

APPLICATION FOR SURFACE PIT

15-159-22634-0000

Submit in Duplicate

Operator Name: REDLAND RESOURCES, INC.		License Number: 32204	
Operator Address: 6001 NW 23RD STREET		OKLAHOMA CITY OKLAHOMA 73127	
Contact Person: ALAN THROWER		Phone Number: (405)789-7104	
Lease Name & Well No.: FREDERICK #8-3		Pit Location (QQQQ): C - NW - SW	
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 checked="" type="checkbox"/> Haul-Off Pit (If WP Supply API No. or Year Drilled)		Pit is: <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Existing If Existing, date constructed: 12/124/10 Pit capacity: 4,000 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l (For Emergency Pits and Settling Pits only)	
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	
Pit dimensions (all but working pits): 100 Length (feet) 100 Width (feet)		<input type="checkbox"/> N/A: Steel Pits	
Depth from ground level to deepest point: 4 (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.	
		RECEIVED DEC 22 2010 KCC WICHITA	
Distance to nearest water well within one-mile of pit: 1084 feet Depth of water well 37 feet		Depth to shallowest fresh water 114 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KDWR	
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: FRESH Number of working pits to be utilized: 1 Abandonment procedure: EVAPORATION & BACKFILL 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.			
12/22/10 Date		Sally R. Byers Signature of Applicant or Agent	

KCC OFFICE USE ONLY			
		<input type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS	
Date Received: 12-22-10	Permit Number: 15-159-22634-0000	Permit Date: 2-4-11	Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Kansas Corporation Commission Oil & Gas Conservation Division

HAUL-OFF PIT APPLICATION FILING REQUIREMENTS

82-3-607. DISPOSAL OF DIKE AND PIT CONTENTS.

- (a) Each operator shall perform one of the following when disposing of dike or pit contents:
- (1) Remove the liquid contents to a disposal well or other oil and gas operation approved by the commission or to road maintenance or construction locations approved by the department;
 - (2) dispose of reserve pit waste down the annular space of a well completed according to the alternate requirements of K.A.R. 82-3-106, if the waste to be disposed of was generated during the drilling and completion of the well; or
 - (3) dispose of the remaining solid contents in any manner required by the commission. The requirements may include any of the following:
 - (A) Burial in place, in accordance with the grading and restoration requirements in K.A.R. 82-3-602 (f);
 - (B) removal and placement of the contents in an on-site disposal area approved by the commission;
 - (C) removal and placement of the contents in an off-site disposal area on acreage owned by the same landowner or to another producing lease or unit operated by the same operator, if prior written permission from the landowner has been obtained; or
 - (D) removal of the contents to a permitted off-site disposal area approved by the department.
- (b) Each violation of this regulation shall be punishable by the following:
- (1) A \$1,000 penalty for the first violation;
 - (2) a \$2,500 penalty for the second violation; and
 - (3) a \$5,000 penalty and an operator license review for the third violation.

RECEIVED
DEC 22 2010

Complete and return with Haul-Off Pit Application, Form CDP1(2004)

KCC WICHITA

Haul-off pit will be located in an on-site disposal area: Yes No

Haul-off pit is located in an off-site disposal area on acreage owned by the same landowner:
 Yes No If yes, written permission from the land owner must be obtained. Attach written permission to haul-off pit application.

Haul-off pit is located in an off-site disposal area on another **producing** lease or unit operated by the same operator: Yes No If yes, written permission from the land owner must be obtained. Attach permission and a copy of the lease assignment that covers the acreage where the haul-off pit is to be located, to the haul-off pit application.

December 15, 2010

Kansas Corporation Commission
130 S. Market Street
Room 2078
Wichita, KS 67202

Re: Application for Haul-off pit
Frederick #8-3
NW/4 Sec 8-21S-9W
Rice County, KS

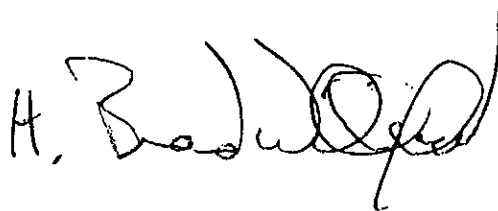
To Whom It May Concern:

I am the surface owner of the SW/4 of Section 32-21S-9W, Rice County, Kansas. Redland Resources, Inc. is preparing to drill a well on this tract (Williford #32-12) and will construct a drilling pit on my property.


This letter shall confirm my agreement with Redland Resources, Inc. to allow Redland to haul drilling mud from the Frederick #8-3 well to the pit located in the above described location.

