

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form T-1  
April 2019  
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: \_\_\_\_\_

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

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

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

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

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

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

New Operator's Email: \_\_\_\_\_

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

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

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

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

**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

\_\_\_\_\_ is acknowledged as the new operator of the above named lease containing the surface pit

Permit No.: \_\_\_\_\_. Recommended action: \_\_\_\_\_

permitted by No.: \_\_\_\_\_.

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

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

Authorized Signature

Authorized Signature

DISTRICT \_\_\_\_\_ EPR \_\_\_\_\_ PRODUCTION \_\_\_\_\_ UIC \_\_\_\_\_



KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form KSONA-1

July 2021

Form Must Be Typed

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 (see Chapter 55 of the Kansas Statutes Annotated), 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: \_\_\_\_\_

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

State of Kansas, Greeley County, ss

This instrument was filed for Record on the 14th day of July A.D. 20 20 at 12:30 o'clock P.M. and duly recorded in Book 193 on page 330-351 fees \$ 378.00



Quinn K. Robertson Register of Deeds

STATE OF KANSAS §  
COUNTY OF GREELEY & §  
HAMILTON §

KNOW ALL MEN BY THESE PRESENTS:

THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE (this "Assignment"), effective as of the Effective Date (as hereinafter defined) is made from PRAIRIE GAS COMPANY, L.L.C. ("Assignor"), 114 E 5<sup>th</sup> ST, Tulsa, OK 74103, to JULIET ROMEO INVESTMENTS, L.L.C. an Oklahoma limited liability company (the "Assignee").

ARTICLE I

Grant and Habendum

Section 1.01 The Grant. For One Hundred Dollars (\$100.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor does hereby GRANT, BARGAIN, SELL, CONVEY, ASSIGN and DELIVER the Assets unto Assignee, its respective successors and assigns, and subject to the matters set forth herein. The term "Assets" shall mean the specific undivided interest in and to each well more particularly described in Exhibit "B" Wells and Interest, and being of equal portion of the lands described in Exhibit "A" Description of Lands, , in and to:

- a. An undivided right, title and interest in and to the Assets covering oil and gas leases on the lands described in Exhibit A, together with any and all other right title and interest of the Assignor in and to the Assets covering leasehold estates created thereby subject to the terms, conditions, covenants and obligations set forth in such leases and/or Exhibit A, and all other interests of the Assignor of any kind or character in such Assets covering leases, including all Assets covering working interests, overriding royalty interests, net profits interests, carried interests or similar rights or interest in such leases, and together with all rights, privileges, benefits and powers conferred upon the holder of the leases with respect to the use and occupation of the surface of the lands covered thereby that may be necessary, convenient or incidental to the possession and enjoyment of such leases (the "Leases");
- b. An undivided right, title and interest in and to all Assets covering rights and interests in, under or derived from all unitization and pooling agreements in effect with respect to any of the Leases or Wells and the units created thereby (the "O&G Units");
- c. An undivided right, title and interest in and to all Assets covering oil and gas wells located on any of the Leases or the O&G Units, and all fresh water wells, injection wells, salt water disposal wells and other wells of every nature and kind located on the Leases or the O&G Units (such interest in such wells, including the interest as more specifically defined in each well as set forth in Exhibit B, the "Wells and Interests");

- d. An undivided right, title and interest in and to all Assets pertaining to Hydrocarbons produced from or allocated to the Leases, Wells, or O&G Units from and after the Effective Date;
- e. An undivided right, title and interest in and to all Assets covering contracts to which the Assignor is a party or is bound relating to any of the Assets and (in each case) that will be binding on Assignee following the consummation of the Assignment, including: confidentiality agreements; farmin and farmout agreements; participation agreements; exploration agreements; development agreements; joint operating agreements; unit agreements; bottom hole agreements; crude oil, condensate and natural gas purchase and sale, gathering, transportation and marketing agreements; hydrocarbon storage agreements; acreage contribution agreements; operating agreements; balancing agreements; pooling declarations or agreements; unitization agreements; processing agreements; water disposal agreements; facilities or equipment leases; crossing agreements; letters of no objection; production handling agreements; and other similar contracts and agreements (the "Applicable Contracts"), and all rights thereunder;
- f. An undivided right, title and interest in and to all Assets covering government or regulatory license, authorization, permit, franchise, certificates of occupancy, consent and approval issued and held by or on behalf of Assignor or required to be so issued and held, and all easements and rights-of-way, surface use agreements, water access and water use agreements and other similar surface use or water rights, in each case, to the extent used in connection with the ownership or operation of any of the Leases, Wells, O&G Units or other Assets;
- g. An undivided right, title and interest in and to all Assets as it pertains to equipment, machinery, fixtures and other personal, moveable and mixed property, operational and nonoperational, known or unknown, located on any of the Leases, Wells, O&G Units or other Assets or used in connection therewith, including pipelines, gathering systems, manifolds, well equipment, casing, tubing, pumps, motors, fixtures, machinery, compression equipment, flow lines, processing and separation facilities, structures, materials and other items used in the operation thereof;
- h. An undivided right, title and interest in and to all Assets pertaining to Imbalances (as hereinafter defined) relating to the Assets;
- i. An undivided right, title and interest in and to all Assets as it pertains to the files, records, information and data, whether written or electronically stored, relating to the Assets in the Assignor's or its Affiliates' possession, including: (i) land and title records (including abstracts of title, title opinions and title curative documents); (ii) Applicable Contract files; (iii) correspondence; (iv) operations, environmental, production and accounting records, (v) facility and well records and (vi) all geophysical and other seismic and related technical data and information relating to the Assets; and
- j. to the extent that they may be assigned, all insurance policies relating to the Assets.

For purposes of this Section 1.01, "Imbalance" shall mean (i) any marketing imbalance between the quantity of Hydrocarbons attributable to the Assets required to be delivered by the Assignor under

any Applicable Contract relating to the purchase and sale, gathering, transportation, storage, processing (including any production handling and processing at a separation facility) or marketing of Hydrocarbons and the quantity of Hydrocarbons attributable to the Assets actually delivered by the Assignor pursuant to the relevant Applicable Contract, together with any appurtenant rights and obligations concerning production balancing at the delivery point into the relevant sale, gathering, transportation, storage or processing facility and (ii) any imbalance at the wellhead between the amount of Hydrocarbons produced from a Well and allocable to the interests of the Assignor therein and the shares of production from the relevant Well to which the Assignor is entitled, together with any appurtenant rights and obligations concerning future in kind and/or cash balancing at the wellhead.

It is the intention of Assignor and Assignee that this Assignment cover only those certain working interest and net revenue interest of Assignor's described on Exhibit A and Exhibit B in and to the Assets, instrument, contract, conveyance or agreement.

**Section 1.02 Habendum Clause.** TO HAVE AND TO HOLD the Assets, unto Assignee and to their respective successors and assigns, forever, subject to the other matters set forth herein.

## ARTICLE II

### General

**Section 2.01 Special Warranty of Title.** Assignor does hereby bind itself and its successors and assigns to warrant and forever defend Defensible Title to the Assets unto Assignee, and its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part of the same by, through or under Assignor, but not otherwise.

Assignor hereby assigns to Assignee all rights, claims and causes of action under title and warranties given or made by Assignor's predecessors in interest with respect to the Assets, and Assignee is specifically subrogated to all rights which Assignor may have against such predecessors in interest with respect to the Assets, to the extent Assignor may legally transfer such rights and grant such subrogation.

**EXCEPT FOR THE SPECIAL WARRANTY OF TITLE CONTAINED HEREIN THIS ASSIGNMENT IS MADE WITHOUT ANY WARRANTY WHATSOEVER, EITHER EXPRESS OR IMPLIED, AND ASSIGNOR HEREBY EXPRESSLY DISCLAIMS ALL AND ANY OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE. WITHOUT LIMITATION OF THE FOREGOING, EXCEPT FOR THE SPECIAL WARRANTY OF TITLE CONTAINED HEREIN, THE ASSETS ARE CONVEYED PURSUANT HERETO WITHOUT ANY WARRANTY OR REPRESENTATION WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, RELATING TO THE PROPERTIES OR RELATING TO THE CONDITION, QUANTITY, QUALITY, FITNESS FOR A PARTICULAR PURPOSE, CONFORMITY TO THE MODELS OR SAMPLES OF MATERIALS OR MERCHANTABILITY OF ANY EQUIPMENT OR ITS FITNESS FOR ANY PURPOSE, OR QUALITY OR QUANTITY OF RESERVES, AND, EXCEPT AS PROVIDED OTHERWISE IN THE FIRST SENTENCE OF THIS PARAGRAPH, WITHOUT ANY OTHER EXPRESS, IMPLIED, STATUTORY OR OTHER WARRANTY OR REPRESENTATION WHATSOEVER.**

**Section 2.02 Subject to.** This Assignment is made subject to (i) that certain Joint Operating Agreement, Letter Agreement, and the associated Exhibits, dated May 1, 2020.

**Section 2.03 Construction.** The captions in this Assignment are for convenience only and shall not be considered a part of or affect the construction or interpretation of any provision of this Assignment. Assignor and Assignee acknowledge that they have participated jointly in the negotiation and drafting of this Assignment and as such they agree that if an ambiguity or question of intent or interpretation arises hereunder, this Assignment shall not be construed more strictly against one party than another on the grounds of authorship.

**Section 2.04 Assignment.** This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

**Section 2.05 Recording.** In addition to filing this Assignment, the parties hereto shall execute and file with the appropriate authorities, whether federal, state or local, all forms or instruments required by applicable law to effectuate the conveyance contemplated hereby. Said instruments shall be deemed to contain all of the exceptions, reservations, rights, titles and privileges set forth herein as fully as though the same were set forth in each such instrument. The interests conveyed by such separate assignments are the same, and not in addition to the Assets conveyed herein.

**Section 2.06 Exhibits.** Exhibits referred to herein are hereby incorporated and made a part of this Assignment for all purposes by such reference.

**Section 2.07 First Right of Refusal.** And for the same consideration, during the term of the Assignment, before Assignee may sell all, or a portion of its interest described on Exhibit "A" to a third party, Assignee shall first offer the property to Assignor on the same terms and conditions as are offered by the third party. Assignor shall have 30 days during which to accept said offer. If Assignor does not accept said offer within said period, Assignee shall be free to accept the third-party offer. If Assignee does not enter into an agreement with the third party on said terms and conditions and close the transaction within 45 days, Assignee's right to sell the property to the third party shall expire and the procedure described in this Section shall again be applicable.

**Section 2.08 Reservations.** Notwithstanding anything contained in this Assignment to the contrary, it is understood and agreed that the properties herein conveyed shall not include and there is specifically EXCEPTED, RESERVED and EXCLUDED from the transfer contemplated by this Assignment, all of Assignors' right, title and interest in and to (A) all fee mineral, royalty, overriding royalty and other similar non-cost bearing interests in the lands described on Exhibit A attached hereto or in the lands otherwise covered by any oil, gas and/or mineral leases herein conveyed, and (B) any interest to any real property or surface estate interest in the lands described on Exhibit A attached hereto or in lands otherwise covered by any oil, gas and/or mineral leases herein conveyed.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF Assignor and Assignee have executed this Assignment on the dates set forth in their respective acknowledgements hereto to be effective as of May 1, 2020 (the "Effective Date").

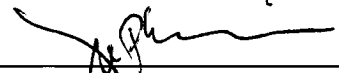
**ASSIGNOR:**

**PRAIRIE GAS COMPANY, L.L.C.**

By:   
Name: IAN B. ACREY, MANAGER

**ASIGNEE:**

**JULIET ROMEO INVESTMENTS, LLC**

  
By: JEFFREY S. ROBINSON  
Title: MANAGER



ACKNOWLEDGMENT

STATE OF OKLAHOMA )  
 )  
COUNTY OF TULSA )

This instrument was acknowledged before me on this the 1<sup>st</sup> day of May, 2020, by Jan B Acree, on behalf of Prarie Gas Company, L.L.C. in the capacity stated therein, on behalf of said company.



Susan K Mothershed  
Notary Public, State of Oklahoma

ACKNOWLEDGMENT

STATE OF Oklahoma )  
 )  
COUNTY OF Tulsa )

This instrument was acknowledged before me on this the 26<sup>th</sup> day of June, 2020, by Jeffrey B Robinson Manager of Juliet Romeo Investments, LLC a ~~Texas~~ Oklahoma LLC, on behalf of said company.



Susan K Mothershed  
Notary Public, State of Oklahoma

**EXHIBIT "A"**

**ATTACHED HERETO AND MADE A PART HEREOF THAT CERTAIN ASSIGNMENT AND BILL OF SALE, BY AND BETWEEN PRAIRIE GAS COMPANY, LLC AS ASSIGNOR AND JULIET ROMEO INVESTMENTS, LLC, AS ASSIGNEE.**

**DESCRIPTION OF LANDS**  
**GREELEY COUNTY, KANSAS**

**The extent of ownership interest conveyed to Assignee in the following is limited to the percentage interest as set forth in Exhibit "B".**

<b>ADAMS #1</b>	<b>All of Section 2, T17S, R40W</b>
<b>BARKER #1-10</b>	<b>SE/4 Section 10, T19S, R40W</b>
<b>BARR #1</b>	<b>All of Section 16, T17S, R40W</b>
<b>BARR #2-16</b>	
<b>BAUGHMAN "W"</b>	<b>E/2 SE/4 &amp; SW/4 SE/4 Section 19, T19S, R39W</b>
	<b>NW/4 Section 29, SW/4 Section 29 &amp; NE/4 Section 31, T19S, R39W</b>
<b>BEARD #1</b>	<b>SE/4 Section 36, T20S, R41W</b>
<b>BOUNDS SWD</b>	<b>SW4 Section 13, T20S, R40W</b>
<b>BURSKE 'A' #1</b>	<b>Section 2, T20S, R40W</b>
<b>BURSKE #2</b>	<b>SE/4 Section 2, T20S, R40W</b>
<b>CAMPBELL #2-13</b>	<b>NE/4 Section 13, T19S, R41W</b>
<b>CAMPBELL #3-13</b>	<b>SE/4 Section 13, T19S, R41W</b>
<b>CHESTER #1-RCB</b>	<b>SE/4 Section 19, T17S, R40W</b>
<b>CHESTER #2-RCB</b>	<b>W2 E2 NE/4Section 19, T17S, R40W</b>
<b>CHESTER #3-RCB</b>	<b>SW/4 Section 19, T17S, R40W</b>
<b>CHESTER #4-RCB</b>	<b>NW/4 Section 19, T17S, R40W</b>
<b>CLIFT #1-17-RCB</b>	<b>SE/4 Section 17, T17S, R40W</b>
<b>CLIFT #2-17-RCB</b>	<b>SW/4 Section 17, T17S, R40W</b>
<b>CLIFT 'A' -1</b>	<b>West Side NW/4 &amp; NE/4 Section 17 &amp; N/2 SE/4 Section 33, T18S, R40W</b>

CLIFT 'B'-1	W/2 & SE/4 Section 34, T18S, R40W
CLIFT #1	Section 9, T19S, R40W
CLIFT 'A' #3-33	Section 33, T18S, R40W
CLIFT 'B' #3-34	SE/4 Section 34, T18S, R40W
DRAKE #1	NE/4 Section 27, T20S, R40W
DRAKE #3-27	NW SW/4 Section 27, T20S, R40W
EDMUN #2-17	E/4 Section 17, T19S, R40W
EDMUN #3-17	SE/4 Section 17, T19S, R40W
EDMUN #4-17	SW/4 Section 17, T19S, R40W
FECHT 'B'	All of Section 10, T19S, R40W
FECHT 'B' #2-10	SW/4 Section 10, T19, R40W
FECHT 'D' #1	NE/4, SW/4 Section 28, T18S, R40W
FERTIG #1-35	SW/4 Section 35, T19S, R40W
FISHMAN #1-RCB	SE/4 Section 8, T17S, R40W
FLOYD #2	E/2 & SW/4 Section 24, T19S, R40W
FLOYD #3	Section 25, T19S, R40W
FLOYD 'A' #1	Section 15, T20S, R40W
FLOYD 'B' #1	All of Section 12, T19S, R41W
FLOYD 'A' #2-25	Section 25, T19S, R40W
FLOYD "A" #3-25	NW SW/4 Section 25, T19S, R40W
FOSTER #1-7	Section 7, T20S, R39W
FOSTER #2-7	
FOSTER #3-7	
GIB #1	NW NW NW/4 Section 28, T17S, R40W

GIBSON #1	E/2 NW/4 & SW/4 Section 26, T17S, R40W
GIBSON #3-26	SW/4 Section 26, T17S, R40W
HARDING #1	Section 10, T20S, R40W
HARRIS 'A' #1	Section 15, T20S, R40W
HARRIS 'A' #2 (P&A)	
HOFFMAN #1	N/2 & SW/4 & SE/4 Section 24, T18S, R40W
HOFFMAN #32-1	SW/4 Section 30; N/2 Section 31; SE/4 Section 31 & SW/4 Section 32, T18S, R40W
HOPPE #1	E/2 Section 10; W/2 Section 11, T17S, R40W
HOUSEHOLDER GAS UNIT (P&A)	Section 28, T20S, R40W
HOUSEHOLDER #2	Section 28, T20S, R40W
HOUSEHOLDER #1-29 (P&A)	SE/4 Section 29, T20S, R40W
HOUSEHOLDER #2-29 (P&A)	NE/4 Section 29, T20S, R40W
HOUSEHOLDER #3-29	SW/4 Section 29, T20S, R40W
HUNT #1-RCB	NE/4 Section 20, T17S, R40W
HUNT #2-RCB	SW/4 Section 20, T17S, R40W
JOY #1	Section 6, T20S, R39W
KAEBERLE #1	S/2 Section 36, T16S, R40W
KUDER	All of Section 1, T18S, R40W
KUTTLER 'A'	S/2 Section 28; SE/4 Section 29 & NE/4 Section 32, T19S, R39W
KUTTLER 'B'	S/2 Section 33; NE/4 & SW/4 Section 4, T19S, R39W

KUTTLER 'D'	N/2 & SW/4 Section 20; NE/4 Section 19, T19S, R39W
KUTTLER 'E'	SE/4 Section 20; N/2 Section 28; NE/4 Section 29, T19S, R39W
KUTTLER 'F'	N/2 SW/4 & NW/4 SE/4 Section 19 & SW/4 Section 18, T19S, R39W
KUTTLER 'G'	NW/4 & SW/4 Section 29 & NE/4 Section 26, T19S, R39W
KUTTLER 'H'	NW/4 Section 29, T19S, R39W
KUTTLER #2-SWD	Tract of Land 200' by 200' in the SE/4, Section 29, T19S, R39W
LEE #1-27	NE/4 and W/2 Section 27, R17S, R40W
LEE #3-27	NE/4 Section 27, T17S, R40W
MARG HUNT #1 MARG HUNT #2	NW/4 Section 21, T17S, R40W W2 SW/4 Section 21, T17S, R40W
MARVEL #1-A (P&A)	NE/4 & SW/4 SECTION 20, T20S, R40W
MILLER # A2-23 MILLER # A3-23 (P&A)	NE/4 Section 23, T20S, R40W
MONROE #1-4 MONROE #2-4	Section 4, T18S, R40W
NICKELSON #1-4	NE/4 Section 4, T20S, R39W
NICKELSON #2	NE/4 & SW/4 Section 4, T20S, R39W
PONCIN	N2 & SW/4 Section 5, & SE/4 Section 6, T19S, R40W
PRINGLE 'A' #1	S/2 Section 25, T18S, R40W
PRINGLE 'A' #2	NW/4 Section 26, T18S, R40W
PRINGLE 'C' #1	S/2 of N/2 and S/2 Section 30, T18S, R39W

