

RICHLAND ROYALTY
East Pike Building
453 So. Webb Road, Suite #110
Wichita, KS 67207
(316) 683-6602

June 29, 1995

Kansas Corporation Commission
Conservation Division
130 So. Market, Suite #2078
Wichita, KS 67202

Re: Commencement of Operations
Herman Ukens Lease
W/2 NW/4 of 22-22s-12w
Stafford County, KS


Dear Ms. Lu VonFeldt,

Please be advised that effective June 28, 1995, Northstar Investments, Inc. (KCC Operator #30601), on behalf of the Dean E. Britting Living Trust & Richland Royalty, has commenced operations, under a new Oil & Gas Lease, on the above described leasehold. #30601

This property had previously been operated by Jandie Oil Company, Inc. (KCC Operator #9163) and was abandoned on April 30, 1993, leaving one remaining cased and equipped well, (Herman Ukens #1 NW NW NW of 22-12s-12w). On May 12, 1995, the mineral owners filed with the Stafford County Register of Deeds, an Affidavit of Non-Production and granted Richland Royalty an Oil & Gas Lease. Subsequently, Richland Royalty has assigned this property to the Dean E. Britting Living Trust and copies of those documents are included for your files.

Should you require any further clarification regarding this matter, please feel free to call.

Sincerely,
RICHLAND ROYALTY


Jeffrey A. Burk, Agent
Dean E. Britting Living Trust

JAB/self
XC: Dean E. Britting Living Trust
Greg Bauer, Bauer, Pike, Pike & Johnson Chartered

RECEIVED
STATE CORPORATION COMMISSION

JUL 03 1995

#803

803

MICROFILMED

STATE OF KANSAS
Stafford County

SS. Fee \$ 10.00

This instrument was filed for record on
the 14th day of May, 1995 at
8:38 o'clock A.M. and duly recorded in
book 130 of Microfilm page 357
Lynette Bennington Register
By Lisa Ann Cooper Deputy

AFFIDAVIT OF NON-PRODUCTION

STATE OF KANSAS)
) SS:
COUNTY OF STAFFORD)

Vertabell M. Hathaway, of lawful age, being first duly sworn on her oath, states that she is a mineral owner in, was the pumper on and is familiar with, the following described property, to-wit:

The West Half of the Northwest Quarter (W/2 NW/4)
Section 22, Township 22 South, Range 12 West
Stafford County, Kansas

which property is owned by Burnell H. Ukens and Gwydotta A. Ukens, his wife.

Affiant knows, of her own knowledge, that there is, at present no production of oil or gas on said land and that no production has been generated or occurred from, any existing wellbore located on said land since April 30, 1993.

The affiant further states that on January 1, 1994, all storage tanks relating to this property were drained, emptied and the oil subsequently sold. Therefore, the oil and gas lease dated February 15, 1985, by and between Herman Ukens, a single person (Hudson, Kansas 67501), lessor and A.J. Operations (Russell, Kansas), lessee, recorded in Book 67, Page 450 of said county and state, has now expired, by its own terms, due to the cessation of oil and gas production.

Affiant further saith not.

COPY FOR YOUR INFORMATION

Vertabell M. Hathaway
Vertabell M. Hathaway

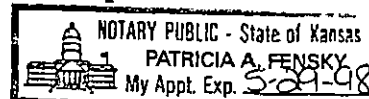
STATE OF KANSAS)
) SS:
COUNTY OF STAFFORD)

Before me, the undersigned, a Notary Public, within and for said County and State on this 12th day of May, 1995, personally appeared Vertabell M. Hathaway, to me personally known to be the identical person who executed the within and foregoing instrument and she acknowledged to me that she executed the same as a free and voluntary act and deed for the uses and purposes therein set forth, and at the same time the affiant was by me duly sworn to the foregoing Affidavit.

