

For KCC Use: 10-1-08  
Effective Date: 1  
District # 1  
SGA? ☐ Yes ☒ No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

**NOTICE OF INTENT TO DRILL**  
Must be approved by KCC five (5) days prior to commencing well

Form C-1  
October 2007  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

Expected Spud Date: 10 1 08  
month day year

OPERATOR: License# 3988  
Name: Slawson Exploration Co., Inc.  
Address 1: 204 N Robinson, Ste 2300  
Address 2: \_\_\_\_\_  
City: Oklahoma City State: OK Zip: 73102 + \_\_\_\_\_  
Contact Person: Steve Slawson  
Phone: 405 232 0201

CONTRACTOR: License# 33724  
Name: Warren Energy, Inc. Warren Drilling LLC

Well Drilled For: ☒ Oil ☐ Gas ☐ Enh Rec ☐ Storage ☐ Disposal ☐ Seismic; # of Holes \_\_\_\_\_ ☐ Other: \_\_\_\_\_  
Well Class: ☐ Infield ☐ Pool Ext. ☒ Wildcat ☐ Other \_\_\_\_\_  
Type Equipment: ☒ Mud Rotary ☐ Air Rotary ☐ Cable

☐ 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: \_\_\_\_\_  
NE SE SW Sec. 31 Twp. 18 S. R. 29 ☐ E ☒ W  
(a/a/a/a) 935 feet from ☐ N / ☒ S Line of Section  
2,285 feet from ☐ E / ☒ W Line of Section

Is SECTION: ☐ Regular ☒ Irregular?

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

County: Lane

Lease Name: RISLEY 'AB' Well #: 1

Field Name: Wildcat

Is this a Prorated / Spaced Field? ☐ Yes ☒ No

Target Formation(s): Mississippi, LKC Cherokee, Marmaton

→ Nearest Lease or unit boundary line (in footage): 452' ← 385' SBS

Ground Surface Elevation: 2840.6' 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: 150'

Depth to bottom of usable water: 140'

Surface Pipe by Alternate: ☐ I ☒ II

Length of Surface Pipe Planned to be set: 300'

Length of Conductor Pipe (if any): \_\_\_\_\_

Projected Total Depth: 4650'

Formation at Total Depth: Mississippi

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: \_\_\_\_\_

\* Oil and Gas Lease Attached with Pooling Clauses

**AFFIDAVIT**

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KANSAS CORPORATION COMMISSION

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:

SEP 26 2008

SEP 19 2008

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.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 9/17/08 Signature of Operator or Agent: \_\_\_\_\_ Title: Ops Mgr

**For KCC Use ONLY**

API # 15 - 101-22131-00-00

Conductor pipe required None feet

Minimum surface pipe required 200 feet per ALT. ☐ I ☒ II

Approved by: NT 9-26-08

This authorization expires: 9-26-08

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

Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

**Remember to:**

- 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 this permit has expired (See: authorized expiration date) please check the box below and return to the address below.

☐ Well Not Drilled - Permit Expired Date: \_\_\_\_\_  
Signature of Operator or Agent: \_\_\_\_\_

**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW***Plat of acreage attributable to a well in a prorated or spaced field*

**If the intended well is in a prorated or spaced field, please fully complete this side of the form.** If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - 101-22131-00-00Operator: Slawson Exploration Co., Inc.Lease: RISLEY 'AB'Well Number: 1

