

For KCC Use:

Effective Date: _____

District # _____

SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form C-1

March 2010

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

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

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

Expected Spud Date: _____
month day year

OPERATOR: License# _____

Name: _____

Address 1: _____

Address 2: _____

City: _____ State: _____ Zip: _____ + _____

Contact Person: _____

Phone: _____

CONTRACTOR: License# _____

Name: _____

Well Drilled For:

Well Class:

Type Equipment:

- | | | | |
|---|-----------------------------------|------------------------------------|-------------------------------------|
| <input type="checkbox"/> Oil | <input type="checkbox"/> Enh Rec | <input type="checkbox"/> Infield | <input type="checkbox"/> Mud Rotary |
| <input type="checkbox"/> Gas | <input type="checkbox"/> Storage | <input type="checkbox"/> Pool Ext. | <input type="checkbox"/> Air Rotary |
| | <input type="checkbox"/> Disposal | <input type="checkbox"/> Wildcat | <input type="checkbox"/> Cable |
| <input type="checkbox"/> Seismic ; _____ # of Holes | <input type="checkbox"/> Other | | |
| <input type="checkbox"/> Other: _____ | | | |

If OWWO: old well information as follows:

Operator: _____

Well Name: _____

Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

Spot Description: _____

_____ - _____ - _____ Sec. _____ Twp. _____ S. R. _____ E W
(Q/Q/Q/Q) _____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Is SECTION: Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: _____

Lease Name: _____ Well #: _____

Field Name: _____

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): _____

Nearest Lease or unit boundary line (in footage): _____

Ground Surface Elevation: _____ feet MSL

Water well within one-quarter mile: Yes No

Public water supply well within one mile: Yes No

Depth to bottom of fresh water: _____

Depth to bottom of usable water: _____

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: _____

Length of Conductor Pipe (if any): _____

Projected Total Depth: _____

Formation at Total Depth: _____

Water Source for Drilling Operations:

Well Farm Pond Other: _____

DWR Permit #: _____

(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone: _____

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office **prior** to spudding of well;
2. A copy of the approved notice of intent to drill **shall be** posted on each drilling rig;
3. The minimum amount of surface pipe as specified below **shall be set** by circulating cement to the top; in all cases surface pipe **shall be set** through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary **prior to plugging**;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 DAYS** of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **In all cases, NOTIFY district office** prior to any cementing.

Submitted Electronically

For KCC Use ONLY

API # 15 - _____

Conductor pipe required _____ feet

Minimum surface pipe required _____ feet per ALT. I II

Approved by: _____

This authorization expires: _____
(This authorization void if drilling not started within 12 months of approval date.)

Spud date: _____ Agent: _____

Remember to:

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed (within 60 days);
- Obtain written approval before disposing or injecting salt water.
- If well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well will not be drilled or Permit Expired Date: _____
Signature of Operator or Agent:

E
 W

For KCC Use ONLY

API # 15 - _____

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: _____

Lease: _____

Well Number: _____

Field: _____

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - _____ - _____ - _____

Location of Well: County: _____

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Sec. _____ Twp. _____ S. R. _____ E W

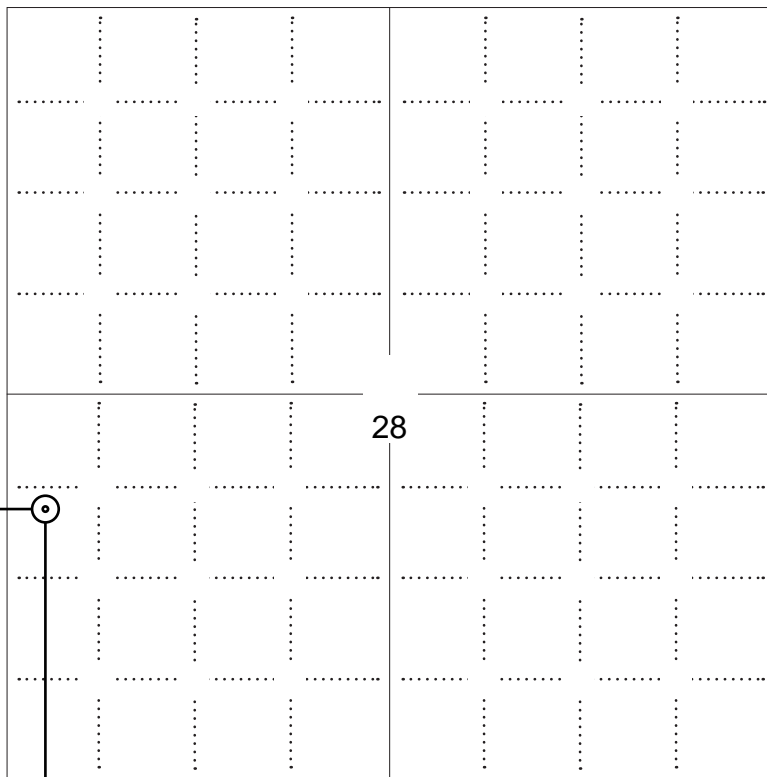
Is Section: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired.



LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- - - - Electric Line Location
- Lease Road Location



NOTE: In all cases locate the spot of the proposed drilling location.

1850 ft.

In plotting the proposed location of the well, you must show:

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
May 2010
Form must be Typed

Submit in Duplicate

Operator Name: _____		License Number: _____	
Operator Address: _____			
Contact Person: _____		Phone Number: _____	
Lease Name & Well No.: _____		Pit Location (QQQQ): _____-_____-_____-_____	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	
How is the pit lined if a plastic liner is not used?		_____	
Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) <input type="checkbox"/> No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit: _____ feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ _____ Drill pits must be closed within 365 days of spud date.	
Submitted Electronically			

KCC OFFICE USE ONLY			
Date Received: _____	Permit Number: _____	Permit Date: _____	Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Liner		<input type="checkbox"/> Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS	

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form KSONA-1
January 2014
Form Must Be Typed
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 Submitted Electronically

I

**GRIFFIN MANAGEMENT, LLC
ADDIE LEASE
SW.1/4, SECTION 28, T29S, R15W
PRATT COUNTY, KANSAS**

GRAVEL (SW. 100TH ST.) ROAD

Notes:

