

For KCC Use:
 Effective Date: 1-13-2001
 District #: 1
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

Form C-1
 September 1999
 Form must be Typed
 Form must be Signed
 All blanks must be Filled

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date Jan. 11, 2001
 month day year
 OPERATOR: License# 32384
 Name: Comanche Resources Company
 Address: 9520 N. May, Suite 370
 City/State/Zip: Oklahoma City, OK 73120
 Contact Person: Doug Schoppa
 Phone: 405/755-5900

CONTRACTOR: License# 5822
 Name: Val Energy Inc.

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input type="checkbox"/> Infield
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
<input type="checkbox"/> OWO	<input type="checkbox"/> Disposal	<input checked="" type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Cable
<input type="checkbox"/> Other		

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 #: _____

APPROX.
 Spot _____ East
 _____ West
E/2 E/2 E/2 SE Sec. 7 Twp. 31 S. R. 19
 _____ feet from S N (circle one) Line of Section
 _____ feet from E W (circle one) Line of Section
 Is SECTION Regular _____ Irregular?

(Note: Locate well on the Section Plat on reverse side)
 County: Comanche
 Lease Name: Lohrding Well #: 3
 Field Name: Wildcat
 Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Spergen, Viola, Arbuckle
 * Nearest Lease or unit boundary: On section line
 Ground Surface Elevation: 2162' 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: 260'
 Surface Pipe by Alternate: 1 _____ 2 _____
 Length of Surface Pipe Planned to be set: 650'
 Length of Conductor Pipe required: 80'
 Projected Total Depth: 6250'
 Formation at Total Depth: Arbuckle
 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 * DRILLING UNIT WILL COVER 01-08-2001
 PARTS OF SEC 7 & 8 THAT JAN 08 2001
 ARE UNDER LEASE AND ALLOW
 FOR POOLING.
 CONSERVATION DIVISION
 WICHITA, KS

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, 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. **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: 1-03-01 Signature of Operator or Agent: Jana Lillard Title: Seal. Assistant

For KCC Use ONLY
 API # 15 - 033-21182-0000
 Conductor pipe required NONE feet
 Minimum surface pipe required 280 feet per Alt. (1) OK
 Approved by: JK 1-8-2001
 This authorization expires: 7-8-2001
 (This authorization void if drilling not started within 6 months of effective 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;
 - Obtain written approval before disposing or injecting salt water.

7
31
19W

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

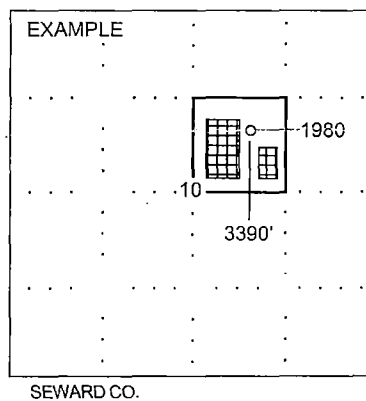
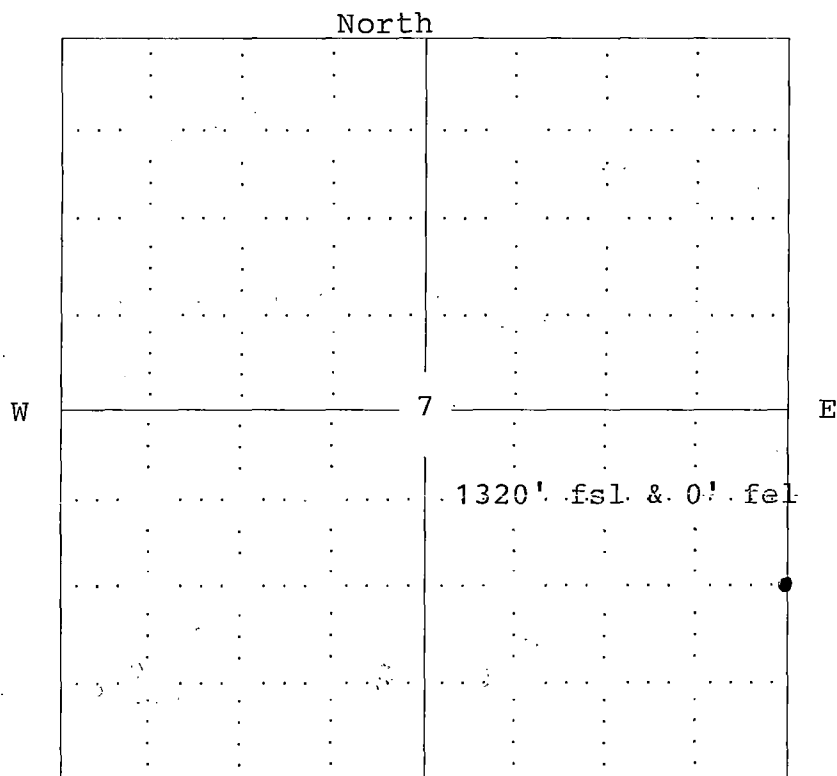
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - _____
 Operator: _____
 Lease: _____
 Well Number: _____
 Field: _____
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: _____

Location of Well: County: _____
 _____ feet from S / N (circle one) Line of Section
 _____ feet from E / W (circle one) Line of Section
 Sec. _____ Twp. _____ S. R. _____ East West
 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.

