

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

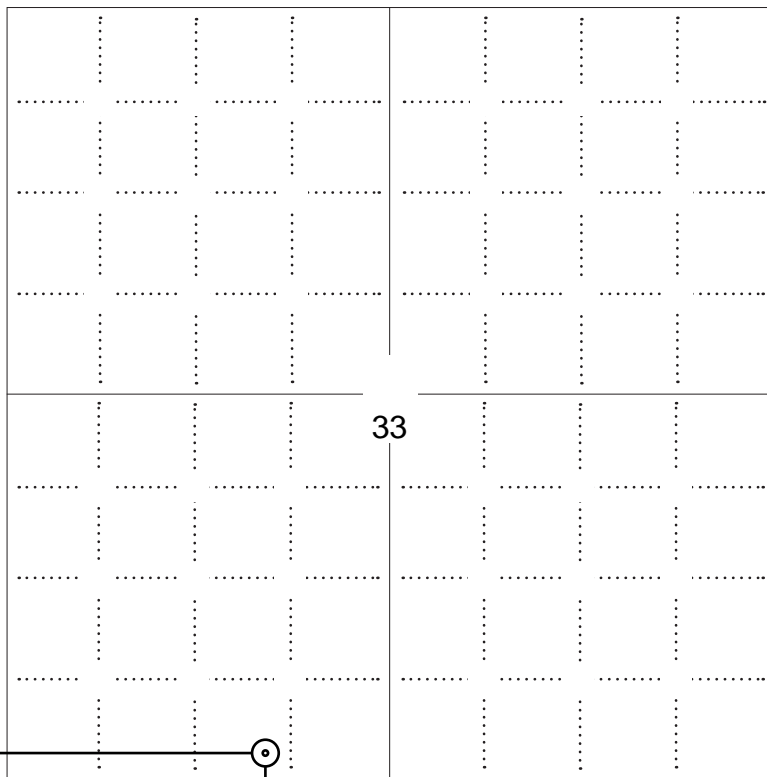
Is Section: Regular or Irregular

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.



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

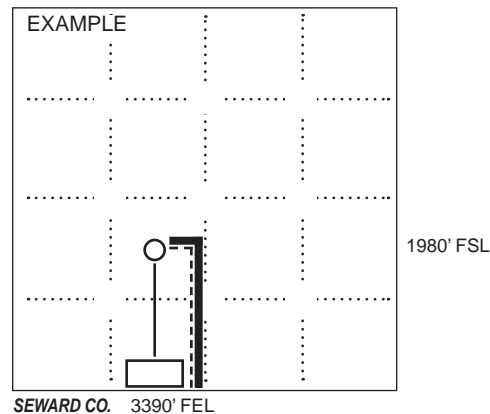
184 ft.

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.

LEGEND

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



**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.	
<h2>Submitted Electronically</h2>			

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

July 2021

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 (see Chapter 55 of the Kansas Statutes Annotated), 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



OIL AND GAS LEASE
(Paid Up)

AGREEMENT, Made and entered into the 1st day of August, 2022, by and between Kenneth W. Lewton and Prudence Louise Lewton, husband and wife, whose mailing address is 10280 NW McAdoo Road, Coats, KS 67028, hereinafter called Lessors (whether one or more), and **SHELBY RESOURCES, LLC**, 3700 Quebec Street, Suite 100, PMB 376, Denver, CO 80207, hereinafter called Lessee.

WITNESSETH: That lessor, for and in consideration of Ten (\$10.00) and More Dollars, cash in hand paid, receipt of which is hereby acknowledged and of the royalties herein provided and of the covenants and agreements hereinafter contained to be performed on the part of the lessee, has granted, demised, leased and let and by these presents does grant, demise, lease and let exclusively unto lessee, the herein described land with any reversionary rights therein for the purpose of exploring by geological, geophysical, seismic and other methods, drilling, mining and operating for oil (including but not limited to distillate and condensate), gas (including casinghead gas and all other constituents and all other gases) and the exclusive right of injecting water, brine and other substances into the subsurface strata and for laying pipe lines, constructing roads, electric lines and building tanks and structures thereon, necessary or convenient for the economical operation of said land alone or conjointly with lands unitized or pooled therewith to produce, save, treat, take care of, process, store and transport said products, all that certain tract of land, situated in the County of Pratt, State of Kansas, described as follows, to-wit:

SW4

of Section 33, Township 28 South, Range 14 West, 6th P.M., and containing 160.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of One (1) year from date (herein called primary term) and as long thereafter as oil or gas, or either of them, is produced from said land or land with which said land is pooled or unitized by the lessee

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

(a). To deliver in-kind to lessor, at the well, or to the credit of lessor into the pipeline or storage tank to which the well may be connected, the 1/8th part of all oil (including condensate) produced and saved from the leased premises, but in no event more than 1/8th of the actual amount received by lessee. In lieu thereof, lessee shall have the option, at any time, to sell lessor's oil, in which case lessor's royalty shall be based on lessee's gross proceeds at the lease, or to purchase lessor's oil for the fair market value of such oil at the lease. In any event, lessor's interest shall be free of all costs of production, but shall bear its proportionate part of severance, ad valorem and similar taxes.

(b). To pay lessor for gas (including casinghead gas, all gaseous substances, and all constituents thereof) produced and sold from the leased premises, 1/8th part of the gross proceeds at the lease from the sale of such gas, after deducting lessor's proportionate part of severance and other similar taxes; lessor's interest to be free of all costs of production, but in no event more than 1/8th of the actual amount received by lessee. If, after the primary term of this lease gas from any well or wells on the premises capable of producing gas in commercial quantities is not sold or used off the premises or in the manufacture of gas for a period of one (1) year or more, during which time there is no other production from the leased premises, then lessee may pay or tender as royalty for such annual period a sum of five dollar (\$5.00) per net acre within ninety (90) days after the end of such annual period and if such payment is made it will be considered that gas is being produced for purposes of perpetuating the lease beyond its primary term.

2. 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, as to any or all horizons, and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the portion surrendered.

3. 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 or commence reworking operations on an existing well within the term of this lease or any extension thereof, or on acreage pooled therewith, the lessee shall have the right to drill such well to completion or complete reworking operations 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 the years first mentioned.

4. Lessee shall have the right, but not the obligation, to unitize 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 in Lessee's judgment it is necessary or advisable to do so in order to prudently develop or operate the Leased Premises, so as to promote the conservation of such minerals in and under said land. Any gas unit for a vertical well created pursuant to the lease shall be limited to 160 acres and any oil unit for a vertical well shall be limited to 40 acres; provided, any 40 acre vertical oil unit created with property covered by this lease and adjoining any contiguous property not covered by this lease shall contain at least 20 acres of Lessor's property covered by this lease and any 160 acre vertical gas unit created with property covered by this lease and adjoining any contiguous property not covered by this lease shall contain at least 80 acres of Lessor's property covered by this lease. The unit formed by such unitizing for a horizontal oil or gas well shall not exceed 640 acres, plus a maximum acreage tolerance of 10%. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by laws, the rules, and regulations of the Kansas Corporation commission in effect at the time production begins at the initial well. In exercising its rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date. 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. Unitizing hereunder shall not constitute a cross-conveyance of interests.

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 herein provided shall be paid to the lessor only in the proportion which their interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, reasonable amounts of gas and oil produced on said land for its operations thereon.

7. When requested by the lessor, lessee shall bury pipe lines below plow depth.

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

9. Lessee shall pay for all damages caused by its operations 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. If the estate of either party hereto is assigned, the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns. However, no change or division in ownership of the land or royalties shall enlarge the obligations or diminish the rights of Lessee. No change in the ownership of the land 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 the event 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 the assignment.

12. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules and 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 such failure is the result of any such Law, Order, Rule or Regulation.

13. This lease shall be effective as to each lessor on execution hereof as to their interest and shall be binding on those signing, notwithstanding some of the lessors above named may not join in the execution hereof. The word "Lessor" as used in this lease means the party or parties who execute this lease as Lessor, although not named above.