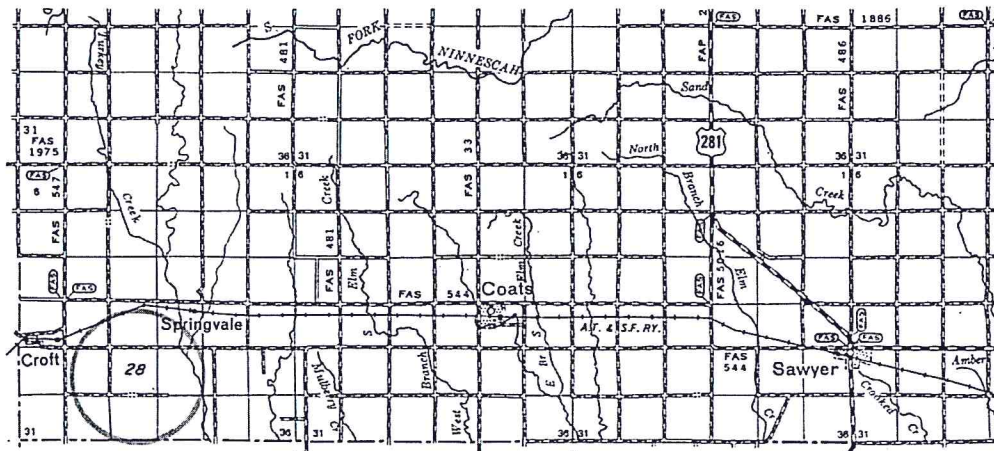
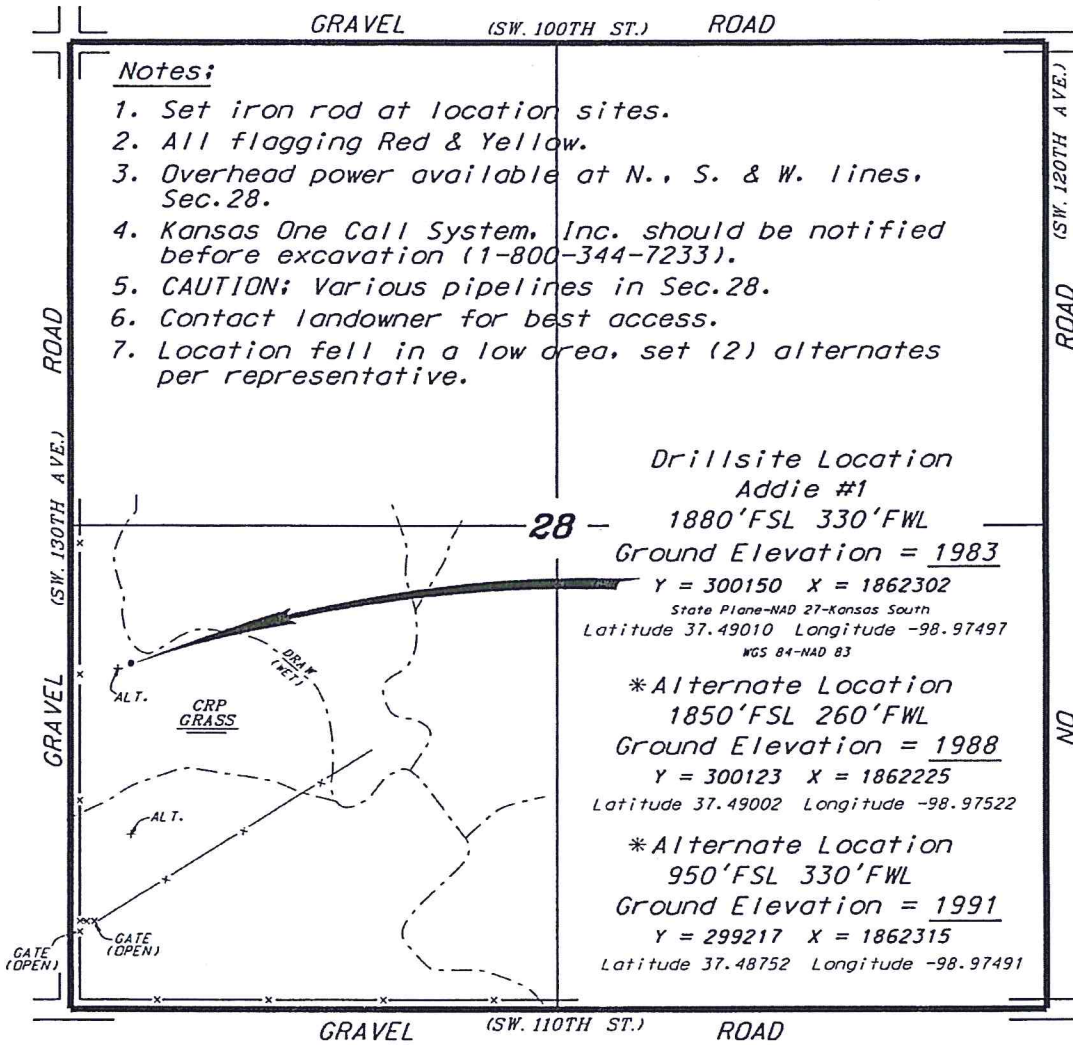
1. Set iron rod at location sites.
2. All flagging Red & Yellow.
3. Overhead power available at N., S. & W. lines, Sec.28.
4. Kansas One Call System, Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION; Various pipelines in Sec.28.
6. Contact landowner for best access.
7. Location fell in a low area, set (2) alternates per representative.

**Drillsite Location
Addie #1**

28 — 1880'FSL 330'FWL
Ground Elevation = 1983
 Y = 300150 X = 1862302
 State Plane-NAD 27-Kansas South
 Latitude 37.49010 Longitude -98.97497
 NGS 84-NAD 83

***Alternate Location**
1850'FSL 260'FWL
Ground Elevation = 1988
 Y = 300123 X = 1862225
 Latitude 37.49002 Longitude -98.97522

***Alternate Location**
950'FSL 330'FWL
Ground Elevation = 1991
 Y = 299217 X = 1862315
 Latitude 37.48752 Longitude -98.97491



* Ingress and egress to location as shown on this plat is per usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.

SCALE 1" = 1000'

• Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.
 • Approximate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drillsite location in the section is not guaranteed. Therefore, the operator securing this service and accepting this plat and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and said entities released from any liability from incidental or consequential damages.
 • Elevations derived from National Geodetic Vertical Datum.

Date March 20, 2019

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

STATE OF



For KCC Use ONLY

API # 15 - _____

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

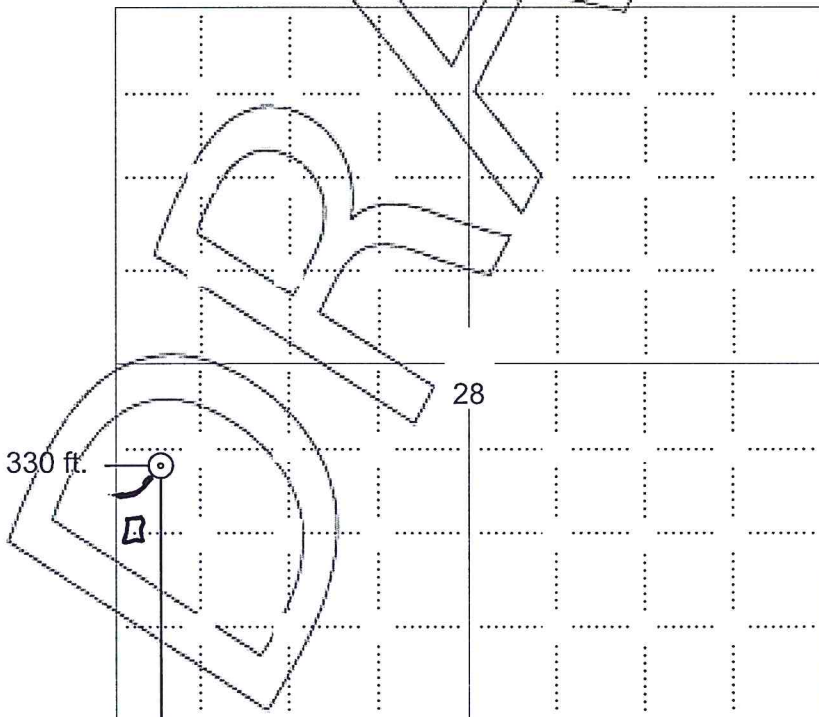
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: Griffin, Charles N.
 Lease: Addie
 Well Number: 1
 Field: Croft
 Number of Acres attributable to well: _____
 QTR/QTR/QTR/QTR of acreage: N2 - SW - NW - SW

