



KANSAS CORPORATION COMMISSION 1078341
OIL & GAS CONSERVATION DIVISION

Form CDP-1
May 2010
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Ventex Operating Corp.		License Number: 34365	
Operator Address: 3141 HOOD ST., STE 700		DALLAS TX 75219	
Contact Person: Chuck Sledge		Phone Number: 214-520-2929	
Lease Name & Well No.: Rawhide 1		Pit Location (QQQQ): N2 - N2 - NW	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input checked="" 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: 800 (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? gel			
Pit dimensions (all but working pits): <u>30</u> Length (feet) <u>20</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>8</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>NA</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 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: <u>Bentonite Mud</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: <u>Air Dry and Back Fill</u> Drill pits must be closed within 365 days of spud date.	
<p>Submitted Electronically</p>			

KCC OFFICE USE ONLY			
Date Received: <u>04/09/2012</u>	Permit Number: <u>15-115-21427-00-00</u>	Permit Date: <u>04/11/2012</u>	Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS	

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

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 I 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.

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

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.

COMPUTER
TRACT
MORTGAGE FORECLOSURE (PRODUCER'S SPECIAL) (PAID-UP)
630 (Rev. 1993)



PRINE L. BLOSSER REGISTER OF DEEDS
MORRIS COUNTY, KANSAS
Book: 191 Page: 712
Receipt #: 8349 Total Fees: \$16.00
Pages Recorded: 3
Date Recorded: 12/23/2018 18:32:01 AM
Caroline Blosser

278 613
BOOK: PAGE:
MISC.

AGREEMENT, Made and entered into the	1st	day of	December, 2010
by and between	Glen W. Schlesener and his wife, Darlene E. Schlesener		
	2476 200 Ave.		
	Herington, KS 67449		
lessor	J. Fred Hambright, Inc., 125 North Market, Suite 1415, Wichita, KS 67202		
lessee	hereinafter called "lessee"		
<p>Lessor, in consideration of Ten and more Dollars (\$10.00) in hand paid, 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, Lessor 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 (including carbon dioxide and gas produced from coal bed), and their respective nonfuel products, including gas, water, other fluids, and air into subsurface strata, laying pipe lines, established and utilize facilities for surface or subsurface disposal of salt water, 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 _____ State of <u>Kansas</u>, described as follows to wit:</p>			
Dickinson Co.	Township 16 South, Range 4 East:	Dickinson & Morris	
	Section 36: NE $\frac{1}{4}$		
Morris Co.	Township 16 South, Range 5 East:		
	Section 31: NW $\frac{1}{4}$		
Acres	Approx	Section	and containing -320- acres, more or less and all accretions thereto.
Said lands are sometimes hereinafter referred to as the "lease premises".			
Subject to the provisions herein contained, this lease shall remain in force for a term of <u>three (3)</u> 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. This lease may be maintained during the primary term hereof without further payment or drilling operations.			
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 lease premises.			
2nd. To pay lessor for gas of whatever nature or kind produced and sold, or used off the lease 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 lease 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.			
Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operation thereon, except water from the wells of lessee. When requested by lessee, lessee shall bury lessee's pipe lines below plow depth. No well shall be drilled deeper than 200 feet to the bottom or base now on said lease premises without written consent of Lessor. Lessee shall pay for damages caused by lessee's operations to growing crops on the lease premises. Lessee shall have the right at any time to remove all machinery and fixtures placed on the lease premises, including the right to drive 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, successors, administrators, successors or assigns, but no change in the ownership of the land or assignment of estate 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 lease 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 in addition lessee may reimburse itself for such payments out of any royalties or rentals payable to a lessor. Lessee, for themselves and their heirs, successors and assigns, hereby covenants and agrees to 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, or rendered herein. If lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided shall be paid lessee only in the proportion which lessor's interest bears to the whole and undivided fee. All royalty interest covered by this lease (whether or not owned by lessee) shall be paid out of the royalty herein provided. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as lessor.			
Lessor, 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 lessor'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 lease contingencies to one another and to be into a unit or units not extending 40 surface acres such as the extent of an oil well, plus 10% acreage tolerance, or into a unit or units not exceeding 640 surface acres such as in the event of a gas well, plus 10% acreage tolerance. Lessee shall execute in writing and record in the appropriate records of the county in which the lease premises is situated an instrument (describing and describing the pooled acreage). The entire acreage so pooled into a unit 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 otherwise herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of its surface acreage placed in the unit or its royalty interest therein on an acreage basis bears to the total surface acreage so pooled in the particular unit involved.			
If at the expiration of the primary term of this lease, oil, gas, or the products of oil and gas are not being produced on the lease premises but lessee has been engaged in operations, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises, or lands pooled therewith. Whenever used in this lease the word "operations" shall mean operations for and any of the following: drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well. Operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion of one well and the beginning of operations for the drilling of a subsequent well. If, after the discovery of oil or gas or the products of oil or gas on the lease premises, or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if lessee commences operations within ninety (90) days from the date of cessation of production or from date of completion of a dry hole. If oil, gas or the products of oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil, gas, or the products of oil or gas shall be produced from the lease premises, or lands pooled therewith.			
If during the term of this lease, Lessee should complete one or more wells on lands other than the lease premises, or lands pooled therewith, lessor hereby grants unto Lessee a right-of-way and easement thereon, including the right of ingress and egress on over and across the lease premises over and across the lease premises for the purposes of laying, maintaining, and operating, one or more pipelines for the transportation of oil, gas and/or saltwater produced from said wells, (with necessary fittings, appliances, or other appurtenances which may be useful or convenient to Lessee). Said right of way and easement shall remain in force and effect for so long as same is used or may be useful to Lessee, irrespective of expiration of this lease.			

