

For KCC Use: 5-30-2012
 Effective Date: 5-30-2012
 District # _____
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

Form C-1
 March 2010

Form must be Typed
 Form must be Signed
 All blanks must be Filled

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well
Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

Expected Spud Date: 7/15/2012
 month day year

Spot Description: SW - SE - SW Sec. 28 Twp. 10 S. R. 25 E W
 (O/Q/O) 230 feet from N / S Line of Section
1,615 feet from E / W Line of Section

OPERATOR: License# 34440
 Name: Energy Investment Partners LLC
 Address 1: P.O. Box 225878
 Address 2: _____
 City: Dallas State: TX Zip: 75222 + _____
 Contact Person: Bob Flournoy
 Phone: 214-978-2500
 CONTRACTOR: License# 34233
 Name: Maverick Drilling LLC

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

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

County: Graham
 Lease Name: Knoll Well #: 1-28
 Field Name: Unnamed
 Is this a Prorated / Spaced Field? Yes No

If OWWO: old well information as follows:
 Operator: _____
 Well Name: _____
 Original Completion Date: _____ Original Total Depth: _____

Target Formation(s): Lansing Kansas City, Mississippian
 Nearest Lease or unit boundary line (in footage): 230'
 Ground Surface Elevation: 2476 feet MSL
 Water well within one-quarter mile: Yes No
 Public water supply well within one mile: Yes No

Directional, Deviated or Horizontal wellbore? Yes No
 If Yes, true vertical depth: _____
 Bottom Hole Location: _____
 KCC DKT #: _____

Depth to bottom of fresh water: 150
 Depth to bottom of usable water: 1260/1220
 Surface Pipe by Alternate: I II
 Length of Surface Pipe Planned to be set: 225
 Length of Conductor Pipe (if any): None
 Projected Total Depth: 4300'
 Formation at Total Depth: Mississippian

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 & Gas leases w/ pooling clauses submitted

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 to the best of my knowledge and belief.

Date: 5/22/2012 Signature of Operator or Agent: _____ Title: Agent

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For KCC Use ONLY
 API # 15 - 065-23838-00-00
 Conductor pipe required None feet
 Minimum surface pipe required 200 feet per ALT. I II
 Approved by: SB 5-25-2012
 This authorization expires: 5-25-2013
 (This authorization void if drilling not started within 12 months of approval date.)
 Spud date: _____ Agent: _____

- Remember to:**
- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
 - File Drill Pit Application (form CDP-1) with Intent to Drill;
 - File Completion Form ACO-1 within 120 days of spud date;
 - File acreage attribution plat according to field proration orders;
 - Notify appropriate district office 48 hours prior to workover or re-entry;
 - Submit plugging report (CP-4) after plugging is completed (within 60 days);
 - Obtain written approval before disposing or injecting salt water.
 - If well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.
- Well will not be drilled or Permit Expired Date: _____
 Signature of Operator or Agent: _____

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

28
10
25
 E
 W

For KCC Use ONLY

API # 15 - **065-23838-00-00**

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: Energy Investment Partners LLC

Lease: Knoll

Well Number: 1-28

Field: _____

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: NE - SW - SE - SW

Location of Well: County: Graham

230 feet from N / S Line of Section

1,615 feet from E / W Line of Section

Sec. 28 Twp. 10 S. R. 25 E W

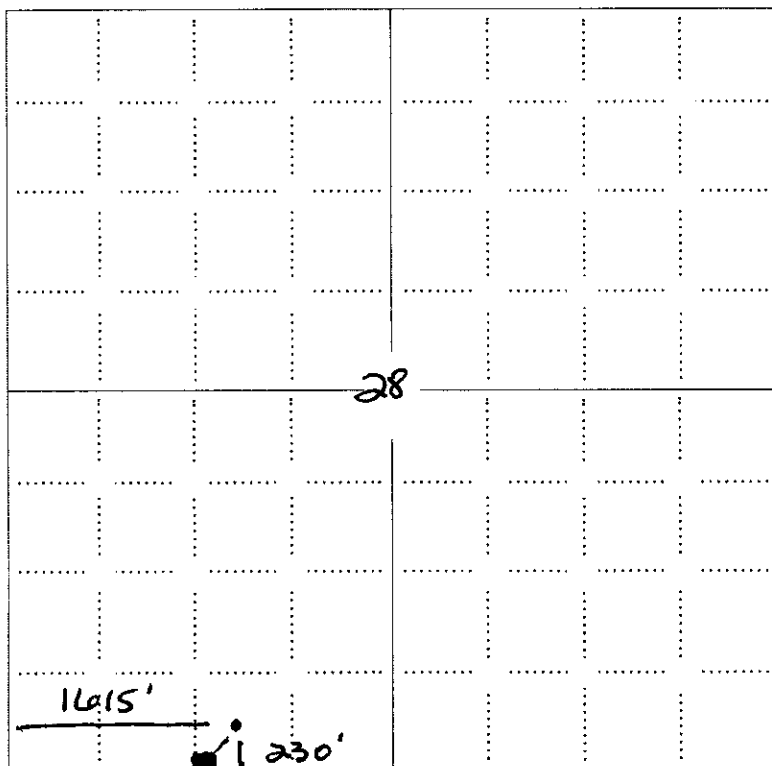
Is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

