



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 Kansas Surface Owner Notification Act,  
MUST be submitted with this form.

Check Applicable Boxes:

- Oil Lease: No. of Oil Wells \_\_\_\_\_ \*\*
- 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.: \_\_\_\_\_  
Entire Project:  Yes  No  
Number of Injection Wells \_\_\_\_\_ \*\*

Field Name: \_\_\_\_\_

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

Effective Date of Transfer: \_\_\_\_\_

KS Dept of Revenue Lease No.: \_\_\_\_\_

Lease Name: \_\_\_\_\_

\_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ R.  E  W

Legal Description of Lease: \_\_\_\_\_

County: \_\_\_\_\_

Production Zone(s): \_\_\_\_\_

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

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. \_\_\_\_\_

Contact Person: \_\_\_\_\_

Past Operator's Name & Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

New Operator's License No. \_\_\_\_\_

Contact Person: \_\_\_\_\_

New Operator's Name & Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

\_\_\_\_\_

Oil / Gas Purchaser: \_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

**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.

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

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

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

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

|                |           |                  |           |
|----------------|-----------|------------------|-----------|
| DISTRICT _____ | EPR _____ | PRODUCTION _____ | UIC _____ |
|----------------|-----------|------------------|-----------|



**Must Be Filed For All Wells**

KDOR Lease No.: \_\_\_\_\_

\* Lease Name: \_\_\_\_\_ \* Location: \_\_\_\_\_

| Well No. | API No.<br>(YR DRDL/PRE '67) | Footage from Section Line<br>(i.e. FSL = Feet from South Line) |                          | Type of Well<br>(Oil/Gas/INJ/WSW) | Well Status<br>(PROD/TA'D/Abandoned) |
|----------|------------------------------|--|--------------------------|-----------------------------------|--------------------------------------|
|          |                              | <i>Circle</i><br>FSL/FNL                                       | <i>Circle</i><br>FEL/FWL |                                   |                                      |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |
| _____    | _____                        | _____ FSL/FNL  | _____ FEL/FWL            | _____                             | _____                                |

*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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Form must be Signed  
All blanks must be Filled

### CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

*This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.*

Select the corresponding form being filed:  C-1 (Intent)  CB-1 (Cathodic Protection Borehole Intent)  T-1 (Transfer)  CP-1 (Plugging Application)

OPERATOR: License # \_\_\_\_\_  
Name: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Phone: ( \_\_\_\_\_ ) \_\_\_\_\_ Fax: ( \_\_\_\_\_ ) \_\_\_\_\_  
Email Address: \_\_\_\_\_

Well Location:  
\_\_\_\_ - \_\_\_\_ - \_\_\_\_ - \_\_\_\_ Sec. \_\_\_\_ Twp. \_\_\_\_ S. R. \_\_\_\_  East  West  
County: \_\_\_\_\_  
Lease Name: \_\_\_\_\_ Well #: \_\_\_\_\_

*If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:*

**Surface Owner Information:**

Name: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_

*When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.*

*If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.*

**Select one of the following:**

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I must provide the name and address of the surface owner by filling out the top section of this form and that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

*If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.*

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: \_\_\_\_\_ Signature of Operator or Agent: \_\_\_\_\_ Title: \_\_\_\_\_

## OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 24th day of September 2003, by and between James R. Perkins Energy, L.L.C. and E. Wayne Willhite Energy, L.L.C., hereinafter called Lessor (whether one or more), and Quest Oil & Gas Corporation, a Kansas corporation, hereinafter called Lessee, does witness:

1. That the said Lessor, for and in consideration of TEN OR MORE 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 exclusively unto Lessee, for the sole and only purposes of investigating, exploring by geophysical and other means, drilling, producing, saving, taking, owning, gathering, transporting, storing, handling, processing, treating, and marketing; oil and liquid hydrocarbons (including, but not limited to, distillates and condensates) and all gases (including, but not limited to, casinghead gas, methane gases from coals and shales, helium and all other constituents and substances produced therewith) and; to the extent reasonably necessary or convenient to enable Lessee to carry out said purposes, including the dewatering for production of any gases, the right of constructing, operating and maintaining pipelines, flowlines, gathering lines, compressors, tank batteries, electric lines, roadways, metering facilities and equipment, facilities for the injection of water, other fluids and gaseous substances into subsurface strata, and other facilities, structures, and equipment required by Lessee for said purposes; all of the following described land, together with any reversionary rights and after acquired interest therein, situated in the County of Chautauqua, State of Kansas described as follows, to wit:

See Exhibit "A" attached hereto,

and containing 1,394 acres, more or less (herein called leased premises).

2. This lease shall remain in full force for a term of three (3) years from this date, and as long thereafter as oil or gas, or either of them, is produced from the leased premises, or the leased premises are being developed or operated, or are otherwise perpetuated as provided herein.