SEE RIDER ATTACHED HERETO AND MADE A PART HEREOF.

***Lessee, or its assigns, will consult with Lessor regarding routes of ingress and egress prior commencing operations.
***Lessee, or its assigns, will restore surface to original condition as nearly as is practicable upon completing operations, including backfilling all pits when dried and restoring terraces disturbed by operations.

All the provisions of this lease shall be binding upon, and inure to the benefit of the heirs, successors, assigns, and legal representatives of lessor and lessee.
IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.
Witness:

X: Glen W. Schlesener
Glen W. Schlesener

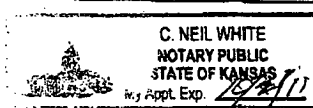
SSN#: _____
X: Darlene E. Schlesener
Darlene E. Schlesener

STATE OF Kansas
COUNTY OF Dickinson

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this 1st day of December, 2010,
by Glen W. Schlesener and his wife, Darlene E. Schlesener

My commission expires _____
C. Neil White 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 _____

STATE OF _____

County _____

This instrument was filed for record on the _____ day of _____

o'clock _____ M., and duly recorded _____ of in the _____

Book _____ Page _____ records of this office.

Register of Deeds _____

When recorded, return to _____

ok: 191 Page: 714
Attached to and made a part of that Oil & Gas Lease between Glen W. Schlesener
and his wife, Darlene E. Schlesener, Lessors, and J. Fred Hambright, Inc., Lessee,
covering NE $\frac{1}{4}$ Section 36-16S-4E, Dickinson County, Kansas and NW $\frac{1}{4}$ section 31-16S-5E,
Morris County, Kansas, dated December 1, 2010.

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RIDER

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 Three years from the end of the primary term hereof.

X: Glen W. Schlesener
Glen W. Schlesener

X: Darlene E. Schlesener
Darlene E. Schlesener



STATE OF KANSAS 00636
DICKINSON COUNTY

This instrument was filed for
record on 03/14/2011 at 11:35 AM
& duly recorded in
Book 278 at Page 613

[Signature] Register of Deeds
Deputy

X [Signature]

**KANSAS WARRANTY DEED
JOINT TENANCY**

This 10th day of February, 2011,

Glen Schlesener and Darlene E. Schlesener, husband and wife,

CONVEY AND WARRANT TO

Jason R. Becker and Angela M. Becker, husband and wife,
as joint tenants and not as tenants in common, the whole estate to
vest in the survivor in the event of the death of either.

All of the following described real estate in the County of Morris, State
of Kansas, to-wit:

**The Northwest Quarter (NW $\frac{1}{4}$) of Section Thirty-one-
(31) Township Sixteen (16) South, Range Five (5) East
of the 6th P.M., Morris County, Kansas.**

Except and subject to:

For the sum of \$10.00 and other valuable consideration.

x *Glen Schlesener*
Glen Schlesener

x *Darlene E. Schlesener*
Darlene E. Schlesener

STATE OF KANSAS, COUNTY OF Dickinson, SS

BE IT REMEMBERED, that on this 10th day of February, 2011,
before me, the undersigned Notary Public in and for the County and
State aforesaid came

Glen Schlesener and Darlene E. Schlesener, husband and wife,
who is/are personally known to me to be the same person(s) who
executed the within instrument of writing and such persons duly
acknowledged execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my
seal, the day and year last above written.

Richard J. Kramer
Notary Public
(SEAL)



My term expires: 3/13/2014

K5002-029



**VENTEX
OPERATING CORP**

April 5, 2012

Jason Becker
189 US Hwy 77
Herington, KS 67449

RE: Becker No. 1
Section 31 T16S R5E
330' FNL & 1,320' FWL
Pit Disposal Agreement
Morris Co., KS.

Dear Mr. Becker:

This letter is written for permission to dispose drilling fluids from the Rawhide No. 1 in Marion County into the surface pit we are using on the Becker No. 1 drill site located on your property as described above. Enclosed is a check in the amount \$250.00 for any inconvenience this may cause.

Upon termination of the use of this pit, the surface will be restored to its original condition prior to our operations to the extent that is reasonably practical. Upon your approval of this amount please sign in the space provided below and return a copy of this letter to this office.

Please call should you have any questions concerning this matter.

Very truly yours,

Chuck Sledge
Ventex Operating Corp.

AGREED AND ACCEPTED

THIS 5 DAY OF April, 2012

Name Jason Becker