

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

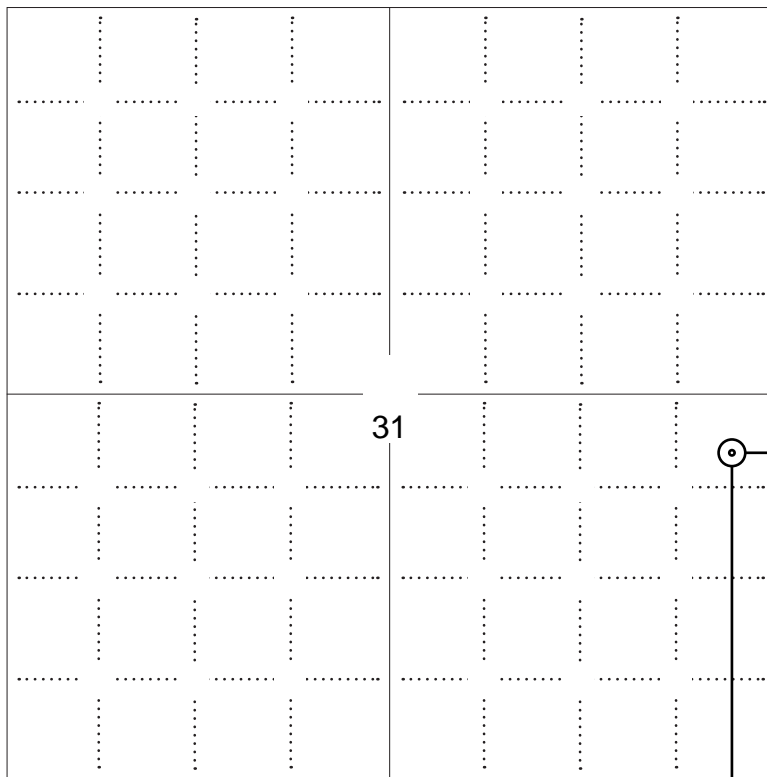
Is Section:  Regular or  Irregular

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

Section corner used:  NE  NW  SE  SW

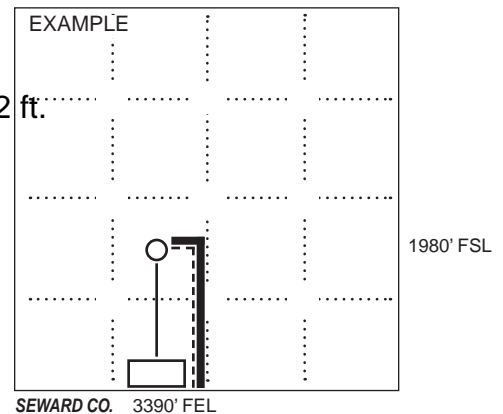
**PLAT**

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 locaton.**

2234 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	
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> 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			

<b>KCC OFFICE USE ONLY</b>			
		<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



00-01s-40w-2021  
CRD NO.

00-01s-40w  
DMT NO.

# PRO-STAKE

LLC

Construction Site Staking

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

14818A  
INVOICE NO.



**Palomino Petroleum, Inc.**  
OPERATOR

**Cheyenne County, KS**  
COUNTY

**Arikaree Breaks #1**  
LEASE NAME

**2234' FSL - 292' FEL**  
LOCATION SPOT

**3311.3'**  
GR ELEVATION

**39.922315002**  
NAD 83 LAT

**101.843476393**  
NAD 83 LONG

**31**      **01s**      **40w**  
**Sec.**      **Twp.**      **Rng.**

**SCALE:** 1" = 1000'  
**DATE STAKED:** August 31<sup>st</sup>, 2021  
**MEASURED BY:** Pierce R.  
**DRAWN BY:** Pierce R.  
**AUTHORIZED BY:** Nick G.  
**DATE REVISED:**