14. Lessee may at any time and from time to time surrender this lease as to any part or parts of the leased premises by delivering or mailing a release thereof to lessor, or by placing a release of record in the proper County.

15. 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 hereof.

16. Lessee hereby agrees to pay for any and all damages occasioned by its operations hereunder, including crop damage caused by pipelines installed on or removed from the premises. Lessee shall pay Lessor a reasonable amount, which includes crop damages, for each drill site location on the leased premises. Upon completion of Lessee's operations on each well, Lessee agrees to restore the premises to as nearly as practical the same condition they were in prior to the commencement of operations hereunder. All trash and debris shall be removed before the surface of the premises is restored.

17. This Lease is expressly made subject to the terms and conditions of the Exhibit attached hereto and made a part hereof.

IN TESTIMONY WHEREOF, we sign this the 3rd day of August, 2022.

"LESSOR"

Kenneth W. Lewton
Kenneth W. Lewton

Prudence Louise Lewton
Prudence Louise Lewton

STATE OF KANSAS

COUNTY OF PRATT

BEFORE ME, the undersigned, a Notary Public, in and from said County and State, on this 3rd day of August, 2022, personally appeared Kenneth W. Lewton and Prudence Louise Lewton.

My Commission Expires: 8-6-2024

Thomas J. Morris III
Notary Public

Address: GREAT BEND, KS

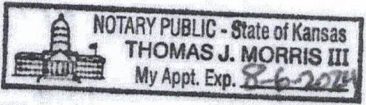


EXHIBIT "A"

Addendum to Oil and Gas Lease dated August 1, 2022, between Kenneth W. Lewton and Prudence Louise Lewton, husband and wife, as Lessors, and Shelby Resources, LLC, as Lessee. This Addendum is a part of that certain Oil and Gas Lease identified by date and parties to the same extent as if the provisions hereof had originally been in said Oil and Gas Lease. In the event of conflict between the Oil and Gas Lease provisions and the provisions provided in this Addendum, the provisions provided in this Addendum shall be binding, covering the following described property in Pratt County, Kansas, to wit:

Township 28 South – Range 14 West, 6th P.M.
Section 33: SW4
Containing 160.00 acres, more or less.

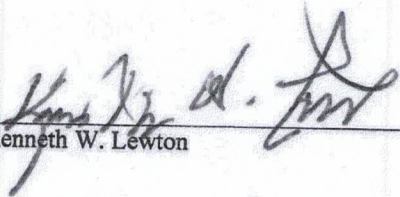
1. Lessee shall not deduct from royalty payments due to Lessor any costs, including but not limited to compression, dehydration, transportation and gathering, or such other costs to produce gas or oil, and their constituents products, or costs to place such gas or oil in a marketable condition, only as such costs are incurred on the leased premises. However, certain costs actually paid by Lessee for processes applied after the point of sale which enhance the product and results in both Lessor and Lessee receiving a better price for the product may be deducted from the Lessor's royalty in proportion to Lessor's royalty share.
2. Lessee shall bury pipelines and utility lines to a depth of not less than thirty-six (36) inches below the surface. All slush pits shall be filled and leveled in a workmanlike manner within 60 days of receipt of Kansas Corporation Commission (KCC) permission to execute the same.
3. Lessee reserves the right to designate all routes of ingress and egress. Prior to the construction of any roads, pipelines, tank battery installations, or installation of other equipment on the leased premises, Lessee shall consult and agree with the surface owner as to the location and direction of the same.
4. No well drilled on the leased premises shall be used for the disposal of salt water from wells off of the leased premises without the written consent of Lessor and without compensating Lessor for its use. This paragraph does not apply to disposal of waters from wells of Lessor on said lease premises.
5. 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, the Lessee shall fill all pits, ponds, remove all structures and reasonably restore the premises to the condition existing at the time the lease was executed. Within six (6) months after the expiration of the lease by its terms, Lessee shall have the obligation to restore, as nearly as practical.
6. Lessee shall maintain all roads, well sites and production facilities in a clean and respectable condition, reasonably free of weeds and trash.
7. Should a well drilled on the premises be abandoned for any reason, Lessee shall have six (6) months (weather permitting) from the date of abandonment to remove all materials, including buried pipelines. Any such materials remaining on the premises after six (6) months shall become the property of Lessor.
8. Lessee agrees that it will comply with all regulations and statutes of all governmental entities having jurisdiction over compliance with environmental legislation. Lessee further agrees to accept the leased premises in its "as is" condition. It is acknowledged that Lessee has been advised to inspect the property to determine that is suitable for the purpose intended and to ascertain that no environmental hazards or toxins are now present.

