## THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Pat Apple, Chair Jay Scott Emler Shari Feist Albre		
In the matter of an Order to Sho to Jaed Production Co., Inc	,	Docket No. 17-CONS-3127-CS	НО
regarding responsibility under K. unplugged wells on an expired lid	S.A. 55-179 for )	CONSERVATION DIVISION	
1	)	License No.: 3954	

PREFILED TESTIMONY
OF
ED BROYLES

### **Pre-filed Testimony**

### of

### **Ed Broyles**

- Q: What is your name?
- A: Ed Broyles.
- Q: What is your business address?
- A: My current business address is 1729 South Second St., Arkansas City, Kansas 67005.
- Q: Are you familiar with this docket?
- A: I was the President of Jaed Production Co., Inc. before it surrendered its KCC license. The corporation is no longer in existence by virture of its failing to file the necessary papers with the Kansas Secretary of State's office. Neither I nor the other shareholder of Jaed Production Co., Inc., Jay Warren, are currently involved in the oil and gas business in any way.
- Q: Do you believe Jaed Production Co., Inc. is responsible for any of the unplugged wells on its expired license?
- A: The only wells that Jaed Production Co., Inc. could be responsible for are the Hower #1 and the Hower #3 wells. At the time the plugging applications were filed, the company intended to sell these wells, but that did not happen. That is why they are on Jaed's well inventory and have been abandoned.
- Q: Do you have any responsibility for plugging the additional wells that are the subject of this proceeding?
- A: No.
- Q: Could you please explain?
- A: Yes. Let me start with the Horton #2 well. I have attached as **Exhibit 1** collectively the leases that were given by the Hortons to Jaed Production Co., Inc., a release of that same lease that was executed by Mike Mackey, and a new lease that was given by the Hortons to Sandstone Energy Acquisitions Corporation. There is also attached as **Exhibit 2** a subsequent lease and

corrected lease granted by the Hortons to J.R. Sorrels. It is my understanding that this lessee stripped the Horton #2 well of its equipment, which was then sold to Endeavor Resources, a company located in Midland, Texas. To my knowledge, this well is abandoned, but I do not believe that Jaed Production Co., Inc. is responsible for plugging this well in light of the leasing activity that took place by the Hortons, Sandstone and Mr. Sorrels, particularly in light of the equipment that was removed and sold by Mr. Sorrels.

- O: What is the situation with the Forbeck #1 well?
- A: This is a well that was the subject of a failed inspection by KCC field staff, specifically Dan Fox. This well was originally intended, and perhaps the location of that well is confirmed by the AC0-1 that was filed for this well. A surveyor's plat attached as **Exhibit 3** prepared for Jaed by Robert Moser shows the location issues. A T-1 signed by Cyclone Petroleum to Endeavor Energy Resources shows the correct location. That T-1 which is attached as **Exhibit 4** is not at the location for the original well, and my understanding is that this well is producing today and operated by Endeavor Energy Resources. I believe the KCC is wanting us to plug a well that was never drilled, and certainly Jaed should not be held responsible for a well on its inventory that is currently being operated by another operator and producing today.
- Q: There are four wells that are reflected as being unplugged on your license that are on the Rosecrans' lease. Do you believe you are responsible for plugging these wells?
- A: No. Jaed Production Co., Inc. acquired these leases from Jerry Sullivan. These wells were initially sold to Drake Exploration Company, which is a company operated by my son, Darren Broyles. Subsequent to that sale and assignment, these wells were sold to Cyclone Petroleum, Inc. T-1 forms showing the transfer of this lease from Cyclone Petroleum, Inc. to Endeavor Energy Resources are attached as **Exhibit 5**.
- Q: Are all of the wells on the T-1 from Jerry Sullivan to Jaed Production Co., Inc. also shown on the subsequent T-1 forms?
- A: No. That does not change the fact that this lease has sold several times, and the public records of Sumner County will show that to be the case.
- Q: Do you believe you are responsible for plugging the wells that were sold by Jaed and operated by Cyclone Petroleum, Inc. and that are now operated by Endeavor Energy Resources?

- A: No. There is no basis for these wells remaining on Jaed's inventory and the fact that these have been sold twice since Jaed operated them confirms that fact.
- Q: Are there any other wells on Jaed's inventory that are not the subject of this proceeding?
- A: Yes. There are two additional wells shown on Exhibit A to Cynthia Maine's testimony. One of those wells has been plugged and the other has been sold to Jim Warren. Although I have requested these matters be reviewed by the KCC and the mail for these issues sent to my office, that has not happened and I do not feel responsible for plugging these wells.
- Q: Does this conclude your testimony?
- A: Yes.

### **Exhibits Attached**

Exhibit 1: Oil and Gas Leases Exhibit 2: Oil and Gas Leases Exhibit 3: Oil Field Survey

Exhibit 4: T-1 forms Exhibit 5: T-1 forms

### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on September 5, 2017, a true and correct copy of the above and foregoing was electronically filed with the Kansas Corporation Commission and mailed via U.S. Postal Service to:

Josh Wright Kansas Corporation Commission 266 N. Main St., Ste. 220 Wichita, KS 67202-1513

> /s/ Jeff Kennedy Jeff Kennedy, #12099

AGREEMENT, Made and entered into August 21, 2001, by and between EARL W. HORTON and DONNA M. HORTON, husband and wife, Parties of the first part, hereinafter called lessor (whether one or more) and JAED PRODUCTION CO., INC., Party of the second part, hereinafter called lessee.

WITNESSETH: That the said lessor, for and in consideration of ONE, 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 Sumner, State of Kansas, described as follows, to-wit:

The Southeast Quarter of Section 9, and the South 60 acres of the Northeast Quarter of Section 9. Township 35 South, Range 2 East, and containing 220 acres, more or less.

It is agreed that this lease hall remain in full force for a term of 1 year(s) 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:

- 1. To deliver to the credit of lessor, free of cost, in the pipe line to which he may connect his wells, the equal three-sixteenths (3/16ths) part of all oil produced and saved from the leased premises.
- 2. The lessee shall pay to lessor in gas produced from any oil well and used by the lessee for the manufacture of gasoline or any other product as royalty three-sixteenths (3/16ths) of the market value of such gas at the mouth of the well: if said gas is sold by the lessee, then as royalty 3/16ths of the proceeds of the sale thereof at the mouth of the well. The lessee shall pay lessor as royalty 3/16ths of the proceeds from the sale of gas as such at the mouth of the well where gas only is found, and where such gas is not sold or used, lessee shall pay or tender annually at the mouth of the well where gas only is found, and where such gas is not sold or used, lessee shall pay or tender annually at the mouth of the well where gas only is so paid 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 said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid 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 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.

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

No well shall be drilled q earer 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 it'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 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 with the term of years herein first mentioned.

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, devises, 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 solfar 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 severally 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 onto 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.

### OIL AND GAS LEASE

Page 2

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; 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.

Whereof witness our hands as of the day and year first above written.

Call W. Horton

EARL W. HORTON

DONNA M. HORTON

STATE OF KANSAS, COUNTY OF COWLEY, ss:

The foregoing instrumen; was acknowledged before me this 21 day of August, 2001, by EARL W. HORTON and DONNA M. HORTON, husband and wife.

NOTARY PUBLIC:

My appointment expires:

Sinto of Kansas, Sumner County, SS:
Filed for record on the 27 day of All 4 (401, 2001). D. at 8 00 o'clock A M and recorded in Shoto Book 574 at page 62 Figes \$ 8,00 Mc Eachum Gentlehre McEachem Register of Deeds

SHERYL D. WILLIAMS
State of Kensas
My Appl. Exp. 4-2-2-0

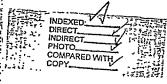
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LAW OFFICES OF WILSON & BREWER P. O. BOX 896 ARKANSAS CITY, KS 67005-0896

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### RELEASE OF OIL AND GAS LEASE

WHEREAS, on the 21st day of August, 2001, a certain oil and gas mining lease was made and entered into by and between EARL W. HORTON and DONNA M. HORTON, husband and wife, Lessors, and JAED PRODUCTION CO., INC., Lessee, covering the following described land situated in the County of Sumner, and the State of Kansas, to-wit:

The Southeast Quarter of Section 9, and the South 60 acres of the Northeast Quarter of Section 9, Township 35 South, Range 2 East, and containing 220 acres, more or less.

Said lease being recorded on August 27, 2001 in the Office of the Register of Deeds of Sumner County, Kansas in Book 574 at Page 653, and,

WHEREAS, MIKE MACKEY, P O Box 97, Hominy, OK 74035, under the terms of said lease as an assignee, has the right to surrender said lease at any time from the date thereof.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that MIKE MACKEY, for and in consideration of the premises and the exercises of its said right under said lease, does hereby release all its rights under said lease, and that MIKE MACKEY has removed its personal property from said premises, and does hereby surrender possession of the same unto said Lessor, all further rights under said lease, and surrenders said premises and all rights therein to the Lessor, his heirs, assigns and legal representatives, insofar as said lease covers:

The Southeast Quarter of Section 9, and the South 60 acres of the Northeast Quarter of Section 9, Township 35 South, Range 2 East, and containing 220 acres, more or less.

