove City, KS at the intersection of Broad St./Hwy. 23 & 4<sup>th</sup> St. – Now go approx. 10.2 miles South on Hwy. 23 – Now go 2 miles East on I Rd. – Now follow curve and go 1 mile South on 48 Rd. – Now follow curve and go 5 miles East on GO H Rd. – Now go 1 mile South on GO 58 Rd. to the SW corner of section 31-14s-27w – Now go approx. 0.7 miles East on GO G Rd. to ingress stake N into – Now go approx. 145' North through wheat with terraces into staked location

**Final ingress must be verified with landowner or operator.**  
*This drawing does not constitute a monumented survey or a land survey plat.*  
*This drawing is for construction purposes only.*

**LANDOWNER/CONTACT: Jim Coberly: 620-397-3365**





STATE OF KANSAS, GOVE COUNTY SS  
 Filed for record this 20<sup>th</sup> day of Oct. A.D.  
 20 10 at 2:12 o'clock P. M. and duly  
 recorded in Book 169 of 210-212  
City of Topeka Register of Deeds  
 Fee \$ 96.00

Sc.cb (JFL Ind)

OIL AND GAS LEASE  
 (PAID-UP)

THIS AGREEMENT, made and entered into this 20th day of July, 2010  
 by and between Glenn W. Coberly, as Trustee of the Glenn W. Coberly Trust dated May 1, 1995  
696 CR 54

Gove, KS 67736 hereinafter called Lessor (whether one or more) and Jackfork Land, Inc.  
3503 NW 63rd, Suite 103, Oklahoma City, Oklahoma 73116 hereinafter called Lessee.

1. That lessor, for and in consideration of the sum of Ten and More DOLLARS 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 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 Gove, State of Kansas, and described as follows:

Southeast Quarter (SE/4) of Section Thirty-One (31), Township Fourteen (14) South, Range Twenty-Seven (27)  
 West of the 6<sup>th</sup> P.M., and containing 160.00 acres, more or less

See Exhibit A attached hereto and made a part hereof.

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

4. The lessee shall pay to the lessor, as royalty, 1/8th of the proceeds received by the lessee 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. If such gas is not sold by the lessee, lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to one dollar per net mineral acre, and while said shut in royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas.

5. This lease is a paid-up lease and may be maintained during the primary term without further payments or drilling operations.  
 6. In the event said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein then the royalties herein provided for shall be paid 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 and oil on said land for its operations thereon. When required by lessor, the lessee shall bury its pipe lines below plow depth. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of 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. Lessee shall not have the right to use water from the premises for its operations thereon without the prior written consent of the lessor. Lessee shall pay to the lessor, for damages caused by lessee's operations to the property, not less than \$1,500.00 for each well drilled on the property and such amount over \$1,500.00 as parties shall agree in the event damages over and above normal damages caused by lessee's operations on the property.

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, devisee, or administrator, executor, or heir of lessor.

9. If the leased premises are now or shall hereafter be owned in severally 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.

11. If after the expiration of the primary term, production of oil or gas should cease from any cause, this lease shall not terminate if lessee commences additional drilling 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.

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

Book: 169 Page 210

acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and determine, 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.

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. Lessee, at its option, is hereby given the right and power to pool or combine into one or more units the land covered by this lease, or any portion thereof, with other land covered by another lease, or leases when, in lessee's judgment, it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 640 acres, plus a tolerance of ten percent (10%) to conform to Governmental Survey quarter sections. Lessee shall execute in writing and file for record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units shall be treated for all purposes, except the payments of royalties on production from the pooled unit, as if it were included in this lease. If production is found on any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on any such unit shall be and constitute a well hereunder. In lieu of the royalties elsewhere herein specified lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

15. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor and lessee.

IN WITNESS WHEREOF, I/we sign this 23<sup>rd</sup> day of August, 2010.

The Glenn W. Coberly Trust dated May 1, 1995, by:

Glenn W. Coberly Trustee  
Glenn W. Coberly, Trustee

State of Kansas )  
County of Gove ) ss. ACKNOWLEDGEMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)

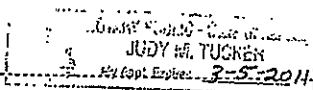
Before me, the undersigned, a Notary Public, within and for said county and state, on this 23<sup>rd</sup> day of August, 2010 by personally appeared Glenn W. Coberly as Trustee of the Glenn W. Coberly Trust dated May 1, 1995 to me personally known to be the identical person(s) who executed the within and foregoing instrument and acknowledged to me that he/she executed the same as his/her 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 and year last above written.

