

MAY 08 2008

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

CONSERVATION DIVISION  
WICHITA, KS

REQUEST FOR CHANGE OF OPERATOR  
TRANSFER OF INJECTION OR SURFACE PIT PERMIT

Form T-1  
April 2004  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

Check Applicable Boxes:

- ☐ Oil Lease: No. of Oil Wells \_\_\_\_\_ \*\*
- ☒ Gas Lease: No. of Gas Wells 1 \*\*
- ☐ Gas Gathering System: \_\_\_\_\_
- ☐ Saltwater Disposal Well - Permit No.: \_\_\_\_\_
- Spot Location: \_\_\_\_\_ feet from ☐ N / ☐ S Line  
\_\_\_\_\_ feet from ☐ E / ☐ W Line
- ☐ Enhanced Recovery Project Permit No.: \_\_\_\_\_
- Entire Project: ☐ Yes ☐ No
- Number of Injection Wells \_\_\_\_\_ \*\*

Field Name: Louisburg

**\*\* Side Two Must Be Completed.**

Effective Date of Transfer: April 11, 2008

KS Dept of Revenue Lease No.: 227600 *VMB*

Lease Name: Shirk

\_\_\_\_\_ N/2 \_\_\_\_\_ SW/4 \_\_\_\_\_ NE/4 Sec. 16 Twp. 16 R. 25 ☒ E ☐ W

Legal Description of Lease: TR BEG 607N SW/C NE4 N713 E2640 S50(S) W1320

S540(S) W665 S124 W665 TO POB Sec. 16-T16-R25E

County: Miami

Production Zone(s): South Mound, Lexington, Summit, Mulky

Injection Zone(s): \_\_\_\_\_

Surface Pit Permit No.: N/A-No pit

(API No. if Drill Pit, WO or Haul)

Type of Pit: ☐ Emergency ☐ Burn ☐ Settling ☐ Haul-Off ☐ Workover ☐ Drilling *OR*

Past Operator's License No. 33872

Past Operator's Name & Address: PR. Operating, LP

3000 Internet Blvd. Suit 400 Frisco, TX 75034

Title: N/A

Contact Person: N/A--Legal Documents Attached

Phone: N/A

Date: N/A

Signature: See Attached documents  
Additional Documentation/Mazza Lse

New Operator's License No. 32294

New Operator's Name & Address: Osborn Energy, L.L.C.

24850 Farley Bucyrus, KS 66013

Title: Operations Manager

Contact Person: Jeff Taylor

Phone: 913-533-9900

Oil / Gas Purchaser: Riverdale Pipeline, LTD

Date: 5/2/08

Signature: Jeff Taylor

**Acknowledgment of Transfer:** The above request for transfer of injection authorization, surface pit permit # N/A-No pit has been noted, approved and duly recorded in the records of the Kansas Corporation Commission. This acknowledgment of transfer pertains to Kansas Corporation Commission records only and does not convey any ownership interest in the above injection well(s) or pit permit.

\_\_\_\_\_ is acknowledged as the  
new operator and may continue to inject fluids as authorized by  
Permit No.: \_\_\_\_\_. Recommended action: \_\_\_\_\_

Date: \_\_\_\_\_  
Authorized Signature

\_\_\_\_\_ is acknowledged as the  
new operator of the above named lease containing the surface pit  
permitted by No.: \_\_\_\_\_

Date: \_\_\_\_\_  
Authorized Signature

DISTRICT \_\_\_\_\_ EPR 5-15-08 PRODUCTION MAY 15 2008 UIC 5-15-08  
Mail to: Past Operator \_\_\_\_\_ New Operator \_\_\_\_\_ District \_\_\_\_\_

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

\* Lease Name: Shirk \* Location: N/2 of the SW/4 of the NE/4 of Sec. 16-T16-R25E

\* Location: N/2 of the SW/4 of the NE/4 of Sec. 16-T16-R25E

[illegible]

RECEIVED  
KANSAS CORPORATION COMMISSION

**MAY 08 2008**

CONSERVATION DIVISION  
WICHITA, KS

\* When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located.