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

Patricia A. Fensky
Notary Public

My commission expires: 5-29-98
BOOK 130 PAGE 357



LL88-1
Form 88 (Producers)
(Paid Up) KS, OK, CO

OIL & GAS LEASE

(1983) David Carter Company
(Richland Royalty Rev. 1993)

THIS AGREEMENT, Entered into this 10th day of May, 1995, by and between Burnell H. Ukens and Gwydotta A. Ukens, his wife and Vertabell M. Hathaway and Mervin R. Hathaway, her husband, hereinafter called lessors, and Jeffrey A. Burk dba Richland Royalty hereinafter called lessee, does witness:

1. That lessor, for and in consideration of the sum of Ten or more Dollars (\$10.00) in hand paid and of the covenants and agreements hereinafter contained to be performed by the lessee, has this day granted, leased, and let and by these presents does hereby grant, lease and let exclusively unto the lessee the hereinafter described land, with any reversionary rights therein, and with the right to unitize this lease or any part thereof with other oil and gas leases as to all or any part of the lands covered thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata, and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of Stafford, State of Kansas, and described as follows:

The West Half of the Northwest Quarter (W/2 NW/4)
Section 22, Township 22 South, Range 12 West

#804 MICROFILMED
STATE OF KANSAS }
Stafford County } SS. Fee \$ 8.00
This instrument was filed for record on
the 10th day of May, 1995 at
8:40 o'clock A. M. and duly recorded in
book 130 of Microfilm page 358
Lynette Bennington Register
By Sue Ann Cooper Deputy

containing 80 acres, more or less.

2. This lease shall remain in force for a term of 1 year (called "primary term") and as long thereafter as oil, gas, casinghead gas, condensate or any of the products covered by this lease is or can be produced.

3. The lessee shall deliver to lessor as royalty, free of cost, on the lease, into the pipe line to which lessee may connect its wells the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises, or at the lessee's option may pay to the lessor for such one-eighth royalty the market price at the wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipe line or into storage tanks.

4. The lessee shall pay to the lessor, as a royalty, one-eighth (1/8th) of the proceeds, free and clear of any costs and expenses of the development and operations of the lease, excepting taxes applicable to said interests, received by the lessee from the sale of gas, gas condensate, gas distillate, casinghead gas or any other product, and all other gases, including their constituent parts, produced from the land herein leased. If such gas is not sold by the lessee, lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to one dollar per net mineral acre, and while said shut in royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas in not sold shall begin on the date the first well is completed for production of gas.

5. This lease is a paid-up lease and may be maintained during the primary term without further payments or drilling operations.

6. In the event said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein then the royalties herein provided for shall be paid to said lessor only in the proportion which his interest bears to the whole and undivided fee; however, in the event the title to any interest in said land should revert to lessor, or his heirs, or his or their grantee, this lease shall cover such reversion.

7. The lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the lessor. When required by lessor, the lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the lessor. Lessee shall have the right at any time during, or after the expiration of this lease to remove all machinery fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.

8. 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 the heirs, devisees, executors, administrators, successors, and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee, and no change of ownership in the land or any sum due under this lease shall be binding on the lessee until it has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or certified copy of the proceedings showing appointment of an administrator for the estate of any deceased owner, whichever is appropriate, together with all original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, devisee, or administrator, executor, or heir of lessor.

9. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. 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 now or hereafter be divided by sale, devisee, descent or otherwise, or to furnish separate measuring or receiving tanks.

10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee, at its option, may pay and discharge in whole or in part any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty accruing hereunder.

11. If after the expiration of the primary term, production of oil or gas should cease from any cause, this lease shall not terminate if lessee commences additional drilling or reworking operations within one hundred-eighty (180) days thereafter, or if at the expiration of the primary term, oil or gas is not being produced on said land, but lessee is then engaged in drilling or reworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the same well or any other well thereafter commenced, with no cessation or more than one hundred-eighty (180) consecutive days, and if they result in production of oil or gas, this lease shall remain in effect so long thereafter as there is production of oil or gas under any provision of this lease.

12. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and determine, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

13. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended.