Location of Well: County: Pratt
 _____ 1880 _____ feet from N / S Line of Section
 _____ 330 _____ feet from E / W Line of Section
 Sec. 28 Twp. 29 S. R. 15 E W
 Is Section: Regular or Irregular
 If Section is Irregular, locate well from nearest corner boundary.
 Section corner used: NE NW SE SW

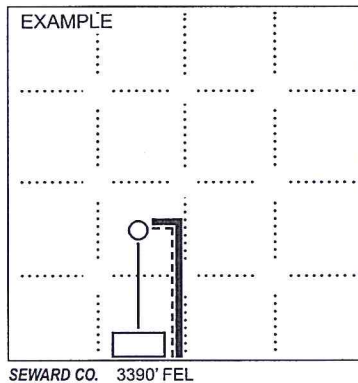
PLAT

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired.



LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location



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1880 ft.

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3. The distance to the nearest lease or unit boundary line (in footage).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.



OIL AND GAS LEASE

AGREEMENT, Made and entered into the 5th day of February, 2018, by and between Donna Hirt Trust dated December 5, 1991, with Donna Hirt and Vernon Hirt as Co-Trustees, whose mailing address is 12640 NW Turkey Ln., Sawyer Ks, hereinafter called Lessor (whether one or more) and GRIFFIN MANAGEMENT, LLC, whose post office address is P.O. Box 347 Pratt, Kansas 67124, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and more (\$10.00+) DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased, and let, and by these presents does grant, demise, lease, and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save, and take care of said products, all that certain tract of land situated in the County of Pratt

State of Kansas, described as follows, to-wit:

See Exhibit "A" Attached Hereto

together with any reversionary rights therein, and together with all strips or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 1280 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of two (2) year from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or reworking operations thereof, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and 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 of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.
2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.
3. In consideration of the premises the said Lessee covenants and agrees:
 - a. To deliver to the credit of Lessor, free of cost, in the pipeline 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.
 - b. To pay Lessor for gas of whatsoever nature or kind (with all of its constituents) produced and sold or used off the leased premises, or used in the manufacture of products therefrom one-eighth (1/8) of the actual amount received by the Lessee, said payments to be made monthly.
4. During any period (whether before or after expiration of the primary term hereof) when gas is not being so sold or used and the well or wells are shut in and there is no current production of oil 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 royalty 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 gas is being produced within the meaning of the entire lease.
5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid to the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.
6. 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.
7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.
8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.
9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.
10. 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.
11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.
12. Lessee shall have the right, but not the obligation, to pool all or any part of the Leased Premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this Lease, either before or after the commencement of 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 160 acres for a gas well or a 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 well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal completion" means a well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. 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, drilling or reworking operations anywhere on a unit which includes all or any part of the Leased Premises shall be treated as if it were production, drilling or reworking operations on the Leased Premises, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the Leased Premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.

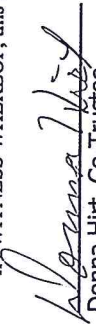
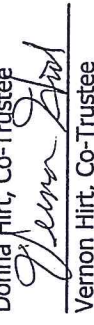
13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules, or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable for damages, for failure to comply therewith, if compliance is prevented by,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

14. 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, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors, and assigns of Lessor and Lessee.

16. Exhibit "A" and "Addendum" attached hereto and incorporated herein by this reference.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.


Donna Hirt, Co-Trustee

Vernon Hirt, Co-Trustee

STATE OF }
 } Kansas }
COUNTY OF }
 } Pratt } } SS

ACKNOWLEDGMENT—Trustee



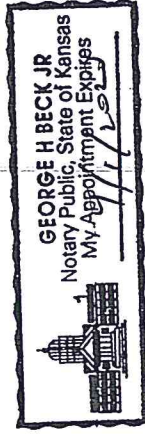
BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 8 day of February, 20 18 personally appeared Donna Hirt Trust dated December 5, 1991, with Donna Hirt and Vernon Hirt as Co-Trustees, to me known to be the identical person(s) described in and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed the same as their free and voluntary act and deed for the purposes therein set forth.

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

My Commission Expires 4/1/2020



Notary Public



Return to: Griffin Management, LLC
P.O. Box 347
Pratt, Ks. 67124

EXHIBIT "A"

The subject Oil and Gas Lease covers all of Lessor's right, title and interest in and to the oil, gas and other minerals located in Pratt County, Kansas, more fully described as follows:

T29S-R15W of the 6th P.M.

TRACT #1- SECTION 10: SW/4

TRACT #2- SECTION 15: NW/4

TRACT #3- SECTION 22: S/2 and NE/4

TRACT #4- SECTION 21: SE/4 and the E/2NE/4

Tract #5- SECTION 28: E/2NE/4

Tract#6- SECTION 29: SE/4

"ADDENDUM"

Attached to and made part of that certain oil and gas lease dated February 5th, 2018 by and between Donna Hirt Trust dated December 5, 1991, with Donna Hirt and Vernon Hirt as Co-Trustees, as Lessor, and Griffin Management, LLC, as Lessee, covering 1280 acres or less of land described in Exhibit "A"

The provision of this "ADDENDUM" shall control and supersede terms of the attached oil and gas lease when terms conflict.

