

For KCC Use:
 Effective Date: 1-15-2002
 District # 1
 SGA? Yes No

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

RECEIVED
 STATE CORPORATION COMMISSION
 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 **JAN - 3 2002**

Expected Spud Date January 7, 2002
 month day year

Spot 10'S & 145' W 1-3-02
 G W/2 Sec. 3 Twp. 35 S. R. 16 East West
2650 feet from 1 (circle one) Line of Section
1175 feet from 1 (circle one) Line of Section
 Is SECTION Regular Irregular?

OPERATOR: License# 4058
 Name: AMERICAN WARRIOR, INC.
 Address: P. O. Box 399
 City/State/Zip: Garden City, Kansas 67846-0399
 Contact Person: Cecil O'Brate
 Phone: 620/275-9231

(Note: Locate well on the Section Plat on reverse side)
 County: Comanche
 Lease Name: MURDOCK Well #: 3
 Field Name: Aetna Gas Area

CONTRACTOR: License# 5929
 Name: DUKE DRILLING CO., INC.

Is this a Prorated / Spaced Field? Yes No
 Target Information(s): Arbuckle
 Nearest Lease or unit boundary: 1175'

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

Ground Surface Elevation: 1833' 1859' feet MSL
 Water well within one-quarter mile: Yes No
 Public water supply well within one mile: Yes No

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

Depth to bottom of fresh water: 120'
 Depth to bottom of usable water: 180'
 Surface Pipe by Alternate: 1 2

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

Length of Surface Pipe Planned to be set: 600'+
 Length of Conductor Pipe required: NONE
 Projected Total Depth: 6400'
 Producing Formation Target: 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

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: 1/3/02 Signature of Operator or Agent: Sally K. Byers Title: Agent

<p>For KCC Use ONLY API # 15 - <u>033-21298-0000</u> Conductor pipe required <u>NONE</u> feet Minimum surface pipe required <u>200</u> feet per All. (C) ● Approved by: <u>RJP 1-10-2002</u> This authorization expires: <u>7-10-2002</u> (This authorization void if drilling not started within 6 months of effective date.) Spud date: _____ Agent: _____</p>
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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.

35 Low

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

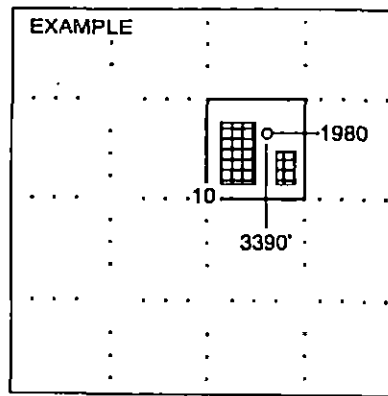
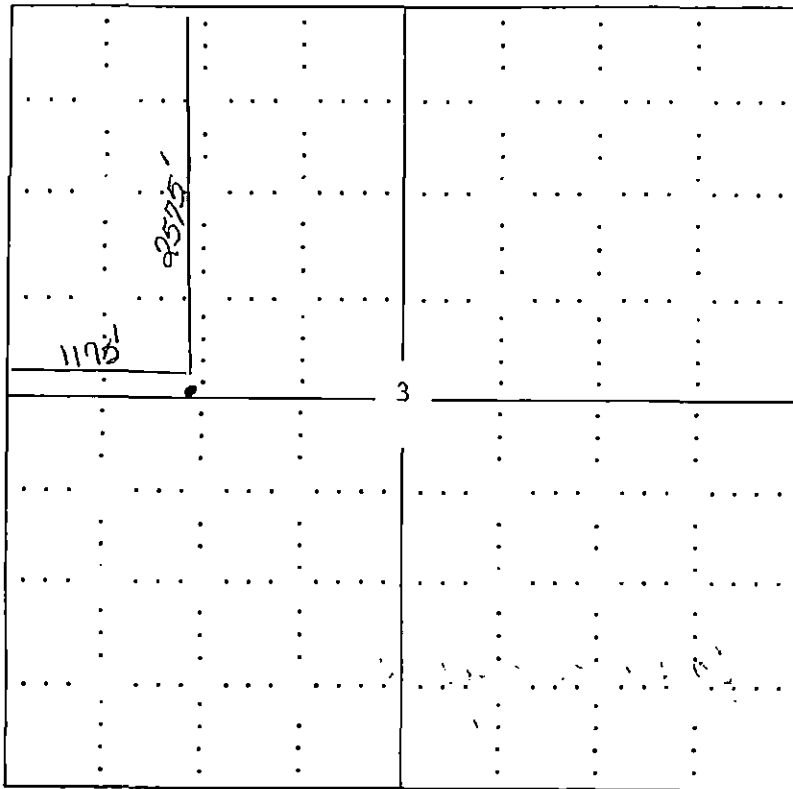
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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.

COMANCHE COUNTY

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: (CO-7 for oil wells; CG-8 for gas wells).

Form 88--(Revised)
(KANSAS)

B

OIL AND GAS LEASE



AGREEMENT, Made and entered into this the 6th day of June, 19 74, by and between:
Neil Peter Murdock, a single man
Box 77 - Coldwater, Kansas

Party of the first part, hereinafter called lessor (whether one or more) and
J. Fred Hambricht - 1415 KSB&T Building - Wichita, Kansas Party of the second part, hereinafter called lessee.

WITNESSETH, That the said lessor, for and in consideration of One and No/100 - - - - - DOLLARS,
cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of lessee to be paid,
kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let unto said lessee, for the sole and only
purpose of mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take
care of said products, all that certain tract of land, together with any reversionary rights therein, situated in the County of Comanche
State of Kansas, described as follows, to-wit:

The West Half(W/2)

of Section 3 Township 35-South Range 16-West and containing 320 acres more or less.

It is agreed that this lease shall remain in full force for a term of Three(3) years from this date, and as long thereafter as oil or gas,
or either of them, is produced from said land by the lessee, or the premises are being developed or operated.

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 he may connect his wells, the equal one-eighth (1/8) part of all oil produced
and saved from the leased premises.

2nd. To pay lessor on gas, including casinghead gas or other gaseous substance, produced from said land and sold by lessee to other persons, one-eighth of
the amount realized by lessee based upon the sales price at the mouth of the well; if the sale does not occur at the well, the royalty shall be one-eighth of the
market value at the mouth of the well. To pay lessor on gas, including casinghead gas and other gaseous substances, produced from said land and used by lessee
or its affiliates for any purpose whatever, or for the extraction or manufacture of any product, the market value at the mouth of the well of one-eighth of the
gas so used by lessee.

Where gas is not sold or used, lessee shall pay or tender annually at the end of each yearly period during which such gas is not sold or used as royalty, an
amount equal to the delay rental provided in the next succeeding paragraph hereof, and while said royalty is so paid or tendered this lease shall be held as a
producing lease under the above term paragraph hereof; the lessor to have gas free of charge from any gas well on the leased premises for stoves and inside
lights in the principal dwelling house on said land by making his own connections with the well, the use of such gas to be at the lessor's sole risk and expense.

If no well be commenced on said land on or before June 6 19 75, this lease shall terminate as to both parties, unless the lessee on
or before that date shall pay or tender to the lessor, or to the lessor's credit in The Peoples State Bank at
Coldwater, Kansas or its successors, which shall continue as the depository regardless of changes in the owner-
ship of said land, the sum of Three Hundred Twenty and No/100 - - - - - DOLLARS, which shall operate as a rental and cover

the privilege of deferring the commencement of a well for twelve months from said date. In like manner and upon like payments or tenders the commence-
ment of a well may be further deferred for like periods or the same number of months successively. All such payments or tenders of rental may be made
by check or draft of lessee or any assignee thereof, mailed or delivered on or before the rental paying date either direct to lessor or assigns or to said de-
pository bank. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the
date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred.
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, and thereafter the
rentals payable hereunder shall be reduced in the proportion that the acreage covered hereon is reduced by said release or releases.

Should the first well drilled on the above described land be a dry hole, then, and in that event, if a second well is not commenced on said land within
twelve months from the expiration of the last rental period for which rental has been paid, this lease shall terminate as to both parties, unless the lessee on
or before the expiration of said twelve months shall resume the payment of rentals in the same amount and in the same manner as herein before provided.
And it is agreed that upon the resumption of the payment of rentals, as above provided, that the last preceding paragraph hereof, governing the payment of
rentals and the effect thereof, shall continue in force just as though there had been no interruption in the rental payments.

Without impairment of lessee's rights under the warranty in event of failure of title, it is agreed that if lessor owns an interest in said land less than the
entire fee simple estate, then the royalties and rentals to be paid lessor shall be reduced proportionately. However, such rental shall be increased at the next suc-
ceeding rental anniversary after any reversion occurs to cover the interest so acquired.

Lessee shall have the right to use, free of cost, gas, oil, and water produced on said land for its operation thereon, except water from wells of lessor, with
the right to use so much of the surface of said land as is necessary to carry out the purposes hereinbefore set out for the economical operation of said land alone
or conjointly with other land.

When requested by lessor, lessee shall bury his pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee shall pay for damages caused by its 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 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 the like effect as if such well had been completed within the term of years herein first mentioned.

Lessee shall have the right as to all or any part of the land described herein, without lessor's joinder, to combine the gas leasehold estate and the lessor's gas
royalty estate created by this lease with the gas rights in any other lease or leases, located in the vicinity thereof, whether owned by lessee or some other per-
son or corporation, so as to create by the combination of such leases one or more operating units of not more than 640 acres each. In the event such operating
unit or units is/are so created by lessee, lessor agrees to accept and shall receive out of the production from such operating unit or units, such portion of the
royalty as the number of acres out of this lease placed in any such operating unit or units bears to the total number of acres included in such operating unit or
units. The commencement of a well, or the completion of a well in production, on any portion of an operating unit shall have the same effect under the terms
of this lease as if a well were commenced, or completed, on the land embraced by this lease.

If the estate of either party hereto is transferred, and the privilege of transferring in whole or in part is expressly allowed, or if the rights hereunder
of either party hereto are vested by descent or devise, the covenants hereof shall extend to and be binding on the heirs, devisees, executors, administrators,
successors, or assigns, but no change in the ownership of said land or of any right hereunder shall be binding on the lessee until after lessee has been
furnished with the original or a certified copy thereof of any transfer by lessor or with a certified copy of the will of lessor together with a transcript of
the probate thereof or, in the event lessor dies intestate and his estate is being administered, with a transcript of the administration proceedings or, in
the event of the death of lessor and no administration being had on the estate, with an instrument satisfactory to lessee executed by lessor's heirs
authorizing payment or deposit or tender for deposit to their credit as hereinbefore provided, at least thirty days before said rentals and royalties are
payable or due, and it is hereby agreed in the event this lease shall be assigned as to a part or as to parts of the above described lands and the as-
signee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such
default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands upon which the said lessee or any assignee
thereof shall make due payments of said rentals. 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. If the leased premises are now or hereafter owned in severalty
or in separate tracts, the premises, nevertheless, may be developed and operated as an entirety, and the royalties shall be paid to each separate owner in
the proportion that the acreage owned by him bears to the entire leased area. There shall be no obligation on the part of the lessee to offset wells on
separate tracts into which the land covered by this lease may hereafter be divided by sale, devise, or otherwise, or to furnish separate measuring or re-
ceiving tanks for the oil produced from such separate tracts.

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 re-
dem 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 may reimburse itself from any rental or royalties accruing hereunder.

The terms, covenants, and conditions hereof shall run with said land and herewith and shall be binding upon the parties hereto, their heirs, administrators,
devisees, executors, successors and assigns. This instrument is binding upon any one who subscribes their name hereto whether named in the body of this lease
or not, and regardless of whether any owners of any other interests subscribe their names hereto. However, 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
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.

Signed and delivered as of the day and year first above written.

Neil Peter Murdock (BEAL)
(Neil Peter Murdock) (BEAL)

(BEAL)

(BEAL)

(BEAL)

(BEAL)

STATE OF Kansas } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)
COUNTY OF Comanche

Before me, the undersigned, a Notary Public, within and for said county and state, on this 10th
day of June, 1974, personally appeared Neil Peter Murdock, a single man
and _____

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me
that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires _____


Jerry L. Allen
Notary Public.

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

Before me, the undersigned, a Notary Public, within and for said county and state, on this _____
day of _____, 19____, personally appeared _____
and _____

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me
that _____ executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires _____
Notary Public.

STATE OF _____ } ss. ACKNOWLEDGMENT FOR CORPORATION
COUNTY OF _____

On this _____ day of _____, A. D., 19____, before me, the undersigned, a Notary Public
in and for the county and state aforesaid, personally appeared _____
to me personally known to be the identical person who signed the name of the maker thereof to the within and foregoing
instrument as its _____ President and acknowledged to me that _____ executed the same as _____ free and
voluntary act and deed, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

My commission expires _____
Notary Public.

No. _____

OIL AND GAS LEASE

FROM Neil Peter Murdock

TO J Fred Hambright

Date _____ 19____

Section _____ Twp. _____ Rge. _____

No. of Acres _____ Term _____ County _____

STATE OF Kansas } ss.
County of Comanche

This instrument was filed for record on the
27 day of August 1974
at 9:00 o'clock A.M., and duly recorded
in Book 38 Page 153 of Series 4.00
the records of this office.
By Shirley Lewis
Registered of Deeds,
KANSAS

When recorded, return to _____

THE KANSAS BLUE PRINT CO.
WICHITA, KANSAS
PHOTOSTAT SERVICE-UP-TO-DATE OIL MAPS

NOTE: When signature by mark in Kansas, said mark to be witnessed by at least one person and also acknowledged.
For acknowledgment by mark, use regular Kansas acknowledgment.