24850 Farley, Bucyrus, KS 66013 • Ph: 913-533-9900 • Fax: 913-533-9955

May 6, 2008

Kansas Gas Exploration, L.L.C.  
1055 Broadway 12<sup>th</sup> Floor  
Kansas City, MO 64105

By signing below, Kansas Gas Exploration, L.L.C (from here on know as KGE), agrees that Osborn Energy, L.L.C. is the Operator of the wells on the following leases that belong to KGE:

Lease:	Brief Legal Description;
Mazza	S/2 of NW/4 of S16-T16-R25E
Bell	N/2 of NE/4 of S21-T16-R25E
Eidemiller	W/2 of NE/4 and S/2 of SE/4 of NE/4 of S17-T16-R25E
Silver Star	W/2 of SE/4 of S17-T16-R25E
Levin	N/2 and E/2 of SW/4 of S10-T16-R25E
Shirk	N/2 of SW/4 of NE/4 of S16-T16-R25E

  
Agent for KGE

5/6/08  
Date

MANAGER, INVESTMENT ACCTG.  
Title

RECEIVED  
KANSAS CORPORATION COMMISSION

MAY 08 2008

CONSERVATION DIVISION  
WICHITA, KS

The original of this document was received for recording  
on the 14 day of April, 2008 and will  
go of record that date.

Katie Forek  
Register of Deeds, Miami Co., KS

By Jamie S. Homrighausen  
3 pages Deputy

## GAS LEASE

This Agreement, is entered into this 14 day of April, 2008, between Larry R Shirk and Linda M. Shirk, husband and wife, (hereinafter called "LESSOR", whether one or more) and Kansas Gas Exploration, LLC, (hereinafter called "LESSEE"), who hereby agree that:

1. The LESSOR, for and in consideration of the sum of \$10.00 and other valuable consideration in hand paid, the receipt and sufficiency of which is hereby acknowledged, hereby grant, demise, lease, and let exclusively unto LESSEE for the purposes of its investigating, exploring by geophysical and other means, prospecting, drilling and carrying on of geological and other exploratory work, including core drilling, operating for and producing all gasses, all hydrocarbons, and their respective constituent products as well as any natural resources produced with them, and for all operations associated therewith, including construction of roads, laying pipelines, building tanks, processing facilities, ~~power stations and lines~~, injecting gas, water and other substances into the subsurface strata and all things necessary or convenient for the economical operation of said exploration, operations and production of said resources, including dewatering of shale or coalbed gas wells, on said land or in conjunction with lands unitized therewith, all on that certain tract of land situated in the county of Miami, State of Kansas, and any reversionary rights therein, described in Exhibit 1 attached hereto and incorporated by reference. JRS  
LMS

2. This is a PAID-UP LEASE and shall remain in force and effect for a term of 1 year ("Primary Term") from this date and as long thereafter as gas or its constituent products or other hydrocarbons are produced from said land, or as long as LESSEE is conducting operations on said land or lands. If, at the expiration of the Primary Term, gas is not being produced from the premises, but LESSEE is engaged in drilling, reworking or dewatering operations thereon, then this Lease shall continue in full force and effect as long as operations are being continuously prosecuted. Operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If, after the discovery of gas on the subject lands or on lands unitized therewith, the production therefrom ceases for any cause after the expiration of the Primary Term, this Lease shall not terminate if LESSEE commences additional drilling, reworking or dewatering operations within ninety (90) days from the date of the cessation of said production or from the date of the completion of the drilling of a dry hole. Notwithstanding anything in this lease contained to the contrary, it is expressly agreed that if LESSEE shall commence operations for drilling or production at any time while this lease is in force, this lease shall remain in force and its term shall continue so long as such operations are prosecuted and, if production results therefrom, then as long as production continues.

3. The LESSEE shall pay to LESSOR for gas of whatever nature or kind, including all of its constituent parts, hydrocarbon or otherwise, produced, as royalty, one-eighth (1/8) of the proceeds received from the sale of such produced substances after deducting LESSOR's proportionate share of the costs of preparing and transporting same to the point of sale and delivery, including the costs of compression, dehydration, denitrogenation, processing, treating, gathering and applicable taxes. LESSOR shall have the privilege, at his own risk and expense, of using gas from any gas well on said premises for heating and cooking in one residential dwelling located on the leased premises by making his own connections thereto by using good and safe industry practices in full compliance with all applicable pipeline safety rules and regulations, including K.A.R. 82-11-4, in effect at the time of connection including, but not limited to, odorization of the gas.

4. If, at any time, while there is a gas well or wells on the above land and such well or wells are shut in, and if this lease is not continued in force by some other provisions hereof or if a well has been completed but dewatering operations have commenced, then it shall, nevertheless, continue in force as long as said well or wells are shut in and it shall be considered that the gas is being produced from the leased premises in paying quantities within the meaning of this lease by the LESSEE paying or tendering to LESSOR annually, in advance a substitute or shut-in gas royalty, in an amount equal to \$1.00 per 640 mineral acre. Said advance royalty shall be payable ninety (90) days after the date such well or wells are shut in and annually thereafter. The period covered by said advance or shut in royalty payments shall be measured from the date such well or wells are shut in.

5. If LESSOR owns a lesser interest in the above-described lands than the entire in undivided fee simple estate, then the royalties and rentals herein provided shall be paid to the LESSOR only in the proportion which his interest bears to the whole and undivided fee. However, such rental shall be increased at the next rental succeeding rental anniversary after any reversion occurs to cover any such interest so acquired by LESSOR.

6. LESSEE shall have the right to use, free of cost, gas, oil and water found on said land, including water from ponds, for its operations thereon, except water from wells used for domestic purposes by LESSOR. When required by LESSOR, LESSEE agrees to bury its pipelines below plow depth and shall pay for damages caused by its operations to growing crops on said land. LESSEE shall have the right at any time during, or after the expiration of this lease, however not the obligation, to remove all machinery, fixtures, buildings or other structures placed on said premises including the right to draw and remove all casings. LESSEE agrees, upon the completion of any test, as a dry hole, or upon the abandonment of any producing well, to restore the premises to their original contour as nearly as practical.

Page 1 of 3

RECEIVED  
KANSAS CORPORATION COMMISSION

MAY 08 2008

CONSERVATION DIVISION  
WICHITA, KS

JRS  
LMS

## GAS LEASE (Con't)

7. If the estate of other parties hereto is assigned, and the privilege of assigning in whole or in part is expressly permitted, the covenants herein shall extend to the heirs, devisees, executors, administrators, successors and assigns, but no change of ownership in the land or in the rentals or royalties or any sum due under this lease shall be binding upon 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 an order of a probate court showing the appointment of an executor or administrator of any deceased owner together with all other original recorded instruments or duly certified copies thereof necessary in showing the complete chain of title back to the LESSOR to the full interest claimed, and all advance payments of rentals made hereunder before receipt of said document shall be binding on any direct or indirect assignee, grantee, devisee, administrator, executor or heir of the LESSOR.

8. If the leased premises are now or shall hereinafter be owned in severalty or in separate tracts, the premises nevertheless shall be developed and operated as one lease, and all royalties accruing hereunder shall be treated as an entirety and 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 be hereafter divided by sale, devise, descent or otherwise, or to furnish separate measurement facilities. It is hereby agreed that in the event this lease shall be assigned as to a part or as to parts of the above-described land and the holder or owner of any such part or parts shall default in the payment of the proportionate part of the rents or royalties due, such default shall not operate to defeat or affect this lease insofar as it covers a part of said land upon which the LESSEE or any assigned thereof shall make due payment of said rents and royalties. If at any time there may be as many as four parties entitled to rents or royalties, the LESSEE may withhold payment thereof unless and until all the parties designate, in writing, in a recordable instrument to be recorded, and a copy of which provided with the LESSEE, a common agent to receive all payments due hereunder, and to execute division and transfer orders on behalf of said parties and their respective successors in title.

9. 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 the event it exercises such option, it shall be subordinated to the rights of any holder or holders thereof and may reimburse itself by applying it to the discharge of any such mortgage, tax or other lien, any royalty or rental accruing hereunder.

10. LESSEE may, at any time, cancel or surrender this lease in whole or in part by delivering or mailing such release to the LESSOR, or by placing the same of record in the Register of Deed's Offices in the above-referenced county or counties. In case such lease is surrendered and canceled as to only a portion of the acreage covered hereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion cancelled shall cease and any rentals or royalties thereafter paid may be proportioned on an acreage basis, but as to the portion of acreage not released, the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

11. 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 expressed or implied provisions if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If LESSEE is delayed or prevented from complying with any of the express or implied terms of this lease by virtue of any storm, or other act of God or event of *force majeure* or if such failure is a result of any federal and state law, executive order, rule or regulation, then the delay occasioned by the same shall not be counted against LESSEE and the period for the performance of the obligations under this lease shall be extended for the period of time equal to the time that the LESSEE was so prevented, anything in this lease to the contrary notwithstanding.