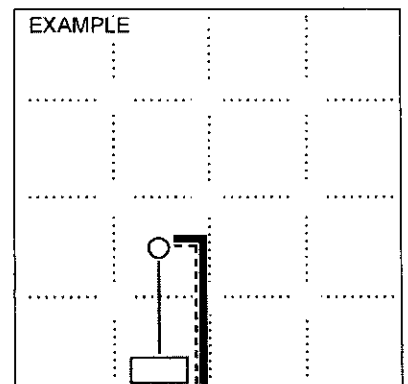
PLAT

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired.



LEGEND

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



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

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).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

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KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form KSONA-1
July 2010
Form Must Be Typed
Form must be Signed
All blanks must be Filled

**CERTIFICATION OF COMPLIANCE WITH THE
KANSAS SURFACE OWNER NOTIFICATION ACT**

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License # 34440
Name: Energy Investment Partners LLC
Address 1: P.O. Box 225878
Address 2: _____
City: Dallas State: TX Zip: 75222 + _____
Contact Person: Bob Flournoy
Phone: (214) 978-2500 Fax: (_____) _____
Email Address: bobflournoy@att.net

Well Location:
NE SW SE SW Sec. 28 Twp. 10 S. R. 25 East West
County: Graham
Lease Name: Knoll Well #: 1-28

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: Ken and Patty Jo Knoll
Address 1: 1385 C Road
Address 2: _____
City: Collyer State: KS Zip: 67631 + _____