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

Before me, the undersigned, a Notary Public, within and for said county and state, on this _____
day of _____, 19____, personally appeared _____
and _____

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me
that _____ executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires _____
Notary Public.

Form 88--(Revised) (KANSAS)

B

OIL AND GAS LEASE



AGREEMENT, Made and entered into this the 6th day of June, 1974, by and between: Neil Peter Murdock, a single man Box 77 - Coldwater, Kansas

FILE SKD 2281

Party of the first part, hereinafter called lessor (whether one or more) and J. Fred Hambright - 1415 KSB&T Building - Wichita, Kansas Party of the second part, hereinafter called lessee.

WITNESSETH, That the said lessor, for and in consideration of One and No/100 DOLLARS, cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let unto said lessee, for the sole and only purpose of mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products. All that certain tract of land, together with any reversionary rights therein, situated in the County of Comanche State of Kansas, described as follows, to-wit:

The East Half(E/2)

of Section 3 Township 35-South Range 16-West and containing 320 acres more or less.

It is agreed that this lease shall remain in full force for a term of Three(3) years from this date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee, or the premises are being developed or operated.

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 he may connect his wells, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay lessor on gas, including casinghead gas or other gaseous substance, produced from said land and sold by lessee to other persons, one-eighth of the amount realized by lessee based upon the sales price at the mouth of the well; if the sale does not occur at the well, the royalty shall be one-eighth of the market value at the mouth of the well. To pay lessor on gas, including casinghead gas and other gaseous substances, produced from said land and used by lessee or its affiliates for any purpose whatever, or for the extraction or manufacture of any product, the market value at the mouth of the well of one-eighth of the gas so used by lessee.

Where gas is not sold or used, lessee shall pay or tender annually at the end of each yearly period during which such gas is not sold or used as royalty, an amount equal to the delay rental provided in the next succeeding paragraph hereof, and while said royalty is so paid or tendered this lease shall be held as a producing lease under the above term paragraph hereof; the lessor to have gas free of charge from any gas well on the leased premises for stoves and inside lights in the principal dwelling house on said land by making his own connections with the well, the use of such gas to be at the lessor's sole risk and expense.

If no well be commenced on said land on or before June 6, 1975, this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor, or to the lessor's credit in The Peoples State Bank at Coldwater, Kansas

or its successors, which shall continue as the depository regardless of changes in the ownership of said land, the sum of Three Hundred Twenty and No/100 DOLLARS, which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve months from said date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods or the same number of months successively. All such payments or tenders of rental may be made by check or draft of lessee or any assignee thereof, mailed or delivered on or before the rental paying date either direct to lessor or assigns or to said depository bank. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred. 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, and thereafter the rentals payable hereunder shall be reduced in the proportion that the acreage covered hereon is reduced by said release or releases.

Should the first well drilled on the above described land be a dry hole, then, and in that event, if a second well is not commenced on said land within twelve months from the expiration of the last rental period for which rental has been paid, this lease shall terminate as to both parties, unless the lessee on or before the expiration of said twelve months shall resume the payment of rentals in the same amount and in the same manner as herein before provided. And it is agreed that upon the resumption of the payment of rentals, as above provided, that the last preceding paragraph hereof, governing the payment of rentals and the effect thereof, shall continue in force just as though there had been no interruption in the rental payments.

Without impairment of lessee's rights under the warranty in event of failure of title, it is agreed that if lessor owns an interest in said land less than the entire fee simple estate, then the royalties and rentals to be paid lessor shall be reduced proportionately. However, such rental shall be increased at the next succeeding rental anniversary after any reversion occurs to cover the interest so acquired.

Lessee shall have the right to use, free of cost, gas, oil, and water produced on said land for its operation thereon, except water from wells of lessor, with the right to use so much of the surface of said land as is necessary to carry out the purposes hereinbefore set out for the economical operation of said land alone or conjointly with other land.

When requested by lessor, lessee shall bury his pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee shall pay for damages caused by its 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 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 the like effect as if such well had been completed within the term of years herein first mentioned.