PRINGLE 'A' 4-25	Section 25, T18S, R40W
PRINGLE RANCH	NE/4 Section 26, T18S, R40W & SW/4 Section 2, T19S, R40W
RAUCH	NW/4 NW/4 Section 8, T18S, R39W
RICHARDSON ESTATE #1	Section 13, T19S, R40W
ROE #1-RCB	NW/4 Section 29, T17S, R40W
ROE #2-RCB	SESW/4 Section 29, T17S, R40W
ROE #3-RCB	NE NW NE/4 Section 29, T17S, R40W
ROSS #2	All of Section 5, T18S, R39W
ROSS #3	All of Section 6, T18S, R39W
ROSS #5	SW SW/4 Section 5, T18S, R39W
SANDIFER 'A'	N/2 Section 33, T19S, R39W
SANDIFER 'A' #2	S/2 SEC 34, N/2 SEC 33, T19S-R39W
SELL#1-9	S/2 Section 9, T18S, R40W
SELL 'A' #1	Section 3, T19S, R40W
SELL 'A' #2-3	Section 3, T19S, R40W
SELL 'B' #1	All of Section 3, T17S, R40W
SIBYL #1	S/2 SE/4 SECTION 19, T19S, R39W NE/4 SE/4 SECTION 19, T19S, R39W W/2 SECTION 29, T19S, R39W NW/4 NW/4 SECTION 32, T19S, R39W NE/4 SECTION 31, T19S, R39W
SLEIGH #1-1	NW NW/4 Section 1, T17S, R40W
SLEIGH #2-1	NE/4 Section 1, T17S, R40W
THOMPSON #1	All of Section 32, T20S, R40W
V-HILL #1-11 SWD	SW/4 Section 11, T19S, R40W
VESTER	SW/4 Section 1; E/2 Section 11; SW/4 Section 12, T17S, R40W

WALLACE #3-22	NW/4 Section 22, T20S, R40W
WATSON #1	SW/4 & NW/4 Section 17, T20S, R39W
WATSON FARMS	SW/4 & NE/4 Section 19, T20S, R39W
WATSON FARMS #2	SW/4 Section 19, T20S, R39W
WATSON 'E' #2-H (P&A)	Section 12, T20S, R40W
WATSON 'E' #3 (P&A)	
WEAR #1	E/2 SECTION 15, T17S, R40W
WEAR #2	NE/4 SECTION 15, T17S, R40W
WEAR #1-RCB	SW/4 Section 30, T17S, R40W
WEAR #2-RCB	NE/4 Section 30, T17S, R40W
WEAR #3-RCB	SE NW/4 Section 30, T17S, R40W
WEAR #4-RCB	NW NW NW/4 Section 30, T17S, R40W
WEAR 'B' #1	NW/4 & NE/4 & S/2 Section 25, T17S, R40w
WINEINGER #1	NW/4 Section 35, T19S, R40W
WINEINGER #3-35	NE/4 Section 35, T19S, R40W
WOODS #1-RCB	E2 NE SE/4 Section 4, T17S, R40W
WATSON FARMS #1-A	Section 8, T20 S, R39 W;
WATSON FARMS #2,	NW/4, Section 19, T20 S, R39 W, & The SE/4, Section 19, T20 S, R39W, & The SE/4, Section 20, T20S, R39W
ANGELL #2 & ANGELL #2A	Section 5, T20S, R39W
REXFORD #1	E/2 & NW/4, Section 30, T20S, R39W, & SE/4 OF Section 36, T20S, R39W
REXFORD #2	N/2 of Section 29, T20S, R39W, & N/2 Of Section 28, T20S, R39W
KUTTLER #1	Section 4, T20S, R39W
LILJEGREN #1 & STEPHENS #2-15	480 Acres being the N/2 & SW/4 Of Section 15,

	T19S, R40W
WEST #1	Section 28, T19S, R40W
SPEARS #2	E/2 & NW/4, Section 5, T20S, R40W, & NE/4 Of Section 7, T20S, R40W
WINEINGER #1	Section 34, T19S, R40W
WINEINGER #2	Section 33, T20S, R40W
SPEARS #3	Section 14, T20S, R40W
KEIFER #1	N/2 & SE/4, Section 6, T17S, R39W, & NE/4 Section 7, T17S, R39W
BRUNSWIG #1	NE/4 & SE/4 Of Section 12, T17S, R40W & the S/2 Of Section 7, T17S, R39W
WEAR TRUST #1	E/2 Of Section 10, T17S, R39W, & W/2 Section 14, T17S, R40 W;
BANBURY #1	NW/4 Of Section 7, T17S, R39W, & E/2 Of Section 8, T17S, R39W, & NW/4 Section 10, T17S, R39W

**DESCRIPTION OF LANDS**  
**HAMILTON COUNTY, KANSAS**

The extent of ownership interest conveyed to Assignee in the following is limited to the percentage interest as set forth in Exhibit "B".

BANBURY #2	All of Section 31, T21S, R40W
BOLTZ #1	All of Section 1, T24S, R41W
BOLTZ #2	SE/4 NE/4 Section 1, T24S-R41W
BOLTZ #3	SE NE SW Section 1, T-24S-41W
BOLTZ SWD	SE/4 SE/4 Section 1, T24S, R41W
BRADDOCK #1	Section 34, T22S, R40W



BUCK #1-13	E/2 Section 3, T23S, R40W
BUCK #2-13	E/2 Section 3, T23S, R40W
CLETUS #1	SE/4 Section 20, T21S, R41W
DALENE #1	Section 7, T22S, R41W
DIKEMAN #1	W/2 Section 15, T22S, R40W
DIKEMAN #2	Section 1, T23S, R40W
DOTTS #1	All of Section 28, T23S, R40W
DOYLE #1 (P&A)	W/2 Section 21, T23S, R41W
DOYLE #2	N/2 SW/4 Section 21, T23S, R41W
EARL #1	Section 23, T212S, R40W
ELDON #1	NE/4 Sec. 12, T23S, R41W And SW/4 Section 7, T23S, R40W
ELSIE #1	NW/4 Section 3, T23S, R40W
GEORGE #1	S/2 and NE/4 Section 1, T22S, R42W
GEORGE #2	SE/4 Section 1, T22S, R42W
HATCHER CATTLE CO.	All of Section 22, T22S, R42W
HAZLETT #1	Section 22, T21S, R41W
HAZLETT#2	
HCU 0831-B	Section 8, T23S, R41W
HEGER SWD	SE/4 Section 19, T23S, R41W
HENRY #1	All of Section 15, T23S, R40W
HENRY #2	
HERRMANN #1	E/2 Section 9, T23S, R40W;NW/4 & SW/4 Section 10, T23S, R40W
HERRMANN 'A'	SW/4 Section 24, T23S, R40W

HILL #1	SE/4 Section 10 & SW/4 Section 11, T22S, R40W
HILL #2	
JANTZ #1	Section 5, T23S, R40W
JANTZ PIPELINE	
JOHNSON #1-'A'	Section 12, T24S, R41W
LESSER #1	All of Section 23, T21S, R41W
LESSER #3-SWD	NE/4 Section 23, T21S, R41W
LEWIS #1	SW/4 Section 7, T20S, R40W
LEWIS #2	SE/4 Section 7, T22S, R41W
LIVINGSTON #1	All of Section 16, T23S, R40W
LIVINGSTON #1-A	NW/4 Section 16, T23S, R40W
LIVINGSTON #2	All of Section 8, T23S, R40W
LIVINGSTON #4	N/2 SE/4 Section 8, T23S, R40W
LIVINGSTON SWD	N/2 Section 16, T23S, R40W
LOIS #1	NE/4 Section 10, T22S, R40W
MAI	Section 8, T23S, R41W
MARIE #1	SE/4 Section 7, T23S, R40W And the NW/4 Section 7, T23S, R40W SE/4 Section 2, T23S, R41W
MUNCIE #1	NW/4 Section 8, T23S, R40W SE/4 Section 33, T23S, R40W
PARSONS #1	All of Section 27, T23S, R41W
PARSONS #2	
SIMON #1-12	SW/4 & W/2 SE/4 Section 23, T22S, R40W
SIMON #2-12	NW/4 & N/2 SW/4 Section 12, T23S, R41W

**SINSABAUGH #1**

**N/2 Section 17, T23S, R41W  
S/2 Section 17, T23S, R41W**

**SINSABAUGH #2**

**SE/4 Section 17, T23S, R41W**

**SUERTE #1**

**Section 20, T23S, R41W**

**SUGAR #1**

**NW/4 Section 18, T23S, R39W  
NW/4 Section 24, T23S, R40W**

**TATE #1**

**Section 27, T24S, R41W**

**VIRGINIA #1**

**SW/2 Section 5 and SE/4 Section 6, T21S, R40W**

**WHITE #1**

**E/2 Section 7, T23S, R40W**

**WILCOX #1**

**Section 34, T22S, R40W**

**YODER #1**

**NW/4 Section 34, T22S, R40W &  
W/2 Section 24, T22S, R40W**

**EXHIBIT "B"**  
**WELLS AND INTEREST**

ATTACHED HERETO AND MADE A PART HEREOF THAT CERTAIN ASSIGNMENT AND BILL  
OF SALE, BY AND BETWEEN PRAIRIE GAS COMPANY, LLC AS ASSIGNOR AND JULIET  
ROMEO, LLC AS ASSIGNEE.

WELL NAME	API	COUNTY	JULIET WI (ASSIGNMENT 1)	JULIET NRI (ASSIGNMENT 1)
ADAMS 1	15071201070000	GREELEY	0.10158138	0.08618528
ANGELL 2	15071207000000	GREELEY	0.11398758	0.08570070
ANGELL 2 A	15071208110000	GREELEY	0.13863354	0.10423059
BANBURY 1	15071202780000	GREELEY	0.15000000	0.11332500
BARKER 1-10	15071208400000	GREELEY	0.14425027	0.12186524
BARR 1	15071200850000	GREELEY	0.13872309	0.11941828
BARR 2-16	15071207910000	GREELEY	0.13872309	0.11941828
BAUGHMAN W	15071202250000	GREELEY	0.15000000	0.13125000
BEARD 1	15071200400000	GREELEY	0.15000000	0.11887500
BOUNDS 2 SWD	15071202170000	GREELEY	0.15000000	0.15000000
BRUNSWIG 1	15071202840000	GREELEY	0.15000000	0.11251990
BRUNSWIG 18 SWD	15071202170000	GREELEY	0.15000000	0.15000000
BURSKE A 1	15071201410000	GREELEY	0.15000000	0.12656250
BURSKE 2	15071206590000	GREELEY	0.09375000	0.07031250
CAMPBELL 2-13	15071208030000	GREELEY	0.13872309	0.11720460
CAMPBELL 3-13	15071208360000	GREELEY	0.13872309	0.11720460
CHESTER 1 RCB	15071200870000	GREELEY	0.08685874	0.07216059
CHESTER 2 RCB	15071207760000	GREELEY	0.08685874	0.07216059
CHESTER 3 RCB	15071208330000	GREELEY	0.08685874	0.07216059
CHESTER 4 RCB	15071208460000	GREELEY	0.08590869	0.07216059
CLIFT 1	15071200790000	GREELEY	0.09862500	0.08193578
CLIFT 1-9	15071201030000	GREELEY	0.11804174	0.09740084
CLIFT 2 RCB	15071207740000	GREELEY	0.09810050	0.08193578
CLIFT A 1	15071200980000	GREELEY	0.12226155	0.09955026
CLIFT A 3-33	15071207960000	GREELEY	0.12226155	0.09955026
CLIFT B 1	15071201020000	GREELEY	0.13893382	0.11986399
CLIFT B 3-34	15071208220000	GREELEY	0.13893382	0.11986399
COAKES 1 SWD	15071202170000	GREELEY	0.14583333	0.14583333
DRAKE 3-27	15071208040000	GREELEY	0.15000000	0.12210938
EDMAN 2-17	15071207150000	GREELEY	0.14401713	0.11486940

EDMAN 3-17	15071207280000	GREELEY	0.13872309	0.11056800
EDMAN 4-17	15071208200000	GREELEY	0.13872309	0.11056800
FECHT B 1	15071200830000	GREELEY	0.14425027	0.12186524
FECHT B 2-10	15071205970000	GREELEY	0.14470596	0.11872094
FECHT D 1	15071201090000	GREELEY	0.12475525	0.10209230
FERTIG 1-35	15071208270000	GREELEY	0.14704015	0.11625100
FISHMAN 1 RCB	15071202040000	GREELEY	0.05239455	0.04352836
FLOYD 2	15071204550000	GREELEY	0.08826125	0.07652491
FLOYD A 2-25	15071205980000	GREELEY	0.15000000	0.11780625
FLOYD 3	15071206750000	GREELEY	0.11883536	0.10016855
FLOYD A 1	15071200470000	GREELEY	0.15000000	0.11690625
FLOYD A 3-25	15071207880000	GREELEY	0.15000000	0.11780625
FLOYD B 1	15071200860000	GREELEY	0.13872309	0.11729848
FOSTER 1-7	15071201360000	GREELEY	0.14687713	0.12200630
FOSTER 2-7	15071206000000	GREELEY	0.15000000	0.11989829
FOSTER 3-7	15071208050000	GREELEY	0.15000000	0.11989829
GIBB 1	15071201510000	GREELEY	0.14850000	0.12738696
GIBSON 1	15071201060000	GREELEY	0.11851161	0.10054950
GIBSON 3-26	15071207350000	GREELEY	0.12138270	0.10288226
HARDING 1	15071200760000	GREELEY	0.09014625	0.07753437
HARRIS A 1	15071200670000	GREELEY	0.14985938	0.11403750
HOFFMAN 1	15071201770000	GREELEY	0.14850000	0.11881500
HOFFMAN 1-32	15071203570000	GREELEY	0.14850000	0.11258190
HOFFMAN 2 SWD	15071202170000	GREELEY	0.15000000	0.15000000
HOFFMAN G 32-1	15071203570000	GREELEY	0.12656250	0.09781657
HOPPE 1	15071201450000	GREELEY	0.15000000	0.12479396
HOUSEHOLDER 2	15071206640000	GREELEY	0.12319549	0.10391364
HOUSEHOLDER 3- 29	15071208070000	GREELEY	0.15000000	0.11634375
HUNT 2 RCB	15071207720000	GREELEY	0.09862500	0.08193578
JOY 1	15071207330000	GREELEY	0.15000000	0.12030000
KAEBERLE 1	15071207490000	GREELEY	0.15000000	0.12510000
KIEFER 1	15071202770000	GREELEY	0.15000000	0.08334749
KUDER	15071201160000	GREELEY	0.14531250	0.11579590
KUTTLER 1	15071202990000	GREELEY	0.15000000	0.11250001
KUTTLER A	15071202240000	GREELEY	0.15000000	0.13125000
KUTLER A 2 SWD	15071202170000	GREELEY	0.15000000	0.15000000
KUTTLER B	15071202310000	GREELEY	0.15000000	0.13125000
KUTTLER D	15071202380000	GREELEY	0.15000000	0.13125000
KUTTLER E	15071202400000	GREELEY	0.15000000	0.13125000

KUTTLER F	15071203780000	GREELEY	0.15000000	0.13125000
KUTTLER G	15071207530000	GREELEY	0.15000000	0.13125000
KUTTLER H	15071207550000	GREELEY	0.15000000	0.13125000
LEE 1-27	15071201500000	GREELEY	0.14154232	0.11943573
LEE 3-27	15071207900000	GREELEY	0.14154232	0.11943573
LESSER 1 SWD	15071202170000	GREELEY	0.15000000	0.15000000
LILJEGREN 1	15071202130000	GREELEY	0.15000000	0.11249998
LIVINGSTON 3 SWD	15071202170000	GREELEY	0.15000000	0.15000000
MARG HUNT 1 RCB	15071200810000	GREELEY	0.07396875	0.05120988
MARG HUNT 2 RCB	15071207710000	GREELEY	0.07396875	0.05120988
MILLER 1	15071203300000	GREELEY	0.15000000	0.11765448
MILLER A 2-23	15071207340000	GREELEY	0.15000000	0.11673047
MONROE 1-4	15071201850000	GREELEY	0.12987108	0.10991407
MONROE 2-4	15071207060000	GREELEY	0.12987108	0.10771716
NICKELSON 1-4	15071206170000	GREELEY	0.15000000	0.13125000
NICKELSON 2	15071207310000	GREELEY	0.15000000	0.13125000
PONCIN	15071203180000	GREELEY	0.12656250	0.09709819
PRINGLE A 1	15071201370000	GREELEY	0.14121230	0.12183975
PRINGLE A 4-25	15071207990000	GREELEY	0.14425027	0.12443721
PRINGLE A 2	15071207160100	GREELEY	0.14425027	0.12443721
PRINGLE C 1	15071201470000	GREELEY	0.14121230	0.12000353
PRINGLE RANCH	15071207040000	GREELEY	0.14230973	0.11218740
RAUCH 1	15071202120000	GREELEY	0.13125000	0.11221875
REXFORD 1	15071203500000	GREELEY	0.15000000	0.11765448
REXFORD 2	15071203520000	GREELEY	0.15000000	0.11764033
RICHARDSON ESTATE 1	15071200650000	GREELEY	0.14507319	0.12394985
ROE 1 RCB	15071200880000	GREELEY	0.09862500	0.08193578
ROE 2 RCB	15071202690000	GREELEY	0.09862500	0.08193578
ROE 3 RCB	15071207730000	GREELEY	0.09862500	0.08193578
ROSS 2	15071201720000	GREELEY	0.12514454	0.09385840
ROSS 3	15071202050000	GREELEY	0.12514453	0.09496069
ROSS 5	15071207560000	GREELEY	0.12900438	0.09675329
SANDIFER A 2	15071207520000	GREELEY	0.15000000	0.13125000
SANDIFER A	15071203790000	GREELEY	0.15000000	0.13125000
SELL 1-9	15071201760000	GREELEY	0.12987108	0.10882723
SELL A 2-3	15071208210000	GREELEY	0.13872309	0.11645473
SELL A 1	15071200840000	GREELEY	0.13872309	0.11645473

SELL B 1	15071201100000	GREELEY	0.13872309	0.11941828
SIBYL 1	15071206460000	GREELEY	0.09375000	0.07031250
SLEIGH 1-1	15071201530000	GREELEY	0.14718750	0.12506888
SLEIGH 2-1	15071207930000	GREELEY	0.14906250	0.12647512
SPEARS 2	15071202460000	GREELEY	0.15000000	0.12460460
SPEARS 3	15071204840000	GREELEY	0.14708106	0.11490708
STEPHENS 2-15	15071207890000	GREELEY	0.15000000	0.11249998
THOMPSON 1	15071200360000	GREELEY	0.12187500	0.10073438
V HILL 1-11 SWD	15071202170000	GREELEY	0.15000000	0.15000000
VESTER 1	15071201540000	GREELEY	0.14705355	0.12331136
WALACE 3-22	15071207770000	GREELEY	0.15000000	0.12750000
WATSON 1	15071206560000	GREELEY	0.15000000	0.12165000
WATSON FARMS	15071203580000	GREELEY	0.11250000	0.09140625
WATSON FARMS 1 A	15071208120000	GREELEY	0.14418324	0.10923922
WATSON FARMS 2	15071207110000	GREELEY	0.14250000	0.10939510
WEAR 1	15071206930000	GREELEY	0.10885135	0.08411351
WEAR 1 RCB	15071200930000	GREELEY	0.10520045	0.08780188
WEAR 2	15071207300000	GREELEY	0.11472973	0.08934730
WEAR 2 RCB	15071207750000	GREELEY	0.08565000	0.07115571
WEAR 3 RCB	15071208440000	GREELEY	0.08565000	0.07115571
WEAR 4 RCB	15071208450000	GREELEY	0.08565000	0.07115571
WEAR B 1	15071201120000	GREELEY	0.08465115	0.07182107
WEAR TRUST 1	15071202830000	GREELEY	0.15000000	0.11251152
WEST 1	15071201800000	GREELEY	0.15000000	0.11404688
WINEINGER 2	15071202160000	GREELEY	0.13002364	0.09843750
WINEINGER 1	15071200320000	GREELEY	0.14704015	0.11625100
WINEINGER 3-35	15071208020000	GREELEY	0.14704015	0.11625100
WOOD 1 RCB	15075201470000	GREELEY	0.09862500	0.08193580
HEGER 1 SWD	15071202170000	HAMILTON	0.15000000	0.15000000
BANBURY 2	15075207920000	HAMILTON	0.15000000	0.13125000
BOLTZ 1	15075200310000	HAMILTON	0.15000000	0.12675000
BOLTZ 2	15075206120000	HAMILTON	0.15000000	0.11250000
BOLTZ 3	15075207530000	HAMILTON	0.15000000	0.12675000
BRADDOCK 1	15075208160000	HAMILTON	0.13950000	0.11896734
BUCK 1-3	15075207270000	HAMILTON	0.13781250	0.10935937
BUCK 2-3	15075207470000	HAMILTON	0.14100000	0.11175000
CLETUS 1	15075207460000	HAMILTON	0.10500000	0.08638125
DALENE 1	15075206950000	HAMILTON	0.14250000	0.11364375
DIKEMAN 1 SWD	15075206680000	HAMILTON	0.12681081	0.09966811