Sincerely,

H. Bradley Williford
1820 South 2800 Road
Herington, KS 67449



RECEIVED
DEC 22 2010
KCC WICHITA



63U (Rev. 1993)

OIL AND GAS LEASE

Reorder No. 09-115



Kansas Blue Print 700 E. Broadway, PO Box 783 Wichita, KS 67201-0783 316-264-6344 204-5165 fax www.kbp.com kbp@kbp.com

AGREEMENT, Made and entered into the 1st day of February 2008 by and between Howard Bradley Williford and Kerry L. McLay, his wife,

whose mailing address is 1820 S. 2800 Rd., Herrington, KS 67449, hereinafter called Lessor (whether one or more), and J. Fred Hambright, Inc., 125 N. Market, Suite 1415, Wichita, KS 67202

Lessor, in consideration of ten and more Dollars (\$ 10.00+) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituents 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 Rice State of Kansas described as follows to-wit:

Township 21 South, Range 9 West

Section 32: SW/4 except a tract of land described as follows:

beginning at the Southeast corner of the Southwest Quarter (SW/4) of said section, running thence West 250 feet, thence North 500 feet, thence East 250 feet, thence South 500 feet to the point of beginning, said excepted tract containing three (3) acres, more or less.

In Section XXX Township XXX Range XXX and containing 157 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) of 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 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 mortgage, 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 purpose 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 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.

If at the end of the primary term, this lease is not otherwise continued in force under the provisions hereof, this lease shall expire, unless Lessee on or before the end of the primary term shall pay or tender to Lessor, the sum of \$10.00 multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this lease; and subject to the other provisions of this lease, the primary term shall be extended for an additional term of two (2) years from the end of the primary term hereof.

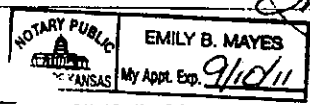
IN WITNESS WHEREOF, the undersigned executed this instrument as of the day and year first above written.

Witness: Howard Bradley Williford a/k/a H. Bradley Williford

Witness: Kerry L. McLay a/k/a Kerry McLay

STATE OF Kansas
 COUNTY OF MORRIS ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
 The foregoing instrument was acknowledged before me this 5th day of February, 2008,
 by Howard Bradley Williford, a/k/a H. Bradley Williford and
Kerry L. McLay, a/k/a Kerry McLay his wife

My commission expires 9/10/11



Emily B. Mayes
 Notary Public
 Emily B. Mayes

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

My commission expires _____
 Notary Public

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

My commission expires _____
 Notary Public

STATE OF _____
 COUNTY OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
 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 _____

Document #: 200800725 *Jm C*
 STATE OF KANSAS
 COUNTY OF RICE
 This instrument was filed on: 3/10/2008
 At: 8:00:00 AM and duly recorded in
 Book: Oil & Gas 145 Page: 571
 Fees: \$12
R. Randall
 Rice Co., Register of Deeds
 By _____
 When recorded, return to _____

STATE OF _____
 COUNTY OF _____ ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)
 The foregoing instrument was acknowledged before me this _____ day of _____
 by _____
 of _____ a _____
 corporation, on behalf of the corporation.

My commission expires _____
 Notary Public

000572

RECEIVED

MAR 10 2008

REGISTER OF DEEDS



Recorder No. 09-162



Mt-Continent Association Form B

ASSIGNMENT OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:
That the undersigned,

J. FRED HAMBRIGHT, INC.

hereinafter called Assignor (whether one or more), for and in consideration of One Dollar (\$1.00) the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer and set over unto McLeod Exploration co.

(hereinafter called Assignee), all right, title and interest in and to the oil and gas lease dated February 1 2008 from Howard Bradley Williford and Kerry L. McLay, his wife

to J. FRED HAMBRIGHT, INC.

recorded in book 145 page 571 insofar as said lease covers the following described land in Rice County, State of Kansas:

Township 21 South, Range 9 West
Section 32: SW/4 except a tract of land described as follows:
beginning at the Southeast corner of the Southwest Quarter (SW/4) of said section, running thence West 250 feet, thence North 500 feet, thence East 250 feet, thence South 500 feet to the point of beginning, said excepted tract containing three (3) acres, more or less.

of Section --- Township --- Range --- and containing 157 acres, more or less together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith.

And for the same consideration the Assignor covenants with the Assignee, its or his heirs, successors or assigns: That the Assignor is the lawful owner of and has good title to the interest above assigned in and to said lease, estate, rights and property, free and clear from all liens, encumbrances or adverse claims; That said lease is a valid and subsisting lease on the land above described, and all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force have been duly performed.

EXECUTED, This 16th day of May, 2008

BY: J. FRED HAMBRIGHT, INC.
J. FRED HAMBRIGHT

STATE OF _____ } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Kans. Okla. and Colo.)
COUNTY OF _____

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

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that _____ executed the same as _____ 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.