Field: \_\_\_\_\_

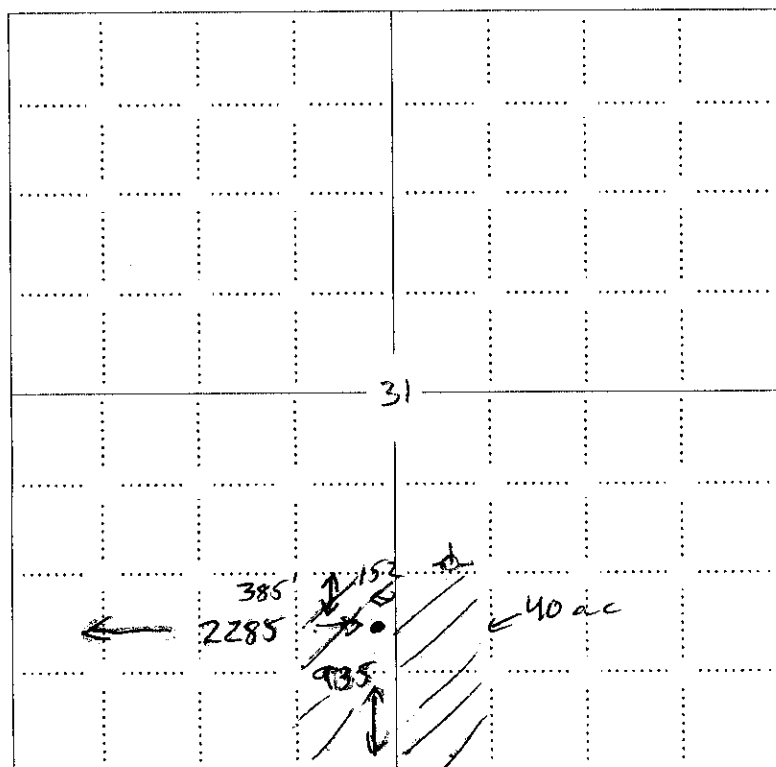
Number of Acres attributable to well: 40

QTR/QTR/QTR/QTR of acreage: \_\_\_\_\_

Location of Well: County: \_\_\_\_\_ Lane \_\_\_\_\_

935 feet from ☐ N / ☒ S Line of Section2,285 feet from ☐ E / ☒ W Line of SectionSec. 31 Twp. 18 S. R. 29 ☐ E ☒ WIs Section: ☐ Regular or ☒ Irregular**If Section is Irregular, locate well from nearest corner boundary.**Section corner used: ☐ NE ☐ NW ☒ SE ☐ SW**PLAT**

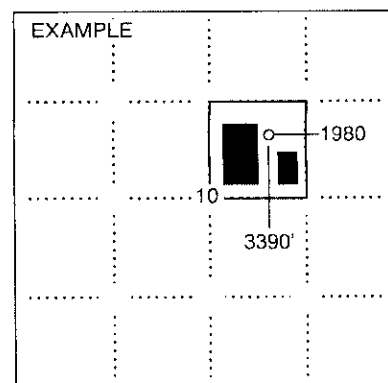
(Show location of the well and shade attributable acreage for prorated or spaced wells.)  
(Show footage to the nearest lease or unit boundary line.)

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

KANSAS CORPORATION COMMISSION

**SEP 26 2008**CONSERVATION DIVISION  
WICHITA, KS**RECEIVED**

KANSAS CORPORATION COMMISSION

**SEP 19 2008**CONSERVATION DIVISION  
WICHITA, KS**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: (CO-7 for oil wells; CG-8 for gas wells).

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

Form CDP-1  
April 2004  
Form must be Typed

*Submit in Duplicate*

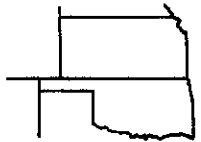
Operator Name: <b>Slawson Exploration Co., Inc.</b>		License Number: <b>3988</b>
Operator Address: <b>204 N Robinson, Ste 2300</b>		Oklahoma City OK 73102
Contact Person: <b>Steve Slawson</b>		Phone Number: <b>405 232 0201</b>
Lease Name & Well No.: <b>RISLEY 'AB' 1</b>		Pit Location (QQQQ): <div style="text-align: center;"> <u>NE</u> <u>SE</u> <u>SW</u>            Sec. <u>31</u> Twp. <u>18</u> R. <u>29</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West  <u>935</u> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section  <u>2,285</u> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section  <u>        </u> Lane <span style="float: right;">County <u>        </u></span> </div>
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: <u>5000</u> (bbls)
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: <u>4000</u> mg/l <small>(For Emergency Pits and Settling Pits only)</small>
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? <b>Bentonite gel in mud</b>
Pit dimensions (all but working pits): <u>100</u> Length (feet) <u>100</u> Width (feet) <span style="float: right;"><input type="checkbox"/> N/A: Steel Pits</span> Depth from ground level to deepest point: <u>5</u> (feet) <span style="float: right;"><input type="checkbox"/> No Pit</span>		
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.
		<b>RECEIVED</b> <b>KANSAS CORPORATION COMMISSION</b> <b>SEP 26 2008</b> <b>CONSERVATION DIVISION</b> <b>WICHITA, KS</b>
Distance to nearest water well within one-mile of pit <u>2340</u> <u>Unknown</u> feet    Depth of water well <u>105</u> feet		Depth to shallowest fresh water <u>55</u> feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" 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: <u>water-base mud</u> Number of working pits to be utilized: <u>2</u> Abandonment procedure: <u>evaporation, then backfill with topsoil in last</u> Drill pits must be closed within 365 days of spud date.
I hereby certify that the above statements are true and correct to the best of my knowledge and belief. <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;"> <u>9/17/08</u> Date             </div> <div style="text-align: center;">  Signature of Applicant or Agent             </div> <div style="text-align: right;"> <b>RECEIVED</b>  <b>KANSAS CORPORATION COMMISSION</b>  <b>SEP 19 2008</b>  <b>CONSERVATION DIVISION</b>  <b>WICHITA, KS</b> </div> </div>		