When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

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

Date: 5/22/2012 Signature of Operator or Agent: [Signature] Title: Agent

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

15-065-23638-00-700

ADVANTAGE ELEVATIONS

OIL FIELD SURVEYORS

BOX 8604 - PRATT, KS 67124
(620) 672-6491

412122
INVOICE NO.

ENERGY INVESTMENT PARTNERS OPERATOR 1-28 NO. Kroll FARM

Graham COUNTY 28 S 10s T 25w R 230' FSL & 1615' FWL LOCATION

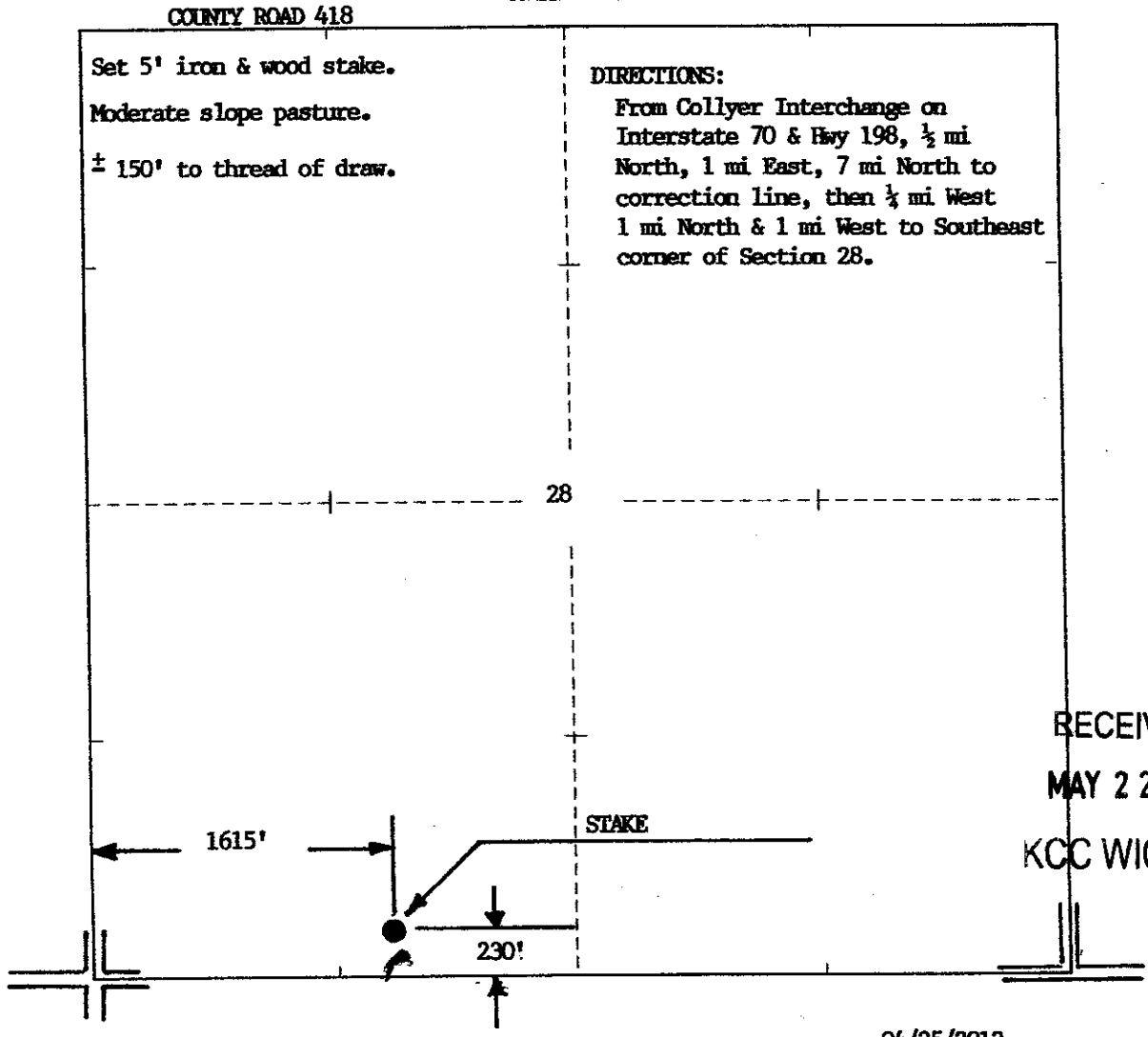
ELEVATION: 2476' GR



ENERGY INVESTMENT PARTNERS
400 N St. Paul Street, Ste 720
Dallas, TX 75201

AUTHORIZED BY: Bob Flournoy

SCALE: 1" = 100'



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MAY 22 2012
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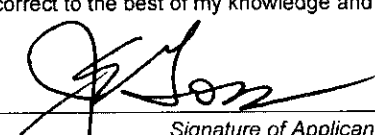
DATE STAKED: 06/25/2012

15-015-23838-00-00

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

Form CDP-1
May 2010
Form must be Typed

Submit in Duplicate

Operator Name: Energy Investment Partners LLC		License Number: 34440
Operator Address: P.O. Box 225878		Dallas TX 75222
Contact Person: Bob Flournoy		Phone Number: 214-978-2500
Lease Name & Well No.: Knoll 1-28		Pit Location (QQQQ): <u>SW - SW - SE - SW</u> Sec. <u>28</u> Twp. <u>10</u> R. <u>25</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>230</u> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <u>16'5"</u> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Graham 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 <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: 4,000 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ 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? Bentonite and native clays from drilling operations
Pit dimensions (all but working pits): <u>100</u> Length (feet) <u>100</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>4</u> (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: <u>N/A</u> feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: <u>Fresh water gel mud.</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>Allow pits to dry naturally and backfill as conditions allow.</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.		RECEIVED MAY 22 2012 KCC WICHITA
<u>5/22/2012</u> Date	 Signature of Applicant or Agent	
KCC OFFICE USE ONLY		
Date Received: <u>5-22-12</u> Permit Number: _____		Permit Date: <u>5-25-12</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input checked="" type="checkbox"/> RFAC <input type="checkbox"/> RFAS		

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

15: 065 - 2383800-00

May 25, 2012

Energy Investment Partners LLC
PO Box 225878
Dallas, TX 75222

RE: Drilling Pit Application
Knoll Lease Well No. 1-28
SW/4 Sec. 28-10S-25W
Graham County, Kansas

Dear Sir or Madam:

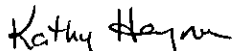
District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and free fluids must be removed. The fluids are to be removed from the reserve pit after drilling operations have ceased. Keep pits as far from stream as possible.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (785) 625-0550 when the fluids have been removed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site:
www.kcc.state.ks.us/conservation/forms.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,



Kathy Haynes
Environmental Protection and Remediation Department

cc: district

15-065-23838-00-00

ENERGY INVESTMENTS PARTNERS, LLC.

400 North St. Paul Street, Suite 720, Dallas, TX 75201

Mail To: PO Box 225878, Dallas, TX 75222

(214) 978-2500

www.energyinvestmentpartners.com

May 21, 2012

RE: Intent to Drill

Mr. Rick Hestermann
The State Corporation Commission of Kansas
130 S. Market, Room 2078
Wichita, KS 67202

Dear Mr. Hestermann:

Attached are two Intents to Drills wells in Graham County, KS. The Knoll 1-28 is surveyed at 230 feet from the south line of Section 28-T10s-R25W. Since this distance is inside of your 330 foot distance from the lease line, we are asking for an exception to the rule. Attached are the two oil and gas leases in Section 28 and Section 33 involving the drilling unit. Both have language to pool the leases, thus making an exception to the Rule KAR 82-3-108

Please notify us if there are questions.