3. In consideration of these premises Lessee covenants and agrees:

(a) To deliver to the credit of Lessor, as royalty, one-eighth (1/8) part of the oil produced and saved from the leased premises, said payments to be made monthly.

(b) To pay Lessor, as royalty, for gas of whatsoever nature or kind (with all of its constituents) produced and sold (whether to an affiliate or otherwise) or used off the leased premises (unless for development or operation thereof) or used on the leased premises by Lessee for any purpose other than the development or operation thereof or used in the manufacture of any products therefrom, one-eighth (1/8) of the proceeds at the wellhead at the prevailing market rate, said payments to be made monthly.

(c) To bury all pipelines associated with this lease below normal plow depth.

(d) To pay for damages caused by Lessee's operations to the leased premises, to growing crops, pasture, and/or livestock.

## OIL AND GAS LEASE

(e) To avoid drilling a well closer than 300 feet to the home site now existing on said premises.

(f) To provide availability for Lessor's free use of gas for domestic purposes only in the principal dwelling located on the leased premises from a gas well on the leased premises by Lessor making his own connections with the well at his expense, all in a manner approved by Lessee, with the use of such gas at the sole risk and expense of Lessor. Lessor, including Lessor's users of such gas for domestic purposes, shall save, hold harmless, defend and indemnify Lessee from any claim asserted against Lessee arising out of or in connection with Lessor's use of such gas, and for any act or omission by Lessee related to the use of such gas.

4. When gas is not being sold or used and a gas well capable of producing in paying quantities is shut in on the leased premises, whether or not said well has theretofore actually produced, and there is no current production of oil or gas or operations on the leased premises sufficient to keep this lease in force beyond the primary term, this lease shall, nonetheless, remain in full force and effect, and it will be deemed that gas is being produced in paying quantities if Lessee pays or tenders \$5.00 per net mineral acre annually as shut-in royalty, at the end of each yearly period during which such gas is not sold or used.

5. This is a paid up lease. In consideration of the cash down payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. All of Lessee's operations shall be conducted at the sole cost, risk and expense of Lessee, and Lessee agrees to indemnify, defend and hold Lessor harmless from any and all claims, liens, demands, judgments and liabilities of whatsoever nature arising out of Lessee's operations. At all times during the term of this lease, Lessee shall carry and require all contractors performing work under this lease to carry insurance to protect all relevant parties from loss or liability in accordance with amounts and coverages normally carried by prudent operators in similar operations in the area.

6. If, at the expiration of the primary term of this lease, there is no well on the leased premises which is capable of producing oil or gas in paying quantities, but Lessee is then engaged in drilling or reworking operations, then this lease shall continue in force so long after the primary term as drilling or reworking operations are being conducted on said land and drilling or reworking operations shall be considered to be conducted if not more than one-hundred-twenty (120) consecutive days shall lapse between the completion or abandonment of a well and the beginning of operations for the drilling or reworking of the well or another well whether such completion or abandonment occurred during or after the primary term.

7. If, after the expiration of the primary term, at any time, or from time to time, there is no production from Lessee's well(s), and there is no well on the leased premises which is capable of producing oil or gas in paying quantities and there are no drilling or reworking operations being conducted on the leased premises, this lease shall continue in effect if, within 365 days from the date of cessation of production or drilling or reworking operations, Lessee restores the capability of a well to produce in paying quantities, or Lessee commences and thereafter diligently prosecutes additional drilling or reworking operations, then this lease shall remain in force during the prosecution of such operations and, if production results therefrom, then this lease shall remain in force as long as such production continues.

## OIL AND GAS LEASE

8. If said Lessor owns a less interest in the leased premises than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid to the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee. If the leased premises are now or hereafter owned in severalty or in separate tracts, the premises, nevertheless, may be developed and operated as an entirety, and the rentals and/or royalties shall be paid to each separate owner in the proportion that the acreage owned by him bears to the entire leased area.

9. 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 its heirs, executors, administrators, successors or assigns. However, no change in or division of the ownership of the right to receive royalties, delay rentals or other payment to Lessors hereunder, whether such change is by assignment, partition or otherwise, shall operate to increase or enlarge the obligation or to diminish the rights of Lessee hereunder. No change in the ownership of the land or assignment of royalties shall be binding on Lessee until after Lessee has been furnished with a written transfer or deed or a true copy thereof. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission on the part of any other leasehold owner. 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.

10. Lessee may at any time and from time to time surrender this lease as to all or any part of the leased premises by delivering or mailing a release thereof to Lessor, or by placing a release of record in the proper county, and thereafter Lessee shall be relieved of all obligations accruing hereunder as to the portion of the leased premises so surrendered. This lease shall continue in full force and effect as to all of the leased premises not surrendered. Lessee shall have the right to use, free of cost, gas, oil and water produced on the leased premises for Lessee's operations thereon, except water from wells of Lessor, or from ponds of Lessor without Lessor's consent. Lessee shall have the right at any time to remove all equipment and fixtures placed on the leased premises, including the right to draw and remove casing.