**KCC OFFICE USE ONLY**

Steel Pit ☐    RFAC ☐    RFAS ☐

Date Received: 9/19/08 Permit Number: \_\_\_\_\_ Permit Date: 9/19/08 Lease Inspection: ☐ Yes ☒ No

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202



**ROBINSON SERVICES**  
*Oil Field & Construction Staking*  
**P.O. Box 2324**  
**Garden City, Kansas 67846**  
**Office/Fax: (620) 276-6159**  
**Cell: (620) 272-1499**

**7900**  
**INVOICE NO.**

## Risley AB #1

**935' FSL – 2285' FWL**  
**LOCATION SPOT**

N

**Directions:** From the center of Dighton, Ks at the intersection of Hwy 96 & Hwy 23 - Now go 5 miles West on Hwy 96 - Now go 2 miles South on Gage Rd to the NE corner of section 31-18s-29w - Now go 0.5 mile on South on Gage Rd to ingress flagging West into - Now go 0.4 mile West on lease road - Now go 0.3 mile S SW on lease road to dry hole - Now go approx. 260' SW through wheat stubble - Now go approx. 294' on SW through poor mile into staked location  
**Final ingress must be verified with land owner or Slawson Exploration Company, Inc.**

25 30

36 31

R R

30 29

W W

Irregular Section

Risley AB #1  
935' FSL & 2285' FWL  
2840.6' = gr. elev. at staked loc.  
  
US NAD 83  
approx. Lat. = N 38° 26' 27.211286"  
approx. Long. = W 100° 34' 02.661106"  
  
I staked location with 10' wood  
painted orange & blue with 4' brace  
Location falls in poor mulo  
  
While standing at staked loc. looking approx. 150'  
in all directions, loc has 1 to 2 ft of random bumps  
to be leveled out.

31

lease road

ingress flagging  
West into

wheat stubble

fallow ground

poor mulo

farm shed

CR 130 (gravel)

Gage RD  
(gravel)

36 31

1 6

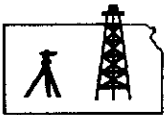
CR 120 (gravel)

T 18 S

T 19 S

31 32

6 5



e091608-x  
PLAT NO.

**ROBINSON SERVICES**  
Oil Field & Construction Staking  
P.O. Box 2324  
Garden City, Kansas 67846  
Office/Fax: (620) 276-6159  
Cell: (620) 272-1499

SEP 26 2008  
CONSERVATION DIVISION  
WICHITA, KS  
7900  
INVOICE NO.



**Slawson Exploration Company, Inc**  
OPERATOR

**Lane County, KS**  
COUNTY

31 18s 29w  
Sec. Twp. Rng.