Sincerely,

Bob Flournoy
President

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MAY 22 2012
KCC WICHITA

15-015-23838-00-00



AGREEMENT, Made and entered into the 31st day of July 2008

by and between Kenneth K. Knoll and
Patty Jo Knoll
1385 C Road
Collyer, KS 67631

Direct
Indirect
Indirect
Computer

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

Lessor, in consideration of One and More 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 Graham State of Kansas described as follows to-wit:

**Township 10 South, Range 25 West
Section 28: All**

In Section XXXXXXXXXXXX, Township XXXXXXXXXXXX, Range XXXXXXXXXXXX, and containing 640 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of two(2) 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 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.

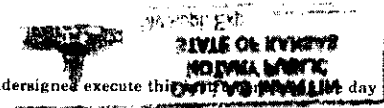
All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if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

If at the end of the primary term, this Lease is not otherwise continued in force under the provisions hereof, this Lease shall expire, unless Lessee on or before the end of the primary term shall pay or tender to Lessor, the sum equal to the total original per acre bonus paid to Lessor under the initial primary term of said lease multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this Lease; 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.

* Initial KKK * Initial PJK



IN WITNESS WHEREOF, the undersigned execute this on this 31st day of July 2008.

x Patty Jo Knoll
Patty Jo Knoll

x Kenneth K. Knoll
Kenneth K. Knoll

RECEIVED

MAY 22 2012

KCC WICHITA

STATE OF Kansas ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
COUNTY OF Trego
The foregoing instrument was acknowledged before me this 31st day of July, 2008
by Kenneth K. Knoll and Patty Jo Knoll husband and wife
My commission expires 1/24/2011

Dallas Martin
Dallas Martin, 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

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 _____ Date _____
Section _____ Twp. _____ Rge. _____
No. of Acres _____ Term _____
County _____
STATE OF KANSAS
County GRAHAM
This instrument was filed for record on the 2
day of SEPTEMBER, 2008
at 9:54 o'clock A. M., and duly recorded
in Book 234 Page 984-985 of
the records of this office. \$12.00
By *Annita Toll* Register of Deeds.
When recorded, return to _____



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

RECEIVED
Notary Public
MAY 22 2012
KCC WICHITA



AGREEMENT, Made and entered into the 5th day of August 2008

by and between Gerald F. Riedel and Debbie A. Riedel husband and wife 525 N. 9th St. Wakeeney, KS 67672

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

Lessor, in consideration of One and More 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 Graham State of Kansas described as follows to-wit:

Township 10 South, Range 25 West Section 33: N/2

In Section XXXXXXXXXXXXX Township XXXXXXXXXXXXX Range XXXXXXXXXXXXX and containing 320 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of two(2) 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 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.

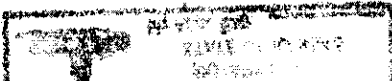
All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if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

If at the end of the primary term, this Lease is not otherwise continued in force under the provisions hereof, this Lease shall expire, unless Lessee on or before the end of the primary term shall pay or tender to Lessor, the sum equal to the total original per acre bonus paid to Lessor under the initial primary term of said lease multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this Lease; and subject to the other provisions of this Lease, the primary term shall be extended for an additional term of three(3) years from the end of the primary term hereof.

* Initial [Signature] * Initial G.F.R.



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

Witnesses: X Debbie A. Riedel X Gerald F. Riedel

RECEIVED MAY 22 2012 KCC WICHITA

STATE OF Kansas
 COUNTY OF Trego ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
 The foregoing instrument was acknowledged before me this 5th day of August 2008
 by Gerald F. Riedel and Debbie A. Riedel
 husband and wife
 My commission expires 1/24/2011
Dallas Martin
 Dallas Martin, Notary Public

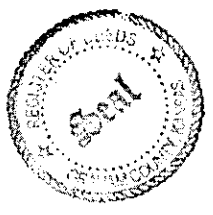


STATE OF _____
 COUNTY OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
 The foregoing instrument was acknowledged before me this _____ day of _____
 by _____ and _____
 My commission expires _____
 Notary Public

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

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. _____ Rgc. _____
 No. of Acres _____ Term _____
 County _____
 STATE OF KANSAS
 County GRAHAM
 This instrument was filed for record on the 2
 day of SEPTEMBER 2008.
 at 9:48 o'clock A.M., and duly recorded
 in Book 234 Page 970-971 of
 the records of this office. \$12.00
Quanto Tol
 By _____ Register of Deeds.
 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

RECEIVED
 MAY 22 2012
 KCC WICHITA