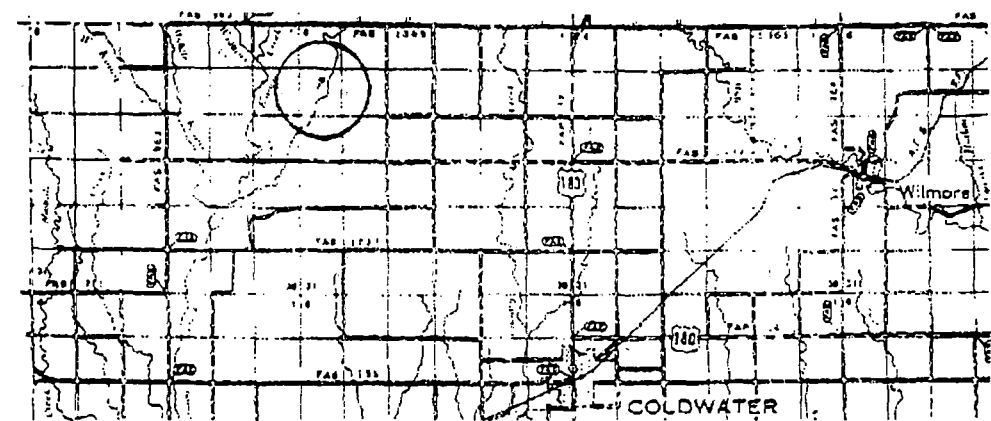
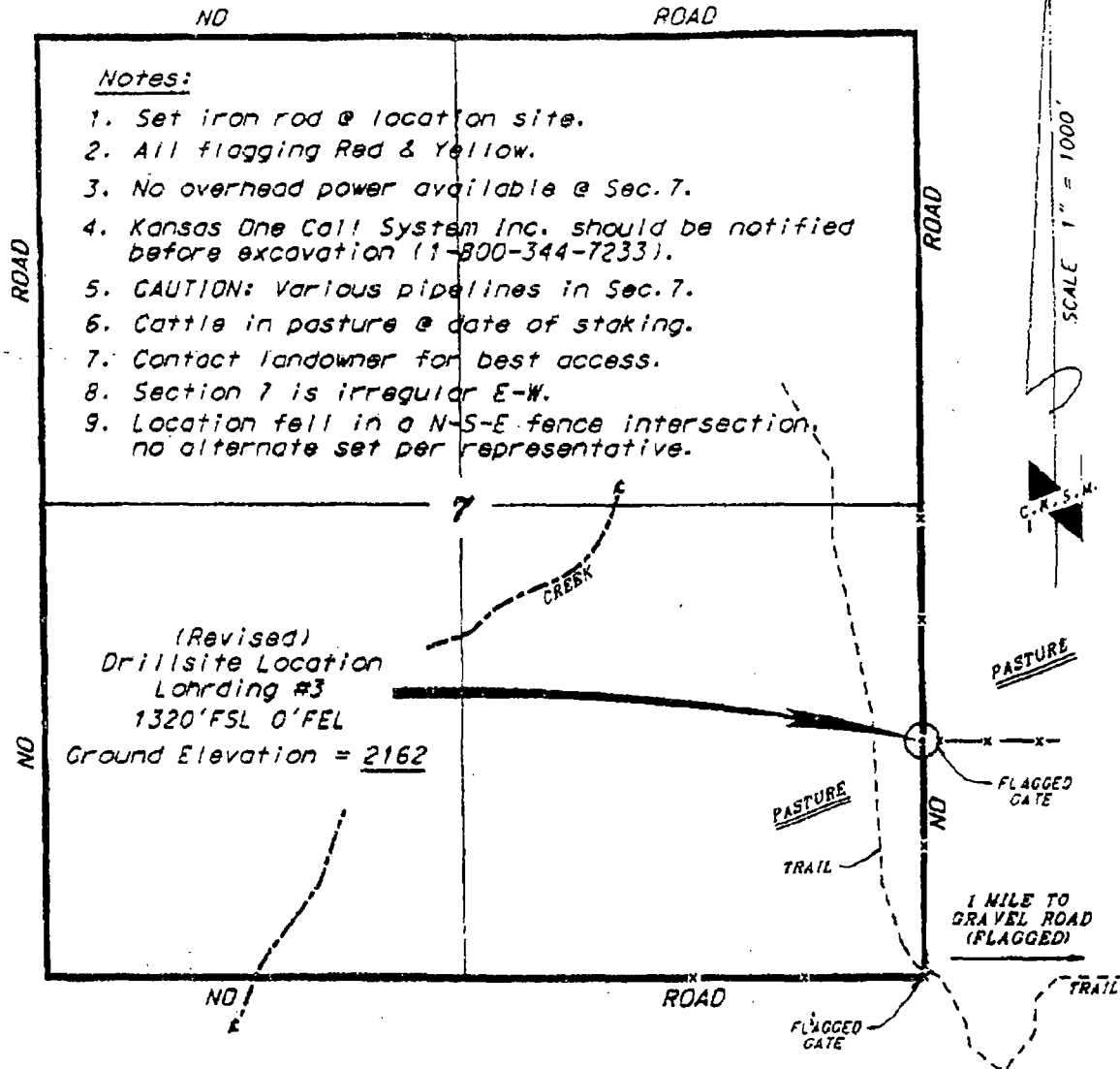
In plotting the proposed location of the well, you must show:

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 section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).

COMANCHE RESOURCES COMPANY
LOHRDING LEASE
SE. 1/4, SECTION 7, T31S, R19W
COMANCHE COUNTY, KANSAS

15-033-21182-00-00

Ingress and egress to location as shown on this plat is per usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.



Notes:

1. Set iron rod @ location site.
2. All flagging Red & Yellow.
3. No overhead power available @ Sec.7.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec.7.
6. Cattle in pasture @ date of staking.
7. Contact landowner for best access.
8. Section 7 is irregular E-W.
9. Location fell in a N-S-E fence intersection, no alternate set per representative.

* Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.
 * Approximate section lines were determined using the normal standards of care of title surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drilled location in the section is not guaranteed.
 * Elevations derived from National Geodetic Vertical Datum.

December 28, 2000

15-033-21182-00-00

Form 88 - (PRODUCER'S SPECIAL) (PAID-UP)

83U (Rev. 1993)

OIL AND GAS LEASE

Record No. 09-115



AGREEMENT, Made and entered into the 26th day of February 19 98

by and between Arlie Fred Lohrding and Patricia Lee Lohrding, his wife
HC 72, Box 46
Coldwater, KS 67029

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

hereinafter called Lessee:
Lessor, in consideration of -Ten & more- Dollars (\$ 10.00+) to have 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, including gas, water, other fluids, and air from subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, store, 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 interests, therein situated in County of Comanche State of Kansas described as follows to-wit:

Township 31 South, Range 19 West
Section 7: SE's

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 (referred to as "primary term"), and so 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, that, as to gas sold by Lessee, is no 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 and only to not sold or used, Lessee may pay or tender as royalty One Dollar (\$1.00) per acre per month 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 complete 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 lessee 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 Lessee, Lessor 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 Lessor'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 erect and remove casing.

If the estate of either party hereto is assigned, and the privilege of retaining 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, Lessor 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 section or portions of the above described premises and thereby surrender this lease as to each 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 prohibited 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 in redem 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 rights 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, so recited herein.

Lessee, at his 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 (tract) 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.

Lessee, or his assigns, further agrees to restore the surface to its original condition as nearly as is practicable upon completion of his operations thereon.

PHOTOCOPIED
STATE OF KANSAS, COMANCHE COUNTY } 63
This instrument was filed for Record on the 2 day of March 19 98 at 1:00'clock P.m and duly recorded in Book 86 Page 769 of the 8 B. 100
Susan M. Sapp
Register of Deeds

IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.
Witnesses: Arlie Fred Lohrding SS#513-42-6064 Patricia Lee Lohrding

511V-046

15-033-21182-00-00

058714

FORM 88 - (PRODUCER'S SPECIAL) (PAID-UP)

OSU (Rev. 1993)

OIL AND GAS LEASE

Number No. 09-116



316-2244 • P.O. Box 703 • Wichita, KS 67201-0703

AGREEMENT, Made and entered into the 9th day of March 19 98 by and between The Southwestern College, Inc. and United Methodist Youthville, Inc. c/o Schnitker Ag. Services

whose mailing address is P.O. Box 757, Winfield, KS 67156 hereinafter called Lessor (whether one or more), and J. Fred Hambricht - 125 N. Market #1415 - Wichita, Kansas 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 constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, mooring 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 Comanche State of Kansas described as follows to-wit:

The Southeast Quarter (SE/4)