11. In the event the Lessor, at any time, considers that operations are not being conducted in compliance with this lease or that Lessee is otherwise in breach of, or in non-compliance with, any term of this lease, either express or implied, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach or non-compliance hereof, and Lessee shall have 60 days after receipt of such notice in which to commence any operations or other activities that are then legally necessary to comply with the requirements hereof. No default of Lessee with respect to any well or part of the leased premises shall impair Lessee's rights as to any other well or part of the leased premises.

12. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and producing of wells, and the price of oil, gas and other substances covered hereby. When drilling, reworking, producing or other operations are prevented or delayed by such laws, rules, regulations or orders, or by operation of force majeure, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by failure of purchasers or

## OIL AND GAS LEASE

carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and if such prevention or delay shall occur during the primary term the period of such prevention or delay shall be added to the primary term hereof. If any such prevention or delay should commence after the primary term hereof, Lessee shall have a period of 120 days after the termination of such period of prevention or delay within which to commence or resume drilling, producing or other operations hereunder, and this lease shall remain in force during such period and thereafter in accordance with the other provisions of this lease. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, producing or other operations are so prevented, delayed or interrupted.


13. The Lessee hereby agrees as a condition of this lease not to assign, convey or otherwise transfer the working interest in and to this lease without the prior written consent of the Lessor, its successors and assigns. However, such consent to assignment shall not be unreasonably withheld by Lessor.

14. The Lessee hereby grants and warrants to the Lessor to defend the leased premises against all lawful claims of those claiming any right, interest or title through Lessor, but Lessor does not warrant title against those claiming a right, interest or title arising prior to, or separate from Lessor's interest in the Property. Lessee shall have the right at any time to redeem for Lessor by payment, any mortgages, taxes or other liens on the leased premises, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof. Lessee may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty, shut-in royalty, or rentals accruing hereunder.

15. This lease shall be effective as to each Lessor on execution hereof as to its interest and shall be binding on those signing, regardless of whether it is signed by any other Lessor party. This lease shall at all times and in all respects be subject to valid orders, rules, and regulations of any duly constituted authority having jurisdiction of the subject matter hereof. There is an "Addendum" attached hereto containing additional terms which are incorporated herein by this reference. This instrument, and the Addendum, contain the entire agreement of the parties and it may not be changed or modified except by subsequent written agreement signed by both parties.

IN WITNESS WHEREOF, this lease agreement is signed and executed on the day and year first above written:

JAMES R. PERKINS ENERGY, L.L.C.

By   
James R. Perkins, Manager

OIL AND GAS LEASE

E. WAYNE WILLHITE ENERGY, L.L.C.

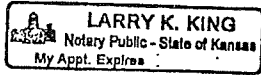
By: E. Wayne Willhite  
E. Wayne Willhite, Manager

ACKNOWLEDGMENT

STATE OF KANSAS )  
Chautauque ) ss:  
MONTGOMERY COUNTY )

BE IT REMEMBERED that on this 27<sup>th</sup> day of September, 2003, before me, a Notary Public in and for the County and State aforesaid, came James R. Perkins, Manager of James R. Perkins Energy, L.L.C., a limited liability company organized and existing under and by virtue of the laws of the State of Kansas and who is personally known to me to be such officer and who is personally known to me to be the same person who executed, as such officer, the within instrument of writing on behalf of said company, and such person duly acknowledged the execution of the same to be the act and deed of said company.

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



Larry K. King  
Printed Name: Larry K. King

My appointment expires: 04-02-05

ACKNOWLEDGMENT

STATE OF KANSAS )  
Chautauque ) ss:  
MONTGOMERY COUNTY )

BE IT REMEMBERED that on this 27<sup>th</sup> day of September, 2003, before me, a Notary Public in and for the County and State aforesaid, came E. Wayne Willhite, Manager of E. Wayne Willhite Energy, L.L.C., a limited liability company organized and existing under and by virtue of the laws of the State of Kansas and who is personally known to me to be such officer and who is personally known to me to be the same person who executed, as such officer, the within instrument of writing on behalf of said company, and such person duly acknowledged the execution of the same to be the act and deed of said company.