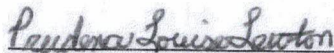
9. Lessee shall indemnify and hold Lessor harmless from any claims, damages, actions or clauses of action from any environmental damage or contamination caused or contributed to by Lessee subsequent to the commencement of this lease. Lessor shall indemnify and hold Lessee harmless from any claims, damages, actions or clauses of action from any environmental damage or contamination caused or contributed to by Lessor or by previous parties Lessor may have leased property to prior to the commencement of this lease.
10. It is understood and agreed that the Lessee agrees to pay for damages to property 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. Damages shall be paid to the surface owner at the start of drilling operations and shall be at least \$2,500.00 which will cover one well site of not more than three (3) acres and road totaling not over one (1) acre. Any land damages or use in excess of such four acres shall be paid for separately immediately after completion of drilling operations. Damages shall be equally applicable to cultivated lands and native grasses and pasture.
11. It is understood and agreed that any shut in royalties due and payable under the terms of this lease shall be computed and paid on the basis of ten dollars (\$10.00) per net mineral acre covered hereby. Notwithstanding any other provisions of this lease, it is expressly understood and agreed that after the primary term, this lease cannot be maintained in force solely by the payment of shut in gas royalty for any one period in excess of two (2) years, consecutive or otherwise.
12. When preparing development locations, the top soil 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 is practicable.
13. A sufficient dike shall be placed around tank batteries. Also tank batteries and pumping equipment units shall be fenced to restrain cattle in pastures or on ground that Lessor grazes cattle on milo stalks or wheat. Lessee or assigns agrees to comply with all applicable Federal, State and Local laws and regulations.
14. Lessee or assigns will consult with Lessor as to the location of all roads on the property and will locate roads so as to minimize interference with farming operations.
15. The lands covered hereby are not presently irrigated by the use of an overhead sprinkler system. Should the Lessor install hereafter, at the sole cost of the Lessor, Lessee's operation and equipment shall be reconstructed in such a manner as to not interfere with Lessor's farming or irrigation operations on said land. Lessee's operations and equipment for production will be placed on this land at places, or at such height and level, which will permit the irrigation sprinklers to normally operate on this land. If the property is irrigated, during growing season Lessee shall conduct no drilling, completion or rework operations except such activities necessitated by emergency on the property without written consent of the Lessor which consent shall not be unreasonably withheld. No pits will be dug in the sprinkler wheel tracks.
16. It is expressly agreed, notwithstanding anything to the contrary herein, that if this lease be in force and effect for five (5) years after the expiration of the primary term or any extension thereof, the lease shall thereupon terminate as to the oil and gas rights in all zones or formations of the leased premises 100 feet below the deepest well drilled on the leased premises or lands unitized therewith. Lessee shall be obligated to file of record in the courthouse a release of the lease covering such non-producing zones of formations within sixty (60) days following written demand thereof after the expiration of the primary term or any extension thereof.
17. Lessee agrees to furnish Lessor promptly, upon written request, a true copy of all of the following information pertaining to the leased premises or land unitized therewith, copies of any filings made to the Kansas Corporation Commission.

18. If at the end of the primary term, this lease is not otherwise continued in force under the provisions hereof, this lease shall expire, unless Lessee on or before the end of the primary term shall pay or tender to Lessor, the sum equal to the original per acre bonus paid to Lessor under the initial primary term of said lease multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this lease the primary term shall be extended for an additional one (1) year from the end of the primary term hereof.

Signed for Identification:

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


Kenneth W. Lewton

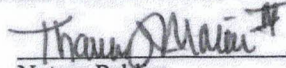

Prudence Louise Lewton

STATE OF KANSAS

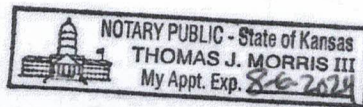
COUNTY OF PRATT

BEFORE ME, the undersigned, a Notary Public, in and from said County and State, on this 3rd day of AUGUST, 2022, personally appeared Kenneth W. Lewton and Prudence Louise Lewton.

My Commission Expires: 8-6-2024


Notary Public:

Address: BROWN BEND, KS



Book: 518 Page: 415

FORM 88 - (PRODUCERS SPECIAL)(PAID-UP W/OPT)

63U (Rev. 2004 CRI)

OIL & GAS LEASE

AGREEMENT, Made and entered into the 16th day of September, 2022, by and between Miller Farms of Kansas, LLC, Dale L. Miller, Operating Manager, whose mailing address is 209 NE 11th Avenue, Ft. Lauderdale, FL 33301, hereinafter called Lessor (whether one or more), and SHELBY RESOURCES, LLC, 3700 Quebec Street, Suite 100, PMB 376, Denver, CO 80207, hereinafter called Lessee:



Lessor, in consideration of ten and more Dollars (\$10.00) in hand paid, 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, 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 temporary housing and otherwise caring for its employees, the following described land, together with an reversionary rights and after-acquired interest, therein situated in County of Pratt, State of Kansas described as follows, to-wit:

TOWNSHIP 29 SOUTH, RANGE 14 WEST OF THE 6TH PRINCIPAL MERIDIAN

Section 4: Lot 3 (40.00), Lot 4 (40.00), S2 NW

Containing 160.00 acres, more or less

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

Subject to the provisions herein contained, this lease shall remain in force for a term of six (6) months (called primary term), and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said land is pooled.

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

- 1st. To deliver to the credit of Lessor, free of cost the equal one eighth (1/8th) part of all oil produced and saved from the leased premises.
- 2nd. To pay Lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8th), at the market price at the well, (but, as to gas sold by Lessee, in no event more than one-eighth (1/8th) 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.

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

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

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operations 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 located on said premises without written consent of Lessor.

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

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

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the Lessee until after the Lessee has been furnished with a written transfer or assignment or a true copy thereof. In case Lessee assigns his 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 shall have the right at any time to redeem for Lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

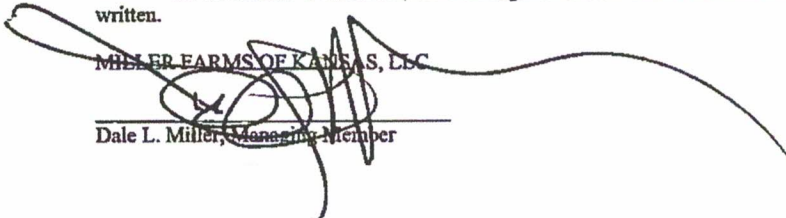
Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in Lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 10 acres each in the event of an oil well, or into a unit or units not exceeding 40 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, Lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

~~Lessee, its successors and assigns, shall have the sole and exclusive option, but not the obligation, ending upon the expiration date of the primary or secondary term of this lease, to elect to extend the term of all or any part of said lease for a term of one (1) year by tendering to Lessor the sum equal to the original Bonus per net mineral acre (as Bonus and paid up rentals) prior to the expiration of said lease. Lessee shall file an Affidavit of Extension in the records of Pratt County, Kansas, upon its election to exercise the foregoing option.~~

Lessee shall first obtain the approval of Lessor prior to any change of operator on this lease, which approval shall not be unreasonably withheld.

Upon request from Lessor, soil damage from oil and/or saltwater or other fluids resulting from Lessee's operations will be remediated as necessary to restore soil to the original condition as possible. Reasonable damage payments may be requested for the loss of land productivity until the soil is restored to the original condition.

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

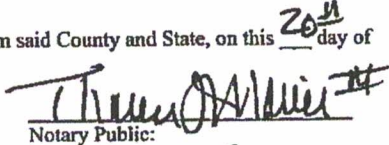
MILLER FARMS OF KANSAS, LLC

Dale L. Miller, Managing Member

STATE OF KANSAS

COUNTY OF DOUGLAS

BEFORE ME, the undersigned, a Notary Public, in and from said County and State, on this 20th day of September, 2022, personally appeared Dale L. Miller.

