

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
**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 19 **
☐ Gas Lease: No. of Gas Wells _____ **
☐ 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.: E24583 + E24121
Entire Project: ☐ Yes ☐ No
Number of Injection Wells 2 **

Field Name: Wayside

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

Effective Date of Transfer: July 1, 2004

KS Dept of Revenue Lease No.: 114911

Lease Name: Flanagan - NW 1/4, Melander - SW 1/4

Sec. 11 Twp. 34 R. 14 ☒ E ☐ W

Legal Description of Lease: NW 1/2

County: Montgomery

Production Zone(s): Wayside

Injection Zone(s): Wayside

Surface Pit Permit No.: _____
(API No. if Drill Pit, WO or Haul)

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

Past Operator's License No. 31696 ✓

Past Operator's Name & Address: Cunningham Crude
Rt. 1, Box 216A Independence, KS 67301

Title: General partner

Contact Person: Ron Cunningham

Phone: (620) 289-4556

Date: August 17, 2004

Signature: [Signature]

New Operator's License No. 33297 ✓

New Operator's Name & Address: Rockin Bar Nothin Ranch Inc.
P.O. Box 395 Tyro, KS 67364

Title: Owner

Contact Person: Brandon Owens

Phone: (620) 289-4782

Date: August 17, 2004

Signature: [Signature]

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Acknowledgment of Transfer: The above request for transfer of injection authorization, surface pit permit # _____ 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.

Rockin Bar Nothin Ranch is acknowledged as the new operator and may continue to inject fluids as authorized by Permit No.: E-24583. Recommended action: Submit
W3C's from '00-'04
Date: 9/16/05 [Signature]
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 8-23-05 PRODUCTION SEP 21 2005 UIC 9116105
Mail to: Past Operator 09-20-05 New Operator 09-20-05 District 09-20-05

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

070104 Flanagan, INC. pdf

Must Be Filed For All Wells

KDOR Lease No.: _____

* Lease Name: Flanagan* Location: nw

Sec 11 T34 R14E

Well No.	API No. (YR DRLD/PRE '67)	Footage from Section Line (i.e. FSL = Feet from South Line)	Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/TA'D/Abandoned)	
F-10	15-125-24,713 ✓	4680 ^{Circle} FSL/FNL	5155 ^{Circle} FEL/FWL	oil prod	
F-17	15-125-29,028 ✓	3725 FSL/FNL	5155 FEL/FWL	oil prod	
F-9	15-125-24,712 ✓	3725 FSL/FNL	4895 FEL/FWL	oil prod	
F-10	15-125-24,709 ⁻⁰⁰⁰ ✓	4680 FSL/FNL	4895 FEL/FWL	oil INJ prod AI	
F-8	15-125-24,711 ✓	4950 FSL/FNL	4895 FEL/FWL	oil prod	
F-5	15-125-27,458 ✓	5025 FSL/FNL	4525 FEL/FWL	oil prod	
F-7	15-125-24,710 ✓	4680 FSL/FNL	4515 FEL/FWL	oil prod	
F-18	15-125-29,029 ✓	3725 FSL/FNL	4495 FEL/FWL	oil prod	
F-19	15-125-29,030 ✓	3725 FSL/FNL	4115 FEL/FWL	oil prod	
F-11	15-125-28,570 ✓	4680 FSL/FNL	4145 FEL/FWL	oil prod	
F-1	15-125-27,457 ✓	2830 FSL/FNL	4390 FEL/FWL	oil prod	
F-12	15-125-27,456 ✓	2765 FSL/FNL	5020 FEL/FWL	oil prod	
F-2	15-125-27,455 ✓	2885 FSL/FNL	4060 FEL/FWL	oil prod	
F-3	15-125-24,714 ✓	3080 FSL/FNL	3770 FEL/FWL	oil prod	
F-4	15-125-23,288 ✓	3290 FSL/FNL	3480 FEL/FWL	oil prod was #6	
F-15	15-125-27,880 ✓	3110 FSL/FNL	3470 FEL/FWL	oil prod	
F-14	15-125-27,879 ✓	3110 FSL/FNL	3180 FEL/FWL	oil TA	
F-16	15-125-27,881 ✓	2905 FSL/FNL	3440 FEL/FWL	oil prod	
F-13	15-125-27,878 ⁻⁰⁰⁰ ✓	2880 FSL/FNL	3760 FEL/FWL	injection prod AI	
4-13	15-125-27403-000	2350 FSL/FNL	3925 FEL/FWL	INJ	AI
4-14	15-125-01218-000	1420 FSL/FNL	3080 FEL/FWL	INJ	AI
Melander					
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A separate sheet may be attached if necessary

* 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.

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 25th day of June, 2004, by and between Southwinds Buffalo Ranch, Inc., hereinafter called Lessor (whether one or more), and Rockin Bar Nothin Ranch, Inc. hereinafter called Lessee:

WITNESSETH: That the said lessor, for and in consideration of TEN DOLLARS (\$10.00), cash in hand paid, the receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on 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 the said lessee for the sole and only purpose of exploring by geophysical and other methods, mining and operating for oil and gas, and of laying of pipe lines, and of building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Montgomery, State of Kansas, described as follows, to-wit:

W/2

of Section 11, Township 34S, Range 14E, and containing 320 acres, more or less.

