

For KCC Use: 10-21-08  
 Effective Date: \_\_\_\_\_  
 District # \_\_\_\_\_  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION

Form C-1  
 October 2007  
 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

Expected Spud Date: October 18, 2008  
 month day year

OPERATOR: License# 31930  
 Name: BlueRidge Petroleum Corporation  
 Address 1: P.O. Box 1913  
 Address 2: \_\_\_\_\_  
 City: \_\_\_\_\_ Enid State: OK Zip: 73702  
 Contact Person: Jonathan Allen  
 Phone: 580-242-3732

CONTRACTOR: License# 31548  
 Name: Discovery Drilling

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 #: \_\_\_\_\_

**\*\* Oil and gas leases w/ pooling clauses attached \*\***

Spot Description: \_\_\_\_\_  
 (AAAA) 175 feet from  N /  S Line of Section  
565 feet from  E /  W Line of Section

Is SECTION:  Regular  Irregular?  
 (Note: Locate well on the Section Plat on reverse side)

County: Ness  
 Lease Name: Johnson-Antenen Well #: 1-31

Field Name: \_\_\_\_\_  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Mississippi

Nearest Lease or unit boundary line (in footage): 175'  
 Ground Surface Elevation: 2455 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: 180'  
 Depth to bottom of usable water: 1000'

Surface Pipe by Alternate:  I  II  
 Length of Surface Pipe Planned to be set: 200'

Length of Conductor Pipe (if any): None  
 Projected Total Depth: 4600'

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: \_\_\_\_\_

**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.

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

Date: 10/10/2008 Signature of Operator or Agent: [Signature]

Title: Administrative Assistant

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**For KCC Use ONLY**  
 API # 15 - 135-24865-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 200 feet per ALT.  I  II  
 Approved by: [Signature] 10-16-08  
 This authorization expires: 10-16-09  
 (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: \_\_\_\_\_

31 18 25  E  W

**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 - 135-24865-0000  
 Operator: BlueRidge Petroleum Corporation  
 Lease: Johnson-Antenen  
 Well Number: 1-31  
 Field: \_\_\_\_\_

Location of Well: County: Ness  
 \_\_\_\_\_ feet from  N /  S Line of Section  
 \_\_\_\_\_ feet from  E /  W Line of Section  
 Sec. 31 Twp. 18 S. R. 25  E  W

Number of Acres attributable to well: \_\_\_\_\_  
 QTR/QTR/QTR/QTR of acreage: \_\_\_\_\_ - SW - SW - SW