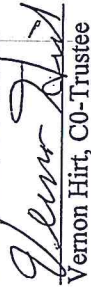
1. It is understood by Lessor and Lessee that this lease shall be treated as a separate lease for each of the tracts described in the property description paragraph or Exhibit "A" and any production secured on each of these tracts shall hold only the tract where such production is obtained and unit of which said tract is a part of.
2. MINIMUM ANNUAL ROYALTY: Royalty due Lessor from any well producing oil or gas on lands covered by this lease or from a well or wells on lands unitized with this lease, shall not be less than Twenty Dollars (\$20.00) per net mineral acre per year, payable from the date of first production from any such well and to be adjusted every ten(10) years for inflation.
3. IRRIGATED LANDS: If the Lessee conducts any drilling operations upon any portion of the herein-described real estate that is irrigated by any manner or method, the Lessee shall use portable tanks and shall not permit drilling mud to remain on such premises. Lessee may construct the larger reserve pit, and when the fluids drilling mud are dry, all drilling mud will be removed, and the pits closed as herein provided. Should an irrigation system situated on the leased premises be damaged by Lessee's drilling and/or completion operations, said irrigation systems(s) will be restored to their original operational configuration and function. Lessee shall not go upon or conduct any operations upon the *irrigated portion* of the above-described real estate from April 15 and the end of harvest in the fall in any calendar year unless given written permission by the Lessor and Lessor agrees not to unreasonably withhold such consent. Crop damages, will be paid upon the basis of average field yield average price at maturity, plus any loss as a result of lower crop yield due to operations of the Lessee which timely irrigation of said crops. Lessee agrees to consult with the Lessor on approval of the placement of the drilling rig to cause the least interruption, if any, to any type or kind of irrigation system now in place on the leased premises. Lessor agrees not to unreasonably withhold such approval. Should production of oil or gas from any well located in the area watered by Lessor's irrigation system, Lessee agrees to place pumping equipment in such a manner as to least obstruct or interfere with said irrigation system.
4. NOTIFICATION BY LESSEE: Lessee agrees to contact Lessor prior to entry upon described lands for the purpose of conducting drilling, seismic or other exploration operations. In the event Lessee or his agents desire to conduct any type or kind of seismic operations, Lessee will first obtain written permission, in the form of a "*seismic permit*", from Lessor prior to the conduct of such seismic operations. Lessee will consult with Lessor and/or Lessor's tenant with regards to acceptable routes of ingress/egress to and from lands covered by this lease. Lessor agrees not to unreasonably restrict or withhold access to described lands for the intended purpose(s) of this lease agreement.
5. DESIGNATION OF EQUIPMENT PLACEMENT AND ROADWAYS; SURFACE REQUIREMENTS: Lessee will contact Lessor and mutually agree upon the location of any pipelines, tank batteries or other equipment on the leased premises. There shall be no oil road surfaces or hard surfacing of any access roads without the written consent of Lessor. Lessor reserves the right to designate the direction and location of every roadway on the premises, and all permanent lease roads shall not exceed 15 feet in width and all temporary lease roads shall not exceed 30 feet in width. The location of such equipment, road-ways and any other facilities for producing said production shall be located in such a manner as to cause the least interference with Lessor's farming and/or ranching operations on said land. Lessee shall cause corner posts and braces to be set to Lessor's satisfaction before any fence is cut for entry of roadway on the premises. Any entry so made shall have a cattle guard placed in said entry if well is not abandoned within 90 days of commencement of drilling operations. Cattle guards shall be maintained at a level so that debris does not accumulate.
6. RESTORATION OF SURFACE: Lessee shall restore the surface of the lands described herein to its original contour and condition as nearly as is practicable upon completion of exploration, seismic, drilling, re-working or other operations conducted by Lessee. Further, such surface restoration shall include the rebuilding of any terrace damaged by Lessee, Lessee's assigns or agents. Top soil will be kept apart from other soil disturbed by drilling operations. When the well has been completed, the top soil will be returned to the surface of the well site. In the event there is no production in paying quantities found by any operations undertaken by Lessee during the primary term of the lease and there is an abandonment of said lease, Lessee shall fill all pits, ponds, remove all structures and reasonably restore the premises to the condition existing at the time the lease is executed. Within 6 months after the expiration of the lease by its terms, Lessee shall have the obligation to restore, as nearly as practicable, the leased premises to the same condition as received: natural wear and tear and damages by the elements excepted.
7. DRILL SITE AND CROP DAMAGES: It is understood and agreed that the Lessee agrees to pay for damages to crops and any personal property situated on the leased premises caused by the drilling of any well or placing of any pipes, pipelines, pumps and tank batteries relating to such well which shall be placed on said property. As *land damage*, Lessee will pay the surface owner Minimum surface damages of \$2,500.00 per well in advance of ingress of drilling equipment, as a deposit toward damages to land and grass caused by Lessee's operations thereon. In the event damages are greater than the amount paid, Lessee shall settle promptly for excess damages. In the event damages are less than or equal to the deposit paid, no additional amount will be owed.

- This amount will cover one well site of not more than three acres and road totaling not over one acre. Any land damages or use in excess of such four acres shall be paid separately immediately after completion of drilling operations.
8. PITS – DRY LAND: Any pits dug in connection with drilling operations upon non-irrigated lands covered by this lease, shall be dug in such a manner as to prevent entry of runoff and overflow. When necessary, all pits and drill sites shall be securely fenced to the satisfaction of Lessor. After drilling operations are completed, Lessor shall have the option of using said pits for livestock ponds and any pits so used by Lessor relieves Lessee of the obligation of returning said pits to the condition which existed prior to this lease.
 9. RELEASE OF DEPTHS: It is understood and agreed that three (3) years beyond the expiration of the primary term or any extension or renewal of the primary term, whichever occurs last, this lease shall automatically terminate as to all rights lying 200 feet below; (1) the deepest depth drilled in any well drilled on the leased premises or on lands pooled therewith, and or (2) the stratigraphic equivalent of the base of the deepest formation producing or capable of producing from any well drilled on the leased premises or on lands pooled therewith, whichever is the deepest.
 10. INDEMNIFICATION: Lessee shall indemnify and hold Lessor harmless, (*including but not limited to, Lessor's family, Lessor's farming business, other business partners, associates or employees or any other persons or entities connected to Lessor in any manner*) from any claims, damages, actions or causes of action arising out of Lessee's operation and development of this lease. This lease agreement, its Addendum and all its terms, conditions and stipulations contained therein shall extend to and be binding on all of the heirs, administrators, executors, trustees, successors and assigns of Lessor and Lessee so long as this lease remains in force and effect.
 11. CESSATION, DRILLING AND REWORKING: (A) In the event production in paying quantities of oil or gas on the leased premises, after once obtained, shall cease for any cause within ninety (90) days prior to the expiration of the primary term of this lease, this lease shall not terminate if the Lessee commences additional drilling or reworking operations within (90) days after such cessation. This lease shall remain in full force and effect so long as such operations continue in a good faith and workmanlike manner without interruptions not totaling more than ninety (90) days during any one such operation. If such drilling or reworking operations result in the production of oil or gas in paying quantities, this lease shall remain in full force and effect so long as oil or gas is produced in paying quantities or payment of shut-in gas well royalties are made as hereinbefore provided in the lease.(B) Should production of oil and/or gas in paying quantities cease after the expiration of the primary term, or any extension thereof on lands described herein or unitized therewith, Lessee shall have one hundred eighty (180) calendar days from the date of cessation to re-establish production in paying quantities. Lessee shall notify Lessor, in writing, within 30 calendar days of any such cessation of production from this lease or any other lease (s) unitized with the described premises.(C) In the event Lessee is not able to re-establish production as provided for in paragraph (B) of this provision, this lease then shall be deemed, no longer in force and effect. Lessee will, within 60 calendar days, remove all production equipment situated on the surface in force and effect. Lessee shall restore the surface to its original contour and condition as nearly as is practicable. Lessee may, at his option, draw and remove as much of the production casing from the well bore as desired. The plugging of a non-producing well shall remain the responsibility of the Lessee.
 12. LESSOR PURCHASE OF GAS: Lessor reserves the right to purchase gas for farm purposes, including but not limited to irrigation purposes from wells located on the above-described real estate or from any real estate unitized with the above-described real estate. Lessor shall make all connections for these purposes at their sole cost, expense and liability, and Lessor shall conform to the engineering specifications of Lessee's production department. Lessor shall pay Lessee for any gas purchased for irrigation purposes in the amount per MCF equal to the price then in effect under any contract under which Lessee is selling gas from the gas well on the above-described real estate or any unitized real estate to a third party. The amount of gas which the Lessor may purchase hereunder shall be limited to one-eighth (1/8) of the entire amount of gas produced from wells located upon the above-described real estate or from the real estate unitized therewith.
 13. Saltwater disposal: Lessee shall not be permitted to use any existing well or any well drilled on the leased premises as a salt water disposal well for the disposal of salt water produced off the premises unless separately agreed between Lessor and Lessee, provided, however, Lessee shall have right to drill a saltwater disposal well for disposition of saltwater from wells drilled on any lands covered by this lease. A water injection well is not to be construed as a saltwater disposal well. No disposal without Lessors compensation.
 14. All pipelines shall be laid to a minimum depth of 36" below surface.
 15. No water may be used from ponds, creeks, streams, or wells of Lessor without written consent of Lessor and compensating Lessor therefor. Lessee may drill own freshwater well for drilling and completion projects on above acreage. Lessor may keep fresh water well in lieu of payment for water. No drilling operations within 500 ft. of natural springs or streams without prior written permission.
 16. It is agreed that Lessor shall bear no cost of gas treatment, dehydration, compression, transportation, marketing or water hauling charged to the lease by Lessee. , however, that the cost of gathering paid to a third party gas purchaser to market gas produced from the leased premises shall be an allowable deduction. It is further agreed that Lessor shall receive Lessors' proportionate royalty share of all monies received by lessee for oil and/or gas production attributable to this lease, including any premiums, rebates and refunds of any kind or nature paid to Lessee and any take-or-pay payments, production payments, contract buy downs which directly reduce the amount of royalty revenue Lessor would otherwise receive from oil and/or gas production from this lease. Lessor will be responsible only for properly assessed taxes against Lessor's royalty. However, in no event shall Lessor receive a price that is less than, or more than, the price received by Lessee.