IN WITNESS WHEREOF, the undersigned lessee, or assignee of the lessee, affixes his hand and seal this 19th day of November, 2006.

MIKE MACKEY

KANSAS STATE OF CKEAHOMA SS COUNTY OF FREY COWLEY

Subscribed and acknowledged before me by the said MIKE MACKEY, this day of November, 2006.

> Notary Public A. Katherine

My Commission Expires: 02-22-2008

(Seal)

A. KATHERINE ON ON Notary Public - State of Kansas A. KATHERINE SHOOK My Appt. Expires 02-22-2008

State of Kansas, Sumner County SS: Filed for record on the Sand Day 1 Overmire 2004 A.D. at Sico 200XAA.D. BL M and recorded in aboto

BOOK 0728 PAGE 0009

BUOK 0745 PAGE 0010



#### OIL AND GAS LEASE PAID UP

AGREEMENT, Made and entered into this 13th day of June, 2007, by and between Earl W. Horton and Donna M. Horton, husband and wife, 1875 Greenwich Road, Geuda Springs, KS 67051, Party of the first part, hereinafter called Lessor (whether one or more) and Sandstone Energy Acquisitions Corp., 101 N. Robinson, Suite 910, Oklahoma City, OK 73102, party of the second part, hereinafter called Lessee.

WITNESSETH, That the said Lessor, for and in consideration of Ten and more Dollars (\$10.00), 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 the said Lessee, for the sole and only purpose of exploring by geophysical and other methods, mining and operating for oil (including but not limited to distillate and condensate), gas (including casinghead gas and helium and all other constituents), and for laying pipe lines and building tanks, power stations and structures thereon, to produce, save and take case of said products, all that certain tract of land, together with any reversionary rights therein, situated in the County of Sumner, State of Kansas, described as follows, to-wit:

South 60 acres of NE/4, also described as beginning at the SE corner of the NE/4, thence North 60 rods, thence West 160 rods, thence South 60 rods, thence East 160 rods to the point of beginning, and the SE/4

of Section 9, Township 35S, Range 2E, and containing 220 acres more or less.

It is agreed that this lease shall remain in force for a term of three (3) years from date (herein called primary term) and as long thereafter as oil or gas, or either of them, is produced from said land by the Lessee in paying quantities.

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 it may connect its wells, the 1/8th part of all oil (including but not limited to condensate and distillate) produced and saved from the leased

premises.

2nd. To pay Lessor for gas of whatsoever nature or kind (with all its constituents) produced and sold or used off the leased premises, or used in the manufacture of products therefrom, 1/8th of the gross proceeds received for the gas sold, used off the premises, or in the manufacture of products therefrom, but in no event more than 1/8th of the actual amount received by the Lessee, said payments to be made monthly. During any period (whether before or after expiration of the primary term hereof) when gas is not being so sold or used and the well or wells are shut in and there is no current production of oil or operations on said leased premises sufficient to keep this lease in force, Lessee shall pay or tender a royalty of One Dollar (\$1.00) per year per net royalty acre retained hereunder, such payment or tender to be made, on or before the anniversary date of this lease next ensuing after the expiration of ninety (90) days from the date such well is shut in and thereafter on the anniversary date of this lease during the period such well is shut in, to the royalty owners. When such payment or tender is made it will be considered that gas is being produced within the meaning of the entire lease. Lessor shall have the privilege at his risk and expense of using gas from any well, producing gas only, on the leased premises for stoves and inside lights in the principle dwelling thereon out of any surplus gas not needed for operations hereunder.

3rd. To pay Lessor for gas produced from any oil well and used off the premises, or for the manufacture of

casinghead gasoline or dry commercial gas, 1/8th of the gross proceeds, at the mouth of the well, received by Lessee

for the gas during the time such gas shall be used, said payments to be made monthly.

If the Lessee shall commence to drill a well or commence reworking operations on an existing well within the term of this lease or any extension thereof, or on acreage pooled therewith, the Lessee shall have the right to drill such well to completion or complete reworking operations 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.

Lessee is hereby granted the right at any time and from time to time to unitize the leased premises or any portion or portions thereof, as to all strata or any stratum or strata, with any other lands as to all strata or any stratum or strata, for the production primarily of oil or primarily of gas with or without distillate. However, no unit for production primarily of oil shall embrace more than 40 acres, or for the production primarily of gas with or without distillate more than 160 acres; provided that if any governmental regulation shall prescribe a spacing pattern for the development of the field or allocate a producing allowable based on acreage per well, then any such unit may embrace as much additional acreage as may be so prescribed or as may be used in such allocation of allowable. Lessee shall file written unit designations in the county in which the leased premises are located. Operations upon and production from the unit shall be treated as if such operations were upon or such production were from the leased premises whether or not the well or wells are located thereon. The entire acreage within a unit shall be treated for all purposes as if it were covered by and included in this lease except that the royalty on production from the unit shall be as below provided, and except that in calculating the amount of any shut in gas royalties, only the part of the acreage originally leased and then actually embraced by this lease shall be counted. In respect to production from the unit, Lessee shall pay Lessor, in lieu of other royalties thereon, only such proportion of the royalties 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 in the unit.

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 shall be paid to the Lessor only in the proportion which his 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 its operations thereon, except water from wells of Lessor.

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### BOOK 0745 PAGE 0011

When requested by the Lessor, Lessee shall bury his pipe lines below plow depth.

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

Lessee shall pay for all 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 within six(6) months after the termination of this lease.

If the estate of either part hereto is assigned, and the privilege of assigning in whole or part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns. However, no change or division of ownership of the land or royalties shall enlarge the obligations or diminish the rights of the Lessee. No change in ownership of the land 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.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules and 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 such failure is the result of any such

Law, Rule or Regulation.

This lease shall be effective as to each Lessor on execution hereof as to his or her interest and shall be binding on those signing, notwithstanding some of the Lessors above named may not join in the execution hereof. The word "Lessor" as used in this lease means the party or parties who execute this lease as Lessor, although not named above.

Lessee may at any time and from time to time surrender this lease as to any part or parts of the leased premises by delivering or mailing a release thereof to the Lessor, or by placing a release of record in the proper County

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lesses 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

IN TESTIMONY WHEREOF, we sign this the 13th day of June, 2007.

ACKNOWLEDGMENT

Oklahome
State of Kansas )
Oklahome ) SS
County of Sunner )

Before me, the undersigned, a Notary Public in and for said County and State on this 13th day of June, 2007, personally appeared Earl W. Horton and Donna M. Horton to me known to be the identical persons 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 purposes therein set forth.

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

My commission sorpites.

Returntoi

SANDSTONE ENERGY ACQ. CORP. 101 N. ROBINSON, SUITE 910 OKLAHOMA CITY, OK 73102 Notary Public State of Kansas, Sumner County SS:

State of Kansas, Sumner County SS:

Filed for record on the SSTA Day of State O

Filed for record on the ST Day of 2067A.D. at 8 00 o'clock Mand recorded in photo Book at page