DIKEMAN 2	15075207610000	HAMILTON	0.12750000	0.10222500
DOTTS	15075200980000	HAMILTON	0.15000000	0.12187500
DOYLE 2	15075206200000	HAMILTON	0.11871094	0.08903320
EARL 1	15075207450000	HAMILTON	0.14850000	0.11797500
ELDON 1	15075206020000	HAMILTON	0.09375000	0.07078750
ELSIE 1	15075208060000	HAMILTON	0.13950000	0.11857500
GEORGE 1	15075206410000	HAMILTON	0.12000000	0.09498750
GEORGE 2	15075207350000	HAMILTON	0.15000000	0.11886500
HATCHER CATTLE CO	15075202590000	HAMILTON	0.14442569	0.10968179
HAZLETT 1 1	15075205680000	HAMILTON	0.10687500	0.08683594
HAZLETT 2	15075206340000	HAMILTON	0.10687500	0.08683594
HCU 831 B	15075206820000	HAMILTON	0.15000000	0.12648015
HENRY 1	15075207750000	HAMILTON	0.15000000	0.12187500
HENRY 2	15075207750000	HAMILTON	0.15000000	0.12187500
HERRMANN 1	15075207040000	HAMILTON	0.12375001	0.09879375
HERRMANN A 1	15075207830000	HAMILTON	0.15000000	0.12718750
HILL 1	15075206990000	HAMILTON	0.09450000	0.07543500
HILL 2	15075207440000	HAMILTON	0.14850000	0.11881500
JANTZ 1	15075206030000	HAMILTON	0.09375000	0.07031250
JOHNSON 1 A	15075206720000	HAMILTON	0.09060811	0.07313363
LESSER 1	15075206520000	HAMILTON	0.14006196	0.11746875
LEWIS 2	15075207370000	HAMILTON	0.13000000	0.10515667
LEWIS 1	15075206690000	HAMILTON	0.12000000	0.09440167
LIVINGSTON 1	15075201460000	HAMILTON	0.15000000	0.12187500
LIVINGSTON 1 A	15075206460000	HAMILTON	0.14250000	0.11365377
LIVINGSTON 2	15075201500000	HAMILTON	0.15000000	0.12187515
LIVINGSTON 4	15075206830000	HAMILTON	0.15000000	0.11941406
LOIS 1	15075207330000	HAMILTON	0.15000000	0.11970000
MAI 1	15075207090000	HAMILTON	0.15000000	0.12703125
MARIE 1	15075206050000	HAMILTON	0.09375000	0.07078750
MUNCIE 1	15075206670000	HAMILTON	0.15000000	0.12662500
PARSONS	15075202990000	HAMILTON	0.13106060	0.09835688
PARSONS 2	15075207320000	HAMILTON	0.12975000	0.09745312
SIMON 1-12	15075207140000	HAMILTON	0.15000000	0.12637500
SIMON 2-12	15075207210000	HAMILTON	0.15000000	0.12637500
SINSABAUGH 1	15075205960000	HAMILTON	0.09375000	0.07078750
SINSABAUGH 2	15075206610000	HAMILTON	0.12000000	0.09498750
SUERTE 1	15075206650000	HAMILTON	0.10875000	0.08456250
SUGAR 1	15075207930000	HAMILTON	0.15000000	0.12178125



<b>TATE 1</b>	<b>15075206710000</b>	<b>HAMILTON</b>	<b>0.15000000</b>	<b>0.11535000</b>
<b>VIRGINIA 1</b>	<b>15075207430000</b>	<b>HAMILTON</b>	<b>0.14850000</b>	<b>0.11642813</b>
<b>WHITE 1</b>	<b>15075206060000</b>	<b>HAMILTON</b>	<b>0.09375000</b>	<b>0.07080312</b>
<b>WILCOX 1</b>	<b>15075207050000</b>	<b>HAMILTON</b>	<b>0.15000000</b>	<b>0.12450000</b>
<b>YODER 1</b>	<b>15075208150000</b>	<b>HAMILTON</b>	<b>0.14699999</b>	<b>0.12536343</b>

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

STATE OF KANSAS  
COUNTY OF GREELEY &  
HAMILTON

§  
§ KNOW ALL MEN BY THESE PRESENTS:  
§

THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE (this "Assignment"), effective as of the Effective Date (as hereinafter defined) is made from AMIBA ENERGY, L.L.C. ("Assignor"), 114 E 5<sup>th</sup> ST, Tulsa, OK 74103, to JULIET ROMEO INVESTMENTS, L.L.C. an Oklahoma limited liability company (the "Assignee").

ARTICLE I

Grant and Habendum

**Section 1.01 The Grant.** For One Hundred Dollars (\$100.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor does hereby GRANT, BARGAIN, SELL, CONVEY, ASSIGN and DELIVER the Assets unto Assignee, its respective successors and assigns, and subject to the matters set forth herein. The term "Assets" shall mean the specific undivided interest in and to each well more particularly described in Exhibit "B" Wells and Interest, and being of equal portion of the lands described in Exhibit "A" Description of Lands, , in and to:

- a. An undivided right, title and interest in and to the Assets covering oil and gas leases on the lands described in Exhibit A, together with any and all other right title and interest of the Assignor in and to the Assets covering leasehold estates created thereby subject to the terms, conditions, covenants and obligations set forth in such leases and/or Exhibit A, and all other interests of the Assignor of any kind or character in such Assets covering leases, including all Assets covering working interests, overriding royalty interests, net profits interests, carried interests or similar rights or interest in such leases, and together with all rights, privileges, benefits and powers conferred upon the holder of the leases with respect to the use and occupation of the surface of the lands covered thereby that may be necessary, convenient or incidental to the possession and enjoyment of such leases (the "Leases");
- b. An undivided right, title and interest in and to all Assets covering rights and interests in, under or derived from all unitization and pooling agreements in effect with respect to any of the Leases or Wells and the units created thereby (the "O&G Units");
- c. An undivided right, title and interest in and to all Assets covering oil and gas wells located on any of the Leases or the O&G Units, and all fresh water wells, injection wells, salt water disposal wells and other wells of every nature and kind located on the Leases or the O&G Units (such interest in such wells, including the interest as more specifically defined in each well as set forth in Exhibit B, the "Wells and Interests");



HAMILTON COUNTY STATE OF KANSAS  
VICKI VALENTINE, REGISTER OF DEEDS

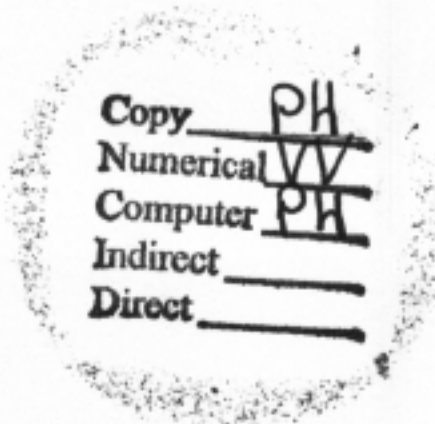
Book: 195 Page: 93

Pages Recorded: 22

Recording Fee: \$378.00

*Vicki Valentine*

Date Recorded: 9/21/2020 10:02:00 AM



- d. An undivided right, title and interest in and to all Assets pertaining to Hydrocarbons produced from or allocated to the Leases, Wells, or O&G Units from and after the Effective Date;
- e. An undivided right, title and interest in and to all Assets covering contracts to which the Assignor is a party or is bound relating to any of the Assets and (in each case) that will be binding on Assignee following the consummation of the Assignment, including: confidentiality agreements; farmin and farmout agreements; participation agreements; exploration agreements; development agreements; joint operating agreements; unit agreements; bottom hole agreements; crude oil, condensate and natural gas purchase and sale, gathering, transportation and marketing agreements; hydrocarbon storage agreements; acreage contribution agreements; operating agreements; balancing agreements; pooling declarations or agreements; unitization agreements; processing agreements; water disposal agreements; facilities or equipment leases; crossing agreements; letters of no objection; production handling agreements; and other similar contracts and agreements (the "Applicable Contracts"), and all rights thereunder;
- f. An undivided right, title and interest in and to all Assets covering government or regulatory license, authorization, permit, franchise, certificates of occupancy, consent and approval issued and held by or on behalf of Assignor or required to be so issued and held, and all easements and rights-of-way, surface use agreements, water access and water use agreements and other similar surface use or water rights, in each case, to the extent used in connection with the ownership or operation of any of the Leases, Wells, O&G Units or other Assets;
- g. An undivided right, title and interest in and to all Assets as it pertains to equipment, machinery, fixtures and other personal, moveable and mixed property, operational and nonoperational, known or unknown, located on any of the Leases, Wells, O&G Units or other Assets or used in connection therewith, including pipelines, gathering systems, manifolds, well equipment, casing, tubing, pumps, motors, fixtures, machinery, compression equipment, flow lines, processing and separation facilities, structures, materials and other items used in the operation thereof;
- h. An undivided right, title and interest in and to all Assets pertaining to Imbalances (as hereinafter defined) relating to the Assets;
- i. An undivided right, title and interest in and to all Assets as it pertains to the files, records, information and data, whether written or electronically stored, relating to the Assets in the Assignor's or its Affiliates' possession, including: (i) land and title records (including abstracts of title, title opinions and title curative documents); (ii) Applicable Contract files; (iii) correspondence; (iv) operations, environmental, production and accounting records, (v) facility and well records and (vi) all geophysical and other seismic and related technical data and information relating to the Assets; and
- j. to the extent that they may be assigned, all insurance policies relating to the Assets.

All of said Assets being a portion only of those certain assets conveyed to AMIBA ENERGY, LLC, from Petrovest Operating, LLC.

For purposes of this Section 1.01, "Imbalance" shall mean (i) any marketing imbalance between the quantity of Hydrocarbons attributable to the Assets required to be delivered by the Assignor under any Applicable Contract relating to the purchase and sale, gathering, transportation, storage, processing (including any production handling and processing at a separation facility) or marketing of Hydrocarbons and the quantity of Hydrocarbons attributable to the Assets actually delivered by the Assignor pursuant to the relevant Applicable Contract, together with any appurtenant rights and obligations concerning production balancing at the delivery point into the relevant sale, gathering, transportation, storage or processing facility and (ii) any imbalance at the wellhead between the amount of Hydrocarbons produced from a Well and allocable to the interests of the Assignor therein and the shares of production from the relevant Well to which the Assignor is entitled, together with any appurtenant rights and obligations concerning future in kind and/or cash balancing at the wellhead.

It is the intention of Assignor and Assignee that this Assignment cover only those certain working interest and net revenue interest of Assignor's described on Exhibit A and Exhibit B in and to the Assets, instrument, contract, conveyance or agreement.

**Section 1.02 Habendum Clause.** TO HAVE AND TO HOLD the Assets, unto Assignee and to their respective successors and assigns, forever, subject to the other matters set forth herein.

## ARTICLE II

### General

**Section 2.01 Special Warranty of Title.** Assignor does hereby bind itself and its successors and assigns to warrant and forever defend Defensible Title to the Assets unto Assignee, and its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part of the same by, through or under Assignor, but not otherwise.

Assignor hereby assigns to Assignee all rights, claims and causes of action under title and warranties given or made by Assignor's predecessors in interest with respect to the Assets, and Assignee is specifically subrogated to all rights which Assignor may have against such predecessors in interest with respect to the Assets, to the extent Assignor may legally transfer such rights and grant such subrogation.

**EXCEPT FOR THE SPECIAL WARRANTY OF TITLE CONTAINED HEREIN THIS ASSIGNMENT IS MADE WITHOUT ANY WARRANTY WHATSOEVER, EITHER EXPRESS OR IMPLIED, AND ASSIGNOR HEREBY EXPRESSLY DISCLAIMS ALL AND ANY OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE. WITHOUT LIMITATION OF THE FOREGOING, EXCEPT FOR THE SPECIAL WARRANTY OF TITLE CONTAINED HEREIN, THE ASSETS ARE CONVEYED PURSUANT HERETO WITHOUT ANY WARRANTY OR REPRESENTATION WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, RELATING TO THE PROPERTIES OR RELATING TO THE CONDITION, QUANTITY, QUALITY, FITNESS FOR A PARTICULAR PURPOSE, CONFORMITY TO THE MODELS OR SAMPLES OF MATERIALS OR MERCHANTABILITY OF ANY EQUIPMENT OR ITS FITNESS FOR ANY PURPOSE, OR QUALITY OR QUANTITY OF RESERVES, AND, EXCEPT AS PROVIDED OTHERWISE IN THE FIRST SENTENCE OF THIS PARAGRAPH, WITHOUT ANY OTHER EXPRESS, IMPLIED, STATUTORY OR OTHER WARRANTY OR REPRESENTATION WHATSOEVER.**

**Section 2.02 Subject to.** This Assignment is made subject to (i) that certain Joint Operating Agreement, Letter Agreement, and the associated Exhibits, dated May 1, 2020.

**Section 2.03 Construction.** The captions in this Assignment are for convenience only and shall not be considered a part of or affect the construction or interpretation of any provision of this Assignment. Assignor and Assignee acknowledge that they have participated jointly in the negotiation and drafting of this Assignment and as such they agree that if an ambiguity or question of intent or interpretation arises hereunder, this Assignment shall not be construed more strictly against one party than another on the grounds of authorship.

**Section 2.04 Assignment.** This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

**Section 2.05 Recording.** In addition to filing this Assignment, the parties hereto shall execute and file with the appropriate authorities, whether federal, state or local, all forms or instruments required by applicable law to effectuate the conveyance contemplated hereby. Said instruments shall be deemed to contain all of the exceptions, reservations, rights, titles and privileges set forth herein as fully as though the same were set forth in each such instrument. The interests conveyed by such separate assignments are the same, and not in addition to the Assets conveyed herein.

**Section 2.06 Exhibits.** Exhibits referred to herein are hereby incorporated and made a part of this Assignment for all purposes by such reference.

**Section 2.07 First Right of Refusal.** And for the same consideration, during the term of the Assignment, before Assignee may sell all, or a portion of its interest described on Exhibit "A" to a third party, Assignee shall first offer the property to Assignor on the same terms and conditions as are offered by the third party. Assignor shall have 30 days during which to accept said offer. If Assignor does not accept said offer within said period, Assignee shall be free to accept the third-party offer. If Assignee does not enter into an agreement with the third party on said terms and conditions and close the transaction within 45 days, Assignee's right to sell the property to the third party shall expire and the procedure described in this Section shall again be applicable.

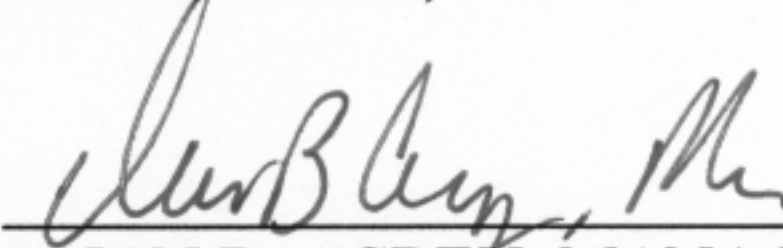
**Section 2.08 Reservations.** Notwithstanding anything contained in this Assignment to the contrary, it is understood and agreed that the properties herein conveyed shall not include and there is specifically EXCEPTED, RESERVED and EXCLUDED from the transfer contemplated by this Assignment, all of Assignors' right, title and interest in and to (A) all fee mineral, royalty, overriding royalty and other similar non-cost bearing interests in the lands described on Exhibit A attached hereto or in the lands otherwise covered by any oil, gas and/or mineral leases herein conveyed, and (B) any interest to any real property or surface estate interest in the lands described on Exhibit A attached hereto or in lands otherwise covered by any oil, gas and/or mineral leases herein conveyed.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF Assignor and Assignee have executed this Assignment on the dates set forth in their respective acknowledgements hereto to be effective as of May 1, 2020 (the "Effective Date").

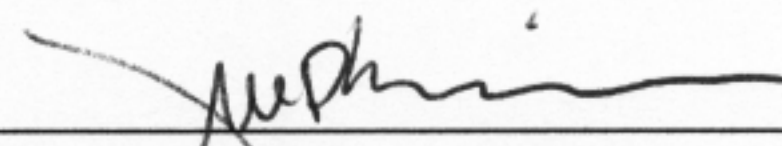
**ASSIGNOR:**

**AMIBA ENERGY, L.L.C.**

By:   
Name: IAN B. ACREY, MANAGER

**ASIGNEE:**

**JULIET ROMEO INVESTMENTS, LLC**

  
By: JEFFREY S. ROBINSON  
Title: MANAGER

ACKNOWLEDGMENT

STATE OF OKLAHOMA )  
 )  
COUNTY OF TULSA )

This instrument was acknowledged before me on this the 18<sup>th</sup> day of September, 2020, by Jan B. Acree, on behalf of Arriba Energy LLC in the capacity stated therein, on behalf of said company.



Susan K. Mothershed  
Notary Public, State of Oklahoma

ACKNOWLEDGMENT

STATE OF Oklahoma )  
 )  
COUNTY OF Tulsa )

This instrument was acknowledged before me on this the 18<sup>th</sup> day of September, 2020, by Jeffrey S. Robinson, on behalf of Juliet Romeo Investments, LLC in the capacity stated therein, on behalf of said company.



Susan K. Mothershed  
Notary Public, State of Oklahoma

**EXHIBIT "A"**

**ATTACHED HERETO AND MADE A PART HEREOF THAT CERTAIN ASSIGNMENT AND BILL OF SALE, BY AND BETWEEN AMIBA ENERGY, LLC AS ASSIGNOR AND JULIET ROMEO INVESTMENTS, LLC, AS ASSIGNEE.**

**DESCRIPTION OF LANDS**  
**GREELEY COUNTY, KANSAS**

**The extent of ownership interest conveyed to Assignee in the following is limited to the percentage interest as set forth in Exhibit "B".**

<b>ADAMS #1</b>	<b>All of Section 2, T17S, R40W</b>
<b>BARKER #1-10</b>	<b>SE/4 Section 10, T19S, R40W</b>
<b>BARR #1</b> <b>BARR #2-16</b>	<b>All of Section 16, T17S, R40W</b>
<b>BAUGHMAN "W"</b>	<b>E/2 SE/4 &amp; SW/4 SE/4 Section 19, T19S, R39W</b>
	<b>NW/4 Section 29, SW/4 Section 29 &amp; NE/4 Section 31, T19S, R39W</b>
<b>BEARD #1</b>	<b>SE/4 Section 36, T20S, R41W</b>
<b>BOUNDS SWD</b>	<b>SW4 Section 13, T20S, R40W</b>
<b>BURSKE 'A' #1</b>	<b>Section 2, T20S, R40W</b>
<b>BURSKE #2</b>	<b>SE/4 Section 2, T20S, R40W</b>
<b>CAMPBELL #2-13</b>	<b>NE/4 Section 13, T19S, R41W</b>
<b>CAMPBELL #3-13</b>	<b>SE/4 Section 13, T19S, R41W</b>
<b>CHESTER #1-RCB</b>	<b>SE/4 Section 19, T17S, R40W</b>
<b>CHESTER #2-RCB</b>	<b>W2 E2 NE/4Section 19, T17S, R40W</b>
<b>CHESTER #3-RCB</b>	<b>SW/4 Section 19, T17S, R40W</b>
<b>CHESTER #4-RCB</b>	<b>NW/4 Section 19, T17S, R40W</b>
<b>CLIFT #1-17-RCB</b>	<b>SE/4 Section 17, T17S, R40W</b>
<b>CLIFT #2-17-RCB</b>	<b>SW/4 Section 17, T17S, R40W</b>
<b>CLIFT 'A' -1</b>	<b>West Side NW/4 &amp; NE/4 Section 17 &amp; N/2 SE/4 Section 33, T18S, R40W</b>



<b>CLIFT 'B'-1</b>	<b>W/2 &amp; SE/4 Section 34, T18S, R40W</b>
<b>CLIFT #1</b>	<b>Section 9, T19S, R40W</b>
<b>CLIFT 'A' #3-33</b>	<b>Section 33, T18S, R40W</b>
<b>CLIFT 'B' #3-34</b>	<b>SE/4 Section 34, T18S, R40W</b>
<b>DRAKE #1</b>	<b>NE/4 Section 27, T20S, R40W</b>
<b>DRAKE #3-27</b>	<b>NW SW/4 Section 27, T20S, R40W</b>
<b>EDMUN #2-17</b>	<b>E/4 Section 17, T19S, R40W</b>
<b>EDMUN #3-17</b>	<b>SE/4 Section 17, T19S, R40W</b>
<b>EDMUN #4-17</b>	<b>SW/4 Section 17, T19S, R40W</b>
<b>FECHT 'B'</b>	<b>All of Section 10, T19S, R40W</b>
<b>FECHT 'B' #2-10</b>	<b>SW/4 Section 10, T19, R40W</b>
<b>FECHT 'D' #1</b>	<b>NE/4, SW/4 Section 28, T18S, R40W</b>
<b>FERTIG #1-35</b>	<b>SW/4 Section 35, T19S, R40W</b>
<b>FISHMAN #1-RCB</b>	<b>SE/4 Section 8, T17S, R40W</b>
<b>FLOYD #2</b>	<b>E/2 &amp; SW/4 Section 24, T19S, R40W</b>
<b>FLOYD #3</b>	<b>Section 25, T19S, R40W</b>
<b>FLOYD 'A' #1</b>	<b>Section 15, T20S, R40W</b>
<b>FLOYD 'B' #1</b>	<b>All of Section 12, T19S, R41W</b>
<b>FLOYD 'A' #2-25</b>	<b>Section 25, T19S, R40W</b>
<b>FLOYD "A" #3-25</b>	<b>NW SW/4 Section 25, T19S, R40W</b>
<b>FOSTER #1-7</b>	<b>Section 7, T20S, R39W</b>
<b>FOSTER #2-7</b>	
<b>FOSTER #3-7</b>	
<b>GIB #1</b>	<b>NW NW NW/4 Section 28, T17S, R40W</b>

<b>GIBSON #1</b>	<b>E/2 NW/4 &amp; SW/4 Section 26, T17S, R40W</b>
<b>GIBSON #3-26</b>	<b>SW/4 Section 26, T17S, R40W</b>
<b>HARDING #1</b>	<b>Section 10, T20S, R40W</b>
<b>HARRIS 'A' #1</b>	<b>Section 15, T20S, R40W</b>
<b>HARRIS 'A' #2 (P&amp;A)</b>	
<b>HOFFMAN #1</b>	<b>N/2 &amp; SW/4 &amp; SE/4 Section 24, T18S, R40W</b>
<b>HOFFMAN #32-1</b>	<b>SW/4 Section 30; N/2 Section 31; SE/4 Section 31 &amp; SW/4 Section 32, T18S, R40W</b>
<b>HOPPE #1</b>	<b>E/2 Section 10; W/2 Section 11, T17S, R40W</b>
<b>HOUSEHOLDER GAS UNIT (P&amp;A)</b>	<b>Section 28, T20S, R40W</b>
<b>HOUSEHOLDER #2</b>	<b>Section 28, T20S, R40W</b>
<b>HOUSEHOLDER #1-29 (P&amp;A)</b>	<b>SE/4 Section 29, T20S, R40W</b>
<b>HOUSEHOLDER #2-29 (P&amp;A)</b>	<b>NE/4 Section 29, T20S, R40W</b>
<b>HOUSEHOLDER #3-29</b>	<b>SW/4 Section 29, T20S, R40W</b>
<b>HUNT #1-RCB</b>	<b>NE/4 Section 20, T17S, R40W</b>
<b>HUNT #2-RCB</b>	<b>SW/4 Section 20, T17S, R40W</b>
<b>JOY #1</b>	<b>Section 6, T20S, R39W</b>
<b>KAEBERLE #1</b>	<b>S/2 Section 36, T16S, R40W</b>
<b>KUDER</b>	<b>All of Section 1, T18S, R40W</b>
<b>KUTTLER 'A'</b>	<b>S/2 Section 28; SE/4 Section 29 &amp; NE/4 Section 32, T19S, R39W</b>
<b>KUTTLER 'B'</b>	<b>S/2 Section 33; NE/4 &amp; SW/4 Section 4, T19S, R39W</b>

<b>KUTTLE 'D'</b>	<b>N/2 &amp; SW/4 Section 20; NE/4 Section 19, T19S, R39W</b>
<b>KUTTLE 'E'</b>	<b>SE/4 Section 20; N/2 Section 28; NE/4 Section 29, T19S, R39W</b>
<b>KUTTLE 'F'</b>	<b>N/2 SW/4 &amp; NW/4 SE/4 Section 19 &amp; SW/4 Section 18, T19S, R39W</b>
<b>KUTTLE 'G'</b>	<b>NW/4 &amp; SW/4 Section 29 &amp; NE/4 Section 26, T19S, R39W</b>
<b>KUTTLE 'H'</b>	<b>NW/4 Section 29, T19S, R39W</b>
<b>KUTTLE #2-SWD</b>	<b>Tract of Land 200' by 200' in the SE/4, Section 29, T19S, R39W</b>
<b>LEE #1-27</b>	<b>NE/4 and W/2 Section 27, R17S, R40W</b>
<b>LEE #3-27</b>	<b>NE/4 Section 27, T17S, R40W</b>
<b>MARG HUNT #1</b>	<b>NW/4 Section 21, T17S, R40W</b>
<b>MARG HUNT #2</b>	<b>W2 SW/4 Section 21, T17S, R40W</b>
<b>MARVEL #1-A (P&amp;A)</b>	<b>NE/4 &amp; SW/4 SECTION 20, T20S, R40W</b>
<b>MILLER # A2-23</b>	<b>NE/4 Section 23, T20S, R40W</b>
<b>MILLER # A3-23 (P&amp;A)</b>	
<b>MONROE #1-4</b>	<b>Section 4, T18S, R40W</b>
<b>MONROE #2-4</b>	
<b>NICKELSON #1-4</b>	<b>NE/4 Section 4, T20S, R39W</b>
<b>NICKELSON #2</b>	<b>NE/4 &amp; SW/4 Section 4, T20S, R39W</b>
<b>PONCIN</b>	<b>N2 &amp; SW/4 Section 5, &amp; SE/4 Section 6, T19S, R40W</b>
<b>PRINGLE 'A' #1</b>	<b>S/2 Section 25, T18S, R40W</b>
<b>PRINGLE 'A' #2</b>	<b>NW/4 Section 26, T18S, R40W</b>
<b>PRINGLE 'C' #1</b>	<b>S/2 of N/2 and S/2 Section 30, T18S, R39W</b>

<b>PRINGLE 'A' 4-25</b>	<b>Section 25, T18S, R40W</b>
<b>PRINGLE RANCH</b>	<b>NE/4 Section 26, T18S, R40W &amp; SW/4 Section 2, T19S, R40W</b>
<b>RAUCH</b>	<b>NW/4 NW/4 Section 8, T18S, R39W</b>
<b>RICHARDSON ESTATE #1</b>	<b>Section 13, T19S, R40W</b>
<b>ROE #1-RCB</b>	<b>NW/4 Section 29, T17S, R40W</b>
<b>ROE #2-RCB</b>	<b>SESW/4 Section 29, T17S, R40W</b>
<b>ROE #3-RCB</b>	<b>NE NW NE/4 Section 29, T17S, R40W</b>
<b>ROSS #2</b>	<b>All of Section 5, T18S, R39W</b>
<b>ROSS #3</b>	<b>All of Section 6, T18S, R39W</b>
<b>ROSS #5</b>	<b>SW SW/4 Section 5, T18S, R39W</b>
<b>SANDIFER 'A'</b>	<b>N/2 Section 33, T19S, R39W</b>
<b>SANDIFER 'A' #2</b>	<b>S/2 SEC 34, N/2 SEC 33, T19S-R39W</b>
<b>SELL#1-9</b>	<b>S/2 Section 9, T18S, R40W</b>
<b>SELL 'A' #1</b>	<b>Section 3, T19S, R40W</b>
<b>SELL 'A' #2-3</b>	<b>Section 3, T19S, R40W</b>
<b>SELL 'B' #1</b>	<b>All of Section 3, T17S, R40W</b>
<b>SIBYL #1</b>	<b>S/2 SE/4 SECTION 19, T19S, R39W</b> <b>NE/4 SE/4 SECTION 19, T19S, R39W</b> <b>W/2 SECTION 29, T19S, R39W</b> <b>NW/4 NW/4 SECTION 32, T19S, R39W</b> <b>NE/4 SECTION 31, T19S, R39W</b>
<b>SLEIGH #1-1</b>	<b>NW NW/4 Section 1, T17S, R40W</b>
<b>SLEIGH #2-1</b>	<b>NE/4 Section 1, T17S, R40W</b>
<b>THOMPSON #1</b>	<b>All of Section 32, T20S, R40W</b>
<b>V-HILL #1-11 SWD</b>	<b>SW/4 Section 11, T19S, R40W</b>
<b>VESTER</b>	<b>SW/4 Section 1; E/2 Section 11;SW/4 Section 12, T17S, R40W</b>

<b>WALLACE #3-22</b>	<b>NW/4 Section 22, T20S, R40W</b>
<b>WATSON #1</b>	<b>SW/4 &amp; NW/4 Section 17, T20S, R39W</b>
<b>WATSON FARMS</b>	<b>SW/4 &amp; NE/4 Section 19, T20S, R39W</b>
<b>WATSON FARMS #2</b>	<b>SW/4 Section 19, T20S, R39W</b>
<b>WATSON 'E' #2-H (P&amp;A)</b>	<b>Section 12, T20S, R40W</b>
<b>WATSON 'E' #3 (P&amp;A)</b>	
<b>WEAR #1</b>	<b>E/2 SECTION 15, T17S, R40W</b>
<b>WEAR #2</b>	<b>NE/4 SECTION 15, T17S, R40W</b>
<b>WEAR #1-RCB</b>	<b>SW/4 Section 30, T17S, R40W</b>
<b>WEAR #2-RCB</b>	<b>NE/4 Section 30, T17S, R40W</b>
<b>WEAR #3-RCB</b>	<b>SE NW/4 Section 30, T17S, R40W</b>
<b>WEAR #4-RCB</b>	<b>NW NW NW/4 Section 30, T17S, R40W</b>
<b>WEAR 'B' #1</b>	<b>NW/4 &amp; NE/4 &amp; S/2 Section 25, T17S, R40w</b>
<b>WINEINGER #1</b>	<b>NW/4 Section 35, T19S, R40W</b>
<b>WINEINGER #3-35</b>	<b>NE/4 Section 35, T19S, R40W</b>
<b>WOODS #1-RCB</b>	<b>E2 NE SE/4 Section 4, T17S, R40W</b>
<b>WATSON FARMS #1-A</b>	<b>Section 8, T20 S, R39 W;</b>
<b>WATSON FARMS #2,</b>	<b>NW/4, Section 19, T20 S, R39 W, &amp; The</b>
	<b>SE/4, Section 19, T20 S, R39W, &amp; The</b>
	<b>SE/4, Section 20, T20S, R39W</b>
<b>ANGELL #2 &amp; ANGELL #2A</b>	<b>Section 5, T20S, R39W</b>
<b>REXFORD #1</b>	<b>E/2 &amp; NW/4, Section 30, T20S, R39W, &amp;</b>
	<b>SE/4 OF Section 36, T20S, R39W</b>
<b>REXFORD #2</b>	<b>N/2 of Section 29, T20S, R39W, &amp; N/2 Of</b>
	<b>Section 28, T20S, R39W</b>
<b>KUTTLER #1</b>	<b>Section 4, T20S, R39W</b>
<b>LILJEGREN #1 &amp; STEPHENS #2-15</b>	<b>480 Acres being the N/2 &amp; SW/4 Of Section 15,</b>

	T19S, R40W
WEST #1	Section 28, T19S, R40W
SPEARS #2	E/2 & NW/4, Section 5, T20S, R40W, & NE/4 Of Section 7, T20S, R40W
WINEINGER #1	Section 34, T19S, R40W
WINEINGER #2	Section 33, T20S, R40W
SPEARS #3	Section 14, T20S, R40W
KEIFER #1	N/2 & SE/4, Section 6, T17S, R39W, & NE/4 Section 7, T17S, R39W
BRUNSWIG #1	NE/4 & SE/4 Of Section 12, T17S, R40W & the S/2 Of Section 7, T17S, R39W
WEAR TRUST #1	E/2 Of Section 10, T17S, R39W, & W/2 Section 14, T17S, R40 W;
BANBURY #1	NW/4 Of Section 7, T17S, R39W, & E/2 Of Section 8, T17S, R39W, & NW/4 Section 10, T17S, R39W

**DESCRIPTION OF LANDS**  
**HAMILTON COUNTY, KANSAS**

The extent of ownership interest conveyed to Assignee in the following is limited to the percentage interest as set forth in Exhibit "B".

BANBURY #2	All of Section 31, T21S, R40W
BOLTZ #1	All of Section 1, T24S, R41W
BOLTZ #2	SE/4 NE/4 Section 1, T24S-R41W
BOLTZ #3	SE NE SW Section 1, T-24S-41W
BOLTZ SWD	SE/4 SE/4 Section 1, T24S, R41W
BRADDOCK #1	Section 34, T22S, R40W

BUCK #1-13	E/2 Section 3, T23S, R40W
BUCK #2-13	E/2 Section 3, T23S, R40W
CLETUS #1	SE/4 Section 20, T21S, R41W
DALENE #1	Section 7, T22S, R41W
DIKEMAN #1	W/2 Section 15, T22S, R40W
DIKEMAN #2	Section 1, T23S, R40W
DOTTS #1	All of Section 28, T23S, R40W
DOYLE #1 (P&A)	W/2 Section 21, T23S, R41W
DOYLE #2	N/2 SW/4 Section 21, T23S, R41W
EARL #1	Section 23, T22S, R40W
ELDON #1	NE/4 Sec. 12, T23S, R41W And SW/4 Section 7, T23S, R40W
ELSIE #1	NW/4 Section 3, T23S, R40W
GEORGE #1	S/2 and NE/4 Section 1, T22S, R42W
GEORGE #2	SE/4 Section 1, T22S, R42W
HATCHER CATTLE CO.	All of Section 22, T22S, R42W
HAZLETT #1	Section 22, T21S, R41W
HAZLETT#2	
HCU 0831-B	Section 8, T23S, R41W
HEGER SWD	SE/4 Section 19, T23S, R41W
HENRY #1	All of Section 15, T23S, R40W
HENRY #2	
HERRMANN #1	E/2 Section 9, T23S, R40W;NW/4 & SW/4 Section 10, T23S, R40W
HERRMANN 'A'	SW/4 Section 24, T23S, R40W

HILL #1 HILL #2	SE/4 Section 10 & SW/4 Section 11, T22S, R40W
JANTZ #1	Section 5, T23S, R40W
JANTZ PIPELINE	
JOHNSON #1-'A'	Section 12, T24S, R41W
LESSER #1	All of Section 23, T21S, R41W
LESSER #3-SWD	NE/4 Section 23, T21S, R41W
LEWIS #1	SW/4 Section 7, T22S, R41W
LEWIS #2	SE/4 Section 7, T22S, R41W
LIVINGSTON #1	All of Section 16, T23S, R40W
LIVINGSTON #1-A	NW/4 Section 16, T23S, R40W
LIVINGSTON #2	All of Section 8, T23S, R40W
LIVINGSTON #4	N/2 SE/4 Section 8, T23S, R40W
LIVINGSTON SWD	N/2 Section 16, T23S, R40W
LOIS #1	NE/4 Section 10, T22S, R40W
MAI	Section 8, T23S, R41W
MARIE #1	SE/4 Section 7, T23S, R40W And the NW/4 Section 7, T23S, R40W SE/4 Section 2, T23S, R41W
MUNCIE #1	NW/4 Section 8, T23S, R40W SE/4 Section 33, T23S, R40W
PARSONS #1 PARSONS #2	All of Section 27, T23S, R41W
SIMON #1-12 SIMON #2-12	SW/4 & W/2 SE/4 Section 23, T22S, R40W NW/4 & N/2 SW/4 Section 12, T23S, R41W



**SINSABAUGH #1**

**N/2 Section 17, T23S, R41W  
S/2 Section 17, T23S, R41W**

**SINSABAUGH #2**

**SE/4 Section 17, T23S, R41W**

**SUERTE #1**

**Section 20, T23S, R41W**

**SUGAR #1**

**NW/4 Section 18, T23S, R39W  
NW/4 Section 24, T23S, R40W**

**TATE #1**

**Section 27, T24S, R41W**

**VIRGINIA #1**

**S/2 Section 5 and SE/4 Section 6, T21S,  
R40W**

**WHITE #1**

**E/2 Section 7, T23S, R40W**

**WILCOX #1**

**Section 34, T22S, R40W**

**YODER #1**

**NW/4 Section 34, T22S, R40W &  
W/2 Section 24, T22S, R40W**

**EXHIBIT "B"**  
**WELLS AND INTEREST**

**ATTACHED HERETO AND MADE A PART HEREOF THAT CERTAIN ASSIGNMENT AND BILL OF SALE, BY AND BETWEEN AMIBA ENERGY, LLC AS ASSIGNOR AND JULIET ROMEO INVESTMENTS, LLC AS ASSIGNEE.**

<b>WELL NAME</b>	<b>API</b>	<b>COUNTY</b>	<b>JULIET WI (ASSIGNMENT 2)</b>	<b>JULIET NRI (ASSIGNMENT 2)</b>
ADAMS 1	15071201070000	GREELEY	0.03386046	0.02872843
ANGELL 2	15071207000000	GREELEY	0.03799586	0.02856690
ANGELL 2 A	15071208110000	GREELEY	0.04621118	0.03474353
BANBURY 1	15071202780000	GREELEY	0.05000000	0.03777500
BARKER 1-10	15071208400000	GREELEY	0.04808342	0.04062175
BARR 1	15071200850000	GREELEY	0.04624103	0.03980609
BARR 2-16	15071207910000	GREELEY	0.04624103	0.03980609
BAUGHMAN W	15071202250000	GREELEY	0.05000000	0.04375000
BEARD 1	15071200400000	GREELEY	0.05000000	0.03962500
BOUNDS 2 SWD	15071202170000	GREELEY	0.05000000	0.05000000
BRUNSWIG 1	15071202840000	GREELEY	0.05000000	0.03750663
BRUNSWIG 18 SWD	15071202170000	GREELEY	0.05000000	0.05000000
BURSKE A 1	15071201410000	GREELEY	0.05000000	0.04218750
BURSKE 2	15071206590000	GREELEY	0.03125000	0.02343750
CAMPBELL 2-13	15071208030000	GREELEY	0.04624103	0.03906820
CAMPBELL 3-13	15071208360000	GREELEY	0.04624103	0.03906820
CHESTER 1 RCB	15071200870000	GREELEY	0.02895291	0.02405353
CHESTER 2 RCB	15071207760000	GREELEY	0.02895291	0.02405353
CHESTER 3 RCB	15071208330000	GREELEY	0.02895291	0.02405353
CHESTER 4 RCB	15071208460000	GREELEY	0.02863623	0.02405353
CLIFT 1	15071200790000	GREELEY	0.03287500	0.02731193
CLIFT 1-9	15071201030000	GREELEY	0.03934725	0.03246695
CLIFT 2 RCB	15071207740000	GREELEY	0.03270017	0.02731193
CLIFT A 1	15071200980000	GREELEY	0.04075385	0.03318342
CLIFT A 3-33	15071207960000	GREELEY	0.04075385	0.03318342
CLIFT B 1	15071201020000	GREELEY	0.04631127	0.03995466
CLIFT B 3-34	15071208220000	GREELEY	0.04631127	0.03995466
COAKES 1 SWD	15071202170000	GREELEY	0.04861111	0.04861111
DRAKE 3-27	15071208040000	GREELEY	0.05000000	0.04070313
EDMAN 2-17	15071207150000	GREELEY	0.04800571	0.03828980
EDMAN 3-17	15071207280000	GREELEY	0.04624103	0.03685600

EDMAN 4-17	15071208200000	GREELEY	0.04624103	0.03685600
FECHE B 1	15071200830000	GREELEY	0.04808342	0.04062175
FECHE B 2-10	15071205970000	GREELEY	0.04823532	0.03957365
FECHE D 1	15071201090000	GREELEY	0.04158508	0.03403077
FERTIG 1-35	15071208270000	GREELEY	0.04901338	0.03875033
FISHMAN 1 RCB	15071202040000	GREELEY	0.01746485	0.01450945
FLOYD 2	15071204550000	GREELEY	0.02942042	0.02550830
FLOYD A 2-25	15071205980000	GREELEY	0.05000000	0.03926875
FLOYD 3	15071206750000	GREELEY	0.03961179	0.03338952
FLOYD A 1	15071200470000	GREELEY	0.05000000	0.03896875
FLOYD A 3-25	15071207880000	GREELEY	0.05000000	0.03926875
FLOYD B 1	15071200860000	GREELEY	0.04624103	0.03909949
FOSTER 1-7	15071201360000	GREELEY	0.04895904	0.04066877
FOSTER 2-7	15071206000000	GREELEY	0.05000000	0.03996610
FOSTER 3-7	15071208050000	GREELEY	0.05000000	0.03996610
GIBB 1	15071201510000	GREELEY	0.04950000	0.04246232
GIBSON 1	15071201060000	GREELEY	0.03950387	0.03351650
GIBSON 3-26	15071207350000	GREELEY	0.04046090	0.03429409
HARDING 1	15071200760000	GREELEY	0.03004875	0.02584479
HARRIS A 1	15071200670000	GREELEY	0.04995313	0.03801250
HOFFMAN 1	15071201770000	GREELEY	0.04950000	0.03960500
HOFFMAN 1-32	15071203570000	GREELEY	0.04950000	0.03752730
HOFFMAN 2 SWD	15071202170000	GREELEY	0.05000000	0.05000000
HOFFMAN G 32-1	15071203570000	GREELEY	0.04218750	0.03260552
HOPPE 1	15071201450000	GREELEY	0.05000000	0.04159799
HOUSEHOLDER 2	15071206640000	GREELEY	0.04106516	0.03463788
HOUSEHOLDER 3-29	15071208070000	GREELEY	0.05000000	0.03878125
HUNT 2 RCB	15071207720000	GREELEY	0.03287500	0.02731193
JOY 1	15071207330000	GREELEY	0.05000000	0.04010000
KAEBERLE 1	15071207490000	GREELEY	0.05000000	0.04170000
KIEFER 1	15071202770000	GREELEY	0.05000000	0.02778250
KUDER	15071201160000	GREELEY	0.04843750	0.03859863
KUTTLER 1	15071202990000	GREELEY	0.05000000	0.03750000
KUTTLER A	15071202240000	GREELEY	0.05000000	0.04375000
KUTLER A 2 SWD	15071202170000	GREELEY	0.05000000	0.05000000
KUTTLER B	15071202310000	GREELEY	0.05000000	0.04375000
KUTTLER D	15071202380000	GREELEY	0.05000000	0.04375000

KUTTLER E	1507120240000	GREELEY	0.0500000	0.0437500
KUTTLER F	1507120378000	GREELEY	0.0500000	0.0437500
KUTTLER G	1507120753000	GREELEY	0.0500000	0.0437500
KUTTLER H	1507120755000	GREELEY	0.0500000	0.0437500
LEE 1-27	1507120150000	GREELEY	0.04718077	0.03981191
LEE 3-27	1507120790000	GREELEY	0.04718077	0.03981191
LESSER 1 SWD	1507120217000	GREELEY	0.0500000	0.0500000
LILJEGREN 1	1507120213000	GREELEY	0.0500000	0.03749999
LIVINGSTON 3 SWD	1507120217000	GREELEY	0.0500000	0.0500000
MARG HUNT 1 RCB	1507120081000	GREELEY	0.02465625	0.01706996
MARG HUNT 2 RCB	1507120771000	GREELEY	0.02465625	0.01706996
MILLER 1	1507120330000	GREELEY	0.0500000	0.03921816
MILLER A 2-23	1507120734000	GREELEY	0.0500000	0.03891016
MONROE 1-4	1507120185000	GREELEY	0.04329036	0.03663802
MONROE 2-4	1507120706000	GREELEY	0.04329036	0.03590572
NICKELSON 1-4	1507120617000	GREELEY	0.0500000	0.0437500
NICKELSON 2	1507120731000	GREELEY	0.0500000	0.0437500
PONCIN	1507120318000	GREELEY	0.04218750	0.03236606
PRINGLE A 1	1507120137000	GREELEY	0.04707077	0.04061325
PRINGLE A 4-25	1507120799000	GREELEY	0.04808342	0.04147907
PRINGLE A 2	15071207160100	GREELEY	0.04808342	0.04147907
PRINGLE C 1	1507120147000	GREELEY	0.04707077	0.04000118
PRINGLE RANCH	1507120704000	GREELEY	0.04743658	0.03739580
RAUCH 1	1507120212000	GREELEY	0.0437500	0.03740625
REXFORD 1	1507120350000	GREELEY	0.0500000	0.03921816
REXFORD 2	1507120352000	GREELEY	0.0500000	0.03921344
RICHARDSON ESTATE 1	1507120065000	GREELEY	0.04835773	0.04131662
ROE 1 RCB	1507120088000	GREELEY	0.03287500	0.02731193
ROE 2 RCB	1507120269000	GREELEY	0.03287500	0.02731193
ROE 3 RCB	1507120773000	GREELEY	0.03287500	0.02731193
ROSS 2	1507120172000	GREELEY	0.04171485	0.03128613
ROSS 3	1507120205000	GREELEY	0.04171484	0.03165356
ROSS 5	1507120756000	GREELEY	0.04300146	0.03225110
SANDIFER A 2	1507120752000	GREELEY	0.0500000	0.0437500
SANDIFER A	1507120379000	GREELEY	0.0500000	0.0437500

SELL 1-9	15071201760000	GREELEY	0.04329036	0.03627574
SELL A 2-3	15071208210000	GREELEY	0.04624103	0.03881824
SELL A 1	15071200840000	GREELEY	0.04624103	0.03881824
SELL B 1	15071201100000	GREELEY	0.04624103	0.03980609
SIBYL 1	15071206460000	GREELEY	0.03125000	0.02343750
SLEIGH 1-1	15071201530000	GREELEY	0.04906250	0.04168963
SLEIGH 2-1	15071207930000	GREELEY	0.04968750	0.04215837
SPEARS 2	15071202460000	GREELEY	0.05000000	0.04153487
SPEARS 3	15071204840000	GREELEY	0.04902702	0.03830236
STEPHENS 2-15	15071207890000	GREELEY	0.05000000	0.03749999
THOMPSON 1	15071200360000	GREELEY	0.04062500	0.03357813
V HILL 1-11 SWD	15071202170000	GREELEY	0.05000000	0.05000000
VESTER 1	15071201540000	GREELEY	0.04901785	0.04110379
WALACE 3-22	15071207770000	GREELEY	0.05000000	0.04250000
WATSON 1	15071206560000	GREELEY	0.05000000	0.04055000
WATSON FARMS	15071203580000	GREELEY	0.03750000	0.03046875
WATSON FARMS 1 A	15071208120000	GREELEY	0.04806108	0.03641307
WATSON FARMS 2	15071207110000	GREELEY	0.04750000	0.03646503
WEAR 1	15071206930000	GREELEY	0.03628378	0.02803784
WEAR 1 RCB	15071200930000	GREELEY	0.03506682	0.02926729
WEAR 2	15071207300000	GREELEY	0.03824324	0.02978243
WEAR 2 RCB	15071207750000	GREELEY	0.02855000	0.02371857
WEAR 3 RCB	15071208440000	GREELEY	0.02855000	0.02371857
WEAR 4 RCB	15071208450000	GREELEY	0.02855000	0.02371857
WEAR B 1	15071201120000	GREELEY	0.02821705	0.02394036
WEAR TRUST 1	15071202830000	GREELEY	0.05000000	0.03750384
WEST 1	15071201800000	GREELEY	0.05000000	0.03801563
WINEINGER 2	15071202160000	GREELEY	0.04334121	0.03281250
WINEINGER 1	15071200320000	GREELEY	0.04901338	0.03875033
WINEINGER 3-35	15071208020000	GREELEY	0.04901338	0.03875033
WOOD 1 RCB	15075201470000	GREELEY	0.03287500	0.02731193
HEGER 1 SWD	15071202170000	HAMILTON	0.05000000	0.05000000
BANBURY 2	15075207920000	HAMILTON	0.05000000	0.04375000
BOLTZ 1	15075200310000	HAMILTON	0.05000000	0.04225000
BOLTZ 2	15075206120000	HAMILTON	0.05000000	0.03750000
BOLTZ 3	15075207530000	HAMILTON	0.05000000	0.04225000
BRADDOCK 1	15075208160000	HAMILTON	0.04650000	0.03965578
BUCK 1-3	15075207270000	HAMILTON	0.04593750	0.03645312

BUCK 2-3	15075207470000	HAMILTON	0.04700000	0.03725000
CLETUS 1	15075207460000	HAMILTON	0.03500000	0.02879375
DALENE 1	15075206950000	HAMILTON	0.04750000	0.03788125
DIKEMAN 1 SWD	15075206680000	HAMILTON	0.04227027	0.03322270
DIKEMAN 2	15075207610000	HAMILTON	0.04250000	0.03407500
DOTTS	15075200980000	HAMILTON	0.05000000	0.04062500
DOYLE 2	15075206200000	HAMILTON	0.03957031	0.02967773
EARL 1	15075207450000	HAMILTON	0.04950000	0.03932500
ELDON 1	15075206020000	HAMILTON	0.03125000	0.02359583
ELSIE 1	15075208060000	HAMILTON	0.04650000	0.03952500
GEORGE 1	15075206410000	HAMILTON	0.04000000	0.03166250
GEORGE 2	15075207350000	HAMILTON	0.05000000	0.03962167
HATCHER CATTLE CO	15075202590000	HAMILTON	0.04814190	0.03656060
HAZLETT 1 1	15075205680000	HAMILTON	0.03562500	0.02894531
HAZLETT 2	15075206340000	HAMILTON	0.03562500	0.02894531
HCU 831 B	15075206820000	HAMILTON	0.05000000	0.04216005
HENRY 1	15075207750000	HAMILTON	0.05000000	0.04062500
HENRY 2	15075207750000	HAMILTON	0.05000000	0.04062500
HERRMANN 1	15075207040000	HAMILTON	0.04125000	0.03293125
HERRMANN A 1	15075207830000	HAMILTON	0.05000000	0.04239583
HILL 1	15075206990000	HAMILTON	0.03150000	0.02514500
HILL 2	15075207440000	HAMILTON	0.04950000	0.03960500
JANTZ 1	15075206030000	HAMILTON	0.03125000	0.02343750
JOHNSON 1 A	15075206720000	HAMILTON	0.03020270	0.02437788
LESSER 1	15075206520000	HAMILTON	0.04668732	0.03915625
LEWIS 2	15075207370000	HAMILTON	0.04333333	0.03505222
LEWIS 1	15075206690000	HAMILTON	0.04000000	0.03146722
LIVINGSTON 1	15075201460000	HAMILTON	0.05000000	0.04062500
LIVINGSTON 1 A	15075206460000	HAMILTON	0.04750000	0.03788459
LIVINGSTON 2	15075201500000	HAMILTON	0.05000000	0.04062505
LIVINGSTON 4	15075206830000	HAMILTON	0.05000000	0.03980469
LOIS 1	15075207330000	HAMILTON	0.05000000	0.03990000
MAI 1	15075207090000	HAMILTON	0.05000000	0.04234375
MARIE 1	15075206050000	HAMILTON	0.03125000	0.02359583
MUNCIE 1	15075206670000	HAMILTON	0.05000000	0.04220833
PARSONS	15075202990000	HAMILTON	0.04368687	0.03278563
PARSONS 2	15075207320000	HAMILTON	0.04325000	0.03248437
SIMON 1-12	15075207140000	HAMILTON	0.05000000	0.04212500
SIMON 2-12	15075207210000	HAMILTON	0.05000000	0.04212500

<b>SINSABAUGH 1</b>	<b>15075205960000</b>	<b>HAMILTON</b>	<b>0.03125000</b>	<b>0.02359583</b>
<b>SINSABAUGH 2</b>	<b>15075206610000</b>	<b>HAMILTON</b>	<b>0.04000000</b>	<b>0.03166250</b>
<b>SUERTE 1</b>	<b>15075206650000</b>	<b>HAMILTON</b>	<b>0.03625000</b>	<b>0.02818750</b>
<b>SUGAR 1</b>	<b>15075207930000</b>	<b>HAMILTON</b>	<b>0.05000000</b>	<b>0.04059375</b>
<b>TATE 1</b>	<b>15075206710000</b>	<b>HAMILTON</b>	<b>0.05000000</b>	<b>0.03845000</b>
<b>VIRGINIA 1</b>	<b>15075207430000</b>	<b>HAMILTON</b>	<b>0.04950000</b>	<b>0.03880938</b>
<b>WHITE 1</b>	<b>15075206060000</b>	<b>HAMILTON</b>	<b>0.03125000</b>	<b>0.02360104</b>
<b>WILCOX 1</b>	<b>15075207050000</b>	<b>HAMILTON</b>	<b>0.05000000</b>	<b>0.04150000</b>
<b>YODER 1</b>	<b>15075208150000</b>	<b>HAMILTON</b>	<b>0.04900000</b>	<b>0.04178781</b>

**MODEL FORM OPERATING AGREEMENT**

OPERATING AGREEMENT

DATED

APRIL 1 , 2022 ,  
Year

OPERATOR AMERICAN STAR ENERGY SERVICES, LLC

CONTRACT AREA As described in Exhibit A hereto

---

---

---

---

COUNTY OR PARISH OF HAMILTON & GREELEY , STATE OF KANSAS

COPYRIGHT 1989 - ALL RIGHTS RESERVED  
AMERICAN ASSOCIATION OF PETROLEUM  
LANDMEN, 4100 FOSSIL CREEK BLVD.  
FORT WORTH, TEXAS, 76137, APPROVED FORM.



**TABLE OF CONTENTS**

<u>Article</u>	<u>Title</u>	<u>Page</u>
<b>I.</b>	<b><u>DEFINITIONS</u></b> .....	1
<b>II.</b>	<b><u>EXHIBITS</u></b> .....	1
<b>III.</b>	<b><u>INTERESTS OF PARTIES</u></b> .....	2
	A. OIL AND GAS INTERESTS: .....	2
	B. INTERESTS OF PARTIES IN COSTS AND PRODUCTION:.....	2
	C. SUBSEQUENTLY CREATED INTERESTS: .....	2
<b>IV.</b>	<b><u>TITLES</u></b> .....	2
	A. TITLE EXAMINATION: .....	2
	B. LOSS OR FAILURE OF TITLE: .....	3
	1. Failure of Title .....	3
	2. Loss by Non-Payment or Erroneous Payment of Amount Due .....	3
	3. Other Losses .....	3
	4. Curing Title.....	3
<b>V.</b>	<b><u>OPERATOR</u></b> .....	4
	A. DESIGNATION AND RESPONSIBILITIES OF OPERATOR:.....	4
	B. RESIGNATION OR REMOVAL OF OPERATOR AND SELECTION OF SUCCESSOR: .....	4
	1. Resignation or Removal of Operator .....	4
	2. Selection of Successor Operator .....	4
	3. Effect of Bankruptcy .....	4
	C. EMPLOYEES AND CONTRACTORS: .....	4
	D. RIGHTS AND DUTIES OF OPERATOR: .....	4
	1. Competitive Rates and Use of Affiliates.....	4
	2. Discharge of Joint Account Obligations .....	4
	3. Protection from Liens .....	4
	4. Custody of Funds .....	5
	5. Access to Contract Area and Records.....	5
	6. Filing and Furnishing Governmental Reports.....	5
	7. Drilling and Testing Operations.....	5
	8. Cost Estimates.....	5
	9. Insurance.....	5
<b>VI.</b>	<b><u>DRILLING AND DEVELOPMENT</u></b> .....	5
	A. INITIAL WELL:.....	5
	B. SUBSEQUENT OPERATIONS: .....	5
	1. Proposed Operations .....	5
	2. Operations by Less Than All Parties.....	6
	3. Stand-By Costs.....	7
	4. Deepening .....	8
	5. Sidetracking .....	8
	6. Order of Preference of Operations .....	8
	7. Conformity to Spacing Pattern.....	9
	8. Paying Wells.....	9
	C. COMPLETION OF WELLS; REWORKING AND PLUGGING BACK: .....	9
	1. Completion.....	9
	2. Rework, Recomplete or Plug Back .....	9
	D. OTHER OPERATIONS: .....	9
	E. ABANDONMENT OF WELLS: .....	9
	1. Abandonment of Dry Holes .....	9
	2. Abandonment of Wells That Have Produced.....	10
	3. Abandonment of Non-Consent Operations.....	10
	F. TERMINATION OF OPERATIONS:.....	10
	G. TAKING PRODUCTION IN KIND: .....	10
	(Option 1) Gas Balancing Agreement.....	10
	(Option 2) No Gas Balancing Agreement.....	11
<b>VII.</b>	<b><u>EXPENDITURES AND LIABILITY OF PARTIES</u></b> .....	11
	A. LIABILITY OF PARTIES: .....	11
	B. LIENS AND SECURITY INTERESTS: .....	12

C. ADVANCES:.....	12
D. DEFAULTS AND REMEDIES:.....	12
1. Suspension of Rights.....	13
2. Suit for Damages.....	13
3. Deemed Non-Consent.....	13
4. Advance Payment.....	13
5. Costs and Attorneys' Fees.....	13
E. RENTALS, SHUT-IN WELL PAYMENTS AND MINIMUM ROYALTIES:.....	13
F. TAXES:.....	13
<b>VIII. <u>ACQUISITION, MAINTENANCE OR TRANSFER OF INTEREST</u></b> .....	<b>14</b>
A. SURRENDER OF LEASES:.....	14
B. RENEWAL OR EXTENSION OF LEASES:.....	14

14

**TABLE OF CONTENTS**

D. ASSIGNMENT; MAINTENANCE OF UNIFORM INTEREST:.....	15
E. WAIVER OF RIGHTS TO PARTITION:.....	15
15	
<b>IX. <u>INTERNAL REVENUE CODE ELECTION</u></b> .....	<b>15</b>
<b>X. <u>CLAIMS AND LAWSUITS</u></b> .....	<b>15</b>
<b>XI. <u>FORCE MAJEURE</u></b> .....	<b>16</b>
<b>XII. <u>NOTICES</u></b> .....	<b>16</b>
<b>XIII. <u>TERM OF AGREEMENT</u></b> .....	<b>16</b>
<b>XIV. <u>COMPLIANCE WITH LAWS AND REGULATIONS</u></b> .....	<b>16</b>
A. LAWS, REGULATIONS AND ORDERS:.....	16
B. GOVERNING LAW:.....	16
C. REGULATORY AGENCIES:.....	16
<b>XV. <u>MISCELLANEOUS</u></b> .....	<b>17</b>
A. EXECUTION:.....	17
B. SUCCESSORS AND ASSIGNS:.....	17
C. COUNTERPARTS:.....	17
D. SEVERABILITY.....	17
<b>XVI. <u>OTHER PROVISIONS</u></b> .....	<b>17</b>

OPERATING AGREEMENT

THIS AGREEMENT, entered into by and between AMERICAN STAR ENERGY SERVICES, LLC, hereinafter designated and referred to as "Operator," and the signatory party or parties other than Operator, sometimes hereinafter referred to individually as "Non-Operator," and collectively as "Non-Operators."

WITNESSETH:

WHEREAS, the parties to this agreement are owners of Oil and Gas Leases and/or Oil and Gas Interests in the land identified in Exhibit "A," and the parties hereto have reached an agreement to explore and develop these Leases and/or Oil and Gas Interests for the production of Oil and Gas to the extent and as hereinafter provided,

NOW, THEREFORE, it is agreed as follows:

ARTICLE I  
DEFINITIONS

As used in this agreement, the following words and terms shall have the meanings here ascribed to them:

A. The term "AFE" shall mean an Authority for Expenditure prepared by a party to this agreement for the purpose of estimating the costs to be incurred in conducting an operation hereunder.

B. The term "Completion" or "Complete" shall mean a single operation intended to complete a well as a producer of Oil and Gas in one or more Zones, including, but not limited to, the setting of production casing, perforating, well stimulation and production testing conducted in such operation.

C. The term "Contract Area" shall mean all of the lands, Oil and Gas Leases and/or Oil and Gas Interests intended to be developed and operated for Oil and Gas purposes under this agreement. Such lands, Oil and Gas Leases and Oil and Gas Interests are described in Exhibit "A."

D. The term "Deepen" shall mean a single operation whereby a well is drilled to an objective Zone below the deepest Zone in which the well was previously drilled, or below the Deepest Zone proposed in the associated AFE, whichever is the lesser.

E. The terms "Drilling Party" and "Consenting Party" shall mean a party who agrees to join in and pay its share of the cost of any operation conducted under the provisions of this agreement.

F. The term "Drilling Unit" shall mean the area fixed for the drilling of one well by order or rule of any state or federal body having authority. If a Drilling Unit is not fixed by any such rule or order, a Drilling Unit shall be the drilling unit as established by the pattern of drilling in the Contract Area unless fixed by express agreement of the Drilling Parties.

G. The term "Drillsite" shall mean the Oil and Gas Lease or Oil and Gas Interest on which a proposed well is to be located.

H. The term "Initial Well" shall mean the well required to be drilled by the parties hereto as provided in Article VI.A.

I. The term "Non-Consent Well" shall mean a well in which less than all parties have conducted an operation as provided in Article VI.B.2.

J. The terms "Non-Drilling Party" and "Non-Consenting Party" shall mean a party who elects not to participate in a proposed operation.

K. The term "Oil and Gas" shall mean oil, gas, casinghead gas, gas condensate, and/or all other liquid or gaseous hydrocarbons and other marketable substances produced therewith, unless an intent to limit the inclusiveness of this term is specifically stated.

L. The term "Oil and Gas Interests" or "Interests" shall mean unleased fee and mineral interests in Oil and Gas in tracts of land lying within the Contract Area which are owned by parties to this agreement.

M. The terms "Oil and Gas Lease," "Lease" and "Leasehold" shall mean the oil and gas leases or interests therein covering tracts of land lying within the Contract Area which are owned by the parties to this agreement.

N. The term "Plug Back" shall mean a single operation whereby a deeper Zone is abandoned in order to attempt a Completion in a shallower Zone.

O. The term "Recompletion" or "Recomplete" shall mean an operation whereby a Completion in one Zone is abandoned in order to attempt a Completion in a different Zone within the existing wellbore.

P. The term "Rework" shall mean an operation conducted in the wellbore of a well after it is Completed to secure, restore, or improve production in a Zone which is currently open to production in the wellbore. Such operations include, but are not limited to, well stimulation operations but exclude any routine repair or maintenance work or drilling, Sidetracking, Deepening, Completing, Recompleting, or Plugging Back of a well.

Q. The term "Sidetrack" shall mean the directional control and intentional deviation of a well from vertical so as to change the bottom hole location unless done to straighten the hole or drill around junk in the hole to overcome other mechanical difficulties.

R. The term "Zone" shall mean a stratum of earth containing or thought to contain a common accumulation of Oil and Gas separately producible from any other common accumulation of Oil and Gas.

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

Unless the context otherwise clearly indicates, words used in the singular include the plural, the word "person" includes natural and artificial persons, the plural includes the singular, and any gender includes the masculine, feminine, and neuter.

ARTICLE II.

EXHIBITS

The following exhibits, as indicated below and attached hereto, are incorporated in and made a part hereof:

x A. Exhibit "A," shall include the following information:

- (1) Description of lands subject to this agreement,
- (3) Parties to agreement with addresses and telephone numbers for notice purposes,
- (4) Percentages or fractional interests of parties to this agreement,
- (5) Oil and Gas Leases and/or Oil and Gas Interests subject to this agreement,

- \_\_\_\_\_ B. Exhibit "B," Form of Lease.
- \_\_\_\_\_ C. Exhibit "C," Accounting Procedure.
- \_\_\_\_\_ D. Exhibit "D," Insurance.
- \_\_\_\_\_ E. Exhibit "E," Non-Discrimination and Certification of Non-Segregated Facilities.
- \_\_\_\_\_ F. Form of Memorandum of Agreement, Recording Supplement and Financing Statement
- \_\_\_\_\_ I. Plan of Development

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 If any provision of any exhibit, is inconsistent with any provision contained in  
2 the body of this agreement, the provisions in the body of this agreement shall prevail.

3 **ARTICLE III.**

4 **INTERESTS OF PARTIES**

5 **A. Oil and Gas Interests:**

6 If any party owns or acquires an Oil and Gas Interest in the Contract Area, that Interest shall be treated for all purposes of this  
7 agreement and during the term hereof as if it were covered by the form of Oil and Gas Lease attached hereto as Exhibit "B,"  
8 and the owner thereof shall be deemed to own both royalty interest in such lease and the interest of the lessee thereunder.

9 **B. Interests of Parties in Costs and Production:**

10 Unless changed by other provisions, all costs and liabilities incurred in operations under this agreement shall be borne  
11 and paid, and all equipment and materials acquired in operations on the Contract Area shall be owned, by the parties as their  
12 interests are set forth in Exhibit "A." In the same manner, the parties shall also own all production of Oil and Gas from the  
13 Contract Area subject, however, to the payment of royalties and other burdens on production as described hereafter.

14 Regardless of which party has contributed any Oil and Gas Lease or Oil and Gas Interest on which royalty or other  
15 burdens may be payable and except as otherwise expressly provided in this agreement, each party shall pay or deliver, or  
16 cause to be paid or delivered, all burdens on its share of the production from the Contract Area up to, but not in excess of,  
17 the existing burdens of record and shall indemnify, defend and hold the other parties free from any liability therefor.  
18 Except as otherwise expressly provided in this agreement, if any party has contributed hereto any Lease or Interest which is  
19 burdened with any royalty, overriding royalty, production payment or other burden on production in excess of the amounts  
20 stipulated above, such party so burdened shall assume and alone bear all such excess obligations and shall indemnify, defend  
21 and hold the other parties hereto harmless from any and all claims attributable to such excess burden. However, so long as  
22 the Drilling Unit for the productive Zone(s) is identical with the Contract Area, each party shall pay or deliver, or cause to  
23 be paid or delivered, all burdens on production from the Contract Area due under the terms of the Oil and Gas Lease(s)  
24 which such party has contributed to this agreement, and shall indemnify, defend and hold the other parties free from any  
25 liability therefor.

26 No party shall ever be responsible, on a price basis higher than the price received by such party, to any other party's  
27 lessor or royalty owner, and if such other party's lessor or royalty owner should demand and receive settlement on a higher  
28 price basis, the party contributing the affected Lease shall bear the additional royalty burden attributable to such higher price.

29 Nothing contained in this Article III.B. shall be deemed an assignment or cross-assignment of interests covered hereby,  
30 and in the event two or more parties contribute to this agreement jointly owned Leases, the parties' undivided interests in  
31 said Leaseholds shall be deemed separate leasehold interests for the purposes of this agreement.

32 **C. Subsequently Created Interests:**

33 If any party has contributed hereto a Lease or Interest that is burdened with an assignment of production given as security  
34 for the payment of money, or if, after the date of this agreement, any party creates an overriding royalty, production  
35 payment, net profits interest, assignment of production or other burden payable out of production attributable to its working  
36 interest hereunder, such burden shall be deemed a "Subsequently Created Interest." Further, if any party has contributed  
37 hereto a Lease or Interest burdened with an overriding royalty, production payment, net profits interests, or other burden  
38 payable out of production created prior to the date of this agreement, and such burden is not shown on Exhibit "A," such  
39 burden also shall be deemed a Subsequently Created Interest to the extent such burden causes the burdens on such party's  
40 Lease or Interest to exceed the amount stipulated in Article III.B. above.

41 The party whose interest is burdened with the Subsequently Created Interest (the "Burdened Party") shall assume and  
42 alone bear, pay and discharge the Subsequently Created Interest and shall indemnify, defend and hold harmless the other  
43 parties from and against any liability therefor. Further, if the Burdened Party fails to pay, when due, its share of expenses  
44 chargeable hereunder, all provisions of Article VII.B. shall be enforceable against the Subsequently Created Interest in the  
45 same manner as they are enforceable against the working interest of the Burdened Party. If the Burdened Party is required  
46 under this agreement to assign or relinquish to any other party, or parties, all or a portion of its working interest and/or the  
47 production attributable thereto, said other party, or parties, shall receive said assignment and/or production free and clear of  
48 said Subsequently Created Interest, and the Burdened Party shall indemnify, defend and hold harmless said other party, or  
49 parties, from any and all claims and demands for payment asserted by owners of the Subsequently Created Interest.

50 **ARTICLE IV.**

51 **TITLES**

52 **A. Title Examination:**

53 Title examination shall be made on the Drillsite of any proposed well prior to commencement of drilling operations and,  
54 if Operator so elects, title examination shall be made on the entire  
55 Drilling Unit, or maximum anticipated Drilling Unit, of the well. The opinion will include the ownership of the working  
56

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 interest, minerals, royalty, overriding royalty and production payments under the applicable Leases. Each party contributing  
2 Leases and/or Oil and Gas Interests to be included in the Drillsite or Drilling Unit, if appropriate, shall furnish to Operator  
3 all abstracts (including federal lease status reports), title opinions, title papers and curative material in its possession free of  
4 charge. All such information not in the possession of or made available to Operator by the parties, but necessary for the  
5 examination of the title, shall be obtained by Operator. Operator shall cause title to be examined by attorneys on its staff or  
6 by outside attorneys. Copies of all title opinions shall be furnished to each Drilling Party. Costs incurred by Operator in  
7 procuring abstracts, fees paid outside attorneys, contract landmen or land and/or lease brokers for title examination (including preliminary,  
8 supplemental, shut-in royalty opinions and division order title opinions) and other direct charges as provided in Exhibit "C" shall be borne by the Drilling  
9 Parties in the proportion that the interest of each Drilling Party bears to the total interest of all Drilling Parties as such  
10 interests appear in Exhibit "A."

11 Each party shall be responsible for securing curative matter and pooling amendments or agreements required in  
12 connection with Leases or Oil and Gas Interests contributed by such party. Operator shall be responsible for the preparation  
13 and recording of pooling designations or declarations and communitization agreements as well as the conduct of hearings  
14 before governmental agencies for the securing of spacing or pooling orders or any other orders necessary or appropriate to  
15 the conduct of operations hereunder. This shall not prevent any party from appearing on its own behalf at such hearings.  
16 Costs incurred by Operator, including fees paid to outside attorneys, which are associated with hearings before governmental  
17 agencies, and which costs are necessary and proper for the activities contemplated under this agreement, shall be direct  
18 charges to the joint account and shall not be covered by the administrative overhead charges as provided in Exhibit "C."  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 Operator shall make no charge for services rendered by its staff attorneys or other personnel in the performance of the above  
2 functions.

3 No well shall be drilled on the Contract Area until after (1) the title to the Drillsite or Drilling Unit, if appropriate, has  
4 been examined as above provided, and (2) the title has been approved by the examining attorney or title has been accepted by  
5 / Operator

6 **B. Loss or Failure of Title:**

7 Losses: All losses of Leases or Interests committed to this agreement, shall be joint losses and shall be borne by all parties in  
8 proportion to their interests shown on  
9 Exhibit "A." This shall include but not be limited to the loss of any Lease or Interest through failure to develop or because  
10 express or implied covenants have not been performed (other than performance which requires only the payment of money),  
11 and the loss of any Lease by expiration at the end of its primary term if it is not renewed or extended. There shall be no  
12 readjustment of interests in the remaining portion of the Contract Area on account of any joint loss.

13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56

**ARTICLE V.  
OPERATOR**

**A. Designation and Responsibilities of Operator**

AMERICAN STAR ENERGY SERVICES, LLC shall be the Operator of the Contract Area, and shall conduct and direct and have full control of all operations on the Contract Area as permitted and required by, and within the limits of this agreement. In its performance of services hereunder for the Non-Operators, Operator shall be an independent contractor not subject to the control or direction of the Non-Operators except as to the type of operation to be undertaken in accordance with the election procedures contained in this agreement. Operator shall not be deemed, or hold itself out as, the agent of the Non-Operators with authority to bind them to any obligation or liability assumed or incurred by Operator as to any third party. Operator shall conduct its activities under this agreement as a reasonable prudent operator, in a good and workmanlike manner, with due diligence and dispatch, in accordance with good oilfield practice, and in compliance with applicable law and regulation, but in no event shall it have any liability as Operator to the other parties for losses sustained or liabilities incurred except such as may result from gross negligence or willful misconduct. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN CONTAINED, OPERATOR SHALL HAVE NO LIABILITY IN CONTRACT, TORT, OR OTHERWISE, TO THE OTHER PARTIES FOR LOSSES OR LIABILITIES, WHETHER OR NOT SUCH LOSSES OR LIABILITIES ARE CAUSED BY THE NEGLIGENCE, SOLE OR CONCURRENT, OF OPERATOR INCURRED, ARISING OUT OF OR IN CONNECTION WITH THE PERFORMANCE OR ADMINISTRATION OF THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY PAYMENT OF ROYALTY, ACCOUNTING, MARKETING, PURCHASING OR GOVERNMENTAL FILINGS, OR OPERATIONS PERFORMED HEREUNDER OR ON THE CONTRACT AREA, EXCEPT SUCH AS MAY RESULT FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF OPERATOR.

**B. Resignation or Removal of Operator and Selection of Successor:**

1. Resignation or Removal of Operator: Operator may resign at any time by giving written notice thereof to Non-Operators. If Operator terminates its legal existence or is no longer capable of serving as Operator, Operator shall be deemed to have resigned without any action by Non-Operators, except the selection of a successor. Operator may be removed only for good cause by the affirmative vote of Non-Operators owning a majority interest based on ownership as shown on Exhibit "A" remaining after excluding the voting interest of Operator; such vote shall not be deemed effective until a written notice has been delivered to the Operator by a Non-Operator detailing the alleged default and Operator has failed to cure the default within thirty (30) days from its receipt of the notice or, if the default concerns an operation then being conducted, within forty-eight (48) hours of its receipt of the notice. For purposes hereof, "good cause" shall mean not only gross negligence or willful misconduct but also the material breach of or inability to meet the standards of operation contained in Article V.A. or material failure or inability to perform its obligations under this agreement.

Subject to Article VII.D.1., such resignation or removal shall not become effective until 7:00 o'clock A.M. on the first day of the calendar month following the expiration of ninety (90) days after the giving of notice of resignation by Operator or action by the Non-Operators to remove Operator, unless a successor Operator has been selected and assumes the duties of Operator at an earlier date. Operator, after effective date of resignation or removal, shall be bound by the terms hereof as a Non-Operator. A change of a corporate name or structure of Operator or transfer of Operator's interest to any affiliate or affiliates, subsidiaries, parent or successor entity shall not be the basis for removal of Operator. For the avoidance of doubt, Operator may from time to time engage one or more contract operators to perform some or all of the functions of Operator hereunder, but in such event Operator shall retain its powers, rights and obligations as Operator hereunder. See Article XVI for additional provisions pertaining to resignation, removal and succession of Operator.

2. Selection of Successor Operator: Upon the resignation or removal of Operator under any provision of this agreement, a successor Operator shall be selected by the parties (including any successor(s) to the interest of Operator in the Contract Area). The successor Operator shall be selected from the parties owning an interest in the Contract Area at the time such successor Operator is selected. The successor Operator shall be selected by the affirmative vote of two (2) or more parties owning a majority interest based on ownership as shown on Exhibit "A"; provided, however, if an Operator which has been removed or is deemed to have resigned fails to vote or votes only to succeed itself, the successor Operator shall be selected by the affirmative vote of the party or parties owning a majority interest based on ownership as shown on Exhibit "A" remaining after excluding the voting interest of the Operator that was removed or resigned. The former Operator shall promptly deliver to the successor Operator all records and data relating to the operations conducted by the former Operator to the extent such records and data are not already in the possession of the successor operator. Any cost of obtaining or copying the former Operator's records and data shall be charged to the joint account.

3. Effect of Bankruptcy: If Operator becomes insolvent, bankrupt or is placed in receivership, it shall be deemed to have resigned without any action by Non-Operators, except the selection of a successor. If a petition for relief under the federal bankruptcy laws is filed by or against Operator, and the removal of Operator is prevented by the federal bankruptcy court, all Non-Operators and Operator shall comprise an interim operating committee to serve until Operator has elected to reject or assume this agreement pursuant to the Bankruptcy Code, and an election to reject this agreement by Operator as a debtor in possession, or by a trustee in bankruptcy, shall be deemed a resignation as Operator without any action by Non-Operators, except the selection of a successor. During the period of time the operating committee controls operations, all actions shall require the approval of two (2) or more parties owning a majority interest based on ownership as shown on Exhibit "A." In



A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 the event there are only two (2) parties to this agreement, during the period of time the operating committee controls  
2 operations, a third party acceptable to Operator, Non-Operator and the federal bankruptcy court shall be selected as a  
3 member of the operating committee, and all actions shall require the approval of two (2) members of the operating  
4 committee without regard for their interest in the Contract Area based on Exhibit "A."

5 **C. Employees and Contractors:**

6 The number of employees or contractors used by Operator in conducting operations hereunder, their selection, and the  
7 hours of labor and the compensation for services performed shall be determined by Operator, and all such employees or  
8 contractors shall be the employees or contractors of Operator.

9 **D. Rights and Duties of Operator:**

10 1. Competitive Rates and Use of Affiliates: All wells drilled on the Contract Area shall be drilled on a competitive  
11 contract basis at the usual rates prevailing in the area. If it so desires, Operator may employ its own tools and equipment in  
12 the drilling of wells, but its charges therefor shall not exceed the prevailing rates in the area, and such work shall be performed by  
13 Operator under the same terms and conditions as are customary and usual in the area in contracts of independent contractors  
14 who are doing work of a similar nature. All work performed or materials supplied by affiliates or related parties of Operator  
15 shall be performed or supplied at competitive rates, pursuant to written agreement, and in accordance with customs and  
16 standards prevailing in the industry.

17 2. Discharge of Joint Account Obligations: Except as herein otherwise specifically provided, Operator shall promptly pay  
18 and discharge expenses incurred in the development and operation of the Contract Area pursuant to this agreement and shall  
19 charge each of the parties hereto with their respective proportionate shares upon the expense basis provided in Exhibit "C."  
20 Operator shall keep an accurate record of the joint account hereunder, showing expenses incurred and charges and credits  
21 made and received.

22 3. Protection from Liens: Operator shall pay, or cause to be paid, as and when they become due and payable, all accounts  
23 of contractors and suppliers and wages and salaries for services rendered or performed, and for materials supplied on, to or in  
24 respect of the Contract Area or any operations for the joint account thereof, and shall keep the Contract Area free from  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

1 liens and encumbrances resulting therefrom except for those resulting from a bona fide dispute as to services rendered or  
2 materials supplied.

3 4. Custody of Funds: Operator shall hold for the account of the Non-Operators any funds of the Non-Operators advanced  
4 or paid to the Operator, either for the conduct of operations hereunder or as a result of the sale of production from the  
5 Contract Area, and such funds shall remain the funds of the Non-Operators on whose account they are advanced or paid until  
6 used for their intended purpose or otherwise delivered to the Non-Operators or applied toward the payment of debts as  
7 provided in Article VII.B. Nothing in this paragraph shall be construed to establish a fiduciary relationship between Operator  
8 and Non-Operators for any purpose other than to account for Non-Operator funds as herein specifically provided. Nothing in  
9 this paragraph shall require the maintenance by Operator of separate accounts for the funds of Non-Operators unless the  
10 parties otherwise specifically agree.

11 5. Access to Contract Area and Records: Operator shall, except as otherwise provided herein, permit each Non-Operator  
12 or its duly authorized representative, at the Non-Operator's sole risk and cost, full and free access at all reasonable times to  
13 all operations of every kind and character being conducted for the joint account on the Contract Area and to the records of  
14 operations conducted thereon or production therefrom, including Operator's books and records relating thereto. Such access  
15 rights shall not be exercised in a manner interfering with Operator's conduct of an operation hereunder and shall not obligate  
16 Operator to furnish any geologic or geophysical data of an interpretive nature unless the cost of preparation of such  
17 interpretive data was charged to the joint account. Operator will furnish to each Non-Operator upon request copies of any  
18 and all reports and information obtained by Operator in connection with production and related items, including, without  
19 limitation, meter and chart reports, production purchaser statements, run tickets and monthly gauge reports, but excluding  
20 purchase contracts and pricing information to the extent not applicable to the production of the Non-Operator seeking the  
21 information. Any audit of Operator's records relating to amounts expended and the appropriateness of such expenditures  
22 shall be conducted in accordance with the audit protocol specified in Exhibit "C."

23 6. Filing and Furnishing Governmental Reports: Operator will file, and upon written request promptly furnish copies to  
24 each requesting Non-Operator not in default of its payment obligations, all operational notices, reports or applications  
25 required to be filed by local, State, Federal or Indian agencies or authorities having jurisdiction over operations hereunder.  
26 Each Non-Operator shall provide to Operator on a timely basis all information necessary to Operator to make such filings.

27 7. Drilling and Testing Operations: The following provisions shall apply to each well drilled hereunder, including but not  
28 limited to the Initial Well:

29 (a) Operator will promptly advise Non-Operators of the date on which the well is spudded, or the date on which  
30 drilling operations are commenced.

31 (b) Operator will send to Non-Operators such reports, test results and notices regarding the progress of operations on the well  
32 as the Non-Operators shall reasonably request, including, but not limited to, daily drilling reports, completion reports, and well logs.

33 (c) Operator shall adequately test all Zones encountered which may reasonably be expected to be capable of producing  
34 Oil and Gas in paying quantities as a result of examination of the electric log or any other logs or cores or tests conducted  
35 hereunder.

36 8. Cost Estimates: Upon request of any Consenting Party, Operator shall furnish estimates of current and cumulative costs  
37 incurred for the joint account at reasonable intervals during the conduct of any operation pursuant to this agreement.  
38 Operator shall not be held liable for errors in such estimates so long as the estimates are made in good faith.

39 9. Insurance: At all times while operations are conducted hereunder, Operator shall comply with the workers  
40 compensation law of the state where the operations are being conducted; provided, however, that Operator may be a self-  
41 insurer for liability under said compensation laws in which event the only charge that shall be made to the joint account shall  
42 be as provided in Exhibit "C." Operator shall also carry or provide insurance for the benefit of the joint account of the parties  
43 as outlined in Exhibit "D" attached hereto and made a part hereof. Operator shall require all contractors engaged in work on  
44 or for the Contract Area to comply with the workers compensation law of the state where the operations are being conducted  
45 and to maintain such other insurance as Operator may require.

46 In the event automobile liability insurance is specified in said Exhibit "D," or subsequently receives the approval of the  
47 parties, no direct charge shall be made by Operator for premiums paid for such insurance for Operator's automotive  
48 equipment.

49 **ARTICLE VI.**  
50 **DRILLING AND DEVELOPMENT**

51 **A. Initial Well: There is no Initial Well under this operating agreement**

52 **B. Subsequent Operations:**

53 1. Proposed Operations: If any party hereto should desire to drill any well on the Contract Area, or  
54 if any party should desire to Rework, Sidetrack, Deepen, Recomplete or Plug Back a dry hole or a well no longer capable of  
55

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 producing in paying quantities in which such party has not otherwise relinquished its interest in the proposed objective Zone under  
2 this agreement, the party desiring to drill, Rework, Sidetrack, Deepen, Recomplete or Plug Back such a well shall give written  
3 notice of the proposed operation to the parties who have not otherwise relinquished their interest in such objective Zone  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 under this agreement and to all other parties in the case of a proposal for Sidetracking or Deepening, specifying the work to be  
2 performed, the location, proposed depth, objective Zone and the estimated cost of the operation. The parties to whom such a  
3 notice is delivered shall have thirty (30) days after receipt of the notice within which to notify the party proposing to do the work  
4 whether they elect to participate in the cost of the proposed operation. If a drilling rig is on location, notice of a proposal to  
5 Rework, Sidetrack, Recomplete, Plug Back or Deepen may be given by telephone and the response period shall be limited to forty-  
6 eight (48) hours, inclusive of Saturday, Sunday and legal holidays. Failure of a party to whom such notice is delivered to reply  
7 within the period above fixed shall constitute an election by that party not to participate in the cost of the proposed operation.  
8 Any proposal by a party to conduct an operation conflicting with the operation initially proposed shall be delivered to all parties  
9 within the time and in the manner provided in Article VI.B.6.

10 If all parties to whom such notice is delivered elect to participate in such a proposed operation, the parties shall be  
11 contractually committed to participate therein provided such operations are commenced within the time period hereafter set  
12 forth, and Operator shall, no later than ninety (90) days after expiration of the notice period of thirty (30) days (or as  
13 promptly as practicable after the expiration of the forty-eight (48) hour period when a drilling rig is on location, as the case  
14 may be), actually commence the proposed operation and thereafter complete it with due diligence at the risk and expense of  
15 the parties participating therein; provided, however, said commencement date may be extended upon written notice of same  
16 by Operator to the other parties, for a period of up to thirty (30) additional days if, in the sole opinion of Operator, such  
17 additional time is reasonably necessary to obtain permits from governmental authorities, surface rights (including rights-of-  
18 way) or appropriate drilling equipment, or to complete title examination or curative matter required for title approval or  
19 acceptance. If the actual operation has not been commenced within the time provided (including any extension thereof as  
20 specifically permitted herein or in the force majeure provisions of Article XI) and if any party hereto still desires to conduct  
21 said operation, written notice proposing same must be resubmitted to the other parties in accordance herewith as if no prior  
22 proposal had been made. Those parties that did not participate in the drilling of a well for which a proposal to Deepen or  
23 Sidetrack is made hereunder shall, if such parties desire to participate in the proposed Deepening or Sidetracking operation,  
24 reimburse the Drilling Parties in accordance with Article VI.B.4. in the event of a Deepening operation and in accordance  
25 with Article VI.B.5. in the event of a Sidetracking operation.

26 Nothing contained herein shall prohibit Operator or the participating parties from actually commencing the proposed operation  
27 before the expiration of the applicable notice period, nor shall the timing of such commencement of operations affect in any way the validity  
of the notice or the validity of a party's election or deemed election regarding participation in the applicable operation(s).

28  
29 2. Operations by Less Than All Parties:

30 (a) Determination of Participation. If any party to whom such notice is delivered as provided in Article VI.B.1. or  
31 VI.C.1. (Option No. 2) elects not to participate in the proposed operation, then, in order to be entitled to the benefits of this  
32 Article, the party or parties giving the notice and such other parties as shall elect to participate in the operation shall, no  
33 later than ninety (90) days after the expiration of the notice period of thirty (30) days (or as promptly as practicable after the  
34 expiration of the forty-eight (48) hour period when a drilling rig is on location, as the case may be) actually commence the  
35 proposed operation and complete it with due diligence. Operator shall perform all work for the account of the Consenting  
36 Parties; provided, however, if no drilling rig or other equipment is on location, and if Operator is a Non-Consenting Party,  
37 the Consenting Parties shall either: (i) request Operator to perform the work required by such proposed operation for the  
38 account of the Consenting Parties, or (ii) designate one of the Consenting Parties as Operator to perform such work. The  
39 rights and duties granted to and imposed upon the Operator under this agreement are granted to and imposed upon the party  
40 designated as Operator for an operation in which the original Operator is a Non-Consenting Party. Consenting Parties, when  
41 conducting operations on the Contract Area pursuant to this Article VI.B.2., shall comply with all terms and conditions of this  
42 agreement.

43 If less than all parties approve any proposed operation, the proposing party, immediately after the expiration of the  
44 applicable notice period, shall advise all Parties of the total interest of the parties approving such operation and its  
45 recommendation as to whether the Consenting Parties should proceed with the operation as proposed. Each Consenting Party,  
46 within forty-eight (48) hours (inclusive of Saturday, Sunday, and legal holidays) after delivery of such notice, shall advise the  
47 proposing party of its desire to (i) limit participation to such party's interest as shown on Exhibit "A" or (ii) carry only its  
48 proportionate part (determined by dividing such party's interest in the Contract Area by the interests of all Consenting Parties in  
49 the Contract Area) of Non-Consenting Parties' interests, or (iii) carry its proportionate part (determined as provided in (ii)) of  
50 Non-Consenting Parties' interests together with all or a portion of its proportionate part of any Non-Consenting Parties'  
51 interests that any Consenting Party did not elect to take. Any interest of Non-Consenting Parties that is not carried by a  
52 Consenting Party shall be deemed to be carried by the party proposing the operation if such party does not withdraw its  
53 proposal. Failure to advise the proposing party within the time required shall be deemed an election under (i). In the event a  
54 drilling rig is on location, notice may be given by telephone, and the time permitted for such a response shall not exceed a  
55 total of forty-eight (48) hours (inclusive of Saturday, Sunday and legal holidays). The proposing party, at its election, may  
56

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 withdraw such proposal if there is less than 100% participation and shall notify all parties of such decision within ten (10)  
2 days, or within twenty-four (24) hours if a drilling rig is on location, following expiration of the applicable response period.  
3 If 100% subscription to the proposed operation is obtained, the proposing party shall promptly notify the Consenting Parties  
4 of their proportionate interests in the operation and the party serving as Operator shall commence such operation within the  
5 period provided in Article VI.B.1., subject to the same extension right as provided therein.

6 (b) Relinquishment of Interest for Non-Participation. The entire cost and risk of conducting such operations shall be  
7 borne by the Consenting Parties in the proportions they have elected to bear same under the terms of the preceding  
8 paragraph. Consenting Parties shall keep the leasehold estates involved in such operations free and clear of all liens and  
9 encumbrances of every kind created by or arising from the operations of the Consenting Parties. If such an operation results  
10 in a dry hole, then subject to Articles VI.B.6. and VI.E.3., the Consenting Parties shall plug and abandon the well and restore  
11 the surface location at their sole cost, risk and expense; provided, however, that those Non-Consenting Parties that  
12 participated in the drilling, Deepening or Sidetracking of the well shall remain liable for, and shall pay, their proportionate  
13 shares of the cost of plugging and abandoning the well and restoring the surface location insofar only as those costs were not  
14 increased by the subsequent operations of the Consenting Parties. If any well drilled, Reworked, Sidetracked, Deepened,  
15 Recompleted or Plugged Back under the provisions of this Article results in a well capable of producing Oil and/or Gas in  
16 paying quantities, the Consenting Parties shall Complete and equip the well to produce at their sole cost and risk, and the  
17 well shall then be turned over to Operator (if the Operator did not conduct the operation) and shall be operated by it at the  
18 expense and for the account of the Consenting Parties. Upon commencement of operations for the drilling, Reworking,  
19 Sidetracking, ReCompleting, Deepening or Plugging Back of any such well by Consenting Parties in accordance with the  
20 provisions of this Article, each Non-Consenting Party shall be deemed to have relinquished to Consenting Parties, and the  
21 Consenting Parties shall own and be entitled to receive, in proportion to their respective interests, all of such Non-  
22 Consenting Party's interest in the well and share of production therefrom or, in the case of a Reworking, Sidetracking,  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 Deepening, Recompleting or Plugging Back, or a Completion pursuant to Article VI.C.1. Option No. 2, all of such Non-  
2 Consenting Party's interest in the production obtained from the operation in which the Non-Consenting Party did not elect  
3 to participate. Such relinquishment shall be effective until the proceeds of the sale of such share, calculated at the well, or  
4 market value thereof if such share is not sold (after deducting applicable ad valorem, production, severance, and excise taxes,  
5 royalty, overriding royalty and other interests not excepted by Article III.C. payable out of or measured by the production  
6 from such well accruing with respect to such interest until it reverts), shall equal the total of the following:

7 (i) 100 % of each such Non-Consenting Party's share of the cost of any newly acquired surface equipment  
8 beyond the wellhead connections (including but not limited to stock tanks, separators, treaters, pumping equipment and  
9 piping), plus 100% of each such Non-Consenting Party's share of the cost of operation of the well commencing with first  
10 production and continuing until each such Non-Consenting Party's relinquished interest shall revert to it under other  
11 provisions of this Article, it being agreed that each Non-Consenting Party's share of such costs and equipment will be that  
12 interest which would have been chargeable to such Non-Consenting Party had it participated in the well from the beginning  
13 of the operations; and

14 (ii) 300 % of (a) that portion of the costs and expenses of drilling, Reworking, Sidetracking, Deepening,  
15 Plugging Back, testing, Completing, and Recompleting, after deducting any cash contributions received under Article VIII.C.,  
16 and of (b) that portion of the cost of newly acquired equipment in the well (to and including the wellhead connections),  
17 which would have been chargeable to such Non-Consenting Party if it had participated therein.

18 Notwithstanding anything to the contrary in this Article VI.B., if the well does not reach the deepest objective Zone  
19 described in the notice proposing the well for reasons other than the encountering of granite or practically impenetrable  
20 substance or other condition in the hole rendering further operations impracticable, Operator shall give notice thereof to each  
21 Non-Consenting Party who submitted or voted for an alternative proposal under Article VI.B.6. to drill the well to a  
22 shallower Zone than the deepest objective Zone proposed in the notice under which the well was drilled, and each such Non-  
23 Consenting Party shall have the option to participate in the initial proposed Completion of the well by paying its share of the  
24 cost of drilling the well to its actual depth, calculated in the manner provided in Article VI.B.4. (a). If any such Non-  
25 Consenting Party does not elect to participate in the first Completion proposed for such well, the relinquishment provisions  
26 of this Article VI.B.2. (b) shall apply to such party's interest.

27 (c) Reworking, Recompleting or Plugging Back. An election not to participate in the drilling, Sidetracking or  
28 Deepening of a well shall be deemed an election not to participate in any Reworking or Plugging Back operation proposed in  
29 such a well, or portion thereof, to which the initial non-consent election applied that is conducted at any time prior to full  
30 recovery by the Consenting Parties of the Non-Consenting Party's recoupment amount. Similarly, an election not to  
31 participate in the Completing or Recompleting of a well shall be deemed an election not to participate in any Reworking  
32 operation proposed in such a well, or portion thereof, to which the initial non-consent election applied that is conducted at  
33 any time prior to full recovery by the Consenting Parties of the Non-Consenting Party's recoupment amount. Any such  
34 Reworking, Recompleting or Plugging Back operation conducted during the recoupment period shall be deemed part of the  
35 cost of operation of said well and there shall be added to the sums to be recouped by the Consenting Parties 250 % of  
36 that portion of the costs of the Reworking, Recompleting or Plugging Back operation which would have been chargeable to  
37 such Non-Consenting Party had it participated therein. If such a Reworking, Recompleting or Plugging Back operation is  
38 proposed during such recoupment period, the provisions of this Article VI.B. shall be applicable as between said Consenting  
39 Parties in said well.

40 (d) Recoupment Matters. During the period of time Consenting Parties are entitled to receive Non-Consenting Party's  
41 share of production, or the proceeds therefrom, Consenting Parties shall be responsible for the payment of all ad valorem,  
42 production, severance, excise, gathering and other taxes, and all royalty, overriding royalty and other burdens applicable to  
43 Non-Consenting Party's share of production not excepted by Article III.C.

44 In the case of any Reworking, Sidetracking, Plugging Back, Recompleting or Deepening operation, the Consenting  
45 Parties shall be permitted to use, free of cost, all casing, tubing and other equipment in the well, but the ownership of all  
46 such equipment shall remain unchanged; and upon abandonment of a well after such Reworking, Sidetracking, Plugging Back,  
47 Recompleting or Deepening, the Consenting Parties shall account for all such equipment to the owners thereof, with each  
48 party receiving its proportionate part in kind or in value, less cost of salvage.

49 Within ninety (90) days after the completion of any operation under this Article, the party conducting the operations  
50 for the Consenting Parties shall furnish each Non-Consenting Party with an inventory of the equipment in and connected to  
51 the well, and an itemized statement of the cost of drilling, Sidetracking, Deepening, Plugging Back, testing, Completing,  
52 Recompleting, and equipping the well for production; or, at its option, the operating party, in lieu of an itemized statement  
53 of such costs of operation, may submit a detailed statement of monthly billings. Each month thereafter, during the time the  
54 Consenting Parties are being reimbursed as provided above, the party conducting the operations for the Consenting Parties  
55 shall furnish the Non-Consenting Parties with an itemized statement of all costs and liabilities incurred in the operation of

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 the well, together with a statement of the quantity of Oil and Gas produced from it and the amount of proceeds realized from  
2 the sale of the well's working interest production during the preceding month. In determining the quantity of Oil and Gas  
3 produced during any month, Consenting Parties shall use industry accepted methods such as but not limited to metering or  
4 periodic well tests. Any amount realized from the sale or other disposition of equipment newly acquired in connection with  
5 any such operation which would have been owned by a Non-Consenting Party had it participated therein shall be credited  
6 against the total unreturned costs of the work done and of the equipment purchased in determining when the interest of such  
7 Non-Consenting Party shall revert to it as above provided; and if there is a credit balance, it shall be paid to such Non-  
8 Consenting Party.

9 If and when the Consenting Parties recover from a Non-Consenting Party's relinquished interest the amounts provided  
10 for above, the relinquished interests of such Non-Consenting Party shall automatically revert to it as of 7:00 a.m. on the day  
11 following the day on which such recoupment occurs, and, from and after such reversion, such Non-Consenting Party shall  
12 own the same interest in such well, the material and equipment in or pertaining thereto, and the production therefrom as  
13 such Non-Consenting Party would have been entitled to had it participated in the drilling, Sidetracking, Reworking,  
14 Deepening, Recompleting or Plugging Back of said well. Thereafter, such Non-Consenting Party shall be charged with and  
15 shall pay its proportionate part of the further costs of the operation of said well in accordance with the terms of this  
16 agreement and Exhibit "C" attached hereto.

17 3. Stand-By Costs: When a well which has been drilled or Deepened has reached its authorized depth and all tests have  
18 been completed and the results thereof furnished to the parties, or when operations on the well have been otherwise  
19 terminated pursuant to Article VI.F., stand-by costs incurred pending response to a party's notice proposing a Reworking,  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 Sidetracking, Deepening, Recompleting, Plugging Back or Completing operation in such a well (including the period required  
2 under Article VI.B.6. to resolve competing proposals) shall be charged and borne as part of the drilling or Deepening  
3 operation just completed. Stand-by costs subsequent to all parties responding, or expiration of the response time permitted,  
4 whichever first occurs, and prior to agreement as to the participating interests of all Consenting Parties pursuant to the terms  
5 of the second grammatical paragraph of Article VI.B.2. (a), shall be charged to and borne as part of the proposed operation,  
6 but if the proposal is subsequently withdrawn because of insufficient participation, such stand-by costs shall be allocated  
7 between the Consenting Parties in the proportion each Consenting Party's interest as shown on Exhibit "A" bears to the total  
8 interest as shown on Exhibit "A" of all Consenting Parties.

9 In the event that notice for a Sidetracking operation is given while the drilling rig to be utilized is on location, any party  
10 may request and receive up to five (5) additional days after expiration of the forty-eight hour response period specified in  
11 Article VI.B.1. within which to respond by paying for all stand-by costs and other costs incurred during such extended  
12 response period; Operator may require such party to pay the estimated stand-by time in advance as a condition to extending  
13 the response period. If more than one party elects to take such additional time to respond to the notice, standby costs shall be  
14 allocated between the parties taking additional time to respond on a day-to-day basis in the proportion each electing party's  
15 interest as shown on Exhibit "A" bears to the total interest as shown on Exhibit "A" of all the electing parties.

16 4. Deepening: If less than all parties elect to participate in a drilling, Sidetracking, or Deepening operation proposed  
17 pursuant to Article VI.B.1., the interest relinquished by the Non-Consenting Parties to the Consenting Parties under Article  
18 VI.B.2. shall relate only and be limited to the lesser of (i) the total depth actually drilled or (ii) the objective depth or Zone  
19 of which the parties were given notice under Article VI.B.1. ("Initial Objective"). Such well shall not be Deepened beyond the  
20 Initial Objective without first complying with this Article to afford the Non-Consenting Parties the opportunity to participate  
21 in the Deepening operation.

22 In the event any Consenting Party desires to drill or Deepen a Non-Consent Well to a depth below the Initial Objective,  
23 such party shall give notice thereof, complying with the requirements of Article VI.B.1., to all parties (including Non-  
24 Consenting Parties). Thereupon, Articles VI.B.1. and 2. shall apply and all parties receiving such notice shall have the right to  
25 participate or not participate in the Deepening of such well pursuant to said Articles VI.B.1. and 2. If a Deepening operation  
26 is approved pursuant to such provisions, and if any Non-Consenting Party elects to participate in the Deepening operation,  
27 such Non-Consenting party shall pay or make reimbursement (as the case may be) of the following costs and expenses.

28 (a) If the proposal to Deepen is made prior to the Completion of such well as a well capable of producing in paying  
29 quantities, such Non-Consenting Party shall pay (or reimburse Consenting Parties for, as the case may be) that share of costs  
30 and expenses incurred in connection with the drilling of said well from the surface to the Initial Objective which Non-  
31 Consenting Party would have paid had such Non-Consenting Party agreed to participate therein, plus the Non-Consenting  
32 Party's share of the cost of Deepening and of participating in any further operations on the well in accordance with the other  
33 provisions of this Agreement; provided, however, all costs for testing and Completion or attempted Completion of the well  
34 incurred by Consenting Parties prior to the point of actual operations to Deepen beyond the Initial Objective shall be for the  
35 sole account of Consenting Parties.