17. Lessee is granted the option to extend the primary term granted herein for an additional 24 months. This option must be exercised by paying the Lessor an Extension Bonus of fifty dollars (\$ 50.00) per net mineral acre for any acreage not held by production or in a production unit. Bonus is to be paid prior to expiration of the primary term.
18. In the event Lessor considers that Lessee has not complied with all its obligations hereunder, either express or implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this Lease. Lessee shall then have sixty (60) days after service of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be a condition precedent to the bringing of any action by Lessor on this Lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of said notice. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform its obligations hereunder. This Lease shall never be forfeited or cancelled for the failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and Lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

AGREE and ACKNOWLEDGE BY:


Donna Hirt, Co-Trustee


Vernon Hirt, CO-Trustee



PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 5th day of February, 2018, by and between Vernon Hirt Trust dated December 5, 1991, with Vernon Hirt and Donna Hirt as Co-Trustees, whose mailing address is 12640 NW Turkey Ln., Sawyer Ks, hereinafter called Lessor (whether one or more) and GRIFFIN MANAGEMENT, LLC, whose post office address is P.O. Box 347 Pratt, Kansas 67124, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and more (\$10.00+) DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased, and let, and by these presents does grant, demise, lease, and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save, and take care of said products, all that certain tract of land situated in the County of Pratt State of Kansas, described as follows, to-wit:

T29S-R15W of the 6th P.M.

Section 29: SE/4

together with any reversionary rights therein, and together with all strips or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 160 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of two (2) year from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or reworking operations thereof, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and 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 of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.
2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.
3. In consideration of the premises the said Lessee covenants and agrees:
 - a. To deliver to the credit of Lessor, free of cost, in the pipeline 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.
 - b. To pay Lessor for gas of whatsoever nature or kind (with all of its constituents) produced and sold or used off the leased premises, or used in the manufacture of products therefrom one-eighth (1/8) of the actual amount received by the Lessee, said payments to be made monthly.
4. During any period (whether before or after expiration of the primary term hereof) when gas is not being so sold or used and the well or wells are shut in and there is no current production of oil 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 royalty 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 gas is being produced within the meaning of the entire lease.
5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid to the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.
6. 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.
7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.
8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.
9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.
10. 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.
11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.
12. Lessee shall have the right, but not the obligation, to pool all or any part of the Leased Premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this Lease, either before or after the commencement of 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 160 acres for a gas well or a 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 well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal completion" means a well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. 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, drilling or reworking operations anywhere on a unit which includes all or any part of the Leased Premises shall be treated as if it were production, drilling or reworking operations on the Leased Premises, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the Leased Premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.

"ADDENDUM"

Attached to and made part of that certain oil and gas lease dated February 5th, 2018 by and between Vernon Hirt Trust dated December 5, 1991, with Vernon Hirt and Donna Hirt as Co-Trustees, as Lessor, and Griffin Management, LLC, as Lessee, covering 1280 acres more or less of land described in Exhibit "A"

The provision of this "ADDENDUM" shall control and supersede terms of the attached oil and gas lease when terms conflict.

1. It is understood by Lessor and Lessee that this lease shall be treated as a separate lease for each of the tracts described in the property description paragraph or Exhibit "A" and any production secured on each of these tracts shall hold only the tract where such production is obtained and unit of which said tract is a part of.
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3. IRRIGATED LANDS: If the Lessee conducts any drilling operations upon any portion of the herein-described real estate that is irrigated by any manner or method, the Lessee shall use portable tanks and shall not permit drilling mud to remain on such premises. Lessee may construct the larger reserve pit, and when the fluids drilling mud are dry, all drilling mud will be removed, and the pits closed as herein provided. Should an irrigation system situated on the leased premises be damaged by Lessee's drilling and/or completion operations, said irrigation systems(s) will be restored to their original operational configuration and function. Lessee shall not go upon or conduct any operations upon the *irrigated portion* of the above-described real estate from April 15 and the end of harvest in the fall in any calendar year unless given written permission by the Lessor and Lessor agrees not to unreasonably withhold such consent. Crop damages, will be paid upon the basis of average field yield average price at maturity, plus any loss as a result of lower crop yield due to operations of the Lessee which timely irrigation of said crops. Lessee agrees to consult with the Lessor on approval of the placement of the drilling rig to cause the least interruption, if any, to any type or kind of irrigation system now in place on the leased premises. Lessor agrees not to unreasonably withhold such approval. Should production of oil or gas from any well located in the area watered by Lessor's irrigation system, Lessee agrees to place pumping equipment in such a manner as to least obstruct or interfere with said irrigation system.
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This amount will cover one well site of not more than three acres and road totaling not over one acre. Any land damages or use in excess of such four acres shall be paid separately immediately after completion of drilling operations.