My commission expires: 3-5-2011

My Notary Number: 1007069

Notary Public Judy M. Tucker  
Printed/Typed name: Judy M. Tucker



State of \_\_\_\_\_ )  
County of \_\_\_\_\_ ) ss. ACKNOWLEDGEMENT FOR CORPORATION

On this \_\_\_\_\_ day of \_\_\_\_\_, 2010 before me, the undersigned, a Notary Public in and for the county and state aforesaid, personally appeared \_\_\_\_\_ to me personally known to be the identical person who signed the name of the maker thereof to the within and foregoing instrument as its \_\_\_\_\_ and acknowledged to me that he/she executed the same as his/her free and voluntary act and deed, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

My commission expires: \_\_\_\_\_

My Notary Number: \_\_\_\_\_

Notary Public \_\_\_\_\_  
Printed/Typed name: \_\_\_\_\_

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated July 20, 2010 by and between Glenn W. Coberly as Trustee of the Glenn W. Coberly Trust dated May 1, 1995, as Lessor, and Jackfork Land, Inc., as Lessee, in SE/4 of Section 31, Township 14 South, Range 27 West, Gove County, Kansas.

The following provision is part of this oil and gas lease and, if there be conflict between this provision and any of the foregoing provisions, the following provision shall apply and take precedence.

For the above consideration, Lessee is granted the option to renew and extend this lease under the same provisions for a second primary term of Three (3) years from the end of the primary term hereof, and as long thereafter as oil and gas is produced from said land or lands pooled therewith. Lessee may exercise this option by paying or tendering to the Lessor the sum of Thirty-five Dollars (\$35.00) per net mineral acre covered by this lease before the expiration of the primary term hereof.

The royalties to be paid by Lessee are on oil, and other liquid hydrocarbons saved at the well, one-eighth of that produced and saved from said land, same to be delivered free of cost at the wells or to the credit of Lessor in the pipeline to which the wells may be connected.

The Lessee has apprized the Lessors of the Lessee's intent to undertake a Horizontal Well Bore drilling project (also sometimes referred to as "lateral drilling" or "horizontal drilling") on the property covered by this Oil and Gas Lease. Lessee hereby agrees that the Lessee's operations on the property covered by the Oil and Gas Lease may include but are not limited to the drilling, completion and operation of one or more Horizontal Well Bore drilled wells on the property. All of Lessee's operations on the property shall be within the requirements and regulations of the Kansas Corporation Commission, or any other Governmental Division having jurisdiction over the Lease and the operations of Lessee on the property, as may exist on the date of this Lease and as they may be amended or modified at any point in the future. The Lessee agrees to hold the Lessors harmless from any claims for damages or injury to person or property as a result of Lessee's operations on the property, regardless of fault of the respective parties. In no way shall the Lessors be responsible to another party for claims made as a result of Lessee's operations on the property.

Signed for Identification by:

The Glenn W. Coberly Trust dated May 1, 1995, by:

Glenn W. Coberly Trustee  
Glenn W. Coberly, Trustee

Sec.6b (JFL Ind)



STATE OF KANSAS, GOVE COUNTY SS  
Filed for record this 5<sup>th</sup> day of Oct. A.D.  
2010 at 2:12 o'clock P.M. and duly  
recorded in Book 169 of Page 213-214  
Fee \$ 14.00

OIL AND GAS LEASE  
(PAID-UP)

THIS AGREEMENT, made and entered into this 20th day of July, 2010  
by and between Glenn W. Coberly, Trustee of the Ada R. Coberly Revoenble Trust dated May 1, 1995  
696 CR 54

Gove, KS 67736 hereinafter called Lessor (whether one or more) and Jackfork Land, Inc.  
3503 NW 63rd, Suite 103, Oklahoma City, Oklahoma 73116 hereinafter called Lessee.

1. That lessor, for and in consideration of the sum of Ten and More DOLLARS 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 utilize 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 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 Gove, State of Kansas, and described as follows:

Southeast Quarter (SE/4) of Section Thirty-One (31), Township Fourteen (14) South, Range Twenty-Seven (27)  
West of the 6<sup>th</sup> P.M., and containing 160.00 acres, more or less

See Exhibit A attached hereto and made a part hereof.

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. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.
4. The lessee shall pay to the lessor, as royalty, 1/8th of the proceeds received by the lessee 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. If such gas is not sold by the lessee, lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to one dollar per net mineral acre, and while said shut in royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas.
5. This lease is a paid-up lease and may be maintained during the primary term without further payments or drilling operations.
6. In the event said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein then the royalties herein provided for shall be paid 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 and oil on said land for its operations thereon. When required by lessor, the lessee shall bury its pipe lines below plow depth. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of 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. Lessee shall not have the right to use water from the premises for its operations thereon without the prior written consent of the lessor. Lessee shall pay to the lessor, for damages caused by lessee's operations to the property, not less than \$1,500.00 for each well drilled on the property and such amount over \$1,500.00 as parties shall agree in the event damages over and above normal damages caused by lessee's operations on the property.
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, devisee, 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, devisee, 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 of oil or gas should ceased from any cause, this lease shall not terminate if lessee commences additional drilling 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.
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

Book 169 Page 213

acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and determine, 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.