OIL AND GAS LEASE

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



*Larry K. King*  
Printed Name: Larry K. King

My appointment expires:

07-02-05

## OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 24th day of September 2003, by and between James R. Perkins Energy, L.L.C. and E. Wayne Willhite Energy, L.L.C., hereinafter called Lessor (whether one or more), and Quest Oil & Gas Corporation, a Kansas corporation, hereinafter called Lessee, does witness:

1. That the said Lessor, for and in consideration of TEN OR MORE 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 exclusively unto Lessee, for the sole and only purposes of investigating, exploring by geophysical and other means, drilling, producing, saving, taking, owning, gathering, transporting, storing, handling, processing, treating, and marketing; oil and liquid hydrocarbons (including, but not limited to, distillates and condensates) and all gases (including, but not limited to, casinghead gas, methane gases from coals and shales, helium and all other constituents and substances produced therewith) and; to the extent reasonably necessary or convenient to enable Lessee to carry out said purposes, including the dewatering for production of any gases, the right of constructing, operating and maintaining pipelines, flowlines, gathering lines, compressors, tank batteries, electric lines, roadways, metering facilities and equipment, facilities for the injection of water, other fluids and gaseous substances into subsurface strata, and other facilities, structures, and equipment required by Lessee for said purposes; all of the following described land, together with any reversionary rights and after acquired interest therein, situated in the County of Chautauqua, State of Kansas described as follows, to wit:

See Exhibit "A" attached hereto,

and containing 1,394 acres, more or less (herein called leased premises).

2. This lease shall remain in full force for a term of three (3) years from this date, and as long thereafter as oil or gas, or either of them, is produced from the leased premises, or the leased premises are being developed or operated, or are otherwise perpetuated as provided herein.

3. In consideration of these premises Lessee covenants and agrees:

(a) To deliver to the credit of Lessor, as royalty, one-eighth (1/8) part of the oil produced and saved from the leased premises, said payments to be made monthly.

(b) To pay Lessor, as royalty, for gas of whatsoever nature or kind (with all of its constituents) produced and sold (whether to an affiliate or otherwise) or used off the leased premises (unless for development or operation thereof) or used on the leased premises by Lessee for any purpose other than the development or operation thereof or used in the manufacture of any products therefrom, one-eighth (1/8) of the proceeds at the wellhead at the prevailing market rate, said payments to be made monthly.

(c) To bury all pipelines associated with this lease below normal plow depth.

(d) To pay for damages caused by Lessee's operations to the leased premises, to growing crops, pasture, and/or livestock.

## OIL AND GAS LEASE

(e) To avoid drilling a well closer than 300 feet to the home site now existing on said premises.

(f) To provide availability for Lessor's free use of gas for domestic purposes only in the principal dwelling located on the leased premises from a gas well on the leased premises by Lessor making his own connections with the well at his expense, all in a manner approved by Lessee, with the use of such gas at the sole risk and expense of Lessor. Lessor, including Lessor's users of such gas for domestic purposes, shall save, hold harmless, defend and indemnify Lessee from any claim asserted against Lessee arising out of or in connection with Lessor's use of such gas, and for any act or omission by Lessee related to the use of such gas.

4. When gas is not being sold or used and a gas well capable of producing in paying quantities is shut in on the leased premises, whether or not said well has theretofore actually produced, and there is no current production of oil or gas or operations on the leased premises sufficient to keep this lease in force beyond the primary term, this lease shall, nonetheless, remain in full force and effect, and it will be deemed that gas is being produced in paying quantities if Lessee pays or tenders \$5.00 per net mineral acre annually as shut-in royalty, at the end of each yearly period during which such gas is not sold or used.

5. This is a paid up lease. In consideration of the cash down payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. All of Lessee's operations shall be conducted at the sole cost, risk and expense of Lessee, and Lessee agrees to indemnify, defend and hold Lessor harmless from any and all claims, liens, demands, judgments and liabilities of whatsoever nature arising out of Lessee's operations. At all times during the term of this lease, Lessee shall carry and require all contractors performing work under this lease to carry insurance to protect all relevant parties from loss or liability in accordance with amounts and coverages normally carried by prudent operators in similar operations in the area.

6. If, at the expiration of the primary term of this lease, there is no well on the leased premises which is capable of producing oil or gas in paying quantities, but Lessee is then engaged in drilling or reworking operations, then this lease shall continue in force so long after the primary term as drilling or reworking operations are being conducted on said land and drilling or reworking operations shall be considered to be conducted if not more than one-hundred-twenty (120) consecutive days shall lapse between the completion or abandonment of a well and the beginning of operations for the drilling or reworking of the well or another well whether such completion or abandonment occurred during or after the primary term.

7. If, after the expiration of the primary term, at any time, or from time to time, there is no production from Lessee's well(s), and there is no well on the leased premises which is capable of producing oil or gas in paying quantities and there are no drilling or reworking operations being conducted on the leased premises, this lease shall continue in effect if, within 365 days from the date of cessation of production or drilling or reworking operations, Lessee restores the capability of a well to produce in paying quantities, or Lessee commences and thereafter diligently prosecutes additional drilling or reworking operations, then this lease shall remain in force during the prosecution of such operations and, if production results therefrom, then this lease shall remain in force as long as such production continues.

## OIL AND GAS LEASE

8. If said Lessor owns a less interest in the leased premises than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid to the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee. If the leased premises are now or hereafter owned in severalty or in separate tracts, the premises, nevertheless, may be developed and operated as an entirety, and the rentals and/or royalties shall be paid to each separate owner in the proportion that the acreage owned by him bears to the entire leased area.