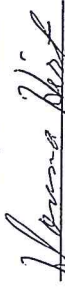
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9. RELEASE OF DEPTHS: It is understood and agreed that three (3) years beyond the expiration of the primary term or any extension or renewal of the primary term, whichever occurs last, this lease shall automatically terminate as to all rights lying 200 feet below; (1) the deepest depth drilled in any well drilled on the leased premises or on lands pooled therewith, and or (2) the stratigraphic equivalent of the base of the deepest formation producing or capable of producing from any well drilled on the leased premises or on lands pooled therewith, whichever is the deepest.
10. INDEMNIFICATION: Lessee shall indemnify and hold Lessor harmless, (*including but not limited to, Lessor's family, Lessor's farming business, other business partners, associates or employees or any other persons or entities connected to Lessor in any manner*) from any claims, damages, actions or causes of action arising out of Lessee's operation and development of this lease. This lease agreement, its Addendum and all its terms, conditions and stipulations contained therein shall extend to and be binding on all of the heirs, administrators, executors, trustees, successors and assigns of Lessor and Lessee so long as this lease remains in force and effect.
11. CESSATION, DRILLING AND REWORKING: (A) In the event production in paying quantities of oil or gas on the leased premises, after once obtained, shall cease for any cause within ninety (90) days prior to the expiration of the primary term of this lease, this lease shall not terminate if the Lessee commences additional drilling or reworking operations within (90) days after such cessation. This lease shall remain in full force and effect so long as such operations continue in a good faith and workmanlike manner without interruptions not totaling more than ninety (90) days during any one such operation. If such drilling or reworking operations result in the production of oil or gas in paying quantities, this lease shall remain in full force and effect so long as oil or gas is produced in paying quantities or payment of shut-in gas well royalties are made as hereinbefore provided in the lease.(B) Should production of oil and/or gas in paying quantities cease after the expiration of the primary term, or any extension thereof on lands described herein or unitized therewith, Lessee shall have one hundred eighty (180) calendar days from the date of cessation to re-establish production in paying quantities. Lessee shall notify Lessor, in writing, within 30 calendar days of any such cessation of production from this lease or any other lease (s) unitized with the described premises.(C) In the event Lessee is not able to re-establish production as provided for in paragraph (B) of this provision, this lease then shall be deemed, no longer in force and effect. Lessee will, within 60 calendar days, remove all production equipment situated on the surface in force and effect. Lessee shall restore the surface to its original contour and condition as nearly as is practicable. Lessee may, at his option, draw and remove as much of the production casing from the well bore as desired. The plugging of a non-producing well shall remain the responsibility of the Lessee.
12. LESSOR PURCHASE OF GAS: Lessor reserves the right to purchase gas for farm purposes, including but not limited to irrigation purposes from wells located on the above-described real estate or from any real estate unitized with the above-described real estate. Lessor shall make all connections for these purposes at their sole cost, expense and liability, and Lessor shall conform to the engineering specifications of Lessee's production department. Lessor shall pay Lessee for any gas purchased for irrigation purposes in the amount per MCF equal to the price then in effect under any contract under which Lessee is selling gas from the gas well on the above-described real estate or any unitized real estate to a third party. The amount of gas which the Lessor may purchase hereunder shall be limited to one-eighth (1/8) of the entire amount of gas produced from wells located upon the above-described real estate or from the real estate unitized therewith.
13. Saltwater disposal: Lessee shall not be permitted to use any existing well or any well drilled on the leased premises as a salt water disposal well for the disposal of salt water produced off the premises unless separately agreed between Lessor and Lessee, provided, however, Lessee shall have right to drill a saltwater disposal well for disposition of saltwater from wells drilled on any lands covered by this lease. A water injection well is not to be construed as a saltwater disposal well. No disposal without Lessors compensation.
14. All pipelines shall be laid to a minimum depth of 36" below surface.
15. No water may be used from ponds, creeks, streams, or wells of Lessor without written consent of Lessor and compensating Lessor therefor. Lessee may drill own freshwater well for drilling and completion projects on above acreage. Lessor may keep fresh water well in lieu of payment for water. No drilling operations within 500 ft. of natural springs or streams without prior written permission.
16. It is agreed that Lessor shall bear no cost of gas treatment, dehydration, compression, transportation, marketing or water hauling charged to the lease by Lessee. , however, that the cost of gathering paid to a third party gas purchaser to market gas produced from the leased premises shall be an allowable deduction. It is further agreed that Lessor shall receive Lessors' proportionate royalty share of all monies received by lessee for oil and/or gas production attributable to this lease, including any premiums, rebates and refunds of any kind or nature paid to Lessee and any take-or-pay payments, production payments, contract buy downs which directly reduce the amount of royalty revenue Lessor would otherwise receive from oil and/or gas production from this lease. Lessor will be responsible only for properly assessed taxes against Lessor's royalty. However, in no event shall Lessor receive a price that is less than, or more than, the price received by Lessee.

17. Lessee is granted the option to extend the primary term granted herein for an additional 24 months. This option must be exercised by paying the Lessor an Extension Bonus of fifty dollars (\$ 50.00) per net mineral acre for any acreage not held by production or in a production unit. Bonus is to be paid prior to expiration of the primary term.
18. In the event Lessor considers that Lessee has not complied with all its obligations hereunder, either express or implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this Lease. Lessee shall then have sixty (60) days after service of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be a condition precedent to the bringing of any action by Lessor on this Lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of said notice. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform its obligations hereunder. This Lease shall never be forfeited or cancelled for the failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and Lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

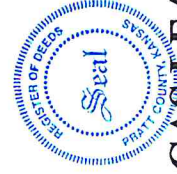
AGREE and ACKNOWLEDGE BY:



Vernon Hirt, Co-Trustee



Donna Hirt, Co-Trustee



OIL AND GAS LEASE

AGREEMENT, Made and entered into the 5th day of February, 2018, by and between VERDON Inc., whose mailing address is 12640 NW Turkey Ln., Sawyer Ks, hereinafter called Lessor (whether one or more) and GRIFFIN MANAGEMENT, LLC, whose post office address is P.O. Box 347 Pratt, Kansas 67124, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and more (\$10.00+) DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased, and let, and by these presents does grant, demise, lease, and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save, and take care of said products, all that certain tract of land situated in the County of Pratt State of Kansas described as follows, to-wit:

See Exhibit "A" Attached Hereto

together with any reversionary rights therein, and together with all strips or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 2459 Acres, more or less.

1. It is agreed that this lease shall remain in force for a term of two (2) year from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or reworking operations thereof, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and 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 of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.
2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.
3. In consideration of the premises the said Lessee covenants and agrees:
 - a. To deliver to the credit of Lessor, free of cost, in the pipeline 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.
 - b. To pay Lessor for gas of whatsoever nature or kind (with all of its constituents) produced and sold or used off the leased premises, or used in the manufacture of products therefrom one-eighth (1/8) of the actual amount received by the Lessee, said payments to be made monthly.
 4. During any period (whether before or after expiration of the primary term hereof) when gas is not being so sold or used and the well or wells are shut in and there is no current production of oil 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 royalty 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 gas is being produced within the meaning of the entire lease.
 5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the to the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.
 6. 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.
 7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.
 8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.
 9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.
 10. 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.
 11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.
 12. Lessee shall have the right, but not the obligation, to pool all or any part of the Leased Premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this Lease, either before or after the commencement of 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%, provided that a larger unit may be and 160 acres for a gas well or a 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 well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal completion" means a well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. 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, drilling or reworking operations anywhere on a unit which includes all or any part of the Leased Premises shall be treated as if it were production, drilling or reworking operations on the Leased Premises, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, and Lessee shall have the recurring acreage determination made by such governmental authority. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the Leased Premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.