14. Lessee, at its option, is hereby given the right and power to pool or combine into one or more units the land covered by this lease, or any portion thereof, with (only) other lands owned by lessor covered by another lease, or leases 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 such minerals in and under said land, such pooling to be in a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 160 acres each in the event of a gas and/or condensate or distillate well, plus a tolerance of ten percent (10%) to conform to Governmental Survey quarter sections. Lessee shall execute in writing and file for record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units shall be treated for all purposes, except the payments of royalties on production from the pooled unit, as if it were included in this lease. If production is found on any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on any such unit shall be and constitute a well hereunder. In lieu of the royalties elsewhere herein specified lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

15. Lessor and/or Lessor's tenant reserves the right to designate the direction and location of all service roadways and the tank battery locations on the premise.

16. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor and lessee.

IN WITNESS WHEREOF, we sign the day and year first above written.

Vertabell M. Hathaway
Vertabell H. Hathaway
SSN 514-28-9453

Burnell H. Ukens
Burnell H. Ukens
SSN 513-34-5413

Mervin R. Hathaway
Mervin R. Hathaway
SSN 512-26-9914

Gwydotta A. Ukens
Gwydotta A. Ukens
SSN 570-40-5852

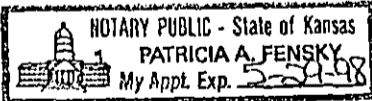
STATE OF KANSAS)
) ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Kans. Okla. and Colo.)
COUNTY OF STAFFORD)

Before me, the undersigned, a Notary Public, within and for said County and State, on this 16th day of May, 1995, personally appeared Vertabell H. Hathaway and Mervin R. Hathaway, her husband to me personally known to be the identical person(s) who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposed therein set forth.

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

Patricia A. Fensky
Notary Public

My commission expires: 5-29-98



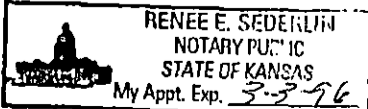
STATE OF KANSAS)
) ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Kans. Okla. and Colo.)
COUNTY OF CLOUD)

Before me, the undersigned, a Notary Public, within and for said County and State, on this 12th day of May, 1995, personally appeared Burnell H. Ukens and Gwydotta A. Ukens, his wife to me personally known to be the identical person(s) who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposed therein set forth.

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

Renée E. Sederlin
Notary Public

My commission expires:



ASSIGNMENT OF OIL & GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, Jeffrey A. Burk dba Richland Royalty, hereinafter called Assignor, for and in consideration of Ten Dollars (\$10.00) and other valuable consideration, the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer and set over unto Dean E. Britting Living Trust, (hereinafter called Assignee), all right, title and interest in and to the oil and gas lease dated May 10, 1995, from Burnell H. Ukens and Gwydotta A. Ukens, his wife and Vertabell M. Hathaway and Mervin R. Hathaway, her husband, lessors, to Jeffrey A. Burk dba Richland Royalty, lessee, recorded in Book 130, Page 358-359 insofar as said lease covers the following described land located in Stafford County, Kansas:

Township 22 South, Range 12 West
Section 22: W/2 NW/4

and containing 80 acres, more or less, together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith.

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

EXECUTED, This 28th day of June, 1995.

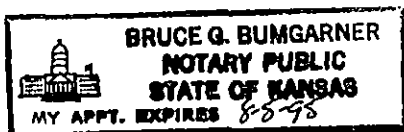
Thomas M. Williams
Witness

Jeffrey A. Burk dba Richland Royalty
Jeffrey A. Burk
Jeffrey A. Burk, Sole Owner

STATE OF KANSAS)
) SS. ACKNOWLEDGMENT FOR INDIVIDUAL (KS. OK.)
COUNTY OF SEDGWICK)

BE IT REMEMBERED, That on this 28th day of June, 1995, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, came Jeffrey A. Burk, sole owner of Richland Royalty, personally known to me to be the same person who executed the forgoing instrument of writing 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.



Bruce G. Bumgarner
Notary Public

My Appointment Expires: