

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

TEMPORARY ABANDONMENT WELL APPLICATION

OPERATOR: License# _____
Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Contact Person: _____
Phone:(_____) _____
Contact Person Email: _____
Field Contact Person: _____
Field Contact Person Phone: (_____) _____

API No. 15- _____
Spot Description: _____
- - - - - Sec. _____ Twp. _____ S. R. _____ E W
_____ feet from N / S Line of Section
_____ feet from E / W Line of Section
GPS Location: Lat: _____, Long: _____
Datum: NAD27 NAD83 WGS84
County: _____ Elevation: _____ GL KB
Lease Name: _____ Well #: _____
Well Type: (check one) Oil Gas OG WSW Other: _____
 SWD Permit #: _____ ENHR Permit #: _____
 Gas Storage Permit #: _____
Spud Date: _____ Date Shut-In: _____

Table with 7 columns: Conductor, Surface, Production, Intermediate, Liner, Tubing. Rows include Size, Setting Depth, Amount of Cement, Top of Cement, Bottom of Cement.

Casing Fluid Level from Surface: _____ How Determined? _____ Date: _____
Casing Squeeze(s): _____ to _____ w / _____ sacks of cement, _____ to _____ w / _____ sacks of cement. Date: _____
Do you have a valid Oil & Gas Lease? Yes No
Depth and Type: Junk in Hole at _____ Tools in Hole at _____ Casing Leaks: Yes No Depth of casing leak(s): _____
Type Completion: ALT. I ALT. II Depth of: DV Tool: _____ w / _____ sacks of cement Port Collar: _____ w / _____ sack of cement
Packer Type: _____ Size: _____ Inch Set at: _____ Feet
Total Depth: _____ Plug Back Depth: _____ Plug Back Method: _____

Geological Date:

Table with 4 columns: Formation Name, Formation Top, Formation Base, Completion Information. Rows 1 and 2.

UNDER PENALTY OF PERJURY I HEREBY ATTEST THAT THE INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE

Submitted Electronically

Do NOT Write in This Space - KCC USE ONLY
Date Tested: _____ Results: _____ Date Plugged: _____ Date Repaired: _____ Date Put Back in Service: _____
Review Completed by: _____ Comments: _____
TA Approved: Yes Denied Date: _____

Mail to the Appropriate KCC Conservation Office:

Table with 3 columns: District Office, Address, Phone. Rows for District Office #1, #2, #3, #4.

OIL AND GAS LEASE

Kans - Okla. - Colo.

THIS AGREEMENT, Entered into this 23rd day of November 20 22
between Thornburg Irrevocable Trust, dated December 27, 2012; by Coralee Thornburg, Trustee
7825 County Road A, Utica, KS 67584 hereinafter called Lessor,

and Patterson Energy LLC, PO Box 400 Hays, KS 67601 hereinafter called Lessee, does witness:

1. That Lessor, for and in consideration of the sum of One and More (+\$1.00) Dollars in hand paid and of the covenants and agreements hereinafter contained to be performed by the Lessee, has this day granted, leased, and let and by these presents does hereby grant, lease, and let exclusively unto the Lessee the hereinafter described land, with any reversionary rights and after acquired interest therein, and with the right to unitize this lease or any part thereof with other oil and gas leases as to all or any part of the lands covered thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casing head gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata, and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save; take care and other structures of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of Gove State of Kansas and described as follows:

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

containing 160 acres, more or less.

2. This lease shall remain in force for a term of Two (2) Years years (called "primary term") and as long thereafter as oil, gas, casing head gas, Casing head gasoline or any of the products covered by this lease is or can be produced.

3. The Lessee shall deliver to Lessor as royalty, free of cost, on the lease, or into the pipe line to which Lessee may connect its wells the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises, or at the Lessee's option may pay to the Lessor for such one-eighth (1/8th) royalty the market price at the wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipe line or into storage tanks.

4. The Lessee shall pay to the Lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the Lessee from the sale of gas, gas condensate, gas distillate, casing head gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased. If such gas is not sold by the Lessee, Lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to one dollar per net mineral acre, and while said shut-in royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas.

5. This lease is a paid-up lease and may be maintained during the primary term without further payments or drilling operations.

6. In the event said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein then the royalties herein provided for shall be paid to said Lessor only in the proportion which his interest bears to the whole and undivided fee; however, in the event the title to any interest in said land should revert to Lessor, or his heirs, or his or their grantee, this lease shall cover such reversion.

7. The Lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the Lessor. When required by Lessor, the Lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the Lessor. Lessee shall have the right at any time during, or after the expiration of this lease to remove all machinery, fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.

8. If the estate of either party hereto is assigned (and the privilege of assigning in whole or in part is expressly allowed), the covenants hereof shall extend to the heirs, devisees, executors, administrators, successors, and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change of ownership in the land or royalties or any sum due under this lease shall be binding on the Lessee until it has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or certified copy of the proceedings showing appointment of an administrator for the estate of any deceased owner, whichever is appropriate, together with all original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to Lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, devisee, or administrator, executor, or heir of Lessor.

9. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on the part of the Lessee to offset wells on separate tracts into which the land covered by this lease may now or hereafter be divided by sale, devise, descent or otherwise, or to furnish separate measuring or receiving tanks.

10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the Lessee, at its option, may pay and discharge in whole or in part any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty accruing hereunder.



STATE OF KANSAS, GOVE COUNTY SS
REGISTER OF DEEDS

Book: 219 Page: 9-12

Receipt #: 35010
Pages Recorded: 4

Recording Fee: \$72.00

Christy L. Tuttle

Date Recorded: 12/5/2022 10:55:05 AM

11. If after the expiration of the primary term , production of oil or gas should cease from any cause, this lease shall not terminate if Lessee commences additional drilling or reworking operations within one hundred twenty (120) days thereafter, or if at the expiration of the primary term, oil or gas is not being produced on said land, but Lessee is then engaged in drilling or reworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the same well or any other well thereafter commenced, with no cessation or more than one hundred twenty (120) consecutive days, and if they result in production of oil or gas, this lease shall remain in effect so long thereafter as there is production of oil or gas under any provisions of this lease.

12. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the Lessor, or by placing same of record in the proper county In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and determine, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

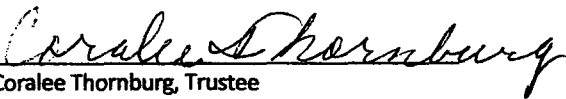
13. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the Lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If Lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction there over, the primary term of this lease shall continue until six months after said order is suspended.

14. Lessee, at its option, is hereby given the right and power to pool or combine into one or more units the land covered by this lease, or any option thereof with other lease or leases when in Lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said leased premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 80 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 and/or condensate or distillate well, plus a tolerance of ten percent (10%) to conform to Governmental Survey quarter sections. Lessee shall execute in writing and file of record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units shall be treated for all purposes, except the payments of royalties on production from the pooled unit, as if it were included in this lease. If production is found on any part of the pooled acreage, it shall be treated as if production is had from this lease, whether any well is located on the land covered by this lease or not. Any well drilled on any such unit shall be and constitute a well hereunder, in lieu of the royalties elsewhere herein specified lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

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

16. See Addendum attached hereto and made a part hereof.

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


Coralee Thornburg, Trustee

Acknowledgement


State of: Kansas

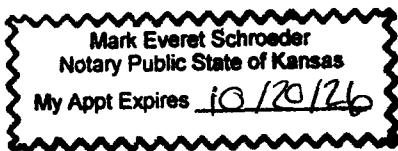
County of: Gove

The foregoing instrument was acknowledged before me this 23rd day of November 2022

By: Thornburg Irrevocable Trust, dated December 27, 2012; by Coralee Thornburg, Trustee

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 Patterson Energy 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.

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.

Conservation Division
District Office No. 4
2301 E. 13th Street
Hays, KS 67601-2651



Phone: 785-261-6250
<http://kcc.ks.gov/>

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

Laura Kelly, Governor

March 09, 2023

Travers Boughdady
Presley Operating LLC
101 PARK AVE SUITE 670
OKLAHOMA CITY, OK 73102-7220

Re: Temporary Abandonment
API 15-063-22392-00-00
THORNBURG TRUST A 1-34
NW/4 Sec.34-15S-26W
Gove County, Kansas

Dear Travers Boughdady:

"Your temporary abandonment (TA) application for the well listed above has been approved. In accordance with K.A.R. 82-3-111 the TA status of this well will expire 03/09/2024.

- * If you return this well to service or plug it, please notify the District Office.
- * If you sell this well you are required to file a Transfer of Operator form, T-1.
- * If the well will remain temporarily abandoned, you must submit a new TA application, CP-111, before 03/09/2024.

You may contact me at the number above if you have questions.

Very truly yours,

RICHARD WILLIAMS"