12. Any Notice provided under the terms of this Lease shall be provided by registered mail, return receipt requested as follows:

LESSOR: Larry R Shirk and Linda M. Shirk  
25718 Mission Bellview  
Louisburg, Kansas 66053  
913-837-1639

LESSEE: Kansas Gas Exploration, LLC  
Attn: Investment Accounting  
1055 Broadway, 12th Floor  
Kansas City, MO 64105

13. LESSEE agrees to install a cattle guard around and about the well or *well is drilled*  
wells drilled *km5*  
IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.

By: [Signature]  
LESSOR Larry R Shirk

By: [Signature]  
LESSOR Linda M. Shirk

### INDIVIDUAL ACKNOWLEDGMENT

STATE OF Kansas  
COUNTY OF Johnson ) ss:

The foregoing instrument was acknowledged before me this 11 day of April, 2008.

by Larry R Shirk and Linda M. Shirk, husband and wife



LAURA K. FEINGOLD

My Appt. Exp. 6-18-2010

My Commission Expires:

June 18, 2010

[Signature]  
Notary Public

RECEIVED  
KANSAS CORPORATION COMMISSION

MAY 08 2008

CONSERVATION DIVISION  
WICHITA, KS

*km5*

**EXHIBIT I**

to  
GAS LEASE

DATED THIS 11 DAY OF April, 2008

BETWEEN Larry R Shirk and Linda M. Shirk, LESSOR AND

Kansas Gas Exploration, LLC , LESSEE

The lands subject to the referenced Gas Lease are situated in the county of Miami, State of Kansas

In Section(s) 16, Township 16 S, Range 25E, and containing 22.20 acres more or less,

and described as follows:

Township 16 South, Range 25 East:

Section 16: Commencing at the Southeast corner of the Northeast Quarter (SE/cNE/4); thence North 00 degrees 04 minutes 50 seconds East 1253.02 feet along the East line of said Quarter Section to the true point of beginning; thence North 89 degrees 06 minutes 01 seconds West 1320.12 feet; thence South 00 degrees 04 minutes 50 seconds West 534.26 feet along a line parallel to the East line of said Quarter Section; thence North 89 degrees 40 minutes 38 seconds West 665.09 feet along a line parallel to the South line of said Quarter Section; thence South 00 degrees 13 minutes 51 seconds 124.63 feet along a line parallel to the west line of said Quarter Section; thence North 89 degrees 40 minutes 38 seconds West 665.47 feet along a line parallel to the South line of said Quarter Section to a point on the West line of said quarter section; thence North 00 degrees 13 minutes 51 seconds West 717.55 feet along the West line of said Quarter Section to a point being the Northwest corner of the South Half (NW/cS/2) of said Quarter Section; thence South 88 degrees 52 minutes 11 seconds East 1293.99 feet along an existing fence line; thence South 89 degrees 06 minutes 01 seconds East 1360.13 feet along said fence line to a point on the East line of said Quarter Section; thence South 00 degrees 04 minutes 50 seconds West 40.00 feet along the East line of said Quarter Section to the point of beginning.

RECEIVED  
KANSAS CORPORATION COMMISSION

MAY 08 2008

CONSERVATION DIVISION  
WICHITA, KS

Page 3 of 3

*JRS*  
*LMS*

The original of this document was received for recording on the 14 day of April, 2008, and will go of record that date.

Katie Forek  
Register of Deeds, Miami Co., KS

By: Jamie S. Homishaus  
2 pages Deputy

## GRANT OF RIGHT OF WAY

For and in consideration of One Dollar (\$1.00) and other valuable consideration, the receipt of which is hereby acknowledged, Larry R Shirk and Linda M. Shirk, husband and wife, hereinafter referred to as Grantor, does hereby grant, convey and warrant unto Kansas Gas Exploration, LLC, hereinafter referred to as Grantee, its successors, assigns and lessees, the right, privilege and easement to lay, construct, maintain, alter, inspect, repair replace, protect, relocate, change the size of, operate and remove a pipe line or lines, service taps, distribution facilities, valves, regulators, and other equipment appurtenant thereto, for the transportation and distribution of oil or gas in, under, upon, across, over and through the following described lands which Grantor warrants that Grantor owns in fee simple situated in Miami County, State of Kansas and generally described as follows:

See Exhibit "A" Attached

together with the right of ingress to and egress from the above described land and other contiguous land owned by Grantor. In exercising its right of access Grantee shall, whenever practicable, use existing roads or lanes.