My Commission Expires: 8-6-2024


Notary Public:

Address: GREAT BENDS

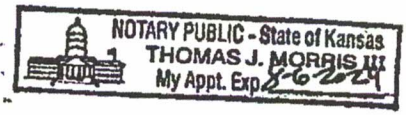



EXHIBIT A

Addendum to Oil and Gas Lease dated Sept 16, 2022 by and between Miller Farms of Kansas LLC, as Lessors and Shelby Resources, LLC, 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, covering the following described property in Pratt County, Kansas, to wit:
Township 29 South, Range 14 West of the Principal Meridian
Section 4: 6 + 3 (49.00), 6 + 4 (40.00), S2NW

1. Lessee shall not deduct from royalty payments due to Lessor any costs, including but not limited to compression, dehydration, transportation and gathering, or such other costs to produce gas or oil, and their constituents products, or costs to place such gas or oil in a marketable condition, only as such costs are incurred on the leased premises. However, certain costs actually paid by Lessee for processes applied after the point of sale which enhance the product and results in both Lessor and Lessee receiving a better price for the product may be deducted from the Lessor's royalty in proportion to Lessor's royalty share.
2. Lessee shall bury pipelines and utility lines to a depth of not less than thirty-six (36) inches below the surface. All slush pits shall be filled and leveled in a workmanlike manner within 60 days of receipt of Kansas Corporation Commission (KCC) permission to execute the same.
3. Lessee reserves the right to designate all routes of ingress and egress. Prior to the construction of any roads, pipelines, tank battery installations, or installation of other equipment on the leased premises, Lessee shall consult and agree with the surface owner as to the location and direction of the same.
4. No well drilled on the leased premises shall be used for the disposal of salt water from wells off of the leased premises without the written consent of Lessor and without compensating Lessor for its use. This paragraph does not apply to disposal of waters from wells of Lessor on said lease premises.
5. 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, the Lessee shall fill all pits, ponds, remove all structures and reasonably restore the premises to the condition existing at the time the lease was executed. Within six (6) months after the expiration of the lease by its terms, Lessee shall have the obligation to restore, as nearly as practical.
6. Lessee shall maintain all roads, well sites and production facilities in a clean and respectable condition, reasonably free of weeds and trash.
7. Should a well drilled on the premises be abandoned for any reason, Lessee shall have six (6) months (weather permitting) from the date of abandonment to remove all materials, including buried pipelines. Any such materials remaining on the premises after six (6) months shall become the property of Lessor.
8. Lessee agrees that it will comply with all regulations and statutes of all governmental entities having jurisdiction over compliance with environmental legislation. Lessee further agrees to accept the leased premises in its "as is" condition. It is acknowledged that Lessee has been advised to inspect the property to determine that is suitable for the purpose intended and to ascertain that no environmental hazards or toxins are now present.

9. Lessee shall indemnify and hold Lessor harmless from any claims, damages, actions or clauses of action from any environmental damage or contamination caused or contributed to by Lessee subsequent to the commencement of this lease. Lessor shall indemnify and hold Lessee harmless from any claims, damages, actions or clauses of action from any environmental damage or contamination caused or contributed to by Lessor or by previous parties Lessor may have leased property to prior to the commencement of this lease.
10. It is understood and agreed that the Lessee agrees to pay for damages to property 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. Damages shall be paid to the surface owner at the start of drilling operations and shall be at least \$2,500.00 which will cover one well site of not more than three (3) acres and road totaling not over one (1) acre. Any land damages or use in excess of such four acres shall be paid for separately immediately after completion of drilling operations. Damages shall be equally applicable to cultivated lands and native grasses and pasture.
11. It is understood and agreed that any shut in royalties due and payable under the terms of this lease shall be computed and paid on the basis of ten dollars (\$10.00) per net mineral acre covered hereby. Notwithstanding any other provisions of this lease, it is expressly understood and agreed that after the primary term, this lease cannot be maintained in force solely by the payment of shut in gas royalty for any one period in excess of two (2) years, consecutive or otherwise.
12. When preparing development locations, the top soil 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 is practicable.
13. A sufficient dike shall be placed around tank batteries. Also tank batteries and pumping equipment units shall be fenced to restrain cattle in pastures or on ground that Lessor grazes cattle on milo stalks or wheat. Lessee or assigns agrees to comply with all applicable Federal, State and Local laws and regulations.
14. Lessee or assigns will consult with Lessor as to the location of all roads on the property and will locate roads so as to minimize interference with farming operations.
15. The lands covered hereby are presently irrigated by the use of an overhead sprinkler system. Lessee's operation and equipment shall be constructed in such a manner as to not interfere with Lessor's farming or irrigation operations on said land. Lessee's operations and equipment for production will be placed on this land at places, or at such height and level, which will permit the irrigation sprinklers to normally operate on this land. During growing season Lessee shall conduct no drilling, completion or rework operations except such activities necessitated by emergency on the property without written consent of the Lessor which consent shall not be unreasonably withheld. No pits will be dug in the sprinkler wheel tracks.
16. It is expressly agreed, notwithstanding anything to the contrary herein, that if this lease be in force and effect for five (5) years after the expiration of the primary term or any extension thereof, the lease shall thereupon terminate as to the oil and gas rights in all zones or formations of the leased premises 100 feet below the deepest well drilled on the leased premises or lands unitized therewith. Lessee shall be obligated to file of record in the courthouse a release of the lease covering such non-producing zones of formations within sixty (60) days following written demand thereof after the expiration of the primary term or any extension thereof.
17. Lessee agrees to furnish Lessor promptly, upon written request, a true copy of all of the following information pertaining to the leased premises or land unitized therewith, copies of any filings made to the Kansas Corporation Commission.

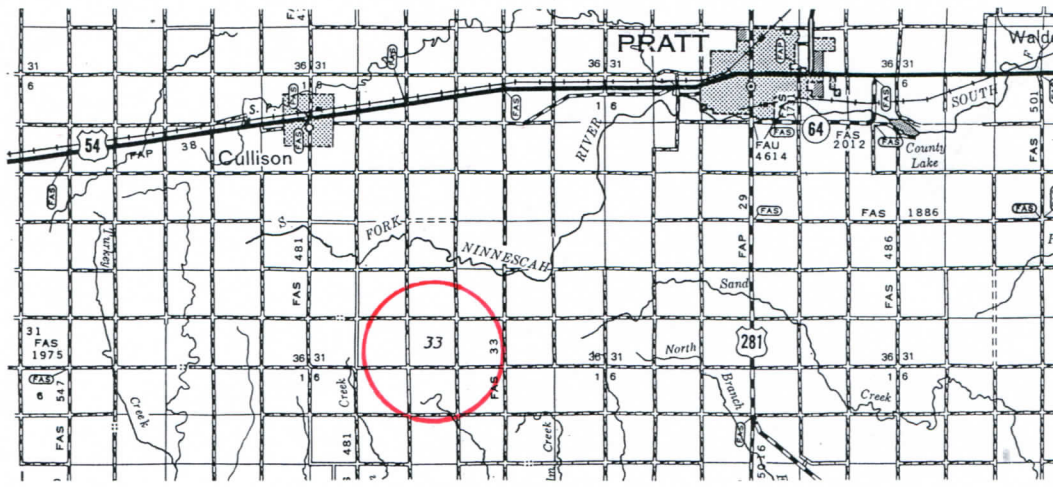
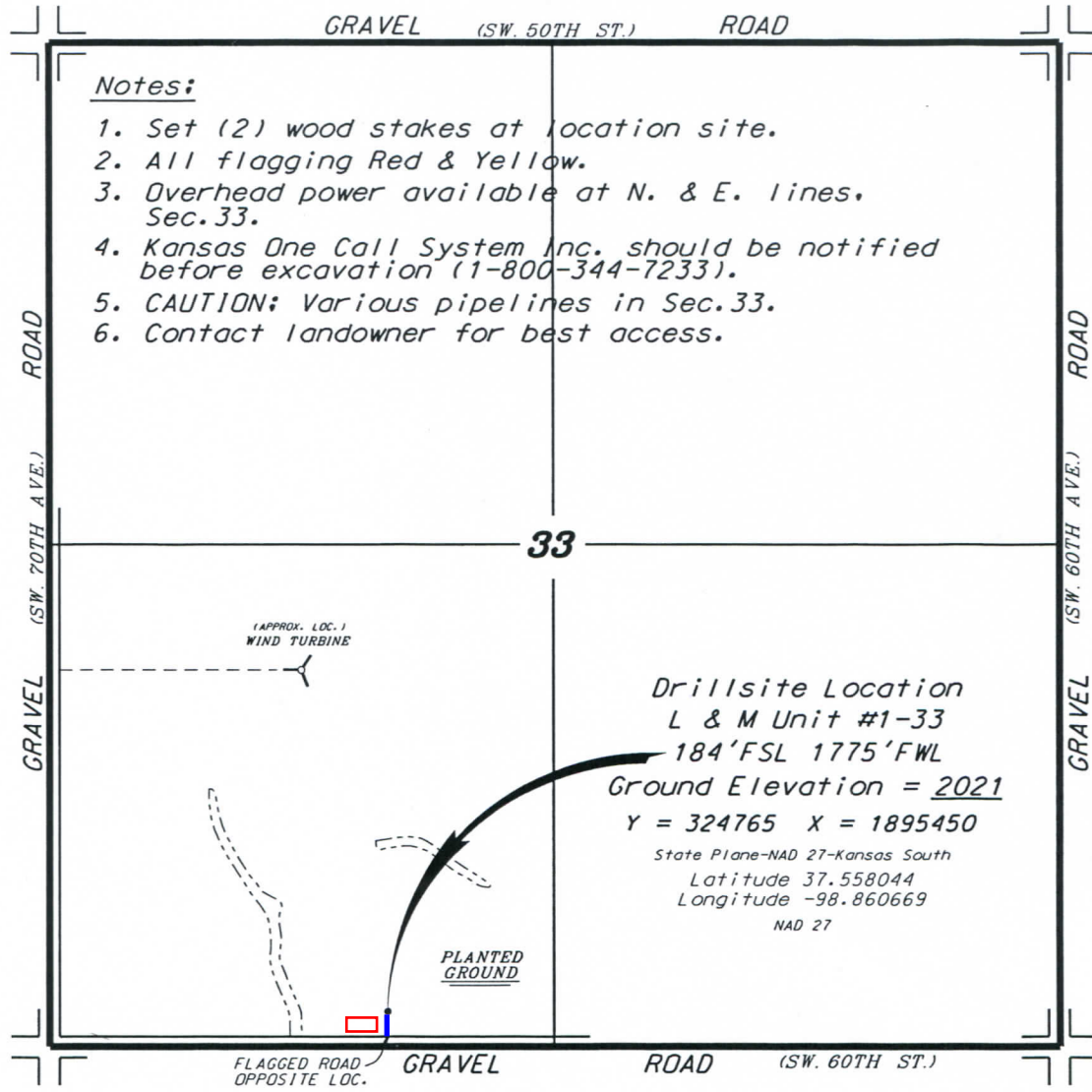
Signed for Identification:



Miller Farms of Kansas LLC
Dale L. Miller
Operating Manager

SHELBY RESOURCES, LLC
L & M LEASE
SW.1/4, SECTION 33, T28S, R14W
PRATT COUNTY, KANSAS

* 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.



* 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 September 23, 2022

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



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

Dwight D. Keen, Chair
Susan K. Duffy, Commissioner
Andrew J. French, Commissioner

Laura Kelly, Governor

September 29, 2022

Chris Gottschalk
Shelby Resources LLC
3700 QUEBEC STREET
SUITE 100 PMB 376
DENVER, CO 80207-1639

Re: Drilling Pit Application
L & M Unit 1-33
SW/4 Sec.33-28S-14W
Pratt County, Kansas

Dear Chris Gottschalk:

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 Any 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.