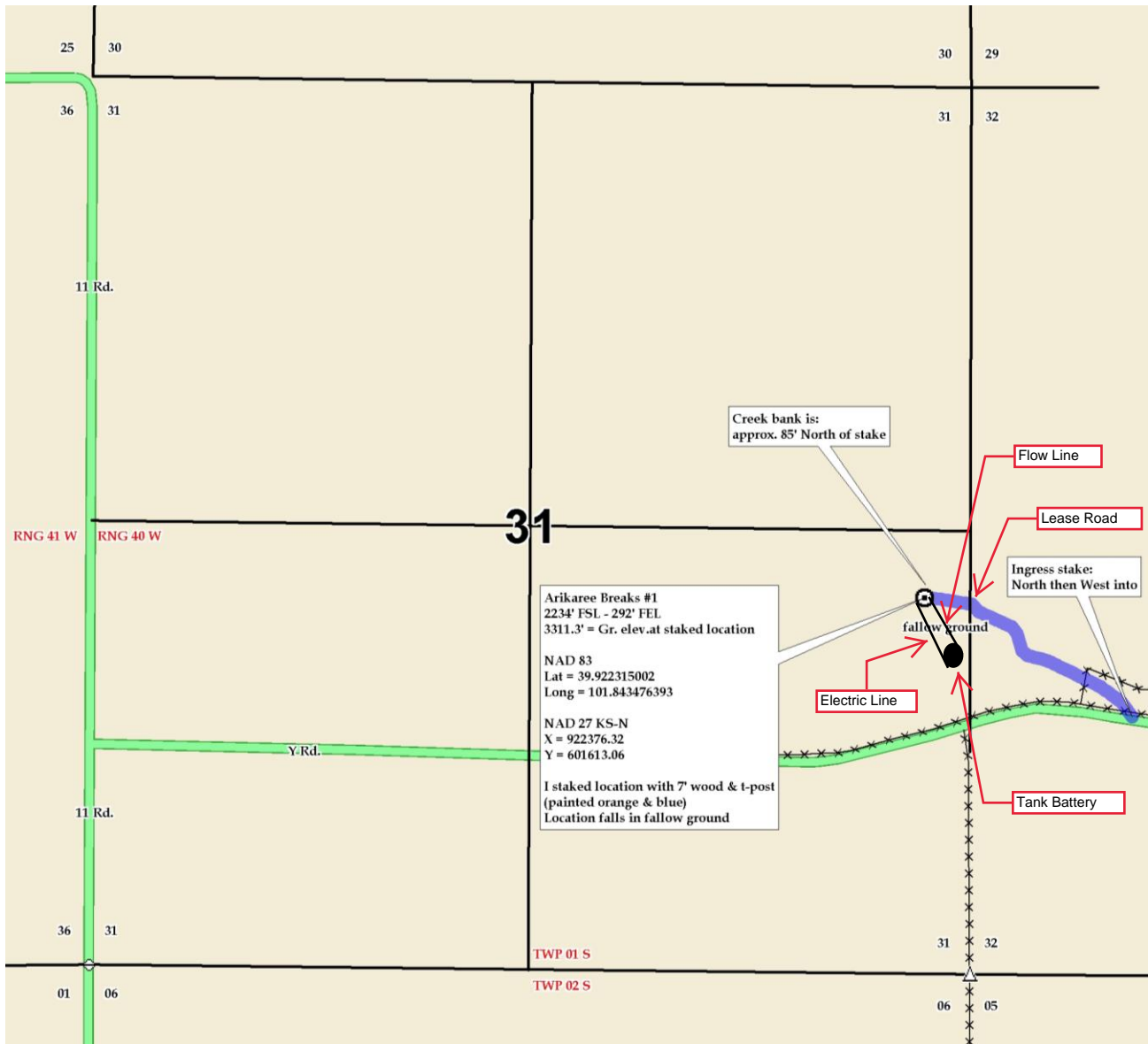
**LEGEND**

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

**DIRECTIONS:** From just West of Saint Francis, KS at the intersection of Hwy. 27 & Hwy. 36 – Now go 6.8 miles North and West on Hwy. 27 – Now go 4.8 miles North on 11 Rd. – Now go approx. 1.2 miles East on Y Rd. to ingress stake North then West into (new gate and fill needed) – Now go approx. 0.3 miles North and Westerly, through pasture and fallow ground, into staked location

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

**LANDOWNER/CONTACT: Mark Mills: 785-332-8581**



Date Recorded: 11/7/2019 11:22:00 AM

*Jeanne D. Dunn*

OIL AND GAS LEASE



AGREEMENT, Made and entered into the 25<sup>th</sup> day of October, 2019 by and between Mills Ranch, Inc., a Kansas Corporation, whose mailing address is 104 E. Whittier, St. Francis, Kansas 67756 hereinafter called Lessor, and Palomino Petroleum, Inc., 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 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 pipelines, 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 the County of Cheyenne, State of Kansas, described as follows, to-wit:

**See Exhibit "A" attached hereto and made a part hereof**

In Section xx, Township xx, Range xx, and containing \_\_\_\_\_ acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of Two (2) 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:

To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on said land Thirteen and one-half percent (13.50%) part of all oil produced and saved from the leased premises.

To pay lessor for gas whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, Thirteen and one-half percent (13.50%), at the market price at the well, (but, as to gas sold by lessee, in no event more than Thirteen and one-half percent (13.50%) 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. In the event of a shut-in gas well after expiration of the primary term (gas not being sold from a completed gas well capable of producing gas in paying quantities), annual shut-in gas royalty shall be paid at \$1.00 per acre for all acres covered by the Lease. The first of said annual payments shall be due no later than 60 days from the date such well is shut-in, 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 has been completed within the term of years first mentioned.

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

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

CORPORATE ACKNOWLEDGMENT

STATE OF KANSAS )

) ss.