Pipelines shall be laid at a minimum depth of three feet below the surface of said land of Grantor.

Grantee shall have the right to clear and keep clear brush, trees, shrubbery, roots, buildings and other obstructions which, in Grantee's judgment, may interfere with the safe, proper and expeditious laying, construction, maintenance, alteration, inspection, repair, replacement, protection, relocation, operation and removal of said pipe line, lines and facilities, or any part thereof, within or upon the above described land. Grantee is not allowed to remove trees or structures without prior written consent, reasonable consent not withheld.

Grantor hereby covenants and agrees that no building, structure, engineering works or any other obstructions will be created, built, erected or constructed on, over or within the above described tract, and after pipe lines are in place, Grantor shall not change the topography of the terrain over the pipe lines without the prior approval and written consent of the Grantee.

Grantee shall repair any physical damage to property of Grantor, or pay any substantial damages on account of physical injury to property of Grantor, by the laying, construction, maintenance, alteration, inspection, repair, replacement, protection, relocation, operation and removal of said pipe line, lines, and facilities. Said damage, if not mutually agreed upon, shall be ascertained and determined by three disinterested persons, one to be appointed by the Grantor, one to be appointed by the Grantee, and the third to be chosen by the two so appointed. The damages determined by such persons, or a majority of them shall be conclusive as to the facts.

The Grantor, his heirs, successors, assigns and lessees, shall have the right of use and enjoyment of the above-described land, provided such use does not unreasonably interfere with the uses and purposes granted to Grantee hereunder, and should a dispute arise between Grantor and Grantee or their respective heirs, successors, assigns and lessees, with regard to the use of the premises by Grantor and his heirs, successors, assigns and lessees, said dispute shall be resolved by arbitration and the procedures described in the preceding paragraph.

The rights herein granted may be assigned by Grantee in whole or in part. This grant shall be binding upon the heirs, successors and assigns of the undersigned.

WITNESS the hand of the Grantor(s) this 11 day of April, 2008

By:

Larry R Shirk  
Grantor Larry R Shirk

By:

Linda M Shirk  
Grantor Linda M. Shirk

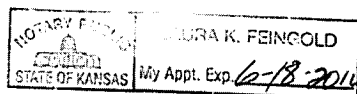
### INDIVIDUAL ACKNOWLEDGMENT

STATE OF Kansas  
COUNTY OF Johnson ss:

The foregoing instrument was acknowledged before me this 11 day of April, 2008, by Larry R Shirk and Linda M. Shirk, (LESSOR).

My Commission Expires:

June 18, 2010



Laura K Feingold  
Notary Public

RECEIVED  
KANSAS CORPORATION COMMISSION

MAY 08 2008

CONSERVATION DIVISION  
WICHITA, KS

JS  
WMS

**EXHIBIT A**

to  
Grant of Right of way

DATED THIS 11 DAY OF April, 2008

BETWEEN Larry R Shirk and Linda M. Shirk, GRANTOR AND

Kansas Gas Exploration, LLC GRANTEE

The lands subject to the referenced Grant of Right of way  
are situated in the county of Miami, State of Kansas

In Section(s) 16, Township 16 S, Range 25E, and containing 22.20 acres more or less,

and described as follows:

Township 16 South, Range 25 East:

Section 16: Commencing at the Southeast corner of the Northeast Quarter (SE/cNE/4); thence North 00 degrees 04 minutes 50 seconds East 1253.02 feet along the East line of said Quarter Section to the true point of beginning; thence North 89 degrees 06 minutes 01 seconds West 1320.12 feet; thence South 00 degrees 04 minutes 50 seconds West 534.26 feet along a line parallel to the East line of said Quarter Section; thence North 89 degrees 40 minutes 38 seconds West 665.09 feet along a line parallel to the South line of said Quarter Section; thence South 00 degrees 13 minutes 51 seconds 124.63 feet along a line parallel to the west line of said Quarter Section; thence North 89 degrees 40 minutes 38 seconds West 665.47 feet along a line parallel to the South line of said Quarter Section to a point on the West line of said quarter section; thence North 00 degrees 13 minutes 51 seconds West 717.55 feet along the West line of said Quarter Section to a point being the Northwest corner of the South Half (NW/cS/2) of said Quarter Section; thence South 88 degrees 52 minutes 11 seconds East 1293.99 feet along an existing fence line; thence South 89 degrees 06 minutes 01 seconds East 1360.13 feet along said fence line to a point on the East line of said Quarter Section; thence South 00 degrees 04 minutes 50 seconds West 40.00 feet along the East line of said Quarter Section to the point of beginning.