Joyce A Lowe Register of Deeds

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Ì	1. That lessor, for and in consideration of the sum of TE erformed by the lessee, has this day granted, lessed and let an onlittle this lessee or any part thereof with other oil and gat cophysical and other exploratory work, lactuding core drilling, il elements, compounds and mixtures thereof comprising the efficiety and air into subsurface strata and for constructing reads, mentioned for the economical operation of said land alone or comploreer; said tract of land with any reversionary rights then.	laying pipe lines, building nightly with mighboring land in, together with all riparia	tanks, storing ( is, to produce, i n rights and i	save, take care of, and ma any accretions or addition	mufacture all of such substances, on's thereto which have hereto	and for housing and boarding fore occurred or which may
b	ereafter occur, sold land being situated in the County of Di	MNER es of the NF%		<u> </u>	.,5000 VI	INDEXED V
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-	More or less a Section 9 Township	355	2	E	and containing 220	COMPARED MATH
<u>.                                    </u>	2. Tals lease shall remain in force for a term of	and with which said land is	pooled, or ope	rations are being continue	ead gas, casinghead gasoline, or	
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• '	4. The letter shall monthly pay letter as royalty on pose-eighth (44) of its market value at the well, which process	us marketed one-eighth (%) ds or market value shall be	of the process	ds if sold at the well, the price paid by the	or if marketed by lessee of	If the leased premises, then any gas sale contract entered
. !	by lessee and approved by the represent rener commission or contract and obtain any such requisitory agency approval there eighth (Ve) of the value, at the mouth of the well, computed the contract of the lesses the lesses the contract of the lesses the lesses the less the	of covering the full interest at the prevailing market, pr	in gas production, ke, of the car e development	ed hereunder, without join singhead gas, produced in and operation thereof. W	nder therein by jessor. The lessor any oil well and used by where gas from a gas well or	see shall pay the lessor: on- lessee off the lessed premises wells, on the above-described
	land or on land with which said land is pooled, is not sold a force and effect under other of his provisions, pay or tender in the manner therein provided, as royalty as amount equal to	r used, whether before or af- to lessor, or pay or tende one dollar per net mineral	ter the explirate or deposit I acre covered b	ion of the primary term, nto the depository bank i y this lease in acreage the	, lessee shall, unless and until named in paragraph 5 of this n hald under this lease by the p	this lease be maintained in lease or any successor thinof arty making payment or tener,
	a run into the pipe line or into storage tanks.  A. The listue shall monthly say lersor as royally on 9 one-eligible (4x) of its market value at the well, which proceed by lesses and approved by the Federal Power Commission or contract and obtain any such regulatory assency approval there exists the contract and obtain any such regulatory assency approval there is the contract and obtain any such regulatory assency approval there for the purpose or used on the fixtsed primited by the lesses and or on land with which said land its posite, it not said of force and effect under other of its provisions, pay or tender that the property of the lesses and provisions of this lesses, that 9 onclude a well or wells capable of producing natural gas, con-	iry date of this lease next a well is shut-in. Pending an as is being produced in pay	nsulng alter the duntil the pa ng quantities i	yable date of and while from the leased premises.	90) days from the date such said royalty is so paid, tende For the purpose of this paragraphic has an enterpretable by any enterpretable and	ered or deposited, it shall be reph, the Lerm gas well shall be
	fociodo a well or wells capable of producing natural gas, con 5. This is a Paid-Up lease for the full primary term a positing shut-in royalty as indicated in paragraph 4, such dep	tated in paragraph 2 and the states were be made to the st	here shall be r	to obligation on lessee to	drill a well during such prim.	ory term. For purposes of the
	or its successors, which bank and its successors are such roy	ilty owners' agent and shall	Continue as ti	he depository for any and	all sums payable under this	lease regardless of changes in
•	or its successors, which bank and its successors are such roy concertally in the land or in the oil and que or in the successors are may the perimary term of this lease out also the or standard of shurt-in orgalists may be made by check or does bestor, or said bank, on or before the due date, shall be dee or for any reason fall, or refuse to scoop a stul-in crystill revestion for another method of comment or a tender and some	lessee's option of extending it of lessee or any assignee med payment as herein provi	that period a thereof; and t ded, 11 such b	s aforesaid and any and he depositing of such ci ank (or any successor b	all other rights conferred on back or draft in any post off ank) shall fall, liquidate, or b	leasee hereunder. All payments lice properly addressed to the e succeeded by another back,
	or for any reason fall, or refuse to accept a stut-in royalty provision for another method of poyment or a tender and any to say or deposit shut-in royalty to a less-r entitled thereto	, lessee shall not be held depository thange is a liab under this lease according t	in default unti lity of the le to lessee's reco	i thirty (30) days after ssor. If lessee shall on o rus or to a lesser who i	lessor shall deliver to lessee a r before any shut-in royalty da prior to such attempted paymen	recordable instrument methy te, make a bona fide attempt it or deposit, fizs given lesse
	notice, in accordance with the terms of this lease hereinafter deposited in the wrone depository, paid to persons other that thousily obliquied to pay to such lesser the shyt-in royalty	set forth, of his right to r i the parties entitled thereto properly payable for the per	eceive shut-in as shown by riod Involved, i	royalty and if such pay lessee's records, in an out this lease shall be	ment or deposit shall be erro incorrect amount, or otherw maintained in the same mann	necus in any regard (whether ise) lessee shall be unconfi- er as if such erroneous pay-
	or fee any reaton fall, or refuse to accept a stul-in ruyally provision for another method of payment or a tender and any to pay or deposit shut-in reputly to a less-re-entitled therato nation, in accordance with the terms of this least hereinafter deposited in the wrong depository, said to persang other that itself to be paying the payment or deposite had been properly made, provided that the lessor of each error accompanied by any documents and othe lessors should occur then and in that event on the next fundable deserve with satisfactory peof thereof the shut-in or accessors in interest, the payment or tender in the manner successors in interest, the payment or tender in the manner	erroneous payment or deport evidence necessary to enable succeeding shut-in royalty a needy shall be increased to	ie lessee to m mivertary after cover the add	rake proper payment. If the lessor shall have notified the second of the	during the term of this lease ed clessee of the occurrence of ed by lessor. Notwithstanding t	such reversion of interest to such reversion and shall have be death of the lestor or his
74601.	accessors in interest, the payment or tender in the manner  6. Lessre, at its option, is hereby given the right and	above shall be bluding on the power to pool or combine t	to helfs, devise the pareage cov	es, executors, and admini ered by this lease or any	strators of such persons, portion thereof with other land	, lease or leases in the imma-
74	secession in interact, the payment of tender in the manner  6. Leste, at its option, its hreshy given the right and diata vicinity thereof, when in lessor's judgment it is necess as or other indicate in and under and that may be product such matters, such popling to be of tracts continuous to one a ng-i-do acresi-each in-the-meent of a gas-well-Such popling production or may be limited to one or more zones or form visuasis an instrument lifedificion and directiblian the coulded	nd from sald premises, or lin nother and to be into a unit may include all oil. oas an	order to obta cor units not e	nin a larger production exceeding 160 acres tach it ils or may be limited to	allowable from any government in the event of an oll well, or to a one or more such substances	al agency having control over nto a unit or units, not excet- and may extend to all with
Ř	production or may be limited to one or more zones or form situated an instrument licentifying and describing the pooled production from the pooled unit, as if it were included in well or wells be lecaled on the pramites covered by this teas portion of the royally stipulated herein as the amount of his	tions, Lessee shall execute in acreage. The entire acreage this lease. If production is	n writing and so pooled in found on the	record in the conveyance to a tract or unit shall be pooled acreage, it shall be	e records of the county in while treated, for all purposes exce a treated as if production is he	of the land herein leased is pt the payment of royalties ea and from this lease, whether the
City						
	7. Should any well drilled on the above described land production is obtained, the same should crass from any cause if a further well is not commenced on said land, or in a planary term, this lease shall terminate as to both parties, this lease is in force, this lease shall remain in force and its tailon of more than ninely (90) days and if production results cates from any cause after the expiration of the orientary terminal to one of the production of the orientary terminal to one of the production of the principle of the orientary terminal to any cause after the expiration of the orientary terminal time, or within such ninety (90) day period commences drilling consistent and if such production is returned threated.	or on acreage pooled there during the primary term ar creage pooled therewith or i	with during the of if this lease reworlding opera	e primary term and prior is not held by other prior tions to restore such pro-	or to production being obtained aduction or by the terms of so aduction have not been commer	, be a dry hole, or H, after me other provision hereof, then med, prior to the end of the
onca	primary term, this lease stall remindre at to our parties, this lease is in force, this lease shall remain in force and its tation of more than ninety (90) days and if production results case from any carre after the explication of the reliminary term.	if lessee shall commence ope erm shall continue as long as, therefrom, then as long as, n. this lesse shall not termin	rations for dri such operations production conti sate provided to	tare protecuted whether instea. Should production for the proceeds in bringless	escribed or on any acrence pools on the same or different wells romitbe above described land, or hark such enduction within nic	with no cestation in said oper- from acreage pooled thereith,
т. П	tion, or within such ninety (90) day period commences defiling completion, and if such production is restored through any such a less interest in the above.  8. In case said lessor owns a less interest in the above.					•
·4th	the royalties herein provided for shall be paid the said lesser	only in the proportion which	h his interest t	ears to the whole and un	divided fee.	
07 N	9. The fessee shall have the right to use, free of cost, therewith including the pressuring, pressure maintenance, ray for drampe caused by its operations to growing crops on the lessor, lessee shall have the right at any time during, or premises, including the right to draw and remove all casing, operations because and any well or wells on the lease as the right to the use that the country of the contractions of the contraction of the contractions.	said land. No well shall be after the expiration of this	drilled nearer lease to rem	then 200 feet to the ho	ne essee shall bury its pipe to puse or barn now on said prem res, houses, buildings and out	ises without written consent of the structures placed on said
5,						
63	10. If the estate of either party hereto, is assigned to executors, administrators, textessors, and assigns, but no it has been fourthered with either the original recorded instructors, or certified copy of the proceedings showing appearance of conversarie or duty certified copies thereof royalties made hereunder before receipt of said documents the contract of the conversaries.	nd the privilege of assigning change of ownership in the iment of conveyance, or a distance of an administrator	in whole or in the certain of the ce	in part is expressly know the royalties or any sum opy thereof or a cortified	red; the coverages hereof shall a due under this lease shall is copy of the will of any dece	extend to the heirs, devises, see binding on the lessee until asset owner and of the probate
Properti	Instruments of conveyance or duly certified copies thereof royalthes made hereunder before receipt of said documents at	secessary in showing a compatible binding on any direct	lete chain of or indirect as	title back to lessor to t signee, grantee, devisee,	he full interest claimed, and a noministrator, executor, or beir	Il advance payments of shut-in of fessor.
Prop	11. There shall be no obligation on the part of the descrit or otherwise or to furnish apparate measuring or i land and the holder or owner of any such part or parts and defeat or affect this lease insofar as it covers the part of sa	resser to orise wells on si ecceiving tanks. It is hereby i make default in the payme d land upon which the lessee	agreed that is at of the propose or any assigne	the event this lease shall ortionate part of shut-in r a hereof shall make due	the assigned as to a port or as overly due from him or them, a covarity due from him or them, a cayment of said shullar months.	to parts of the above described uch default shall not operate to
Д	12. Lessor hereby warrants and agrees to defend the.	title to the land herein descriper against the above described ischarge of any such mortal	ribed and agreed tands and,	er that the lessee, at its in event it exercises such er lien, any royalty secre-	option, may pay end discharge option it shall be subrugated log becomes.	in whole or in part any texts, to the rights of any holder or
ióeuue.	13. Lessee may, at any time, execute and deliver to le	ssor or place of record a rel or portions and be relieved o	ease or release of all oblication	s Covering any portion of	r portions of the above describ	ed premises, as to any or all
eyen	14. All provisions hereof expressed or implied shall be agencies administering the same. Should lessee be prevented from producible oil or gas therefrom by reason of scarcity order, rule or regulation of governmental authority or by and lessee stall not be liable in dumapes for failure to compressively superations on or from producing oil or gas from treature to ordivibitations.	subject to all Federal and, from complying with any in of or inability to obtain or	State laws and express or impli- to use equip	the orders, rules, and iled covernment of this leas ment or material, or by	regulations (and interpretation e, from conducting drilling or operation of force majeure, an	s thereof) of all governmental reworking operations thereon or y Federal or State law or my
G	and leave stall not be liable in durages for failure to comp reworking operations on or from producing oil or gas from to contrary pobulithatanding.	ly therewith; and this lease : he leased premises; and the	shall be extend time while les	ed while and so long as li isee is so prevented shall	essee is prevented by any such on the counted against lessee,	autic from conducting drilling or anything in this lease to the
F	<ol> <li>This lease and all its terms, conditions, and stipt</li> <li>Should any one or more of the parties above name</li> </ol>					cut <u>e l</u> j.
Return:	IN WITNESS WHEREOF, we sign the day and year first				,	and the same of th
æ	Tax I.D. # 558-34-0223	,			on. gran	
	**************************************			EAST W. HO	rton, Co-Truste	
	Tax I.D. # 510-36-7323			x Alman	I Dolon	