Subject to the provisions herein contained, this lease shall remain in force for a term of 1 year from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or other 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 (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 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 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 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 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 assigning in whole or in part is expressly allowed in 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, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the 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 redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default or 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 right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, 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 in writing and record in the conveyance records of

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GCC WICHITA

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 lessees 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, cc 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.

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

Southwinds Buffalo Ranch, Inc.

By: Mikel E. Melander
Mikel E. Melander, President

Southwinds Buffalo
P.O. Box 304
Independence, Ks 67301

NOTE: RECORDING ON PAGE 2

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KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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

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

Check Applicable Boxes:

- ☒ Oil Lease: No. of Oil Wells 19 **
☐ Gas Lease: No. of Gas Wells _____ **
☐ 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.: E24583 +E24171
Entire Project: ☐ Yes ☐ No
Number of Injection Wells 2 **

Field Name: Wayside

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

Effective Date of Transfer: July 1, 2004

KS Dept of Revenue Lease No.: 114911

Lease Name: Flanagan - NW 1/4 & Melander - SW 1/4

_____ Sec. 11 Twp. 34 R. 14 ☒ E ☐ W

Legal Description of Lease: NW 1/2

County: Montgomery

Production Zone(s): Wayside

Injection Zone(s): Wayside

Surface Pit Permit No.: _____

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

_____ feet from ☐ N / ☐ S Line of Section

_____ feet from ☐ E / ☐ W Line of Section

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

Past Operator's License No. 31696 ✓

Contact Person: Ron Cunningham

Past Operator's Name & Address: Cunningham Crude

Phone: (620) 289-4556

Rt. 1, Box 216A Independence, KS 67301

Date: August 17, 2004

Title: General partner

Signature: Ron Cunningham

New Operator's License No. 33144 33297 ✓

Contact Person: Brandon Owens

New Operator's Name & Address: Rockin Bar Nothin Ranch Inc.

Phone: (620) 289-4782

P.O. Box 395 Tyro, KS 67364

Oil / Gas Purchaser: _____

Date: August 17, 2004

Title: Owner

Signature: Brandon W. Owens

Acknowledgment of Transfer: The above request for transfer of injection authorization, surface pit permit # _____ 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.

Rocking Bar Nothin Ranch is acknowledged as the
new operator and may continue to inject fluids as authorized by
Permit No.: E-24171 . Recommended action: Submit
USCs from '00-'04
Date: 9/16/05 Byron Bland
Authorized Signature 2

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

Date: _____
Authorized Signature _____

DISTRICT _____ EPR 8-23-05 PRODUCTION SEP 21 2005 UIC 9116/05
Mail to: Past Operator 09-20-05 New Operator 09-20-05 District 09-20-05

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

070104 Flanagan INC.pdf

Must Be Filed For All Wells

KDOR Lease No.: _____

* Lease Name: Flanagan* Location: nw

Sec 11 T34 R14E

Well No.	API No. (YR DRLD/PRE '67)	Footage from Section Line (i.e. FSL = Feet from South Line)	Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/TA'D/Abandoned)
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F-6	15-125-24,709 ⁻⁰⁰⁰¹ ✓	4680 ^{Circle} FSL/FNL	4895 ^{Circle} FEL/FWL	oil INJ prod AI
F-8	15-125-24,711 ✓	4950 ^{Circle} FSL/FNL	4895 ^{Circle} FEL/FWL	oil prod
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B		FSL/FNL	FEL/FWL	
A-13	15-125-27403-0001	2350 ^{Circle} FSL/FNL	3925 ^{Circle} FEL/FWL	INJ AI
N-1	15-125-01218-0001	1420 ^{Circle} FSL/FNL	5080 ^{Circle} FEL/FWL	INJ AI
		FSL/FNL	FEL/FWL	

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A separate sheet may be attached if necessary

* 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.

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OIL AND GAS LEASE

AGREEMENT, Made and entered into the 25th day of June, 2004, by and between Southwinds Buffalo Ranch, Inc., hereinafter called Lessor (whether one or more), and Rockin Bar Nothin Ranch, Inc. hereinafter called Lessee:

WITNESSETH: That the said lessor, for and in consideration of TEN DOLLARS (\$10.00), cash in hand paid, the receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on 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 the said lessee for the sole and only purpose of exploring by geophysical and other methods, mining and operating for oil and gas, and of laying of pipe lines, and of building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Montgomery, State of Kansas, described as follows, to-wit:

W/2

of Section 11, Township 34S, Range 14E, and containing 320 acres, more or less.

Subject to the provisions herein contained, this lease shall remain in force for a term of 1 year from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or other 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 (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 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 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.

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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 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 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 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, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the 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 redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default or 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 right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, 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 in writing and record in the conveyance records of

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

Southwinds Buffalo Ranch, Inc.

By: Mikel E. Melander

Mikel E. Melander, President

Southwinds Buffalo

P.O. Box 304

Independence, Ks 67301

NOTE: RECORDING ON PAGE 2

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