COUNTY OF CHEROKEE )

The foregoing instrument was acknowledged before me this 28th day of Oct, 2019, by Mark Mills, as President of MILLS RANCH, INC. Inc., a Kansas corporation.

WITNESS my hand and official seal.

My commission expires: August 24, 2020.



Janet S. Jensen

**EXHIBIT "A"**

Attached to and made a part of that certain Oil and Gas Lease dated October 25, 2019 by and between Mills Ranch, Inc., Lessor and Palomino Petroleum, Inc., Lessee.

**TRACT I**

**Township 1 South Range 40 West, 6<sup>th</sup> P.M.**

- ✓ Section 30: Lots 1 (35.77); 2 (36.13); E/2 NW/4
- ✓ Section 31: N/2 SE/4
- ✓ Section 32: S/2, Less & Except a 1 acre tract designated as a cemetery site in the Southeast corner, more fully described in Deed Record Book 10, Page 599, Cheyenne Co., KS.
- ✓ Section 33: SW/4 Section 33

**Township 2 South, Range 40 West, 6<sup>th</sup> P.M.**

- ✓ Section 4: Lots 3 (40.39); 4(40.26); S/2 NW/4

Cheyenne County, KS



Exhibit "B"

Attached to and made a part of that certain Oil and Gas Lease dated 10-25-19 by and between Mills Ranch, Inc., Lessor and Palomino Petroleum, INC, Lessee

1. Lessee hereby agrees to pay Mills Ranch, Inc. (Lessor) the sum of \$5.00 per acre for each acre on which it conducts a 3-D seismic survey.
2. Lessee hereby agrees to notify Lessee and the proper county authorities of its intent to conduct seismic operations on said lands.
3. When preparing drilling locations, the topsoil shall be segregated to be replaced on the surface upon completion of drilling activities. Any terraces driven over or altered for drilling or tank locations shall be restored to original height and contour as nearly as practicable.
4. In the event of drilling operations on said land, Lessee agrees to backfill all slush pits, level the location and restore the surface as nearly to its original condition as practicable. Lessee agrees to pay for all damages of any nature arising from the operations on said lands.
5. If at the end of the primary term and any extensions to the primary term earned by Lessee; Lessee has established production of oil and/or gas in paying quantities, Lessee hereby agrees to a continuous drilling provision whereby Lessee will maintain the Oil and Gas Lease beyond the Primary Term, and any extensions to the Primary Term earned by Lessee, under the following terms and conditions: Lessee must commence drilling operations within 180 days of the expiration of the Primary Term, and any extensions to the Primary Term earned by Lessee, on said lands described on Exhibit "A" or lands pooled with said lands described on Exhibit "A" of this Oil and Gas Lease and thereafter commence drilling operations every 180 days from the date of completion and or plugging and abandonment of the prior well.
6. At the conclusion of the continuous drilling phase described in paragraph 4 of this Exhibit "B" Lessee will be required to designate 160 acre production units around each producing and/or shut-in well and file said designation of record in Cheyenne County, Kansas. Lessee will be required to file a Release of Oil and Gas Lease covering all lands in this lease that are not designated to be part of a 160 acre production unit.
7. It is understood and agreed that upon the termination of production on the lease, all of lessee's equipment shall be removed within six (6) months and all sites shall be restored to their original condition as nearly as practicable.
8. Upon the completion of any drilling operations or any seismographic testing the Lessee shall leave no waste material, litter or other debris on said premises and shall restore said premises, as nearly as practicable, to the condition the premises were in prior to Lessee's operations.
9. A sufficient dike shall be placed around tank batteries. Tank batteries and pumping equipment units shall be fenced to restrain cattle in pastures or on ground which Lessor grazes cattle.
10. If the lands covered hereby are irrigated by the use of a self-propelled overhead sprinkler system, presently in operation or installed hereafter, the Lessee, prior to conducting operations hereon, shall consult with the Lessor in regard to said drilling operations. Said operations shall be conducted in such a manner as will least disturb or interfere with Lessor's irrigation system or the surface contours of the leased premises. Should any alterations to the surface contours be caused by its operations, Lessee shall restore said contours to their former condition as nearly as practicable. In the event of production and continued use of the surface, Lessee, will restore or prepare the surface and situate and install all equipment needed in connection therewith, so that Lessee's use thereof will not interfere with the passage of said overhead sprinkler systems. Lessee shall consult with Lessor in regard to the route of ingress and egress on said premises for the purpose of drilling and production.
11. If any of the leased premises are subject to or enrolled in the Conservation Reserve Program, Lessee shall reseed to grass all acres thereof affected by Lessee's operations and hold Lessor harmless from penalties or liquidated damages assessed under the Conservation Reserve Program as a result of Lessee's operations.

Mills Ranch, Inc.

X   
By: Mark Mills, President

X Pres OCT 28 2019