Donna L. Horton, Co-Trustee.

BOOK 0847 PAGE 0269
BOOK 0807 PAGE 0626 XHIBIT 2

STATE OF Kansas BOOK 0847 PAGE 0270 BOOK US 07 PAGE 0627
COUNTY OF Cowley   SE"ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla. and Colo.)
Before me, the undersigned, a Notary Public, within and for said County and State, on this 1st day of March 32010 personally appeared Earl W. Horton 3 Donna L. Horton
to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me
that They, executed the same as The in free and voluntary set 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 avrivas 02-22-2012 ( A KATHERINE SKOOK Atherinel Thook
Notary Public - State of Kansas Notary Public  My Appt. Expires Fobrusry 22, 2012
STATE OF
Before me, the undersigned, a Notary Public, within and for said County and State, on thisday of
19. personally appeared
to me personally known to be the identical personwho executed the within and foregoing instrument and acknowledged to me thatexecuted the same asfree 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
STATE OF
COUNTY OFday of
netore me, the undersigned, a Notary Public, within and for said County and State, on this
to me personally known to be the identical personwho executed the within and foregoing instrument and acknowledged to me
thatexecuted the same asfree 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
Α .
TROM  TO  TO  TO  TO  TO  TO  TWP  TWP  TWP
OIL AN OIL AN Date Section No: of Acres No:
NOTE: When signature by mark in Kansas, said mark to be witnessed by at least one person and also acknowledged on regular Kansas acknowledgment. When signature by mark in Oklahoma, said mark to be witnessed by two persons and acknowledged on special acknowledgment form.
STATE OF
COUNTY OF
by
and is known to me to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its  ———————————————————————————————————
free and voluntary act and deed of such corporation for the uses and purposes therein set forth.
IN WIENESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.
My commission State of Kansas, Summer County SS:  Filed for record on the Arth Day of ROOK 08 4 7 PAGE 0270 Notary Public
b'clock M and recorded in photo Book 847 at page and
BOOK 0807 PAGE 0627 MIDI

INDEXED DIRECT INDIRECT INDIRE

### OIL AND GAS LEASE

. i	can, Okia, and Colc. 1970 ROMPARED WITH	17	/ A A				
:	mun confession Entered for this the	14th day of	June		<u>: ; ; ; ; 20</u>	307:between Earl W	Horton:and
	Donna L. Horton, Co-Tru	stee of th	<u>e Earl W</u>	Horton &	Donna L.	Horton Revacable	
	9/5/2007, of 1875 Green	wich Road.	Genda St	prings. KS	67051	7//01	hereinniter called lesses,
	und J. R. Sorrels.cJr .: c	T:9U8~Virg	OLIABE E	NO/100***	Na UKJ8-	t and of the decrees and and	einafter called lasses, does witness:
	1. That iersor, for and in consideration of the performed by the lessee, has this day granted, less to unlitte this lesse or any part thereof with off peoplysical and other exploratry work, further all elements, compounds and mixtures threref contuited and in first subardies straft and for commentant for the economical operation of said its englishment.	he sum of I EN D	hese presents does	hereby grant, lease,	and let exclusively	on and or the covenants and sym-	described land, and with the right
	to uniting this lease or any part thereof with or peophysical and other exploratory work, including	her on and gas (case) core drilling, and t	he drilling, minic	ng, and operating for	r, producing, and se	ving all of the oil, gas, casing	head gas, casinghead gasoline and right to inject gas, waters, other
	titulds and air into subsurface strate and for tor	istructing roads, laying	g pipe lines, buil	iding tanks, storing of lands, to produce,	oil, building power is	tallors, telephone lines and ot and manufacture all of such subst	ner structures thereon necessary of ences, and for housing and boarding
				riparian rights and t	any accretions or a	State of KANSA	
	hereafter occur, sald land being situated in the eard described as follows: SOUTH	1 60 acres	of the N	Ek and the	SOUTH EAS		
						g 220 acres	
		or less.				·	
	In Section9	~		Range2		and containing 22	
<u></u>	2. This lease shall remain in force for a by this lease is or can be produced from said	term of	dth which said is	s and as long there	erations are being co	singhead gas, casinghead gasoli intinued as hereinafter provided.	ne, or any of the products covered
	3. The lessee shall deliver to lessor as ro sayed from the lessed premises, or at the lesse	valty from of rost o	m the faces or I	nto the pior line to	which lessee may o	onnect its wells the equal one-	eighth part of all oil produced and
	is non into the pipe time or into storage tranks.  4. The lesses shall monthly pay lessor as one-sighth (A4) of its market value at the web pleases and approved by the Federal Power contract and obtain any such regulatory agency eighth (Ay) of the value, at the mouth of the for any purpose or used on the leared premise and or man and with which said lead is possible force, and effect under other of its provisions, one of the contract of the said that it possible force and effect under other of its provisions, only provided or funder to the made on or before the annihilatory date of this leave during it considered and held under all provisions of the considered and the consider	s royany on sas ma il, which proceeds or Commission or other	market value sh	all he deemed to be w having insidiation	the price paid by	the purchaser in either case to necessary, and lessor hereby	nder any gas sale contract entered
	by leasts and obtain any such requisitory agency eighth (14) of the value, at the mouth of the	approval thereof con well, computed at the	ering the full in	iterest in gas producted price, of the car	ed hereunder, without linghead gas, product	t foinder therein by lessor. Tred from any oil well and used	e lessee shall pay the lessor; one- by lessee off the leased premises
	for any porpose or used on the leased premise land or on land with which said land is gooled	s by the lessee for , is not sold or used	purposes other th , whether before	an the development or after the explirat	and operation there	of. Where gas from a gas we term, lessee shall, unless and	i or wells, on the above-described until this lease be maintained in
	in the memorr therein provided, as royally an i	pay or tenuer to a transmit equal to one	dollar per net m	tender or deposit i dineral acre covered b nevt envisor after il	y this least in acreas	e then held under this lease by	the party making payment or tender,
	on the anniversary date of this lease during it considered and held under all provisions of this	he period such well s lease, that gas is	Le shut-in. Pendi being produced in	ng and until the pa a paying quantities i	yable date of, and rom the leased pren	while said royalty is so paid, nises. For the purpose of this	tendered or deposited, it shall be paragraph, the term gas well shall
	fociode a well or wells capable of producing n	atural gas, condensat primary term stated	e or any other of In paragraph 2 :	paseous substance and and there shall be r	i wells classified as so oblication on less	gas wells by any governments se to drill a well during such	primary term. For ourcoses of de-
	<ol> <li>This is a Paid-Up lease for the full positing shut-in royalty as indicated in paragrap</li> </ol>						
	or its accessors, which bank and its recessor comerable to the land or in the oil and gas covers not only the primary term of this least or tenders of shut-in royalities may be made by least, or a before the due date or for any reason fall, or raises to accept a to any reason fall, or raises to accept a to any redshull that in royality to a latar, or another, in accordance with the arms of the continuity of the action of the continuity of the continuity obligated to pay to such testor the continuity obligated to pay to such testor the prefersor of -auch error accompanied by any desure furnished lesses with satisfactory proof thereof testors should court then and in that event furnished lesses with satisfactory proof thereof testores should never the satisfactory proof thereof testores should never the payment or transfer its constraints.	s are such royalty o	emers' agent and	shall continue as the	he depository for an	y and all sums payable under	this lease regardless of changes is
	covers not only the primary term of this least or treders of shut-in royalties may be made b	e but also the lessed y check or draft of	's option of exterior in the contract of the c	ending that period a lignee thereof: and t	s aforesaid and any ha depositing of su	and all other rights conferred th check or draft in any por	on lessee hereunder. All payments to the
	fessor, or said bank, on or before the due date or for any reason fall, or refuse to accept a	shall be deemed p shut-in royalty, less	ayment as herein	provided. If such b	ank (or any success I thirty (30) days	or bank) shall fail, liquidate, Uter lessor shall deliver to les	or be succeeded by another back, are a recordable instrument making
	provision for another method of payment or a to pay or deposit that in rayalty to a lass r	tender and any depo- ntitud thereto under	sitory charge is a this lease accom	ilability of the leading to leaster's reco	isor. If lessee shall rds. or to a lessor y	on or before any shut-in royal who prior to such attempted p	by dale, make a bona fide attempt ayment or deposit, has given lesses
	depotited in the wrong depository, paid to per	sons other than the	parties entitled to the complete for the	to receive shut-in thereto as shown by we rected involved it	foralty and it such lessee's records, it	n an incorrect amount, or o	therwise) lessee shall be unundi-
	ment or deposit had been properly made, pro- lessor of such error accompanied by any decu-	wided that the error	eous payment or	deposit be correct	ed within thirty (1	0) days after receipt by le	isee of written notice from such lease any reversion of interest to
	fersors should occur then and in that event furnished fessee with salisfactory proof thereof	on the next success the shut-in royalty	ding shut-in roya shall be increase	ity anniversary after of to cover the add	lessor shall have of itional interest so a	notified lesses of the occurrent equired by lessor. Notwithstand	e of such reversion and shall have ing the death of the lessor or his
4601	Successors in Interest, the payment or tender i 6. Lessee, at its option, is hereby given	the right and power	to pool or com	on the ners, bease cow	ered by this lease or	any portion thereof with other	land, tease or leases in the imme-
74(	6. Lessee, at its option, is hereby given diate wichity thereof, when in issues's judgmit gas or other minerals in and under and has such matters, such pooling to be fracts cent. Log-6460-sers-each in that over regardwall production or may be limited to one or more situated an instrument kilemitilying and describly production-from the pooled unit, as if it well or wells be located on the primites cover portion of the royalty stipulated herein as the ise unit imported.	ent it is necessary of may be preduced from	e advisable to di n sald premises,	or in order to pro	operly develop and of ain a larger product	perate sold lease premises so as ulon allowable from any govern	to promote the conservation of ell,
	- Mg-640-acres each in the event of a gas well production or may be limited to one or more	zones or formations.	include all oil, 9	as and other minera	is or may be limit	ed to one or more such subs	ances and may extend to all such in which the land berein lessed is
矣	situated an instrument identifying and describ- production from the popled unit, as if it wer	ing the pooled acrea re included in this i	ge. The entire a ease. If production	creage so pooled in in is found on the i	o a tract or unit shooled acreage, it sh	all be treated, for all purposes all be treated as if production	except the payment of royalths on is had from this lease, whether the
ťý,	well or wells be located on the premites careri portion of the royalty stipulated herein as the lar unit involved.	substitute of his sense of the	ige placed in the	unit or his royalty	Interest therein on a	in acreage basis bears to the to	tal acreage so pooled in the particu-
G							
	7. Should any well drilled on the above prediction is obtained, the same should cease if a further well is not commenced on said primary term, this lease shall terminate as to this lease is in force, this lease shall remain in when of more than electropic and if you and if you are the primary (ON) when you do if you are if it is not the primary (ON) are and if you are if it is not the primary (ON) are and if you have the primary (ON) are also if	land, or on acreage both parties. If feet	pooled therewith se shall comment	or raworking operations for drill	tions to restore suci line on the land abo	o production have not been co we described or on any acresoe	mmenced, prior to the end of the cooled thermalth, at now time while
onca							
Z.	case from any cause after the expiration of a tion, or within such ninety (90) day period co- completion, and if such production is restored	he primary term, this mmances drilling anot	tease shall not the a	terminate provided le above described land	assee succeeds in bring or on land pooled t	ging back such production with herewith, and prosecutes the di	n nicely (90) days from such cosmilling thereof with doe diligence to
th,	S. In case said lessor owns a less intere	er in the above desc	elbed land than t	he entire and undivi-	ded fee simple estati	therein (whether lesson's inte-	
4t	the royalties herein provided for shall be paid 9. The lesser shall have the right to use	, free of cost, gas, o	in the proportion If and water foun	d on said land exces	tars to the whole ar A water from the w	ns uncorraced ree. rells of the lessor for its oper	ations thereon or an lands unitled
Z	9. The letter thall have the right to use thereafth including the pressuring, pressure in the letter, the letter of the pressuring the the letter, letter shall have the right at any premited, including the right to draw and ren operations hereunder and any well or walls of	naintenance, cycling a owing crops on said i	nd secondary recland. No well sha	overy operations. While be drilled nearer	than 200 feet to the	r, the lessee shall bury its pin the house or barn now on said	e lines below plow depth and shall premises without written consent of
0.7	premises, including the right to draw and rep	time during, or after normali casing, but i	essee shall be un	nder no obligation t	o do so. Any struct	tures and facilities placed on	the leased premises by lesse for
-	fue same stest me taker to an mon ance secti	icies may be continue	d prioti mie tri	in or old rease by	balancur as ensures	w rus and at \$100.00 bet her	ir,
eB	<ol> <li>If the estate of either party hereto executors, administrators, successors, and ass it has been furnished with either the original</li> </ol>	recorded instrument	of ownership I	n the land or in t	the royalties or any by thereof or a cer	sum due under this lease si tified coop of the will of any	util he binding on the leases until
Properti	transof, or certified copy of the proceedings instruments of conveyance or duly certified o royalities made hereunder before receipt of sale	showing appointment opics thereof necessar	t of an administry in showing a	trator for the estat complete chain of	e of any deceased o	wher, whichever is appropriate, to the full interest claimed, a	together with all original recorded all advance payments of slut-in
줦	11. There shall be no obligation on the	e part of the lessee	to offset wells	on separate tracts	ngnes, grantes, devis lato which the fand	covered by this lease may b	heir of lessor. e hereafter divided by sale, derise.
- CH	11. There shall be no obligation on the descent or otherwise or to furnith separate land and the holder or owner of any such pardefeat or affect this leave intofar as it covers	measuring or receiving t or parts shall make	g tanks. It is to default in the p	payment of the propo	the event this lease rtionate part of shut	shall be assigned as to n part in royalty due from him or the	or as to parts of the above described im, such default shall not operate to
. 7		OIR SHIP OF MAIN SMICE	Shall Attend rise	served on and application	r ticitos mans numers	noc balmerer or save supplies in	yairf.
-E	12. Lessor hereby warrants and agrees to mortgages, or other liens existing, levied, or holders thereof and may reimburse itself by a	polying to the quera	the of sun men t	mortgage, tax or other	r lien, any royalty	soch option it shall be subrog	ated to the rights of any holder of
e.	13. Lessee may, at any time, execute an horizons and hereby surrender this lease as to	id deliver to lessor of such partion or pari	r place of record Nons and be relic	a release or release wed, of, all obligation	s covering any portion as as to the portion as	on or portions of the above d arrandered.	escribed premises, as to any or all
enn	24. All provisions hereof expressed or in agencies administering the same. Should lesse	npiled shall be subjects be prevented from	t to all Federal complying with	and State laws and any express or impl	the orders, rules, led covenant of this	and regulations (and interpre- lease, from conducting deliting	ations thereof) of all governmental or reworking operations thereon or
ley.	and letter thall not be liable in damages for	on or scarcity of or hority or by acts of failure to commit the	lessor or lessor's	on or to use equips agents, then while case shall be assented	nent or material, or so prevented, lesse d while and an incom	by operation of force majeurn a's obligation to comply with	any Federal or State law or any such corenant shall be suspended
ਓ	reworking operations on or from producing oil contrary natwithstanding.	or gas from the fea	sed promises; and	the time while les	see is so prevented	shall not be counted against i	essee, anything in this lease to the
	25. This tease and all its terms, condit						•
၌	16. Should any one or more of the part			outs this lease, it sh			
Return	IN WITNESS WHEREOF, we sign the day	and less tille oppose	WILLES,		10	en. Ho	Mon
ď	Tax I.D. # 558-34	-0223		_	x eur	1 00 110	<u> </u>
						Horton, Co-Trus	
				-	<del></del>		
	Tax I.D. # 510-36-	7323			x 1/m	2 J.1.	
				-	Donna I.	Horton Co-Tru	stee.

STATE OF Kansas	BOOK 0807 PAGE 0627
COUNTY OF Cowley ss. ACKNO	WLEDGMENT FOR INDIVIDUAL (Kans., Okla, and Colo.)
Before me, the undersigned, a Notary Public, within and for March 19.200 personally appeared 5001	said County and State, on thisday of
MEANY personally appeared	
to me personally known to he the identical person≥ who executed t	he within and foregoing instrument and acknowledged to me
that They executed the same as The free and volunt	
IN WITNESS' WHEREOF, I have hereunto set my hand and	
ESCHE Notary Public	RINE SKOOK atterned flook State of Kansas Notary Public
STATE OF	OWLEDGMENT FOR INDIVIDUAL (Kans, Okla, and Colo.)
COUNTY OF	
Before me, the undersigned, a Notary Public, within and for personally appeared	
to me personally known to be the identical personwho executed to	the within and foregoing instrument and acknowledged to me
thatexecuted the same asfree and volunt	ary 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	OWLEDGMENT FOR INDIVIDUAL (Kans., Okla. and Colo.)
COUNTY OF	•
	said County and State, on this
to me personally known to be the identical personwho executed	
thatexecuted the same asfree and volunt	
IN WITNESS WHEREOF, I have hereunto set my hand and	otheral seal the day and year last above written.
My commission expires	Notary Public
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NOTE: When signature by mark in Kansas, said mark to be wi	mared by a least an array of the
regular Kansas acknowledgment. When signature by mark in Ok acknowledged on special acknowledgment form.	Inhome, said mark to be witnessed by two persons and
	•
STATE OF	ACKNOWLEDGMENT FOR CORPORATION
The foregoing instrument was acknowledged before me this.	
pa	Who norconally annound
and is known to me to be the identical person who subscribed the	name of the maker thereof to the foregoing instrument as the
President, and acknowledged to me that he execute- free and voluntary act and deed of such corporation for the uses and	d the same as his free and voluntary act and deed and as the
IN WITNESS WHEREOF, I have hereunto set my hand and	official seal the day and year last above written.
My commission expires	

rn: Cheyenne Oil Properties, 107 N 4th, Ponca City, OK 74601

:

INDEXED DIRECT INDIRECT PHOTO COMPARED WITH COPY

Bill of Sale
&
Assignment

State of Kansas, Sumner County SS:
Filed for record on the 12 Day of 12 Day

Therefore, It is hereby agreed that Earl W. Horton and Donna L. Horton, Individually and as Co-Trustees of the Earl W. Horton and Donna L. Horton Revocable Trust dated September 5, 2007; hereinafter referred to as assignors. Do hereby agree, that for certain good and valuable consideration in hand, agree to assign to all of their right title and interest in and to the Abandoned well and well bore and well equipment, known as the Horton #-2 Well API #15-191-22366 located approximately in the NE NW SE of Section 9-35S-2E Of Sumner County, Kansas. To Cheyenne Oil Properties, hereinafter referred to as assignee, Said Well was drilled and completed by JAED Production in the month of September, 2001. Said well has been deemed abandoned by Assignors and has not produced Oil or Gas Since. Effective date of this assignment shall be February 1<sup>st</sup>, 2010.

By. Earl W. Horton, Individually and as

X Norma J. Lorton, Individually and as Co-Trustee

STATE OF. KANSAS.

COUNTY OF SUMNER.

Be it remembered that on this \_\_\_\_\_day of <u>February</u>, 2010, before me, the undersigned,, a Notary public, duly commissioned, in and for the County and State aforesaid, came Earl W. Horton and Donna L. Horton, individually, and as Co-Trustees, personally known to be the same person who executed the foregoing instrument.

IN WITNESS WILEREOF, I have hereante set my hand and official seal the date last above written

My Commission Expirest 02-22-2012.

Notary Public

A . A. KATHERINE SHOOK
Notary Public. State of Kansas
My Appt: Expires February 22, 2012

BOOK 0807 PAGE 0628



### ROBERT E. MOSER, R.L.S.

Oil Field Surveying

335 N. Mission Road Wichita, Kansas 67206 (316) 683-2853

км0316973

JAED PRODUCTION CO., INC.

See Plat Below

Sumner

COUNTY

See Plat Below

LOCATION

ELEVATION: See Plat Below

JAED PRODUCTION CO., INC. P.O. Box 902 Arkansas City, KS 67005

AUTHORIZED BY: Jay Warren (ph 3-14-97)

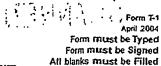
SCALE: 1" = 1000"

NO TRACE OF OLD HOLE UN DRILLABLE SITE - EDEE OF 10 DRAFOFF FLAGGED LATH LEFT ON SITE ELEV = 1134 Gr. PIPE FOUND & STAKED WILLIATH LAC STAKED BY REM 6-8-80 ELEX: 1125 GF CBKS WITOFO 1129 STED AS OMESA #1 FORBECK FIAGGED T BELIEVE SAME AS YOUR CEE VERY OLD HOLE (\$19305.7) PIPE FAUND & STXP WITH LATH [ELEV = 1139 (PFOR 68?) KANSAS OKLAHOMA FLACGED

Date:

Surveyor: R.E. Mo

## KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

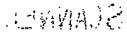


### REQUEST FOR CHANGE OF OPERATOR TRANSFER OF INJECTION OR SURFACE PIT PERMIT

Check Applic	able Boxes:	
☑ Oil Leas	e: No. of Oil Wells	Effective Date of Transfer:
Gas Lea	se: No. of Gas Wells	KS Dept of Revenue Lease No.: 121252 Vac
Gas da	athering System:	; ·
	er Dîsposal Well - Permit No.:	Lease Name: 1929 5
Spot Loc	cation:feet from N/ S Line	E/2_SW_ Sec. 15_Twp 35S R.2 \( \mathbb{E} \mathbb{E} \mathbb{W}
	feet from E/ W Line	Legal Description of Lease: E/2 SW Sec. 15-T35S-R2E
Enhance	ed Recovery Project Permit No.:	) I do
Entire P	roject: Yes No	County: Summer C
Number	of Injection Wells	Production Zone(s): Cleveland to
Field Name:	Murphy	
	** Side Two Must Be Completed.	Injection Zone(s): '당
Surface Pit Pi	ermit No.:  (API No. if Drill PIt, WO or Haut)  Burn Settling	feet from N / S Line of Section  feet from E / W Line of Section  Haul-Off Workover Drilling
Past Operato	or's License No. 30253/	Contact Person: James Haver
-	or's Name & Address: Cyclone Petroleum. Inc.	Phone: (918) 291-3200
` \	S. Lewis St., Ste. 541, Tulsa, OK 7413	10-7-11
		6 Date:
Title: Pre	sident	Signature:
New Operato ENDEAVOR	r's License No. 32887 / r's Name & Address: L.P.	Contact Person: Cher1 Prince  Phone: 432-687-1575
	erienfeld, Ste. 200	Oil / Gas Purchasen Comoco Phillips (611)  By Energy (215)
Midland,	TX 79701	Date: Nov 19/1/2019
Title:	Sole Member	Signature: Luna Standar
		Autry C. Stephens
	ment of Transfer: The above request for transfer of injection	
noted, approv	ed and duly recorded in the records of the Kansas Corpor	ration Commission. This acknowledgment of transfer pertains to Kansas
Corporation C	ommission records only and does not convey any ownership	interest in the above injection well(s) or pil permit.
	is acknowleged as the	is acknowleged as the
new operato	and may continue to inject fluids as authorized by	new operator of the above named lease contain 505 Value pit
Permit No.:	. Recommended action:	permitted by No.: NOV 0.7. 2011
		KCC Miles Inc.
Date.	Authorized Signature	Date:Authorized Signature
DISTRICT _	EPR 12-9-11	PRODUCTION 12.12.11 UIC 12-12-1
i .	Operator New Operator	District
	Mail to: KCC - Conservation Division, 130 S.	Market - Room 2078, Wichita, Kansas 67202 EXHIBIT 4

#### Side Two

#### Must Be Filed For All Wells



Lease Name	Forbeck 'B'		Location: _E/	2 SW Sec. 15-T3	5S-R2E
Well No.	API No. (YR DRLD/PRE '67)	Footage from (i.e. FSL = Feet	Section Line from South Line)	Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/TA'D/Abandoned
	<u>15–191–20913</u> √	660 Circle	Circle 3300 FELFWL	0 <u>il</u>	Prod
		FSL/FNL	FEL/FWL	·	
		FSL/FNL	FEL/FWL _		*
		FSL/FNL	FEL/FWL _		
		FSL/FNL	FEL/FWL _		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEUFWL _		
		 FSL/FNL	FEL/FWL _		
	P.	FSL/FNL	FEL/FWL _		
		FSUFNL	FEL/FWL _		
		FSL/FNL	FEL/FWL _	amountainement Whitever and all the Princip Administration.	
	the same of the sa	FSL/FNL	FEL/FWL _		-
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			FEL/FWL		
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		FSL/FNL			RECEIVED
		FSL/FNL			NOV 07-2011
					KCC WICHITA

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.

SEP 1.6 2002

KCC WICHITA

### KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form F1
June 2000
Form must be Typed
Form must be Signed
All blanks must be Filled

## REQUEST FOR CHANGE OF OPERATOR TRANSFER OF INJECTION OR SURFACE POND PERMIT

UR 102102	D 1 15 0000
Check Applicable Boxes:	Effective Date of Transfer: December 15, 2000
Sas Lease: No. of Wells 7 2002	Lease Name: Eva-Rosecrans
Gas Lease: No. of Wells	SE Sec. 17 Twp. 35S RS 2 XE W
**Side Two Must Be Completed.  D10820  KCC WICH!TA	Sec/ Twp Re XEW
Saltwater Disposal Well - Docket No.	Legal Description of Lease: SE/4 Sec. 17-35S-2E
Spot Location: 350 feet from N / Line	Summer: KS
2310 feet from (E) W Line	
Enhanced Recovery Project Docket No.	County: Summer
Entire Project: Yes No	Production Zone(s): Layton
Number of Injection Wells	
Field Name:	Injection Zone(s): Stalnaker
Surface Pond Permit #	feet from N / S Line of Section
(API # If Data Pit)	
Identify: Emergency Pit Burn Pit	feet from E / W Line of Section
Past Operator's License No. 31642 Exp. 2 38 1998	
• •	Contact Person:
Past Operator's Name & Address: Jerry Sullivan	Phone:
1669 East-150th: Geuda Springs, KS 67051	Date:
Title: Owner	Signature: Jany D. Sull
1°	
New Operator's License No. 3954	Contact Person: Jay Warren
New Operator's Name & Address: Jaed Production Co., Inc	• Phone: (620) 442-0826
P.O. Box 902	Oil / Gas Purchaser Seminole
Arkansas City, KS 67005	7-17-2002
V.P.	(1)
Title: V.I.	Signature:
Acknowledgment of Transfer: The above request for transfer of injection a	authorization, surface pond permit #has been
noted, approved and duly recorded in the records of the Kansas Corpor	ration 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 pond permit.
Jaed Production Co., Inc. is acknowledged as the	is acknowleged as the
new operator and may continue to inject fluids as authorized by	new operator of the above named lease containing the surface pond
חומים	•
Docket # Recommended action:	- permitted by #
Date = 2-10-03 Byson Bland	
Date Authorized Signature Q	Date:
Manistra distribute Ca	s annual more Arthurain

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

Side Two

# SCANNED

#### Must Be Filed For All Wells

* Lease Name:	Eva Rosecrans		* Location:	SE/4 Sec 17-35S-	-2E
Well No.	API No. (YR DRLD/PRE 67)	Footage from Sec (Le. FSL = Feet from		Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/TA'D/Abandoned)
1	15-191-10828	Circle 330 ESTENL	Circle 1650 KG VFWL	Injection well	
2	15-131-10339	990 FSDFNL	650 FEI/FWL .	Oil Producer	
3	4-10-1954	.4. 4	· · · · · · · · · · · · · · · · · · ·	Oil Producer	
4	15-191-10834		650 PENFWL	TA	•
5	15-191-10835			TA	
6	15-191-10836		2310 FELFWL		
7	15-191-10837-00-00	330 ESDFNL 2	2310 EEDFWL	Injection Well	
		FSL/FNL _	FEL/FWL		
	***	FSL/FNL	FEL/FWL	A	***
		FSL/FNL	FEL/FWL		
		FSIJFNL _	=ëi \eMT		
		FSL/FNL	FEL/FWL		
	_	FSL/FNL	FEL/FWL	delegation of the second of th	
		FSL/FNL _	FEUFWL		
·		FSL/FNL _	FEUFWL		
		FSUFNL	FEUFWL		
		FSUFNL	FEDFWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
	. , ,	FSL/FNL_	FEL/FWL		
***************************************					

A separate sheet may be attached if necessary

<sup>\*</sup> 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.

### Kansas Corporation Commission Oil & Gas Conservation Division

Form T-1 Merch 2010 Form must be Typerl Form must be Signed All biship must be Filled

# REQUEST FOR CHANGE OF OPERATOR TRANSFER OF INJECTION OR SURFACE PIT PERMIT Form KSCNA-1, Conditional of Compilence with the Kenness Surface Commer Notification Act,

MUST be submitted with this form. Check Applicable Boxes: Effective Date of Transfer: 10/27/2004 Cil Legge: No. of Oil Wells Sas Lease: No. of Gas Wolfs. KS Dopt of Rovenue Lense No.: \_224707 Ges Gethering Systems Lema Nama: Roscetons X Sainvator Disposal Woll - Pormit No.: D10820 - SW. 5 WAZSE Sec 12 Twp. 355 R A RETW 330 \_test from N/X S Line Spot Location: ... Legal Description of Loose; Sit & W/2SE Sec. feet from XIE / W Lino Enhanced Recovery Project Permit No.: E 202 Entire Project: Yes No County: Summer Number of Injection Wells. Lavcon ecrans Production Zone(s):\_\_ Field Name: Muchbac Injection Zenetal:.... Stalnakor \*\* Sido Two Must Be Completed. 383 feat from N / S Line of Section Surface Pit Permit No.: CAPI No. If DAIL PR. IND OF HOUR E / W Line of Section feet from Bum Settling Houl-Off Workeyer Typo of Pit: Emergency Day. Post Operator's License No. 3954 Contact Porson: Ed Broyles Pest Operator's Namo & Address: Jaed Production Co. Phone New Operator's Liconso No. \_33556 Contact Porson: Datten Broyles Now Operator's Name & Address Drake Exploration, L.L.C. Phone: (620) 441-7223 Oli / Sas Purchason 6535 12th Road, Douglass, KS Titlet Acknowledgment of Transfer. The above request for transfer of injection authorization, surface pit permit #. noted, approved and duty recorded in the records of the Kansas Corporation Commission. This acknowledgment of transfer porteins to Kansas Corporation Commission records only and does not convey any awnorable interest in the above injection wall(s) or pit permit. Epolaration LLC in ocknowledned as ... is ecknowledged as the new operator and may continue to inject fluids on authorized by the new operator of the above named loase containing the surject of Pormit No.: 4-10.820 Recommended action: permitted by No.: \_ Data: 1/-1/0-10 **Authorized Statisture** Authorized Signature 11-10-10 DISTRICT PRODUCTION UIC Now Operator Mall to: Post Operator. District (2

### Kansas Corporation Commission Oil & Gas Conservation Division

Form T-1 Merch 2010 Form must be Typed Form must be Signed All blanks must be Filled

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

Form KSONA-1, Certification of Compliance with the Kanasa Surfece Gener Hatification Act, MUST be submitted with this form, Check Applicable Boxes: Dil Leoso: No. at Oil Wells Effective Date of Transfer: 10/27/2004 X Gas Lease: No. of Gas Wells. KS Dopt of Rovenius Lease No.: \_2247071 Gas Gethoring Systems Lease Name: \_\_Roscrons Saltwater Disposal Well - Pormit No.: \_D10820 - SW -5 W42SE soc 17 Two 355 R 2 \_\_fact from []N / [X] S Line Legal Description of Locat: SN\_6\_W/2SE\_Sec. 17-T35S-R2E feet from E E / W Line Enhanced Recovery Project Permit No.: E 25452 Entire Project: Yes No County: SUMMER Number of Injection Wells, Production Zone(s): Layton Field Name: Muzphy Stalnaker injection Zene(s):\_\_\_\_ SUE \*\* Sido Two Must Be Completed. Sec footfrom N/ S Line of Section Surface Pit Permit No.: (API No. IF DATE PIT, WO OF HOUR feet from E / W Line of Section Type of Pit: Burn Settling Haul-Off Workover Drilling Emergency Past Operator's License No. 3954 Contact Porson: Ed Broyles Pasi Operator's Name & Address: Jand Freduction Co... Phone: Contact Porson: Datten Broyles New Operator's Liconso No. \_33556. Now Operator's Name & Address Drake Exploration, L.L.C. Phone: (620) 441-7223 Oil / Gas Purchasor: 6535 12th Road Douglass, KS Dain: Signaturo: Tille: Asknowledgment of Transfer: The above request for transfer of injection authorization, surface pit permit #, noted, approved and duly recorded in the records of the Kenese Corporation Commission. This acknowledgment of transfer portains to Kenese Corporation Commission records only and does not convey any awnorship interest in the above injection well(s) or pit permit. 21 Invoituralas la addrewiedned as is acknowledged oz the new operator and may continue to inject fluids on authorized by the new popular of the above named lease containing the surject of Recommended action: permitted by No.: \_

Dote:

PRODUCTION ..

New Operator,

01-05-2004 19:43 BRDYLES 16209865583

Authorized Signature

Date: 11-19

DISTRICT

Moli to: Past Operator,

Authorized Statisture

UIC

District &

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#### Side Two

### Must Be Filed For All Wells

KOOR Leaso	No: 226707		The second desired des		
* Lease Name:	Rosacrans	Philip Co. China (C. C. China)	- Location: Si	8 & W/2SE Sec 1	7-T355-R2E
Weil No.	api no. (Yr crldipre 187)	Foolage from : (i.e. FSL = Feet in	Section Line an South Line)	Type of Well (WWW.LNI.co.Elic)	: Well Status (PROD/AD/Absundoned)
	15-191-10837-0001	330 F8) FNL	2310 FEDFWL	ROTSWOO	245
8	15-191-22379	1720 (FSI) FNL	_1795 (FEUFWIL	GAS	PROD
	15-191-10828-00-01	350 FBL/FNL	160 PELFWI	<u> Inj</u>	AT
		FSUFNL	FELIFWL		100000
		FSL/PNL	PEL/PWL		
der Caramet van er van der		FSUPNL	FELFWI.		
		FSL/FNL	FEUFWL		•
***		FSL/FNL	FEUFWL		***************************************
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			. FELIFWIL ,		
	*	FSLIFNL	FEL/FWL		RECEIVED
	· ph. A. · · · · · · · · · · · · · · · · · ·	FSLIFNL	FEL/FWL.		NOV 1 0 2010
wedship of their	*************************************	FSL/FNL	FEL/FWL		KCC WICHITA
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		FSL/FNL	FEL/FWL		
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			•		
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A separate sheet may be officiated if necessary

<sup>\*</sup>When transferring a unit which consists of more than one lease please the a separate side two for each lease. If a lease covers more than one section

01-05-2004 19:43 BR0YLES 16209865583

### KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

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

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

Check Applicable Boxes:	
X Oil Lease: No. of Oil Wells**	Effective Date of Transfer: 10/27/2009
🗴 Gas Lease: No. of Gas Wells**	KS Dept of Revenue Lease No.: 224707 VILLO 102 102
Gas Gathering System:	Lease Name: Rosecrans
X Saltwater Disposal Well - Permit No.: \( \int \) /0820	SW_&_W/2SE_sec. 17_twp. 35S_R_2_XET_W
Spot Location: 330 feet from N/ X S Line	Legal Description of Lease: SW & W/2SE Sec. 17-T35S-R2E
1650 feet from E E / W Line	Legal Description of Lease: DW W W/ ZDD Sec. 17 1990 WZD
Enhanced Recovery Project Permit No.: <u>E 25452</u>	
Entire Project: Yes No	County: Summer
Number of Injection Wells/**	Production Zone(s): <u>Layton</u>
Field Name: Murphy	Injection Zone(s): Stalnaker
** Side Two Must Be Completed.	
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. 33556/	Contact Person: Darren Broyles
Past Operator's Name & Address: Drake Exploration, L.L.C	• Phone: (620) 441-7223
6535 12th Road, Douglass, KS 67039	MB) 10 12719
•	Dane Block
Title: Member	Signature:
	RECEIVED
New Operator's License No30253 /	Contact Person: James Haver 0CT 3 8 2009
New Operator's Name & Address: Cyclone Petroleum, Inc.	Phone: (918) 291-3200
7030-C S. Lewis St., Ste. 541, Tulsa,	Oil / Gas Purchaser
OK 74136	Date: 10.27.09
Title: President	Signature:
III(e:	Signature.
A discount of Transfer The character of the base of the character of the c	
Acknowledgment of Transfer: The above request for transfer of injection	
noted, approved and duly recorded in the records of the Kansas Corpor	•
Corporation Commission records only and does not convey any ownership	interest in the above injection well(s) or pit permit.
Cyclone Petroleum, Inc is acknowleded as the	is acknowleged as the
new operator and may continue to inject fluids as authorized by	new operator of the above named lease containing the surface pit
Permit No.: D-10, 82.0 . Recommended action:	permitted by No.:
W3C Violation 2005-2009	
Date: 11-12-10 Charyl Hogy	Date:
Authorized Signature	Authorized Signature
	PRODUCTION 11-1(2-1) UIC 11-16-10
Mail to: Past Operator 11-16-10 New Operator	11-110-10 District (2) 11-16-10

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

\*EXHIBIT

### Side Two

### Must Be Filed For All Wells

KDOR Lease I	No.:					
* Lease Name:_	Rosecrans		* Location: _SI	V & W/2SE Sec. 17	-T35S-R2E	
Well No.	API No. (YR DRLD/PRE '67)	Footage from (i.e. FSL = Feet	Section Line from South Line)	Type of Well (Oil/Gas/INJ/WSW)	Well Sta (PROD/TA'D/A	
11	10828-00-01 	Circle330FSI)FNL	Circle 1650 FELFWL	TNJ	AI —— <del>Prod</del>	<i>E2545</i> 2
3	15-191-10833	1650 SIFNL	1650 FELFWL	<u> </u>	Prod	
8	15-191-22379/	_1720(FSL)FNL	1795 FEDFWL .	Gas	Prod	
	15-191-108370001	869 (FS)/FNL	2088 (FE)/FWL.	SWO	AI	D 10820
		FSL/FNL	FEL/FWL _			
		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL			
		FSL/FNL	FEUFWL .		*****	
		FSL/FNL	FEL/FWL .			
	<u>.</u>	FSL/FNL	FEL/FWL .	***************************************	<del></del>	
		FSL/FNL	FEL/FWL .		-	
	i	FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL		RECEIL	<del>/FD</del>
		FSL/FNL	FEL/FWL			_
·		FSL/FNL	FEL/FWL		KCC WIC	
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A separate sheet may be attached if necessary

<sup>\*</sup> 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.

## KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

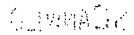
Form T-1 April 2004 Form must be Typed Form must be Signed All blanks must be Filled

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

Check Applicable Boxes						
X Oil Lease No. of Oil Wells	Effective Date of Transfer					
Gas Lease: No. of Gas Wells	KS Dept of Revenue Lease No.: 224707					
Gas Gathering System:	Lease Name: Rosecrans					
Saltwater Disposal Well - Permit No. D10820						
Spot Location: 330   feet from N/ x S Line						
1650 feet from X E / W Line	Legal Description of Lease: W/2 SE Sec. 17-T35S-R2E					
Enhanced Recovery Project Permit No EX5452						
Entire Project: Yes No	County: Summer					
Number of Injection Wells	Production Zone(s): Layton 6					
Field Name: Murphy						
** Side Two Must Be Completed.	Injection Zone(s): Stalnaker					
Surface Pit Permit No.:  (API No. if Drill Pit, WO or Haul)  Type of Pit: Emergency: Burn Settling	feet from					
Past Operator's License No. 30253 /	Contact Person: James Haver					
•	Phone: (918) 291-3200					
Past Operator's Name & Address: Cyclone Petroleum, Inc.						
7030-C S. Lewis St., Ste. 541, Tulsa, OK 7413	6 Date: 10-1-					
Title: President	Signature:					
New Operator's License No. 32887	Contact Person: Cherl Prince					
New Operator's Name & Address:	Phone: 432-687-1575					
Endeavor Energy Resources, L.P.	Company Dhillian (ast)					
110 N. Marienfeld, Ste. 200 Midland, TX 79701	Oil / Gas Purchaser By Energy (gas)					
Midland, TX 79701	Date: 11/2/701					
Title:Sole Member	Signature: What Helphan					
	Autry C. Stephens					
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 Corpor	ation 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.					
Endectron Freedy Resources II is acknowleded as the	is acknowleged as the					
new operator and may continue to inject fluids as authorized by	new operator of the above named lease contemperator pit					
Permil No.: D-10,820 Recommended action: Vislation	permitted by No.					
Need 1130 for 2017-2010	NOV 0 7 · 2011					
Date 129-4 (hour & Bow)	Date: KCC 1415-1					
Authorized Signature	Authorized Gight Iko HIIA					
DISTRICT EPR 12-8-11 F	PROBUCTION 12.14.11 UIC 12-4-11					
Mail to: Past Operator 12-4-1 New Operator	12-1-1 District (2) 12-1-11					
Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202						

#### Side Two

### Must Be Filed For All Wells



KDOR Lease No.: _224707_						
* Lease Name:		*Location SW & W/2SE Sec. 17-T35S-R2E				
Well No.	API No. (YR DRLD/PRE '67)	Footage from (i.e. FSL = Feet	Section Line from South Line)	Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/IA'D/Abandoned)	
	/0828-00-0/ _15-191-90494	Cirde 330_(FSI)FNL	Circle 1650FEL}FWL	INJ	Prod	
3	15-191-10833 /	1650 FSVIFNL	1650 FE /FWL	0il	Prod	
8	_15-191-22379	1720 FSDFNL	1795 (FEL)FWL	Gas	Prod	
	15-191-10837-00-01	869 FSLENL	2088 FELFWL	SWD	AI	
		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL			
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		FSUFNL	FEL/FWL		***************************************	
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		FSL/FNL	FEL/FWL		***************************************	
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			•		NOV 0 7 2019	
	•				KCC WICHITA	

A separate sheet may be attached if necessary

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