

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

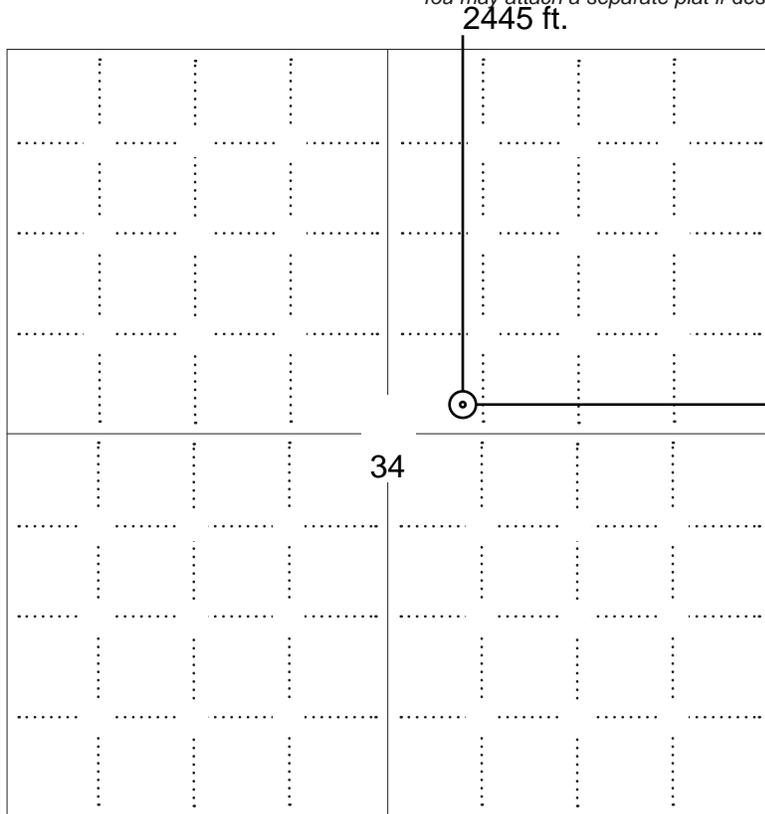
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

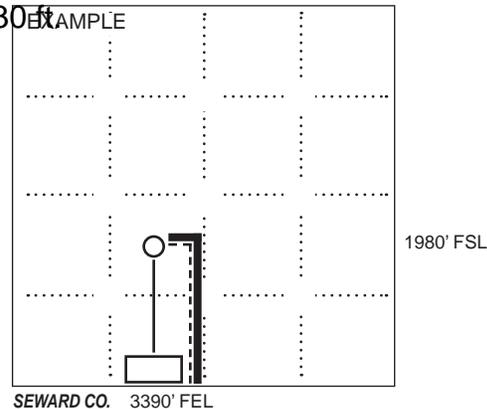
Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).

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 locaton.

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

Form CDP-1
May 2010
Form must be Typed

APPLICATION FOR SURFACE PIT

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.	
<p>Submitted Electronically</p>			

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

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



DRILLING COMPANY, INC.
WICHITA, KANSAS

**ATTACHMENT TO NOTICE OF INTENT TO DRILL &
CERTIFICATION OF COMPLIANCE WITH THE
KANSAS SURFACE OWNER NOTIFICATION ACT (KSONA-1 FORM)**

**MUCHMORE-THORNBURG UNIT #1-34
SW/4 NE/4 34-15S-26W
GOVE COUNTY, KANSAS**

Name and address of additional surface owner:

N/2 SE/4 & SE/4 SE/4 Section 34-15S-26W

The Charles A. Schaefer and Karen S. Schaefer Living Trust dated November 2, 1994
Karen S. Schaefer, Trustee
30 E. Pamela Road
Arcadia CA 91006



OIL AND GAS LEASE

THIS AGREEMENT, Made and entered into the 24th day of May, 2017,

by and between Muchmore Family Revocable Living Trust dated August 15, 1990

30 E. Pamela Road, Arcadia, California 91006

hereinafter called Lessor (whether one or more),

and MULL DRILLING COMPANY, INC., 1700 N. Waterfront Pkwy., Bldg. 1200, Wichita, Kansas 67206, hereinafter called Lessee:

Lessor, in consideration of Ten and more Dollars (10.00) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical, including but not limited to 3-D seismic, and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after acquired interest, therein situated in County of Gove, State of Kansas described as follows, to-wit:

Township 15 South, Range 26 West

Section 34: N/2SE/4, SE/4SE/4

and containing 120 acres, more or less, and all accretions thereto.