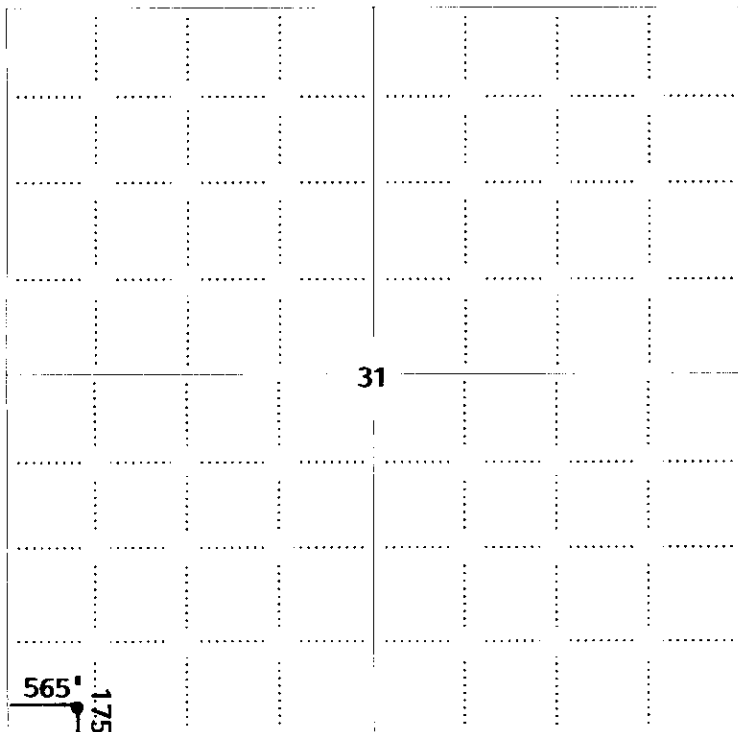
Is Section:  Regular or  Irregular

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

Section corner used:  NE  NW  SE  SW

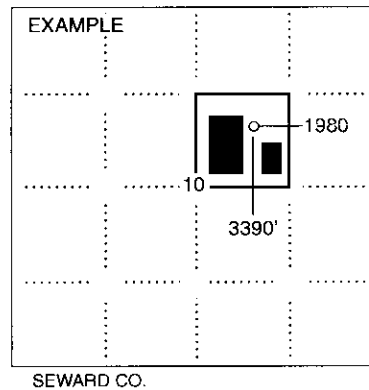
**PLAT**

*(Show location of the well 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.**

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**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 GDP-1  
April 2004  
Form must be Typed

*Submit in Duplicate*

Operator Name: <b>BlueRidge Petroleum Corporation</b>		License Number: <b>31930</b>	
Operator Address: <b>P.O. Box 1913</b>		<b>Enid OK 73702</b>	
Contact Person: <b>Jonathan Allen</b>		Phone Number: <b>580-242-3732</b>	
Lease Name & Well No.: <b>Johnson-Antenen 1-31</b>		Pit Location (QQQQ): _____ <b>SW</b> _____ <b>SW</b> _____ <b>SW</b> Sec. <b>31</b> Twp. <b>18</b> R. <b>25</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>175</b> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <b>565</b> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <b>Ness</b> _____ County	
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 (If WP Supply API No. or Year Drilled) _____		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: <b>3,000</b> (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" 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 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>Native mud</b>			
Pit dimensions (all but working pits): <b>70</b> Length (feet) <b>70</b> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <b>4</b> (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 <b>1035</b> feet    Depth of water well <b>32</b> feet		Depth to shallowest fresh water <b>22</b> 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: <b>Fresh mud</b> Number of working pits to be utilized: <b>3</b> Abandonment procedure: <b>Allow liquid contents to evaporate, then backfill</b> 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.		<b>OCT 14 2008</b>	
Date: <b>10/10/2008</b>		CONSERVATION DIVISION WICHITA, KS Signature of Applicant or Agent: <i>Paula Allen</i>	
<b>KCC OFFICE USE ONLY</b>			
Date Received: <b>10/14/08</b> Permit Number: _____ Permit Date: <b>10/14/08</b>		Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/> <i>Normal</i>	
		Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

15135-242-3732-0000

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

15-135-248650000

63U (Rev. 1993)

OIL AND GAS LEASE

Reorder No. 09-115



AGREEMENT. Made and entered into the 4th day of May 2007
by and between the Darryl D. Johnson Revocable Living Trust, dated April 23, 2007, BY Darryl D. Johnson, Trustee

whose mailing address in RR 1, Box 110, Ness City, Kansas 67560 hereinafter called Lessor (whether one or more)
and J. Fred Hambright, Inc. 125 N. Market #1415, Wichita, Kansas 67202 hereinafter called Lessee

Lessor, in consideration of One and more Dollars (\$One (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...

Township 18 South, Range 25 West
Section 31: SW/4

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

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

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

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

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

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

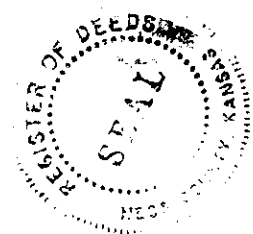
Lessor hereby warrants and agrees to defend the title to the lands herein described, and agree that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated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

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CONSERVATION DIVISION
WICHITA, KS



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

SS#: 513-34-9424

State of Kansas - Ness County, Mark Harsham
Book: 310 Page: 575
Receipt #: 2760 Recording Fee: \$12.00
Pages Recorded: 2
Date Recorded: 6/29/2007 9:35:00 AM

OIL AND GAS LEASE

15-135-24865000

THIS AGREEMENT, Entered into this the 1st day of March, 2005, between: Jean Rumble, a widow and Gary Antenen, a single man

hereinafter called lessor, and BlueRidge Petroleum Corporation P.O. Box 1913 Enid, OK 73702-1913 hereinafter called lessee:

1. That lessor, for and in consideration of Ten Dollars (\$10.00), 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 therein, 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 and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances

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into the subsurface strata, said tract of land being situated in the County of Ness State of Kansas ~~KANSAS CORPORATION COMMISSION~~

Township 19 South, Range 25 West  
Section 6: NW/4

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containing 1.60 acres more or less.