9. 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 its heirs, executors, administrators, successors or assigns. However, no change in or division of the ownership of the right to receive royalties, delay rentals or other payment to Lessors hereunder, whether such change is by assignment, partition or otherwise, shall operate to increase or enlarge the obligation or to diminish the rights of Lessee hereunder. No change in the ownership of the land or assignment of royalties shall be binding on Lessee until after Lessee has been furnished with a written transfer or deed or a true copy thereof. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission on the part of any other leasehold owner. 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.

10. Lessee may at any time and from time to time surrender this lease as to all or any part of the leased premises by delivering or mailing a release thereof to Lessor, or by placing a release of record in the proper county, and thereafter Lessee shall be relieved of all obligations accruing hereunder as to the portion of the leased premises so surrendered. This lease shall continue in full force and effect as to all of the leased premises not surrendered. Lessee shall have the right to use, free of cost, gas, oil and water produced on the leased premises for Lessee's operations thereon, except water from wells of Lessor, or from ponds of Lessor without Lessor's consent. Lessee shall have the right at any time to remove all equipment and fixtures placed on the leased premises, including the right to draw and remove casing.

11. In the event the Lessor, at any time, considers that operations are not being conducted in compliance with this lease or that Lessee is otherwise in breach of, or in non-compliance with, any term of this lease, either express or implied, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach or non-compliance hereof, and Lessee shall have 60 days after receipt of such notice in which to commence any operations or other activities that are then legally necessary to comply with the requirements hereof. No default of Lessee with respect to any well or part of the leased premises shall impair Lessee's rights as to any other well or part of the leased premises.

12. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and producing of wells, and the price of oil, gas and other substances covered hereby. When drilling, reworking, producing or other operations are prevented or delayed by such laws, rules, regulations or orders, or by operation of force majeure, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by failure of purchasers or

## OIL AND GAS LEASE

carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and if such prevention or delay shall occur during the primary term the period of such prevention or delay shall be added to the primary term hereof. If any such prevention or delay should commence after the primary term hereof, Lessee shall have a period of 120 days after the termination of such period of prevention or delay within which to commence or resume drilling, producing or other operations hereunder, and this lease shall remain in force during such period and thereafter in accordance with the other provisions of this lease. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, producing or other operations are so prevented, delayed or interrupted.


13. The Lessee hereby agrees as a condition of this lease not to assign, convey or otherwise transfer the working interest in and to this lease without the prior written consent of the Lessor, its successors and assigns. However, such consent to assignment shall not be unreasonably withheld by Lessor.

14. The Lessee hereby grants and warrants to the Lessor to defend the leased premises against all lawful claims of those claiming any right, interest or title through Lessor, but Lessor does not warrant title against those claiming a right, interest or title arising prior to, or separate from Lessor's interest in the Property. Lessee shall have the right at any time to redeem for Lessor by payment, any mortgages, taxes or other liens on the leased premises, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof. Lessee may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty, shut-in royalty, or rentals accruing hereunder.

15. This lease shall be effective as to each Lessor on execution hereof as to its interest and shall be binding on those signing, regardless of whether it is signed by any other Lessor party. This lease shall at all times and in all respects be subject to valid orders, rules, and regulations of any duly constituted authority having jurisdiction of the subject matter hereof. There is an "Addendum" attached hereto containing additional terms which are incorporated herein by this reference. This instrument, and the Addendum, contain the entire agreement of the parties and it may not be changed or modified except by subsequent written agreement signed by both parties.

IN WITNESS WHEREOF, this lease agreement is signed and executed on the day and year first above written:

JAMES R. PERKINS ENERGY, L.L.C.

By   
James R. Perkins, Manager

OIL AND GAS LEASE

E. WAYNE WILLHITE ENERGY, L.L.C.

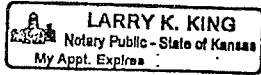
By: E. Wayne Willhite  
E. Wayne Willhite, Manager

ACKNOWLEDGMENT

STATE OF KANSAS )  
Chautauque ) ss:  
MONTGOMERY COUNTY )

BE IT REMEMBERED that on this 27<sup>th</sup> day of September, 2003, before me, a Notary Public in and for the County and State aforesaid, came James R. Perkins, Manager of James R. Perkins Energy, L.L.C., a limited liability company organized and existing under and by virtue of the laws of the State of Kansas and who is personally known to me to be such officer and who is personally known to me to be the same person who executed, as such officer, the within instrument of writing on behalf of said company, and such person duly acknowledged the execution of the same to be the act and deed of said company.