RECEIVED  
KANSAS CORPORATION COMMISSION

MAY 08 2008

CONSERVATION DIVISION  
WICHITA, KS

*JSK*  
*LMS*  
Page 2 of 2



The original of this document was received for recording on the 14 date of April 2008, and will go of record that date.

Katie Fork  
Register of Deeds, Miami Co., KS

James J. Thomas  
Deputy  
1 page

## AFFIDAVIT OF NON-PRODUCTION

STATE OF Kansas  
COUNTY OF Johnson ) ss:

The undersigned, Larry R Shirk and Linda M. Shirk, husband and wife, being of lawful age and first duly sworn upon oath, states:

I. He/She is well familiar with the following-described lands as the undersigned is the owner of the same and has been the owner for \_\_\_\_\_ years.

to-wit:

The lands subject to the referenced Affidavit of Non-Production are situated in the county of Miami, State of Kansas In Section(s) 16, Township 16 S, Range 25E, and containing 22.20 acres more or less, and described as follows:

Township 16 South, Range 25 East:

Section 16: Commencing at the Southeast corner of the Northeast Quarter (SE/cNE/4); thence North 00 degrees 04 minutes 50 seconds East 1253.02 feet along the East line of said Quarter Section to the true point of beginning; thence North 89 degrees 06 minutes 01 seconds West 1320.12 feet; thence South 00 degrees 04 minutes 50 seconds West 534.26 feet along a line parallel to the East line of said Quarter Section; thence North 89 degrees 40 minutes 38 seconds West 665.09 feet along a line parallel to the South line of said Quarter Section; thence South 00 degrees 13 minutes 51 seconds 124.63 feet along a line parallel to the west line of said Quarter Section; thence North 89 degrees 40 minutes 38 seconds West 665.47 feet along a line parallel to the South line of said Quarter Section to a point on the West line of said quarter section; thence North 00 degrees 13 minutes 51 seconds West 717.55 feet along the West line of said Quarter Section to a point being the Northwest corner of the South Half (NW/cS/2) of said Quarter Section; thence South 88 degrees 52 minutes 11 seconds East 1293.99 feet along an existing fence line; thence South 89 degrees 06 minutes 01 seconds East 1360.13 feet along said fence line to a point on the East line of said Quarter Section; thence South 00 degrees 04 minutes 50 seconds West 40.00 feet along the East line of said Quarter Section to the point of beginning

7. The undersigned Affiant knows of his/her own personal knowledge that there is no production of oil or gas on the above-referenced land and there has been no production of oil or gas on the above-referenced land for 13 years/months. Further, there have been no operations conducted on said land for more than 13 months.

Further, the undersigned states that of his/her own personal knowledge that all oil and gas leases pertaining to the captioned premises as of the date of this Affidavit have expired of their own terms, and there are no operations which are being conducted and no rentals being paid which could perpetuate any oil and gas lease pertaining to the captioned premises. Therefore, as of the date below, all oil and gas leases have terminated which pertain to the captioned premises.

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

By Larry R Shirk  
LESSOR Larry R Shirk

By Linda M Shirk  
LESSOR Linda M. Shirk

### INDIVIDUAL ACKNOWLEDGMENT

STATE OF Kansas  
COUNTY OF Johnson ) ss:

The foregoing instrument was acknowledged before me this 11 day of April, 2008.

by Larry R Shirk and Linda M. Shirk, husband and wife.

NOTARY PUBLIC  
STATE OF KANSAS  
My Comm. Expires: June 18, 2010  
LAURA K. FEINGOLD  
My Appt. Exp. 6-18-2010

Laura K Feingold  
Notary Public

RECEIVED  
KANSAS CORPORATION COMMISSION

MAY 08 2008

CONSERVATION DIVISION  
WICHITA, KS

JLS  
4/15/08