**Risley AB #1**  
LEASE NAME  
935' FSL - 2285' FWL  
LOCATION SPOT

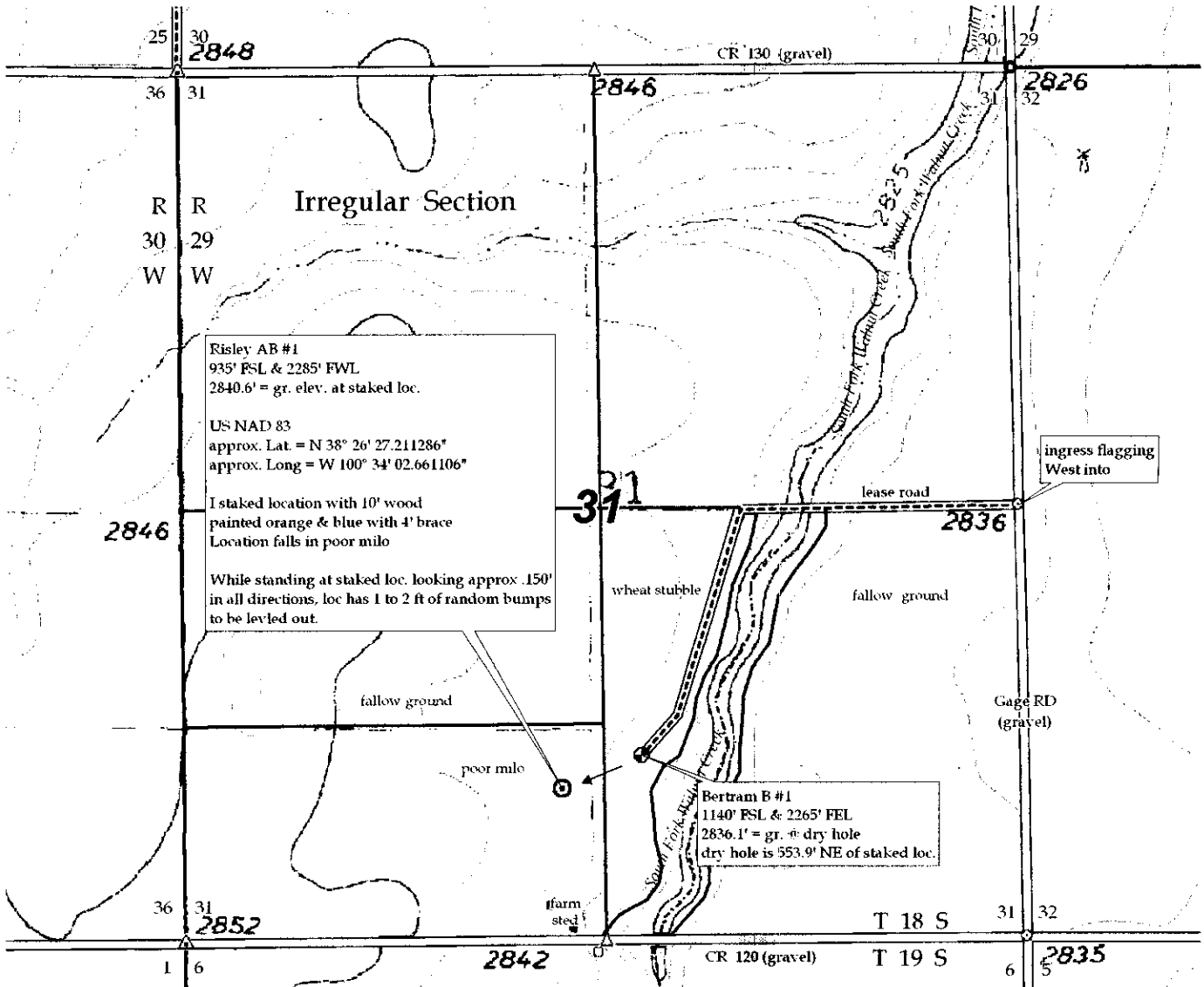
SCALE: 1" = 1000'  
DATE: Sept. 15<sup>th</sup>, 2008  
MEASURED BY: Tom W.  
DRAWN BY: Gabe Q.  
AUTHORIZED BY: Steve S.



GR. ELEVATION: 2840.6'

**Directions:** From the center of Dighton, Ks at the intersection of Hwy 96 & Hwy 23 - Now go 5 miles West on Hwy 96 - Now go 2 miles South on Gage Rd to the NE corner of section 31-18s-29w - Now go 0.5 mile on South on Gage Rd to ingress flagging West into - Now go 0.4 mile West on lease road - Now go 0.3 mile S SW on lease road to dry hole - Now go approx. 260' SW through wheat stubble - Now go approx. 294' on SW through poor milo into staked location  
Final ingress must be verified with land owner or Slawson Exploration Company, Inc.