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



Larry K. King  
Printed Name: Larry K. King

My appointment expires: 07-02-05

ACKNOWLEDGMENT

STATE OF KANSAS )  
Chautauque ) ss:  
MONTGOMERY COUNTY )

BE IT REMEMBERED that on this 27<sup>th</sup> day of September, 2003, before me, a Notary Public in and for the County and State aforesaid, came E. Wayne Willhite, Manager of E. Wayne Willhite Energy, L.L.C., a limited liability company organized and existing under and by virtue of the laws of the State of Kansas and who is personally known to me to be such officer and who is personally known to me to be the same person who executed, as such officer, the within instrument of writing on behalf of said company, and such person duly acknowledged the execution of the same to be the act and deed of said company.

OIL AND GAS LEASE

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



*Larry K. King*  
Printed Name: Larry K. King

My appointment expires:

07-02-05

## ACCESS AGREEMENT

*Jana C. Bees*  
REGISTER OF DEEDS

AGREEMENT made this 5<sup>th</sup> day of October, 2016, by and between Mac-O-Chee Farms, L.P., a Kansas limited partnership, and The Trustees of the E. Wayne Willhite and Eugena L. Willhite Revocable Trust U/A November 29, 2007 ("Owners") and Perkins Oil Enterprises Inc., a Kansas Corporation ("Operator").

### WITNESSETH


1. **The Land.** Owners own the land located in Chautauqua County, Kansas described in Exhibit "A" attached hereto.
2. **Operators.** Operator has heretofore conducted oil and gas operations on portions of the land.
3. **Access.** Owners hereby grant Operator the right of ingress and egress from the land for purpose of plugging and abandonment of such oil and gas wells as to which Operator is the owner or operator, as well as for the collection, salvage and removal of oil field pipe and equipment.
4. **Damages.** Operator shall exercise due care and caution for the protection of the surface in the conduct of its operations. Access shall be made by means of established lease or pasture roads to the extent practicable.
5. **Non-Assumption.** Operator does not hereby assume the obligation to plug, abandon or remediate any oil or gas well or surface conditions as to which Operator has no responsibility under the orders or directives of the Kansas Corporation Commission.
6. **Term.** This agreement shall have a term of 10 years from the date hereof, but may be extended by the written request of the Operator for such time as is reasonably required to complete its operations.
7. **Release.** Operator may at any time sooner release its rights hereunder as to any portion or portions of the land by written release filed with public record.
8. **Binding Effect.** This Agreement shall be binding upon the parties hereto, their successors and assigns.

IN WITNESS WHEREOF this Agreement is executed by the parties the day and year first above written.




“Operator”

Perkins Oil Enterprises, Inc.

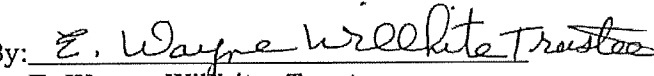
By:   
James R. Perkins, President

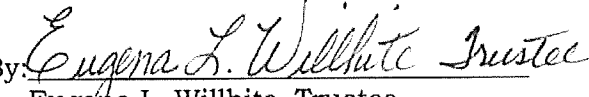
“Owners”

Mac-O-Chee Farms, L.P.  
by Perkins Development, Inc., General Partner

By:   
James R. Perkins, President

The E. Wayne Willhite and Eugena L. Willhite Revocable Trust U/A November 29, 2007


By:   
E. Wayne Willhite, Trustee

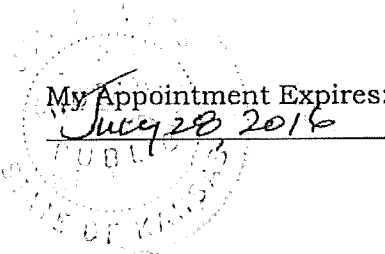
By:   
Eugena L. Willhite, Trustee

STATE OF KANSAS )  
                              ) SS:  
COUNTY OF Montgomery )

BE IT REMEMBERED that on this 5<sup>th</sup> day of October, 2016, before me, a Notary Public, in and for the County and State aforesaid, came James R. Perkins, President of Perkins Development Inc., General Partner of Mac-O-Chee Farms, L.P., a limited partnership organized and existing under and by virtue of the laws of the State of Kansas, and who is personally known to me to be such officer and who is personally known to me to be the same person who executed, as such officer, the within instrument of writing on behalf of said corporation and limited partnership, and such person duly acknowledged the execution of the same to be the act and deed of said corporation and limited partnership.

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

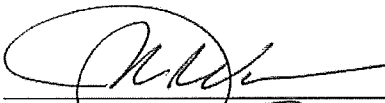
  
NOTARY PUBLIC Jon R. Vietz

My Appointment Expires:  
July 28 2016  


STATE OF KANSAS )  
 ) SS:  
COUNTY OF Montgomery

BE IT REMEMBERED that on this 5<sup>th</sup> day of October, 2016, before me, a Notary Public, in and for the County and State aforesaid, came James R. Perkins, President of Perkins Oil Enterprises, Inc. a Kansas Corporation incorporated and existing under and by virtue of the laws of the State of Kansas and who is personally known to me to be such officer and who is personally known to me to be the same person who executed, as such officer, the within instrument of writing on behalf of said company, and such person duly acknowledged the execution of the same to be the act and deed of said corporation.

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

  
NOTARY PUBLIC Jan. Viet

My Appointment Expires:  
July 28, 2018

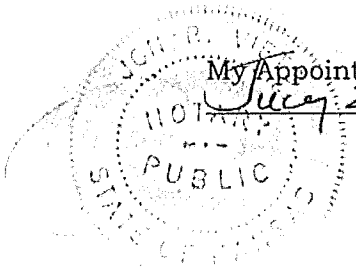
STATE OF KANSAS )  
 ) SS:  
COUNTY OF Montgomery

BE IT REMEMBERED that on this 5<sup>th</sup> day of October, 2016, before me, a Notary Public in and for the County and State aforesaid, came E. Wayne Willhite and Eugena L. Willhite, husband and wife, Trustees of the E. Wayne Willhite and Eugena L. Willhite Trust U/A November 29, 2007 who are personally known to me to be the same person who executed the within instrument of writing and such persons duly acknowledged the execution of the same to be their free act and deed.

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

  
NOTARY PUBLIC Jan. Viet

My Appointment Expires:  
July 28, 2018



**EXHIBIT "A"**

**BROUGHAM AND ADJACENT RANGLANDS**  
Chautauqua County, Kansas

**A. Mac-O-Chee Ranchlands**

(1) Brougham Ranchlands

The South Half of the Southwest Quarter (S/2 SW/4) of Section 6; the Northwest Quarter (NW/4); the West Half of the Northeast Quarter (W/2 NE/4) of Section 7; All in Township 33 South, Range 13 East of the 6<sup>th</sup> P.M.;

All of the North Half (N/2) lying South and East of the former location of the Missouri-Pacific Railroad right-of-way; the Southeast Quarter (SE/4); the Southwest Quarter (SW/4) of Section 13, except an undivided one-half (1/2) of the oil, gas and other minerals in the N/2NW/4SW/4 said Section 13.

The East Half of the Southeast Quarter (E/2 SE/4) of Section 14; All in Township 33 South, Range 12 East of the 6<sup>th</sup> P.M. except an undivided one-half (1/2) of the oil, gas and other minerals in said Section 14.

The North Half of the Northwest Quarter (N/2 NW/4); the Southeast Quarter of the Northwest Quarter (SE/4 NW/4); the South Half of the Northeast Quarter (S/2 NE/4); the Southwest Quarter of the Northwest Quarter (SW/4 NW/4); the South Half (S/2) of Section 18;

The West Half (W/2); the West Half of the East Half (W/2 E/2) of Section 19;

The Northwest Quarter (NW/4) of Section 30; All in Township 33 South, Range 13 East of the 6<sup>th</sup> P.M.;

The Northeast Quarter of the Southeast Quarter (NE/4 SE/4); the South Half of the Southeast Quarter (S/2 SE/4) of Section 26;

The Southeast Quarter of the Northeast Quarter (SE/4 NE/4); the Northeast Quarter of the Northeast Quarter (NE/4 NE/4); the Southwest Quarter of the Northeast Quarter (SW/4 NE/4); the Southeast Quarter of the Northwest Quarter (SE/4 NW/4); the Southwest Quarter (SW/4) of Section 25; All in Township 33 South, Range 12 East of the 6<sup>th</sup> P.M.;

The Northeast Quarter (NE/4); the North Half of the Southeast Quarter (N/2 SE/4) of Section 35;

The West Half of the Northeast Quarter (W/2 NE/4); the South Half of the Northwest Quarter (S/2 NW/4); the Northwest Quarter of the Southwest Quarter (NW/4 SW/4); the Southwest Quarter of the Southeast Quarter (SW/4 SE/4); the East Half of the Southeast Quarter (E/2 SE/4); the East Half of the Northeast Quarter (E/2 NE/4); the North Half of the Northwest Quarter (N/2 NW/4) of Section 36; All in Township 33 South, Range 12 East of the 6<sup>th</sup> P.M., except the oil, gas and other minerals in the NW/4NE/4, SW/4NW/4 of said Section 36.

The Northeast Quarter (NE/4) of Section 1, Township 34 South, Range 12 East of the 6<sup>th</sup> P.M.;

(2) Hylton Farm

The South Half of the Northwest Quarter (S/2 NW/4) and the West Half of the Southwest Quarter (W/2 SW/4) of Section 31, Township 33 South, Range 13, East of the 6<sup>th</sup> P.M., Chautauqua County, Kansas.

Subject, however, to life estate in favor of Judith K. Dickenson in a 1/24<sup>th</sup> undivided mineral interest.

(3) O'Neil Lands

The Southeast Quarter of Section 25, Township 33 South, Range 12, East of the 6<sup>th</sup> P.M., Chautauqua County, Kansas;

The Southeast Quarter of the Southeast Quarter of Section 35, Township 33 South, Range 12, East of the 6<sup>th</sup> P.M., Chautauqua County, Kansas;

The Northeast Quarter of the Southwest Quarter, the Northwest Quarter of the Southeast Quarter and the South Half of the Southwest Quarter of Section 36, Township 33 South, Range 12, East of the 6<sup>th</sup> P.M., Chautauqua County, Kansas;

Lots 3 and 4 of the Northwest Quarter of Section 1, Township 34 South, Range 12, East of the 6<sup>th</sup> P.M., Chautauqua County, Kansas;

Lot 1 of the Northeast Quarter of Section 2, Township 34 South, Range 12, East of the 6<sup>th</sup> P.M., Chautauqua County, Kansas;

The Southwest Quarter of Section 30, Township 33 South, Range 13, East of the 6<sup>th</sup> P.M., Chautauqua County, Kansas;

The North Half of the Northwest Quarter and the West Half of the Northeast Quarter of Section 31, Township 33 South, Range 13, East of the 6<sup>th</sup> P.M., Chautauqua County, Kansas.

(4) Ballard-Kimple Lands

The Southeast Quarter of the Southeast Quarter (SE/4 SE/4) of Section 19;

The South Half of the Southwest Quarter (S/2 SW/4) and the South Half of the Southeast Quarter (S/2 SE/4) of Section 20;

The South Half of the Southwest Quarter of the Southwest Quarter (S/2 SW/4 SW/4) of Section 21;

The Northwest Quarter (NW/4) and the North Half of the Southwest Quarter (N/2 SW/4) of Section 29, except 10 Acres, more or less, in the Southwest Corner described at commencing at the Southwest Corner of the North Half of the Southwest Quarter of said Section 29, running thence East 272', thence Northeasterly to a point 369' East of the West line of the Southwest Quarter of said Section 29, thence West 79', thence North 574', thence West 290', thence South 1320', more or less, to the point of beginning;

The Northeast Quarter (NE/4), the North Half of the Southeast Quarter (N/2 SE/4) and the Southwest Quarter of the Southeast Quarter (SW/4 SE/4) of Section 30;

All of the above in Township 33 South, Range 13, East of the 6<sup>th</sup> P.M., containing 730 acres, more or less.

(5) Hattrup Land

The Southwest Quarter (SW/4) of Section 36, Township 32 South, Range 12, East of the 6<sup>th</sup> P.M.; The West Half (W/2), the West Half of the Northeast Quarter (W/2 NE/4), the West Half of the Southeast Quarter (W/2 SE/4) and the Northeast Quarter of the Southeast Quarter (NE/4 SE/4) of Section 1 and the Northeast Quarter (NE/4) of Section 2, in Township 33 South, Range 12, East of the 6<sup>th</sup> P.M., Chautauqua County, Kansas, subject, however, to a retained 27.58625% undivided mineral interest in favor of Doubletree Cattle Company, LLC; and, an undivided 72.41375% undivided mineral interest in and to the following described real property, to wit:

The East Half (E/2) of section 36, Township 32 South, Range 12, East of the 6<sup>th</sup> P.M., Chautauqua County, Kansas.

**B. Willhite Ranchlands**

(1) Brougham Ranchlands

T33S, R12E, Chautauqua County, Kansas

Section 1: SE/4 SE/4

Section 12: NE/4

N/2 SE/4

S/2 SE/4 lying South and East of the former location  
of the Missouri Pacific Railroad Right of Way

Section 23: NE/4 NE/4

Section 24: N/2 NW/4

E/2

Section 35: SW/4 SE/4; and

T34S, R12E, Chautauqua County, Kansas

Section 2: Lot 2 (a/k/a NW/4 NE/4)

S/2 NE/4

NE/4 SE/4; and

T33S, R13E, Chautauqua County, Kansas

Section 31: W/2 SE/4

E/2 SW/4; and

T34S, R13E, Chautauqua County, Kansas

Section 6: E/2 NW/4

W/2 NE/4; and

(2) Neitfeld Lands

The East Half of the East Half of the South Half of the Northwest Quarter, and all that part of the Northwest Quarter of the Southeast Quarter lying North of the River, and the Southeast Quarter of the Southeast Quarter, all in Section 2; and the Northeast Quarter of the Northeast Quarter of Section 11, all in Township 34 South, Range 12, East of the 6<sup>th</sup> Principal Meridian.

**C. Brougham Ranch Headquarters**

The Southwest Quarter (SW/4) and the West Half of the Southeast Quarter (W/2 SE/4) of Section 7, Township 33 South, Range 13 East of the 6<sup>th</sup> P.M.

(Brougham Ranch Headquarters jointly owned by Mac-O-Chee and Willhite)