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

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

1st. To tender to lessor, free of cost, one-eighth (1/8) of all proceeds received by lessee for oil produced and sold from the leased premises.

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

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

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

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

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

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

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

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

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

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

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

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

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 80 acres each in the event of a vertical oil well and 640 acres each for a horizontal oil well, or into a unit or units not exceeding 640 acres each in the event of a vertical or horizontal gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

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

MUCHMORE FAMILY REVOCABLE LIVING TRUST DATED AUGUST 15, 1990

Neoma E. Muchmore, Co-Trustee

By: *Karen S. Schaefer*
Karen S. Schaefer, Co-Trustee

Neoma E. Muchmore, Co-Trustee

STATE OF CALIFORNIA)
) ss. ACKNOWLEDGMENT FOR INDIVIDUAL
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2017,
by Neoma E. Muchmore and Karen S. Schaefer, as co-trustees of the Muchmore Family Revocable Living Trust dated August 15, 1990.

My commission expires: _____
Notary Public

Typed/Printed Name

* See attached for notary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Los Angeles)
On June 10, 2017 before me, Tiffany Rizkallah, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Deanna E. Luchmore and Keven S. Sauerfer
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Tiffany Rizkallah
Signature of Notary Public
Tiffany Rizkallah

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Orlando Lease Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Corporate Officer — Title(s): _____
- Partner — Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other: _____

Signer Is Representing: _____

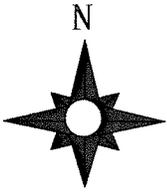
Signer's Name: _____

- Corporate Officer — Title(s): _____
- Partner — Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other: _____

Signer Is Representing: _____

12409

Mull Drilling Company, Inc.
Proposed Location of Roads, Lines, and Tank Battery



NE 1/4
Sec. 34



34

Ingress

Proposed Battery

Proposed
Flow line

Proposed
Electric

0 660 ft

Unit Name: Muchmore-Thornburg Unit# 1-34
Location: 2130' FEL & 2445 FNL of Sec. 34-T15S-R26W
Gove County, KS





STATE OF KANSAS, GOVE COUNTY SS
REGISTER OF DEEDS

Book: 200 Page: 940-943

Receipt #: 25892
Pages Recorded: 4

Recording Fee: \$60.00

Christy J. Smith

Date Recorded: 5/25/2017 12:42:36 PM

FORM 88 - (PRODUCER'S SPECIAL) (PAID-UP)

M63U (Rev. 1981)

OIL AND GAS LEASE

THIS AGREEMENT, Made and entered into the 25th day of April, 2017

by and between Thomburg Irrevocable Trust, dated December 27, 2012 *THOMBURG COMPANY*

whose mailing address is 7852 County Road A, Ulice, Ks 67584 hereinafter called Lessor (whether one or more),

and MULL DRILLING COMPANY, INC., 1700 N. Waterfront Pkwy, Bldg 1200, Wichita, KS 67206, hereinafter called Lessee:

Lessor, in consideration of One and More Dollars (\$ 1.00 & More) in hand paid, the receipt of which is hereby acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical, including but not limited to 3-D seismic, and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees; the following described land, together with any reversionary rights and after acquired interest, therein situated in

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

Township 15 South, Range 26 West
Section 34: NE/4

See Addendum attached hereto and made a part hereof

in Section _____ Township _____ Range _____ and containing 160 acres, more or less, and all accretions thereto.

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

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

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

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

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

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operation thereon, except water from the wells of lessor. When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.

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

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

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

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

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

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one

12389

another and to be into a unit or units not exceeding 80 acres each in the event of a vertical oil well and 640 acres each for a horizontal oil well, or into a unit or units not exceeding 640 acres each in the event of a vertical or horizontal gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

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

THORNBURG IRREVOCABLE TRUST, dated December 27, 2012


Coralee Thornburg, Trustee

STATE OF KANSAS)
COUNTY OF COVE) ss. ACKNOWLEDGMENT FOR INDIVIDUAL (KSOKCONE)

The foregoing instrument was acknowledged before me this 26th day of April, 2017,
by Coralee Thornburg, Trustee of the Thornburg Irrevocable Trust, dated December 27, 2012.

My commission expires: 3-5-2020  _____
Notary Public

MIKE A. JOHNSON
NOTARY PUBLIC
STATE OF KANSAS
MY COMMISSION EXPIRES 3-5-2020

STATE OF _____)
COUNTY OF _____) ss. ACKNOWLEDGMENT FOR INDIVIDUAL (KSOKCONE)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____,
by _____

My commission expires: _____
Notary Public

ADDENDUM TO OIL AND GAS LEASE

Attached to and made part of that certain Oil and Gas Lease dated April 25, 2017, from Coralee Thornburg, Trustee of the Thornburg Irrevocable Trust dated December 27, 2012 as Lessor, to Mull Drilling Company, Inc., as Lessee. This Addendum is a part of that certain Oil and Gas Lease identified above by date and parties to the same extent as if the provisions hereof had originally been written in said lease. In the event of conflict between the lease provisions and the provisions provided in this Addendum, the provisions of this Addendum shall be binding.

1. No well shall be drilled nearer than 300 feet to the house, barn, ponds, or other structures now located on the premises and 400 feet from any water wells without written consent of the lessor.
2. Lessee or its assigns shall not be allowed to use fresh water from the lease premises including streams, creeks, ponds or water wells without the written consent of the lessor.
3. It is understood and agreed that the lessee when constructing or preparing the well site and slush pits shall construct the same in such a manner that the topsoil is removed separate from the subsoil so that the topsoil and the subsoils will not be mixed when the well site is restored and/or the slush pit is filled. When restoring the well site or the slush pit to its prior condition, lessee shall use subsoils first and the topsoil last so that the well site and slush pit will be returned to or near its original condition as possible. The well site and slush pits will be constructed and filled in compliance with state regulations. Prior to filling any pits containing a plastic liner, the liner will be removed or destroyed to such an extent that it will not interfere with the cultivation or the free penetration of water.
4. All pits shall be filled and leveled within one hundred twenty (120) days from the date drilling and testing or reworking operations from which such pits are used or terminated, or at the option of the operator within ninety (90) days from the date that such pits have dried sufficiently to allow filling and leveling, subject to rain or other acts of God. Lessee, its agents, licensees or assigns shall keep the land of the lessor in a tidy condition and shall not allow any debris, junk or other materials not immediately necessary for its operation to accumulate about the location or the lands of the lessor. At the conclusion of any drilling or reworking operations, the lands of the lessor shall be restored as nearly as practicable to the condition just prior to such operations except such portion thereof as are required for the continued use in the event of production. Following the conclusion of production, all of lessor's land used by the lessee and its operation shall be restored as nearly as practicable to the condition existing on such land at the commencement of the lessee's operations thereof.
5. Lessee or assigns further agrees to reimburse and indemnify the lessor for any contract damages, fines, penalties or loss of rental payments as it pertains to any portion of the lease which may be enrolled in the farm conservation reserve program (CRP) with USA or any of its subsidiaries. In the event the leased land is grass or native pasture, lessee or assigns agree to bear the expense to reseed the area to CRP-qualified grass.
6. Lessee further agrees to pay to lessor a reasonable amount, but not less than \$4,000 for each drill site location on the lease premises. As further consideration hereunder, lessee agree to pay to lessor a minimum of \$5 per rod, plus crop damages, for any pipeline installed or constructed on the above land, whether or not connecting to the well on the leased premises. All damages payable under this paragraph shall be due and payable on or before three (3) months after such damages occur.
7. Before commencing drilling operations, lessee will consult with lessor for the routes of temporary ingress and egress and as to the placement of roads, rights of way, construction sites, placement of tank batteries and other production equipment. Pipelines, lateral and electric lines shall be buried a minimum of three feet in depth in a manner to offer the least amount of interferences to farming operations. Any tanks, leased roads, pipelines, electric lines and other appurtenances necessitated by its operations or the lands so as to not interfere with the lessor's use of the property including the operations and the movement of any irrigation equipment or the irrigation system, water wells, water pipe line and underground electrical lines used for any operation of an irrigation system. Lessor reserves the right to designate the direction and location of every road or roadway on the premises and no road or roadway easement shall be constructed to or from any well location or drill site except as may be so designated by lessor. At the request of the lessee, the lessor shall designate the location of a road suitable in lessee's opinion for lessee's operations. Roadways shall be kept and maintained at lessee's expense, in good condition and in such manner that will protect lessors abutting land from erosion resulting from water washing over or along the roadway and preclude the damming of water flow over the surface of the lessor's land by reason of the existence of the roadway. Lessee shall not allow any noxious or unsightly weeds or grasses to grow or accumulate on or along the location, tank batteries, access roads or any other parcel of around used in the lessee's operations. It is understood and agreed that when any well or subsequent wells drilled on the premises are completed within 500 feet of any dwelling house or houses

- located near the vicinity, and a pumping unit is installed, the pumping unit will be powered by an electric motor so as to least interfere with the occupation.
8. Lessee shall have six (6) months after the termination of the lease to remove all of lessee's property, including casing if with six (6) months after the termination of the lease. Lessee has not removed its property and lessor has not requested its removal. Lessee shall conclusively presumed to having abandoned its property and it shall become the property of the lessor. However, lessor agrees to be reasonable in working with lessee regarding said removal term in the event of wet weather or acts of God in order to prevent damage to the real property. Any such abandonment shall not relieve lessee of the duty to plug any well or wells drilled on the premises in accordance with any applicable statutes, rules or regulations.
 9. Lessee shall use all reasonable care and precaution so as to not in any way damage or contaminate any ponds or other fresh water supplies located on the premises. Lessee agrees to take into consideration any water wells now on the property and agrees to protect the purity of the water. Lessee shall leave casing in any oil or gas well drilled from the ground level to a minimum of 200 feet.
 10. Lessee shall fence all pits, tank batteries, drilling locations or other operations wherever livestock operations are present. Lessee shall use cattle guards rather than gates. Lessee shall additionally fence all pits, tank batteries, drilling locations or other operations on cultivated ground when notified by lessor that said crop ground is to be utilized by lessor for the grazing or wintering of livestock. Said guards and gates shall be installed and maintained at lessee's expense and become the property of the surface owner upon abandonment by lessee.
 11. Lessee shall conduct its operations on the leased premises in such manner that water from the leased premises will continue to drain in the manner and in the amount as before lessee's operation. In that regard, lessee's obligations shall include, where necessary, the use of culverts and/or bridges of adequate size so as not to inhibit the natural water drainage. Lessee shall not lay a pipeline or power line, maintain a road or drive through or across a waterway or terrace without the consent of the lessor. If lessor consents to lessee crossing a terrace or waterway, then lessee shall restore or waterway to as near its original condition as possible and during the continuation of this oil and gas lease will repair any break in such terrace or waterway, where it was crossed. Any such repairs shall be made in accordance with the standards and recommendations of the county farm service agency.
 12. It is agreed between the lessor and lessee that, notwithstanding any language herein to the contrary, all oil, gas or other proceeds accruing to the lessor under this lease or by state law shall be without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and marketing the oil, gas and other products produced hereunder to transform the product into marketable form; however, any such costs which result in enhancing the value of the marketable oil, gas or other products to receive a better price may be deducted from lessor's share of production so long as they are based on lessee's actual cost of such enhancements.
 13. Lessee agrees to indemnify and hold harmless lessor from any clean up necessary to comply with any federal or state government regulations from spills or hazardous waste caused by lessee's exploration for oil and gas.
 14. By filing of the oil and gas lease and this ADDENDUM attached, the lessee accepts the terms as written.
 15. This lease and all attachments shall be binding upon lessor and lessee and upon the transferees, successors and assigns of the lessee.
 16. Horizontal drilling operations shall be allowed with the written consent of the lessor.