This drawing does not constitute a monumented survey or a land survey plat  
This drawing is for construction purposes only



63U (REV. 1993)

## OIL AND GAS LEASE

Reorder No.  
09-116Kansas Blue Print  
700 S. Broadway, PO Box 700  
Wichita, KS 67201-0700  
316-264-5344 • 264-5186 fax  
www.kbp.com • kbp@kbp.comAGREEMENT, Made and entered into this 22nd day of March, 2006by and between Jon H. Risley and Marlene J. Risley, his wifewhose mailing address is 64 W. Road 130, Dighton, KS 67839

hereinafter called Lessor (whether one or more),

and Slawson Exploration Company, Inc.

hereinafter called Lessee:

Lessor, in consideration of One and other Dollars (\$ 1.00+) 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 subterranean strata, laying pipe lines, setting oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after acquired interest, therein situated in County of LANE State of KANSAS described as follows to-wit:

The Southwest Quarter (SW $\frac{1}{4}$ )In Section 31 Township 18 South Range 29 West and containing 160 acres, more or less, and all accretions thereto.

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

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

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

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

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

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid 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 operation thereon, except water from the wells of lessee;

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

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

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

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

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to 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 this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

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

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

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and 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 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 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 in 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.

RECEIVED  
KANSAS CORPORATION COMMISSION

SEP 26 2008

CONSERVATION DIVISION  
WICHITA, KS

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

Witnesses:

Jon H. Risley

Marlene J. Risley

STATE OF Kansas ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)  
COUNTY OF Lane  
The foregoing instrument was acknowledged before me this 24 day of March, 2006  
by Jon H. Risley and Marlene J. Risley, his wife

My commission expires 6-17-08



*Denise A. Callender*  
Notary Public  
Denise A Callender

STATE OF \_\_\_\_\_ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)  
COUNTY OF \_\_\_\_\_  
The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_  
Notary Public

STATE OF \_\_\_\_\_ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)  
COUNTY OF \_\_\_\_\_  
The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_  
Notary Public

STATE OF \_\_\_\_\_ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)  
COUNTY OF \_\_\_\_\_  
The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_  
Notary Public

No. \_\_\_\_\_  
**OIL AND GAS LEASE**

FROM

TO

Date

Section

Twp.

Rge.

No. of Acres

Term

County

STATE OF Kansas

County Lane

This instrument was filed for record on the 25

day of May, 2006

at 11:00 o'clock A.M., and duly recorded

in Book 114 Page 36 of

the records of this office.

*Betty Verneal*  
Register of Deeds.

By J. O. Backhouse

When recorded, return to \_\_\_\_\_

NUMERICAL  
DIRECT  
INDIRECT  
COMP. ORIG.  
COMPUTER

RECEIVED  
KANSAS CORPORATION COMMISSION

SEP 26 2008

CONSERVATION DIVISION  
WICHITA, KS

STATE OF \_\_\_\_\_ ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)  
COUNTY OF \_\_\_\_\_  
The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
by \_\_\_\_\_  
of \_\_\_\_\_ a \_\_\_\_\_  
corporation, on behalf of the corporation.  
My commission expires \_\_\_\_\_  
Notary Public

63U (Rev. 1993)

## OIL AND GAS LEASE

Recorder No.  
09-115Kansas Blue Print  
700 S. Broadway, PO Box 193  
Wichita, KS 67201-0193  
316-264-9344 • 264-5166 fax  
www.kbp.com • kbp@kbp.com

AGREEMENT, Made and entered into the 5th day of July, 2005  
by and between Francene D. Bertram, a single person

whose mailing address is 763 North Kessler St., Wichita, Kansas 67203 hereinafter called Lessor (whether one or more),  
and Slawson Exploration Company, Inc.

Lessor, in consideration of One and other Dollars (\$ 1.00+) 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 pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Lane State of Kansas described as follows to-wit:

The Southeast Quarter (SE $\frac{1}{4}$ )

In Section 31 Township 18 South Range 29 West and containing 160 acres, more or less, and all accretions thereto.

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

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

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

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

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

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid 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 operation thereon, except water from the wells of lessor.

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

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

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

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

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to 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 this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

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

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

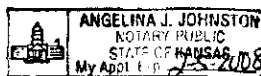
Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and 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 as 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 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 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.

RECEIVED  
KANSAS CORPORATION COMMISSION

SEP 26 2008

CONSERVATION DIVISION  
WICHITA, KS




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

WITNESSES

*Angelina J. Johnston*

*Francene D. Bertram*  
Francene D. Bertram



 ANGELINA J. JOHNSTON  
NOTARY PUBLIC  
STATE OF KANSAS  
My Appt. Exp. 12-2008



# EXTENSION OF OIL AND GAS LEASE

FILE NO. \_\_\_\_\_

 WHEREAS, Slawson Exploration Company, Inc.