In Section 7 Township 31-S Range 19-W 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 constituents 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 and 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) 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 acre 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 lease 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 lease interest in the above described land then 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, (use 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 in 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 royalty or production shall be binding on the lessor until after the lease 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, lessor shall be relieved of all obligations with respect to the assigned portion or portions existing 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 endorse for lessor, by payment any mortgages, leases or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated in the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in as far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, to 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 promptly develop and operate said leased premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 80 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is pooled in a unit, it shall be treated as if production had been from this lease, whether the well or wells be located on the premises covered by this lease or not. In the event 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 by the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

M.K. Hambricht, Secretary Date 4/2/98 Board of Trustees

Steve A. McSpadden, Chairman Date 3/30/98 Board of Trustees

THE SOUTHWESTERN COLLEGE, A KANSAS EDUCATION CORPORATION Fed. I.D. # 48-054317

IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written. Witness: Robert D. Smith 3/19/98 Date Robert D. Smith, C.E.O. The Southwestern College, Inc. and United Methodist Youthville, Inc. c/o Schnitker Ag. Services

UNITED METHODIST YOUTHVILLE, INC. Fed. Tax I.D. # 48-0543712

SEPV-04A

15-033-21182-00-00

FORM 88 - (PRODUCER'S SPECIAL) (PAID-UP)

OSU (REV. 1993)

OIL AND GAS LEASE

Recorder No. 09-115

KANSAS BLUE PRINT CO. INC. 116-201-0304 • P.O. Box 729 • Wichita, KS 67201-0729

AGREEMENT, Made and entered into the 26th day of February 19 98 by and between Arlie Fred Lohrding and Patricia Lee Lohrding, his wife HC 72, Box 46 Coldwater, KS 67029

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

Lessor, in consideration of --Ten & more-- Dollars (\$ 10.00+) is hereby acknowledged and of the royalties herein provided and of the agreement of the lease 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 acid 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 Comanche State of Kansas described as follows to-wit:

Township 31 South, Range 19 West Section 8: N1/2, N1/4

In Section -- Township -- Range -- and containing 480 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 lease covenants and agrees: 1st. To deliver to the credit of lessee, free of cost, in the pipe line to which lessee may connect wells on said land, the equal one-eighth (1/8) part of oil and gas produced and saved from the leased premises.

2nd. To pay lessee 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, less, 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, and 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 so 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 lessee owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the provisions herein provided for shall be pooled the said land in the proportion which lessee'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 operations 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 nearer than 200 feet to the house or barn now on said premises without written consent of lessee. 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 royalties 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 lessee 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 Law, Executive Order, 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.

Lessee 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 redress for lessee, by payment any taxes, taxes or other liens on the above described lands, in the event of default of payment by lessee, 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 hereto, 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 by 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, lessee shall receive on production from a unit so pooled only each 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.

Lessee, or his assigns, further agrees to restore the surface to its original condition as nearly as is practicable upon completion of his operations thereon.

PHOTOCOPIED

STATE OF KANSAS, COMANCHE COUNTY } ss This instrument was filed for Record on the 9 day of March 19 98 at 1:11 o'clock P.M. and duly recorded in Book 86 Page 777 Fees 18.00 Register of Deeds

IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written. Patricia Lee Lohrding Arlie Fred Lohrding SS9513-42-6064

SEP-04

15-033 - 21182 - 00 - 00

FORM 88 - (PRODUCER'S SPECIAL) (PAID-UP)

GSU (Rev. 1993)

OIL AND GAS LEASE

Recorder No. 09-115



AGREEMENT, Made and entered into the 26th day of February 19 98 by and between Arlie Fred Lohrding and Patricia Lee Lohrding, his wife

HC 72, Box 46 Coldwater, KS 67029

whose mailing address is J. Fred Hambricht, 125 N. Market, #141S, Wichita, KS 67202

Lessor, in consideration of --Ten & more-- Dollars (\$ 10.00+) 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 having and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Comanche State of Kansas described as follows to-wit:

Township 31 South, Range 19 West Section 8: S4S4 Section 17: N4W4

In Section Township Range 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 Three (3) years from this date (called "primary term"), and so 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 ownership (1/4) 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) of the market price at the well, but, no 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 dispatch 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 fee interest in the above described land then 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 operations 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 assignment 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, lessor 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 hereby 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 of any time to redress 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 lessor, 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 or 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 played in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

This lease is made subject to a Letter Agreement between the parties hereto dated February 26, 1998.

Lessee, or his assigns, further agrees to restore the surface to its original condition as nearly as is practicable upon completion of his operations thereon.

PHOTOCOPIED

STATE OF KANSAS, COMANCHE COUNTY } AS This instrument was filed for Record on the 9 day of March 19 98 at 11 o'clock P.m and duly recorded in Book 86, Page 272 Fees \$8.00 Register of Deeds

IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written. Patricia Lee Lohrding Arlie Fred Lohrding SS#513-82-6064

SEP-05