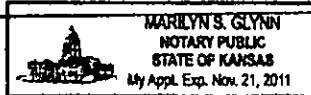
My commission expires _____ Notary Public

STATE OF Kansas } ss. ACKNOWLEDGMENT FOR CORPORATION
COUNTY OF Sedgwick

Be it remembered that on this 16th day of May, 2008 before me, the undersigned, a Notary Public, duly commissioned, in and for the county and state aforesaid, came J. Fred Hambright president of J. Fred Hambright, Inc.

a corporation of the State of Kansas personally known to me to be such officer, and to be the same person who executed as such officer the foregoing instrument of writing in behalf of said corporation, and he duly acknowledged the execution of the same for himself and for said corporation for the uses and purposes therein set forth.
IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day and year last above written.

My commission expires _____ Notary Public



Marilyn S. Glynn

000253

Document #: 201000376
STATE OF KANSAS
COUNTY OF RICE
This Instrument was filed on: 2/17/2010
At: 8:00:00 AM and duly recorded in
Book: Oil & Gas 148 Page: 253
Fees: \$8
Randa Hunt
Rice Co., Register of Deeds

Reorder No. 09-165



Kansas Blue Print
700 S. Broadway, PO Box 703
Wichita, KS 67201-0703
316-264-4344-764-5165 fax
www.kbp.com - kbp@kbp.com

Mid-Continent Association Form with Overriding Royalty Reservation and Reassignment Privileges

ASSIGNMENT OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned,

McLeod Exploration Co.

hereinafter called Assignor (whether one or more), for and in consideration of One Dollar (\$1.00) the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer and set over unto

Redland Resources, Inc.

(hereinafter called Assignee), all right, title and interest, subject to the overriding royalty reservation hereinafter set out, in and to the oil and gas lease dated February 1, 2008, from

Howard Bradley Williford and Kerry L. McLay, his wife WZ

Document #: 201000498 JMC

STATE OF KANSAS
COUNTY OF RICE

This Instrument was filed on: 3/3/2010
At 12:45:00 PM and duly recorded in

Book: Oil & Gas 148 Page: 296

Fees: \$8

Ronda Hunt
Rice Co., Register of Deeds

_____, lessor
to J. Fred Hambright, Inc., lessee
recorded in book 145, page 571 insofar as said lease covers the following described land in
Rice County, State of Kansas:

SW/4 except a tract of land described as follows:
beginning at the southeast corner of the southwest quarter (SW/4) of said section, running thence west 250 feet, thence north 500 feet, thence east 250 feet, thence south 500 feet to the point of beginning, said excepted tract containing three (3) acres, more or less.

of Section 32 Township 21S Range 9W and containing 157 acres, more or less together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith.

In the event the assignee herein shall elect to not pay the rental due under the lease herein assigned, Assignee agrees, at least thirty days prior to any such rental date, to tender to the Assignor herein an assignment, without warranty of title, of all of the interest herein assigned.

The Assignor herein hereby expressly excepts, reserves, and retains title to an undivided 4% of 878ths of all oil, gas, and casinghead gas produced, saved, and marketed from the above described land under the provisions of the aforesaid lease, or any extension or renewal thereof, as an overriding royalty, free and clear of any cost and expense of the development and operation thereof, excepting taxes applicable to said interest and the production therefrom.

And for the same consideration the Assignor covenants with the Assignee, its or his heirs, successors, or assigns: That the Assignor is the lawful owner of and has good title to the interest above assigned in and to said lease, estate, rights, and property, free and clear from all liens, encumbrances or adverse claims; That said lease is a valid and subsisting lease on the land above described, and all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force have been duly performed, and that the Assignor will warrant and forever defend the same against all persons whomsoever, lawfully claiming or to claim the same.

All of the provisions of this assignment shall be available to and binding upon the respective heirs, executors, administrators, successors, and assigns of the Assignor and Assignee herein.

EXECUTED, This 22nd day of February, 2010

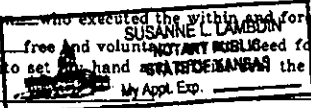
Terry L. McLeod Owner
TERRY L. McLEOD

STATE OF Kansas } ss. ACKNOWLEDGMENT FOR INDIVIDUAL
COUNTY OF Sedgwick

Before me, the undersigned, a Notary Public, within and for said County and State, on this 22nd day of February, 2010, personally appeared Terry L. McLeod Owner and

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that SUSANNE L. LAMBSON executed the same as NOTARY PUBLIC for the uses and purposes therein set forth.

IN WITNESS WHEREOF I have hereunto set my hand and seal at Wichita, Kansas the day and year first above written.
My commission expires 4/30/12



Susanne L. Lambson
Notary Public

000296

Original Compared with Record