EXHIBIT "A"

The subject Oil and Gas Lease covers all of Lessor's right, title and interest in and to the oil, gas and other minerals located in Pratt County, Kansas, more fully described as follows:

T29S-R15W of the 6th P.M.

TRACT #1- SECTION 30: NW/4

TRACT #2- SECTION 20: SE/4

TRACT #3- SECTION 21: 183 AC OUT OF THE W/2

TRACT #4- SECTION 29: N/2 AND THE SW/4

Tract #5- SECTION 28: W/2NW/4; SW/4; E/2NW/4; W/2NE/4

Tract#6- SECTION 4: E/2SW/4

T28S-R15W of the 6th P.M.

TRACT #7- SECTION 32: SW/4

T29S-R15W of the 6th P.M.

TRACT # 7- SECTION 22: S/2 and NE/4

TRACT #8- SECTION 10: SW/4

TRACT #9- SECTION 15: NW/4

"ADDENDUM"

Attached to and made part of that certain oil and gas lease dated February 5th, 2018 by and between VERDON Inc., as Lessor, and **Griffin Management, LLC**, as Lessee, covering 2459.0 acres more or less of land described in Exhibit "A"

The provision of this "ADDENDUM" shall control and supersede terms of the attached oil and gas lease when terms conflict.

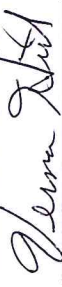
1. It is understood by Lessor and Lessee that this lease shall be treated as a separate lease for each of the tracts described in the property description paragraph or Exhibit "A" and any production secured on each of these tracts shall hold only the tract where such production is obtained and unit of which said tract is a part of.
2. MINIMUM ANNUAL ROYALTY: Royalty due Lessor from any well producing oil or gas on lands covered by this lease or from a well or wells on lands unitized with this lease, shall not be less than Twenty Dollars (\$20.00) per net mineral acre per year, payable from the date of first production from any such well and to be adjusted every ten(10) years for inflation.
3. IRRIGATED LANDS: If the Lessee conducts any drilling operations upon any portion of the herein-described real estate that is irrigated by any manner or method, the Lessee shall use portable tanks and shall not permit drilling mud to remain on such premises. Lessee may construct the larger reserve pit, and when the fluids drilling mud are dry, all drilling mud will be removed, and the pits closed as herein provided. Should an irrigation system situated on the leased premises be damaged by Lessee's drilling and/or completion operations, said irrigation systems(s) will be restored to their original operational configuration and function. Lessee shall not go upon or conduct any operations upon the *irrigated portion* of the above-described real estate from April 15 and the end of harvest in the fall in any calendar year unless given written permission by the Lessor and Lessor agrees not to unreasonably withhold such consent. Crop damages, will be paid upon the basis of average field yield average price at maturity, plus any loss as a result of lower crop yield due to operations of the Lessee which timely irrigation of said crops. Lessee agrees to consult with the Lessor on approval of the placement of the drilling rig to cause the least interruption, if any, to any type or kind of irrigation system now in place on the leased premises. Lessor agrees not to unreasonably withhold such approval. Should production of oil or gas from any well located in the area watered by Lessor's irrigation system, Lessee agrees to place pumping equipment in such a manner as to least obstruct or interfere with said irrigation system.
4. NOTIFICATION BY LESSEE: Lessee agrees to contact Lessor prior to entry upon described lands for the purpose of conducting drilling, seismic or other exploration operations. In the event Lessee or his agents desire to conduct any type or kind of seismic operations, Lessee will first obtain written permission, in the form of a "*seismic permit*", from Lessor prior to the conduct of such seismic operations. Lessee will consult with Lessor and/or Lessor's tenant with regards to acceptable routes of ingress/egress to and from lands covered by this lease. Lessor agrees not to un-reasonably restrict or withhold access to described lands for the intended purpose(s) of this lease agreement.
5. DESIGNATION OF EQUIPMENT PLACEMENT AND ROADWAYS; SURFACE REQUIREMENTS: Lessee will contact Lessor and mutually agree upon the location of any pipelines, tank batteries or other equipment on the leased premises. There shall be no oil road surfaces or hard surfacing of any access roads without the written consent of Lessor. Lessor reserves the right to designate the direction and location of every roadway on the premises, and all permanent lease roads shall not exceed 15 feet in width and all temporary lease roads shall not exceed 30 feet in width. The location of such equipment, road-ways and any other facilities for producing said production shall be located in such a manner as to cause the least interference with Lessor's farming and/or ranching operations on said land. Lessee shall cause corner posts and braces to be set to Lessor's satisfaction before any fence is cut for entry of roadway on the premises. Any entry so made shall have a cattle guard placed in said entry if well is not abandoned within 90 days of commencement of drilling operations. Cattle guards shall be maintained at a level so that debris does not accumulate.
6. RESTORATION OF SURFACE: Lessee shall restore the surface of the lands described herein to its original contour and condition as nearly as is practicable upon completion of exploration, seismic, drilling, re-working or other operations conducted by Lessee. Further, such surface restoration shall include the rebuilding of any terrace damaged by Lessee, Lessee's assigns or agents. Top soil will be kept apart from other soil disturbed by drilling operations. When the well has been completed, the top soil will be returned to the surface of the well site. In the event there is no production in paying quantities found by any operations undertaken by Lessee during the primary term of the lease and there is an abandonment of said lease, Lessee shall fill all pits, ponds, remove all structures and reasonably restore the premises to the condition existing at the time the lease is executed. Within 6 months after the expiration of the lease by its terms, Lessee shall have the obligation to restore, as nearly as practicable, the leased premises to the same condition as received: natural wear and tear and damages by the elements excepted.
7. DRILL SITE AND CROP DAMAGES: It is understood and agreed that the Lessee agrees to pay for damages to crops and any personal property situated on the leased premises caused by the drilling of any well or placing of any pipes, pipelines, pumps and tank batteries relating to such well which shall be placed on said property. As *land damage*, Lessee will pay the surface owner Minimum surface damages of \$2,500.00 per well in advance of ingress of drilling equipment, as a deposit toward damages to land and grass caused by Lessee's operations thereon. In the event damages are greater than the amount paid, Lessee shall settle promptly for excess damages. In the event damages are less than or equal to the deposit paid, no additional amount will be owed.

This amount will cover one well site of not more than three acres and road totaling not over one acre. Any land damages or use in excess of such four acres shall be paid separately immediately after completion of drilling operations.