Lessee shall have the right as to all or any part of the land described herein, without lessor's joinder, to combine the gas leasehold estate and the lessor's gas royalty estate created by this lease with the gas rights in any other lease or leases, located in the vicinity thereof, whether owned by lessee or some other person or corporation, so as to create by the combination of such leases one or more operating units of not more than 840 acres each. In the event such operating unit or units is/are so created by lessee, lessor agrees to accept and shall receive out of the production from such operating unit or units, such portion of the royalty as the number of acres out of this lease placed in any such operating unit or units bears to the total number of acres included in such operating unit or units. The commencement of a well, or the completion of a well to production, on any portion of an operating unit shall have the same effect under the terms of this lease as if a well were commenced, or completed, on the land embraced by this lease.

If the estate of either party hereto is transferred, and the privilege of transferring in whole or in part is expressly allowed, or if the rights hereunder of either party hereto are vested by descent or devise, the covenants hereof shall extend to and be binding on the heirs, devisees, executors, administrators, successors, or assigns, but no change in the ownership of said land or of any right hereunder shall be binding on the lessee until after lessee has been furnished with the original or a certified copy thereof of any transfer by lessor or with a certified copy of the will of lessor together with a transcript of the probate thereof or, in the event lessor dies intestate and his estate is being administered, with a transcript of the administration proceedings or, in the event of the death of lessor and no administration being had on the estate, with an instrument satisfactory to lessee executed by lessor's heirs authorizing payment or deposit or tender for deposit to their credit as hereinbefore provided, at least thirty days before said rentals and royalties are payable or due, and it is hereby agreed in the event this lease shall be assigned as to a part or as to parts of the above described lands, and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands upon which the said lessee or any assignee thereof shall make due payments of said rentals. 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. If the leased premises are now or hereafter owned in severalty or in separate tracts, the premises, nevertheless, may be developed and operated as an entirety, and the royalties shall be paid to each separate owner in the proportion that the acreage owned by him bears to the entire leased area. There shall be no obligation on the part of the lessee to offset wells on separate tracts into which the land covered by this lease may hereafter be divided by sale, devise, or otherwise, or to furnish separate measuring or receiving tanks for the oil produced from such separate tracts.

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 may reimburse itself from any rental or royalties accruing hereunder.

The terms, covenants, and conditions hereof shall run with said land and herewith and shall be binding upon the parties hereto, their heirs, administrators, devisees, executors, successors and assigns. This instrument is binding upon any one who subscribes their name hereto whether named in the body of this lease or not, and regardless of whether any other interests subscribe their names hereto. However, 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 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.

Signed and delivered as of the day and year first above written.

Neil Peter Murdock (SEAL) (Neil Peter Murdock)

Four blank lines for additional signatures, each followed by (SEAL)

STATE OF Kansas }
COUNTY OF Comanche } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)

Before me, the undersigned, a Notary Public, within and for said county and state, on this 10th day of June, 19 74, personally appeared Neil Peter Murdock, a single man and _____

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires _____
 _____ Notary Public.

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

Before me, the undersigned, a Notary Public, within and for said county and state, on this _____ day of _____, 19 _____, personally appeared _____ and _____

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that _____ executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires _____
_____ Notary Public.

STATE OF _____ }
COUNTY OF _____ } ss. ACKNOWLEDGMENT FOR CORPORATION

On this _____ day of _____, A. D., 19 _____, before me, the undersigned, a Notary Public in and for the county and state aforesaid, personally appeared _____ to me personally known to be the identical person who signed the name of the maker thereof to the within and foregoing instrument as its _____ President and acknowledged to me that _____ executed the same as _____ free and voluntary act and deed, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

My commission expires _____
_____ Notary Public.

No. _____

OIL AND GAS LEASE

FROM Neil Peter Murdock

TO J. Fred Hambright

Date _____ 19 _____

Section _____ Twp _____ Rge _____

No. of Acres _____ Term _____ County _____

STATE OF Kansas }
County of Comanche } ss:

This instrument was filed for record on the 27 day of August, 19 74 at 9:00 o'clock A.M., and duly recorded in Book 228 Page 152 of the records of this office. Fee: 54.00

By Wilma Lewis Register of Deeds.

When recorded, return to _____

THE KANSAS BLUE PRINT CO.
WICHITA, KANSAS
PHOTOSTAT SERVICE-UP-TO-DATE OIL MAPS

NOTE: When signature by mark in Kansas, said mark to be witnessed by at least one person and also acknowledged. For acknowledgment by mark, use regular Kansas acknowledgment.

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

Before me, the undersigned, a Notary Public, within and for said county and state, on this _____ day of _____, 19 _____, personally appeared _____ and _____

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that _____ executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires _____
_____ Notary Public.