 \_\_\_\_\_ is are the owner(s) and holder(s) of an oil and gas lease on  
 the following described land in Lane County, State of Kansas :

 The Southeast Quarter (SE $\frac{1}{4}$ )

 of Section 31, Township 18 South, Range 29 West and recorded in Book 111, Page 31,  
 of the Records of said County, and

 WHEREAS, said lease expires in the absence of drilling operations on July 5, 2008  
 and the said owner(s) and holder(s) desire(s) to have the term of said lease extended;

 NOW, THEREFORE, the undersigned, for themselves, their heirs, executors, administrators and assigns, for and in  
 consideration of One and other Dollars, in hand paid, the receipt whereof is hereby acknowledged,  
 does hereby agree that the said term of said lease shall be and is hereby extended, with the same tenor and effect as if such  
 extended term had been originally expressed in such lease, for a period of two (2) years from the date of  
 the said expiration thereof and as long thereafter as oil or gas (including casinghead gas) is produced from any well on the  
 land covered by said lease; subject, however, in all other respects, to the provisions and conditions of said lease or said lease  
 as modified, if any modification thereof may have been heretofore executed.

 IN WITNESS WHEREOF, this instrument is signed on this the 21<sup>st</sup>  
 day of March, 2008.

Francene D. Bertram  
 Francene D. Bertram

 STATE OF KANSAS, LANE COUNTY, SS  
 This instrument was filed for record on the

9 day of April  
 A.D. 2008 at 10:30 clock A.M. and duly  
 recorded in Book 122 on page 117

 Fee 8.00
Betty L. Johnson  
 Register of Deeds

 NUMERICAL  
 DIRECT  
 INDIRECT  
☒ COMP. ORIG.  
 COMPUTER

 RECEIVED  
 KANSAS CORPORATION COMMISSION

SEP 26 2008

 CONSERVATION DIVISION  
 WICHITA, KS

 STATE OF Kansas } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Oklahoma and Kansas)  
 COUNTY OF Sedgwick  
 Before me, the undersigned, a Notary Public, within and for said County and State, on this 21<sup>st</sup>  
 day of March, 2008, personally appeared Francene D. Bertram, a single person  
 xxx

 to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me  
 that she executed the same as her free and voluntary act and deed for the uses and purposes therein set forth.  
 IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

 My commission expires 9-23-10

Catharine Dennis  
 Notary Public

 STATE OF \_\_\_\_\_ } ss. ACKNOWLEDGMENT FOR CORPORATION  
 COUNTY OF \_\_\_\_\_ (Oklahoma and Kansas)

 Before me, the undersigned, a Notary Public, within and for said County and State, on this \_\_\_\_\_ day  
 of \_\_\_\_\_, personally appeared \_\_\_\_\_

 \_\_\_\_\_ to me known to be the identical person who  
 subscribed the name of the maker thereof to the within and foregoing instrument as its

 President and acknowledged to me that he executed the same as h free and voluntary act and deed, and as the free  
 and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

In Testimony Whereof, I have hereunto set my hand and official seal the day and year last above written.

My commission expires \_\_\_\_\_

 \_\_\_\_\_  
 Notary Public.

S/T

# **Slawson Exploration Company, Inc.**

September 25, 2008

Kansas Corporation Commission  
Oil and Gas Permits  
130 S Market, Rm 2078  
Wichita, KS 67202

Re: Slawson Risley AB #1  
Sec 31-18S-29W  
Lane Co., KS

Dear Rick:

Enclosed please find a revised permit, changing the footage from the Unit line to 385' (north line), as also shown on the plat on the reverse. Also enclosed are the two leases involved, the SW/4 and the SE/4, both of which contain pooling language that allows us to drill the well where it is staked.

The rig is coming early next week, so I would appreciate prompt approval. I think this could have been corrected with a phone call. There is no place to remark on the Intent, as we discussed, that this is a pooled unit; a suggestion for the suggestion box. Oklahoma and Texas have boxes and/or remark space for these types of situations.

Thank you for your help in this matter.

Sincerely,



Steve Slawson  
Operations Manager

Cc: Mary Powell  
Coni Stokes

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KANSAS CORPORATION COMMISSION

SEP 26 2008

CONSERVATION DIVISION  
WICHITA, KS