CONSERVATION DIVISION  
WICHITA, KS

2. This lease shall remain in force for a term of Three (3) 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 1/8th part of all oil produced and saved from the leased premises.

4. The lessee shall pay to the lessor, as a royalty, 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. Lessor shall have the right to take such part of their share of the gas produced in kind, for domestic and agricultural purposes, for use on the lease premises. All costs associated with lessor taking their share of gas in kind, including all necessary connections for metering and transportation, shall be at the sole risk and expense of lessor. 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, the sum of \$1.00 per acre (\$160.00), 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. The payment of shut-in gas royalty shall not extend this lease longer than two (2) years. If gas is not being sold at the end of said two year period, this lease will terminate.

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 and rentals herein provided for shall be paid to said lessor only in the proportion which their 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 their heirs, or their grantees, 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. The lessee shall bury its pipe lines and electrical lines a minimum of 36 inches below the surface of the land and shall pay for damage caused by its operations on 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, after the expiration of this lease, remove all machinery, fixtures, houses, buildings and other structures placed on said premises, and shall properly plug all wells thereon.

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, rentals, 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 in the rentals 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 a 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 payments of rentals and royalties 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 severally 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 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 or rentals accruing hereunder.

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 Ninety (90) 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 of more than Ninety (90) 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 provision 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 terminate, 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.

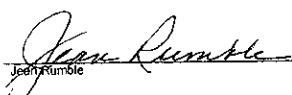
13. Lessee also shall:
- (a) In the drilling of wells on the said land, segregate the surface soil when pits are dug, and when the pits are filled, return the surface soil to the top of the pit;
  - (b) Fence all producing wells and tank battery in such a manner that livestock cannot reach the lease equipment and install cattle guards at all road entrances, as requested by lessor;
  - (c) If a salt water disposal well is completed on the said tract, water may not be disposed of in the well from any wells outside the above lease premises unless the parties enter into a separate salt water disposal agreement;
  - (d) Tank batteries and lease roads shall be placed at locations mutually agreeable between the lessor and lessee;
  - (e) Complete a three dimensional seismic survey over the lands covered by this lease;
  - (f) Lessee shall provide lessor with a copy of any division order or title opinion prepared by lessee's attorney, and copies of logs of wells drilled and copies of the three dimensional seismic maps, following the end of the primary term of this lease;
  - (g) Upon termination of this lease, Lessee shall restore the surface of the land to its original condition as nearly as practical.

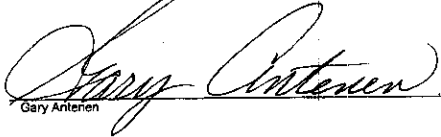
14. Lessee, at its option, is hereby given the right and power to pool or combine into one or more units the land covered by this lease, or any portion thereof, with other land covered by another lease, or leases when, in lessee's judgment, it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding forty (40) acres each in the event of an oil well, or into a unit or units not exceeding 320 acres each in the event of a gas and/or condensate or distillate well. Lessee shall execute in writing and file for 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 herein as the amount of their net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved. Any unit created pursuant to these provisions shall be square in size with the producing oil or gas well being in the approximate center of the unit.

15. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor and lessee and is further subject to the rights of the surface owners of the leased premises as appearing of record.

16. If, in the judgment of Lessee, any 160 acre tract is identified as a drilling prospect, Lessee shall have the right and option to extend the primary term of this lease for an additional two (2) year period of time, commencing on March 1, 2008. In the event Lessee elects to exercise its option, an additional payment shall be made to Lessor in the amount of \$5.00 per acre, for a total payment of \$800.00, payable on or before March 1, 2008. Payment shall be made in the form of a check made payable to the Lessor, or their successors in title.

IN WITNESS WHEREOF, the undersigned has hereunto set their hand the day and year first above written.

  
Jean Rumble

  
Gary Antenen