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. Lessee, at its option, is hereby given the right and power to pool or combine into one or more units the land covered by this lease, or any portion thereof, with other land covered by another lease, or leases when, in lessee's judgment, it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 640 acres, plus a tolerance of ten percent (10%) to conform to Governmental Survey quarter sections. Lessee shall execute in writing and file for record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units shall be treated for all purposes, except the payments of royalties on production from the pooled unit, as if it were included in this lease. If production is found on any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on any such unit shall be and constitute a well hereunder. In lieu of the royalties elsewhere herein specified lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

15. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor and lessee.

IN WITNESS WHEREOF, I/we sign this 10 day of September, 2010.

The Ada R. Coberly Revocable Trust dated May 1, 1995, by:

Glenn W. Coberly, Trustee  
Glenn W. Coberly, Trustee

Glenn W. Coberly, Trustee

State of Kansas }  
County of Howe } ss. ACKNOWLEDGEMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)

Before me, the undersigned, a Notary Public, within and for said county and state, on this 10<sup>th</sup> day of September, 2010 by personally appeared Glenn W. Coberly, Trustee of the Ada R. Coberly Revocable Trust dated May 1, 1995 to me personally known to be the identical person(s) who executed the within and foregoing instrument and acknowledged to me that he/she executed the same as his/her 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 and year last above written.

My commission expires: 3-5-2011

My Notary Number: 1007069

Judy M. Tucker  
Notary Public  
Printed/Typed name: Judy M. Tucker

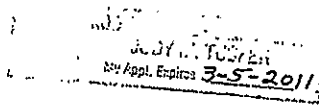


EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated July 20, 2010 by and between Glenn W. Coberly, Trustee of the Ada R. Coberly Revocable Trust dated May 1, 1995, as Lessor, and Jackfork Land, Inc., as Lessee, in SE/4 of Section 31, Township 14 South, Range 27 West, Gove County, Kansas.

The following provision is part of this oil and gas lease and, if there be conflict between this provision and any of the foregoing provisions, the following provision shall apply and take precedence.

For the above consideration, Lessee is granted the option to renew and extend this lease under the same provisions for a second primary term of Three (3) years from the end of the primary term hereof, and as long thereafter as oil and gas is produced from said land or lands pooled therewith. Lessee may exercise this option by paying or tendering to the Lessor the sum of Thirty-five Dollars (\$35.00) per net mineral acre covered by this lease before the expiration of the primary term hereof.

The royalties to be paid by Lessee are on oil, and other liquid hydrocarbons saved at the well, one-eighth of that produced and saved from said land, same to be delivered free of cost at the wells or to the credit of Lessor in the pipeline to which the wells may be connected.

The Lessee has apprized the Lessors of the Lessee's intent to undertake a Horizontal Well Bore drilling project (also sometimes referred to as "lateral drilling" or "horizontal drilling") on the property covered by this Oil and Gas Lease. Lessee hereby agrees that the Lessee's operations on the property covered by the Oil and Gas Lease may include but are not limited to the drilling, completion and operation of one or more Horizontal Well Bore drilled wells on the property. All of Lessee's operations on the property shall be within the requirements and regulations of the Kansas Corporation Commission, or any other Governmental Division having jurisdiction over the Lease and the operations of Lessee on the property, as may exist on the date of this Lease and as they may be amended or modified at any point in the future. The Lessee agrees to hold the Lessors harmless from any claims for damages or injury to person or property as a result of Lessee's operations on the property, regardless of fault of the respective parties. In no way shall the Lessors be responsible to another party for claims made as a result of Lessee's operations on the property.

Signed for Identification by:

The Ada R. Coberly Revocable Trust dated May 1, 1995, by:

Glenn W. Coberly trustee  
Glenn W. Coberly, Trustee



63U (Rev. 1993)

OIL AND GAS LEASE

Reorder No. 09-115



Kansas Blue Print 700 S. Broadway, P.O. Box 763 Wichita, KS 67201-0763 316-264-9344 316-264-5165 fax www.kbp.com kbp@kbp.com

AGREEMENT, Made and entered into the 7th day of August 2015 by and between Janet Hearn a/k/a Janet S. Hearn and Lewis A. Hearn, her husband

10149 SE 25th Avenue Pratt, KS 67124

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

hereinafter called Lessee:

Lessor, in consideration of One and More Dollars (\$ One (\$1.00)) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of GOVE State of Kansas described as follows to-wit: Township 15 South, Range 27 West Section 6: NE/4

In Section Township Range and containing 150 acres, more or less, and all accretions thereto.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

If, at the end of the primary term, this lease is not otherwise continued in force under the provisions hereof, this lease shall expire, unless Lessee on or before the end of the primary term shall pay or tender to Lessor, the sum of \$20.00 multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this lease; and subject to the other provisions of this lease, the primary term shall be extended for an additional term of two (2) years from the end of the primary term hereof.

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

Witnesses: Janet Hearn a/k/a Janet S. Hearn Lewis A. Hearn



STATE OF KANSAS, GOVE COUNTY SS REGISTER OF DEEDS Book: 194 Page: 814-815

Receipt #: 21282 Pages Recorded: 2

Recording Fee: \$20.00

Date Recorded: 8/17/2015 11:54:05 AM