8. PITS – DRY LAND: Any pits dug in connection with drilling operations upon non-irrigated lands covered by this lease, shall be dug in such a manner as to prevent entry of runoff and overflow. When necessary, all pits and drill sites shall be securely fenced to the satisfaction of Lessor. After drilling operations are completed, Lessor shall have the option of using said pits for livestock ponds and any pits so used by Lessor relieves Lessee of the obligation of returning said pits to the condition which excited prior to this lease.
9. RELEASE OF DEPTHS: It is understood and agreed that three (3) years beyond the expiration of the primary term or any extension or renewal of the primary term, whichever occurs last, this lease shall automatically terminate as to all rights lying 200 feet below; (1) the deepest depth drilled in any well drilled on the leased premises or on lands pooled therewith, and or (2) the stratigraphic equivalent of the base of the deepest formation producing or capable of producing from any well drilled on the leased premises or on lands pooled therewith, whichever is the deepest.
10. INDEMNIFICATION: Lessee shall indemnify and hold Lessor harmless, (*including but not limited to, Lessor's family, Lessor's farming business, other business partners, associates or employees or any other persons or entities connected to Lessor in any manner*) from any claims, damages, actions or causes of action arising out of Lessee's operation and development of this lease. This lease agreement, its Addendum and all its terms, conditions and stipulations contained therein shall extend to and be binding on all of the heirs, administrators, executors, trustees, successors and assigns of Lessor and Lessee so long as this lease remains in force and effect.
11. CESSATION, DRILLING AND REWORKING: (A) In the event production in paying quantities of oil or gas on the leased premises, after once obtained, shall cease for any cause within ninety (90) days prior to the expiration of the primary term of this lease, this lease shall not terminate if the Lessee commences additional drilling or reworking operations within (90) days after such cessation. This lease shall remain in full force and effect so long as such operations continue in a good faith and workmanlike manner without interruptions not totaling more than ninety (90) days during any one such operation. If such drilling or reworking operations result in the production of oil or gas in paying quantities, this lease shall remain in full force and effect so long as oil or gas is produced in paying quantities or payment of shut-in gas well royalties are made as hereinbefore provided in the lease.(B) Should production of oil and/or gas in paying quantities cease after the expiration of the primary term, or any extension thereof on lands described herein or unitized therewith, Lessee shall have one hundred eighty (180) calendar days from the date of cessation to re-establish production in paying quantities. Lessee shall notify Lessor, in writing, within 30 calendar days of any such cessation of production from this lease or any other lease (s) unitized with the described premises.(C) In the event Lessee is not able to re-establish production as provided for in paragraph (B) of this provision, this lease then shall be deemed, no longer in force and effect. Lessee will, within 60 calendar days, remove all production equipment situated on the surface of the leased premises and restore the surface to its original contour and condition as nearly as is practicable. Lessee may, at his option, draw and remove as much of the production casing from the well bore as desired. The plugging of a non-producing well shall remain the responsibility of the Lessee.
12. LESSOR PURCHASE OF GAS: Lessor reserves the right to purchase gas for farm purposes, including but not limited to irrigation purposes from wells located on the above-described real estate or from any real estate unitized with the above-described real estate. Lessor shall make all connections for these purposes at their sole cost, expense and liability, and Lessor shall conform to the engineering specifications of Lessee's production department. Lessor shall pay Lessee for any gas purchased for irrigation purposes in the amount per MCF equal to the price then in effect under any contract under which Lessee is selling gas from the gas well on the above-described real estate or any unitized real estate to a third party. The amount of gas which the Lessor may purchase hereunder shall be limited to one-eighth (1/8) of the entire amount of gas produced from wells located upon the above-described real estate or from the real estate unitized therewith.
13. Saltwater disposal: Lessee shall not be permitted to use any existing well or any well drilled on the leased premises as a salt water disposal well for the disposal of salt water produced off the premises unless separately agreed between Lessor and Lessee, provided, however, Lessee shall have right to drill a saltwater disposal well for disposition of saltwater from wells drilled on any lands covered by this lease. A water injection well is not to be construed as a saltwater disposal well. No disposal without Lessors compensation.
14. All pipelines shall be laid to a minimum depth of 36" below surface.
15. No water may be used from ponds, creeks, streams, or wells of Lessor without written consent of Lessor and compensating Lessor therefor. Lessee may drill own freshwater well for drilling and completion projects on above acreage. Lessor may keep fresh water well in lieu of payment for water. No drilling operations within 500 ft. of natural springs or streams without prior written permission.
16. It is agreed that Lessor shall bear no cost of gas treatment, dehydration, compression, transportation, marketing or water hauling charged to the lease by Lessee. , however, that the cost of gathering paid to a third party gas purchaser to market gas produced from the leased premises shall be an allowable deduction. It is further agreed that Lessor shall receive Lessors' proportionate royalty share of all monies received by lessee for oil and/or gas production attributable to this lease, including any premiums, rebates and refunds of any kind or nature paid to Lessee and any take-or-pay payments, production payments, contract buy downs which directly reduce the amount of royalty revenue Lessor would otherwise receive from oil and/or gas production from this lease. Lessor will be responsible only for properly assessed taxes against Lessor's royalty. However, in no event shall Lessor receive a price that is less than, or more than, the price received by Lessee.
17. Lessee is granted the option to extend the primary term granted herein for an additional 24 months. This option must be exercised by paying the Lessor an Extension Bonus of fifty dollars (\$ 50.00) per net mineral acre for any acreage not held by production or in a production unit. Bonus is to be paid prior to expiration of the primary term.

18. In the event Lessor considers that Lessee has not complied with all its obligations hereunder, either express or implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this Lease. Lessee shall then have sixty (60) days after service of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be a condition precedent to the bringing of any action by Lessor on this Lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of said notice. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform its obligations hereunder. This Lease shall never be forfeited or cancelled for the failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and Lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

AGREE and ACKNOWLEDGE BY:



Vernon Hirt, President



GRIFFIN MANAGEMENT LLC

P.O. Box 347 • Pratt, KS 67124 • 972-342-4648

March 21, 2019

Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604-4027

Attn: Rick Hesterman

Dear Rick,

The Addie #1 is located less than 330' from the section line, due to the proximity of a low area. All three leases covering both sides of the section line are the same owner, but different entities. Please find attached the leases for each parcel that shows the pooling agreement in paragraph 12 of each lease.

If you have any questions, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles N. Griffin".

Charles N. Griffin



Conservation Division
266 N. Main St., Ste. 220
Wichita, KS 67202-1513

Phone: 316-337-6200
Fax: 346-337-6211
<http://kcc.ks.gov/>

Dwight D. Keen, Chair
Shari Feist Albrecht, Commissioner
Jay Scott Emler, Commissioner

Laura Kelly, Governor

March 21, 2019

972-342-4648
Griffin, Charles N.
PO BOX 347
PRATT, KS 67124-0347

Re: Drilling Pit Application
Addie 1
SW/4 Sec.28-29S-15W
Pratt County, Kansas

Dear 972-342-4648:

District staff has inspected the above referenced location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has recommended that the reserve pit be lined with bentonite or native clay, constructed **without slots**, the bottom shall be flat and reasonably level and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again within 72 hours after drilling operations have ceased.

KEEP PITS away from draw/drainage.
KEEP PITS on West side of stake.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 682-7933 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through KOLAR within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the District Office at (620) 682-7933.