36 (b) If the proposal is made for a Non-Consent Well that has been previously Completed as a well capable of producing  
37 in paying quantities, but is no longer capable of producing in paying quantities, such Non-Consenting Party shall pay (or  
38 reimburse Consenting Parties for, as the case may be) its proportionate share of all costs of drilling, Completing, and  
39 equipping said well from the surface to the Initial Objective, calculated in the manner provided in paragraph (a) above, less  
40 those costs recouped by the Consenting Parties from the sale of production from the well. The Non-Consenting Party shall  
41 also pay its proportionate share of all costs of re-entering said well. The Non-Consenting Parties' proportionate part (based  
42 on the percentage of such well Non-Consenting Party would have owned had it previously participated in such Non-Consent  
43 Well) of the costs of salvable materials and equipment remaining in the hole and salvable surface equipment used in  
44 connection with such well shall be determined in accordance with Exhibit "C." If the Consenting Parties have recouped the  
45 cost of drilling, Completing, and equipping the well at the time such Deepening operation is conducted, then a Non-  
46 Consenting Party may participate in the Deepening of the well with no payment for costs incurred prior to re-entering the  
47 well for Deepening

48 The foregoing shall not imply a right of any Consenting Party to propose any Deepening for a Non-Consent Well prior  
49 to the drilling of such well to its Initial Objective without the consent of the other Consenting Parties as provided in Article  
50 VI.F.

51 5. Sidetracking: Any party having the right to participate in a proposed Sidetracking operation that does not own an  
52 interest in the affected wellbore at the time of the notice shall, upon electing to participate, tender to the wellbore owners its  
53 proportionate share (equal to its interest in the Sidetracking operation) of the value of that portion of the existing wellbore  
54 to be utilized as follows:

55 (a) If the proposal is for Sidetracking an existing dry hole, reimbursement shall be on the basis of the actual costs



A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 incurred in the initial drilling of the well down to the depth at which the Sidetracking operation is initiated.

2 (b) If the proposal is for Sidetracking a well which has previously produced, reimbursement shall be on the basis of  
3 such party's proportionate share of drilling and equipping costs incurred in the initial drilling of the well down to the depth  
4 at which the Sidetracking operation is conducted, calculated in the manner described in Article VI.B.4(b) above. Such party's  
5 proportionate share of the cost of the well's salvable materials and equipment down to the depth at which the Sidetracking  
6 operation is initiated shall be determined in accordance with the provisions of Exhibit "C."

7 6. Order of Preference of Operations. Except as otherwise specifically provided in this agreement, if any party desires to  
8 propose the conduct of an operation that conflicts with a proposal that has been made by a party under this Article VI, such  
9 party shall have fifteen (15) days from delivery of the initial proposal, in the case of a proposal to drill a well or to perform  
10 an operation on a well where no drilling rig is on location, or twenty-four (24) hours, inclusive of Saturday, Sunday and legal  
11 holidays, from delivery of the initial proposal, if a drilling rig is on location for the well on which such operation is to be  
12 conducted, to deliver to all parties entitled to participate in the proposed operation such party's alternative proposal, such  
13 alternate proposal to contain the same information required to be included in the initial proposal. Each party receiving such  
14 proposals shall elect by delivery of notice to Operator within five (5) days after expiration of the proposal period, or within  
15 twenty-four (24) hours (inclusive of Saturday, Sunday and legal holidays) if a drilling rig is on location for the well that is the  
16 subject of the proposals, to participate in one of the competing proposals. Any party not electing within the time required  
17 shall be deemed not to have voted. The proposal receiving the vote of parties owning the largest aggregate percentage  
18 interest of the parties voting shall have priority over all other competing proposals; in the case of a tie vote, the  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

1 initial proposal shall prevail. Operator shall deliver notice of such result to all parties entitled to participate in the operation  
2 within five (5) days after expiration of the election period (or within twenty-four (24) hours, inclusive of Saturday, Sunday  
3 and legal holidays, if a drilling rig is on location). Each party shall then have two (2) days (or twenty-four (24) hours if a rig  
4 is on location) from receipt of such notice to elect by delivery of notice to Operator to participate in such operation or to  
5 relinquish interest in the affected well pursuant to the provisions of Article VI.B.2.; failure by a party to deliver notice within  
6 such period shall be deemed an election not to participate in the prevailing proposal.

7 7. Conformity to Spacing Pattern. Notwithstanding the provisions of this Article VI.B.2., it is agreed that no wells shall be  
8 proposed to be drilled to or Completed in or produced from a Zone from which a well located elsewhere on the Contract  
9 Area is producing, unless such well conforms to the then-existing well spacing pattern for such Zone.

10 8. Paying Wells. No party shall conduct any Reworking, Deepening, Plugging Back, Completion, Recompletion, or  
11 Sidetracking operation under this agreement with respect to any well then capable of producing in paying quantities except  
12 with the consent of all parties that have not relinquished interests in the well at the time of such operation.

13 **C. Completion of Wells; Reworking and Plugging Back:**

14 1. Completion: Without the consent of all parties, no well shall be drilled, Deepened or Sidetracked, except any well  
15 drilled, Deepened or Sidetracked pursuant to the provisions of Article VI.B.2. of this agreement. Consent to the drilling,  
16 Deepening or Sidetracking shall include:

17  Option No. 1: All necessary expenditures for the drilling, Deepening or Sidetracking, testing, Completing and  
18 equipping of the well, including necessary tankage and/or surface facilities.

19  Option No. 2: All necessary expenditures for the drilling, Deepening or Sidetracking and testing of the well. When  
20 such well has reached its authorized depth, and all logs, cores and other tests have been completed, and the results  
21 thereof furnished to the parties, Operator shall give immediate notice to the Non-Operators having the right to  
22 participate in a Completion attempt whether or not Operator recommends attempting to Complete the well,  
23 together with Operator's AFE for Completion costs if not previously provided. The parties receiving such notice  
24 shall have forty-eight (48) hours (inclusive of Saturday, Sunday and legal holidays) in which to elect by delivery of  
25 notice to Operator to participate in a recommended Completion attempt or to make a Completion proposal with an  
26 accompanying AFE. Operator shall deliver any such Completion proposal, or any Completion proposal conflicting  
27 with Operator's proposal, to the other parties entitled to participate in such Completion in accordance with the  
28 procedures specified in Article VI.B.6. Election to participate in a Completion attempt shall include consent to all  
29 necessary expenditures for the Completing and equipping of such well, including necessary tankage and/or surface  
30 facilities but excluding any stimulation operation not contained on the Completion AFE. Failure of any party  
31 receiving such notice to reply within the period above fixed shall constitute an election by that party not to  
32 participate in the cost of the Completion attempt; provided, that Article VI.B.6. shall control in the case of  
33 conflicting Completion proposals. If one or more, but less than all of the parties, elect to attempt a Completion, the  
34 provision of Article VI.B.2. hereof (the phrase "Reworking, Sidetracking, Deepening, Recompleting or Plugging  
35 Back" as contained in Article VI.B.2. shall be deemed to include "Completing") shall apply to the operations  
36 thereafter conducted by less than all parties; provided, however, that Article VI.B.2. shall apply separately to each  
37 separate Completion or Recompletion attempt undertaken hereunder, and an election to become a Non-Consenting  
38 Party as to one Completion or Recompletion attempt shall not prevent a party from becoming a Consenting Party  
39 in subsequent Completion or Recompletion attempts regardless whether the Consenting Parties as to earlier  
40 Completions or Recompletion have recouped their costs pursuant to Article VI.B.2.; provided further, that any  
41 recoupment of costs by a Consenting Party shall be made solely from the production attributable to the Zone in  
42 which the Completion attempt is made. Election by a previous Non-Consenting party to participate in a subsequent  
43 Completion or Recompletion attempt shall require such party to pay its proportionate share of the cost of salvable  
44 materials and equipment installed in the well pursuant to the previous Completion or Recompletion attempt,  
45 insofar and only insofar as such materials and equipment benefit the Zone in which such party participates in a  
46 Completion attempt.

47 2. Rework, Recomplete or Plug Back: No well shall be Reworked, Recompleted or Plugged Back except a well Reworked,  
48 Recompleted, or Plugged Back pursuant to the provisions of Article VI.B.2. of this agreement. Consent to the Reworking,  
49 Recompleting or Plugging Back of a well shall include all necessary expenditures in conducting such operations and  
50 Completing and equipping of said well, including necessary tankage and/or surface facilities.

51 **D. Other Operations:**

52 Operator shall not undertake any single project reasonably estimated to require an expenditure in excess of \_\_\_\_\_  
53 Ten Thousand Dollars (\$ 10,000 ) except in connection with the  
54 drilling, Sidetracking, Reworking, Deepening, Completing, Recompleting or Plugging Back of a well that has been previously  
55 authorized by or pursuant to this agreement; provided, however, that, in case of explosion, fire, flood or other sudden  
56

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 emergency, whether of the same or different nature, Operator may take such steps and incur such expenses as in its opinion  
2 are required to deal with the emergency to safeguard life and property but Operator, as promptly as possible, shall report the  
3 emergency to the other parties. If Operator prepares an AFE for its own use, Operator shall furnish any Non-Operator so  
4 requesting an information copy thereof for any single project costing in excess of ten thousand Dollars  
5 (\$ 10,000 ). Any party who has not relinquished its interest in a well shall have the right to propose that  
6 Operator perform repair work or undertake the installation of artificial lift equipment or ancillary production facilities such as  
7 salt water disposal wells or to conduct additional work with respect to a well drilled hereunder or other similar project (but  
8 not including the installation of gathering lines or other transportation or marketing facilities, the installation of which shall  
9 be governed by separate agreement between the parties) reasonably estimated to require an expenditure in excess of the  
10 amount first set forth above in this Article VI.D. (except in connection with an operation required to be proposed under  
11 Articles VI.B.1. or VI.C.1. Option No. 2, which shall be governed exclusively by those Articles). Operator shall deliver such  
12 proposal to all parties entitled to participate therein. If within thirty (30) days thereof Operator secures the written consent  
13 of any party or parties owning at least 51 % of the interests of the parties entitled to participate in such operation,  
14 each party having the right to participate in such project shall be bound by the terms of such proposal and shall be obligated  
15 to pay its proportionate share of the costs of the proposed project as if it had consented to such project pursuant to the terms  
of the proposal.

16 **E. Abandonment of Wells:**

17 1. Abandonment of Dry Holes: Except for any well drilled or Deepened pursuant to Article VI.B.2., any well which has  
18 been drilled or Deepened under the terms of this agreement and is proposed to be completed as a dry hole shall not be  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 plugged and abandoned without the consent of all parties. Should Operator, after diligent effort, be unable to contact any  
2 party, or should any party fail to reply within forty-eight (48) hours (inclusive of Saturday, Sunday and legal holidays) after  
3 delivery of notice of the proposal to plug and abandon such well, such party shall be deemed to have consented to the  
4 proposed abandonment. All such wells shall be plugged and abandoned in accordance with applicable regulations and at the  
5 cost, risk and expense of the parties who participated in the cost of drilling or Deepening such well. Any party who objects to  
6 plugging and abandoning such well by notice delivered to Operator within forty-eight (48) hours (inclusive of Saturday,  
7 Sunday and legal holidays) after delivery of notice of the proposed plugging shall take over the well as of the end of such  
8 forty-eight (48) hour notice period and conduct further operations in search of Oil and/or Gas subject to the provisions of  
9 Article VI.B.; failure of such party to provide proof reasonably satisfactory to Operator of its financial capability to conduct  
10 such operations or to take over the well within such period or thereafter to conduct operations on such well or plug and  
11 abandon such well shall entitle Operator to retain or take possession of the well and plug and abandon the well. The party  
12 taking over the well shall indemnify Operator (if Operator is an abandoning party, and such indemnification shall be in form and substance  
13 reasonable acceptable to Operator) and the other abandoning parties against  
14 liability for any further operations conducted on such well except for the costs of plugging and abandoning the well and  
15 restoring the surface, for which the abandoning parties shall remain proportionately liable.

16 2. Abandonment of Wells That Have Produced: Except for any well in which a Non-Consent operation has been  
17 conducted hereunder for which the Consenting Parties have not been fully reimbursed as herein provided, any well which has  
18 been completed as a producer shall not be plugged and abandoned without the consent of all parties. If all parties consent to  
19 such abandonment, the well shall be plugged and abandoned in accordance with applicable regulations and at the cost, risk  
20 and expense of all the parties hereto. Failure of a party to reply within sixty (60) days of delivery of notice of proposed  
21 abandonment shall be deemed an election to consent to the proposal. If, within sixty (60) days after delivery of notice of the  
22 proposed abandonment of any well, all parties do not agree to the abandonment of such well, those wishing to continue its  
23 operation from the Zone then open to production shall be obligated to take over the well as of the expiration of the  
24 applicable notice period and shall indemnify Operator (if Operator is an abandoning party) and the other abandoning parties  
25 against liability for any further operations on the well conducted by such parties. Failure of such party or parties to provide  
26 proof reasonably satisfactory to Operator of their financial capability to conduct such operations or to take over the well  
27 within the required period or thereafter to conduct operations on such well shall entitle operator to retain or take possession  
28 of such well and plug and abandon the well.

29 Parties taking over a well as provided herein shall tender to each of the other parties its proportionate share of the value of  
30 the well's salvable material and equipment, determined in accordance with the provisions of Exhibit "C," less the estimated cost  
31 of salvaging and the estimated cost of plugging and abandoning and restoring the surface; provided, however, that in the event  
32 the estimated plugging and abandoning and surface restoration costs and the estimated cost of salvaging are higher than the  
33 value of the well's salvable material and equipment, each of the abandoning parties shall tender to the parties continuing  
34 operations their proportionate shares of the estimated excess cost. Each abandoning party shall assign to the non-abandoning  
35 parties, without warranty, express or implied, as to title or as to quantity, or fitness for use of the equipment and material, all  
36 of its interest in the wellbore of the well and related equipment, together with its interest in the Leasehold insofar and only  
37 insofar as such Leasehold covers the right to obtain production from that wellbore in the Zone then open to production. If the  
38 interest of the abandoning party is or includes an Oil and Gas Interest, such party shall execute and deliver to the non-  
39 abandoning party or parties an oil and gas lease, limited to the wellbore and the Zone then open to production, for a term of  
40 one (1) year and so long thereafter as Oil and/or Gas is produced from the Zone covered thereby, such lease to be on the form  
41 attached as Exhibit "B." The assignments or leases so limited shall encompass the Drilling Unit upon which the well is located.  
42 The payments by, and the assignments or leases to, the assignees shall be in a ratio based upon the relationship of their  
43 respective percentage of participation in the Contract Area to the aggregate of the percentages of participation in the Contract  
44 Area of all assignees. There shall be no readjustment of interests in the remaining portions of the Contract Area.

45 Thereafter, abandoning parties shall have no further responsibility, liability, or interest in the operation of or production  
46 from the well in the Zone then open other than the royalties retained in any lease made under the terms of this Article. Upon  
47 request, Operator shall continue to operate the assigned well for the account of the non-abandoning parties at the rates and  
48 charges contemplated by this agreement, plus any additional cost and charges which may arise as the result of the separate  
49 ownership of the assigned well. Upon proposed abandonment of the producing Zone assigned or leased, the assignor or lessor  
50 shall then have the option to repurchase its prior interest in the well (using the same valuation formula) and participate in  
51 further operations therein subject to the provisions hereof.

52 3. Abandonment of Non-Consent Operations: The provisions of Article VI.E.1. or VI.E.2. above shall be applicable as  
53 between Consenting Parties in the event of the proposed abandonment of any well excepted from said Articles; provided,  
54 however, no well shall be permanently plugged and abandoned unless and until all parties having the right to conduct further  
55 operations therein have been notified of the proposed abandonment and afforded the opportunity to elect to take over the well  
56

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

in accordance with the provisions of this Article VI.E.; and provided further, that Non-Consenting Parties who own an interest in a portion of the well shall pay their proportionate shares of abandonment and surface restoration cost for such well as provided in Article VI.B.2.(b).

**F. Termination of Operations:**

Upon the commencement of an operation for the drilling, Reworking, Sidetracking, Plugging Back, Deepening, testing, Completion or plugging of a well, including but not limited to the Initial Well, such operation shall not be terminated without consent of parties bearing 81% of the costs of such operation; provided, however, that in the event granite or other practically impenetrable substance or condition in the hole is encountered which renders further operations impractical, Operator may discontinue operations and give notice of such condition in the manner provided in Article VI.B.1, and the provisions of Article VI.B. or VI.E. shall thereafter apply to such operation, as appropriate.

**G. Taking Production in Kind:**

**Option No. 2: No Gas Balancing Agreement:**

Each party shall take in kind or separately dispose of its proportionate share of all Oil and Gas produced from the Contract Area, exclusive of production which may be used in development and producing operations and in preparing and treating Oil and Gas for marketing purposes and production unavoidably lost. Any extra expenditures incurred in the taking in kind or separate disposition by any party of its proportionate share of the production shall be borne by such party. Any party taking its share of production in kind shall be required to pay for only its proportionate share of such part of Operator's surface facilities which it uses.

Each party shall execute such division orders and contracts as may be necessary for the sale of its interest in production from the Contract Area, and, except as provided in Article VII.B., shall be entitled to receive payment directly from the purchaser thereof for its share of all production.

If any party fails to make the arrangements necessary to take in kind or separately dispose of its proportionate share of the Oil and/or Gas produced from the Contract Area, Operator shall have the right, subject to the revocation at will by the party owning it, but not the obligation, to purchase such Oil and/or Gas or sell it to others at any time and from time to time, for the account of the non-taking party. Any such purchase or sale by Operator may be terminated by Operator upon at least ten (10) days written notice to the owner of said production and shall be subject always to the right of the owner of the production upon at least ten (10) days written notice to Operator to exercise its right to take in kind, or separately dispose of, its share of all Oil and/or Gas not previously delivered to a purchaser; provided, however, that the effective date of any such revocation may be deferred at Operator's election for a period not to exceed ninety (90) days if Operator has committed such production to a purchase contract having a term extending beyond such ten (10) -day period. Any purchase or sale by Operator of any other party's share of Oil and/or Gas shall be only for such reasonable periods of time as are consistent with the minimum needs of the industry under the particular circumstances, but in no event for a period in excess of one (1) year.

Any such sale by Operator shall be in a manner commercially reasonable under the circumstances, but Operator shall have no duty to share any existing market or transportation arrangement or to obtain a price or transportation fee equal to that received under any existing market or transportation arrangement. The sale or delivery by Operator of a non-taking party's share of production under the terms of any existing contract of Operator shall not give the non-taking party any interest in or make the non-taking party a party to said contract. No purchase of Oil and Gas and no sale of Gas shall be made by Operator without first giving the non-taking party ten days written notice of such intended purchase or sale and the price to be paid or the pricing basis to be used. Operator shall give notice to all parties of the first sale of Gas from any well under this Agreement.

All parties shall give timely written notice to Operator of their Gas marketing arrangements for the following month, excluding price, and shall notify Operator immediately in the event of a change in such arrangements. Operator shall maintain records of all marketing arrangements, and of volumes actually sold or transported, which records shall be made available to Non-Operators upon reasonable request.

**ARTICLE VII.**

**EXPENDITURES AND LIABILITY OF PARTIES**

**A. Liability of Parties:**

The liability of the parties shall be several, not joint or collective. Each party shall be responsible only for its obligations, and shall be liable only for its proportionate share of the costs of developing and operating the Contract Area. Accordingly, the liens granted among the parties in Article VII.B. are given to secure only the debts of each severally, and no party shall have any liability to third parties hereunder to satisfy the default of any other party in the payment of any expense or obligation hereunder. It is not the intention of the parties to create, nor shall this agreement be construed as creating, a mining or other partnership, joint venture, agency relationship or association, or to render the parties liable as partners, co-venturers, or

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

principals. In their relations with each other under this agreement, the parties shall not be considered fiduciaries or to have established a confidential relationship but rather shall be free to act on an arm's-length basis in accordance with their own respective self-interest, subject, however, to the obligation of the parties to act in good faith in their dealings with each other with respect to activities hereunder.

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28
- 29
- 30
- 31
- 32
- 33
- 34
- 35
- 36
- 37
- 38
- 39
- 40
- 41
- 42
- 43
- 44
- 45
- 46
- 47
- 48
- 49
- 50
- 51
- 52
- 53
- 54
- 55
- 56
- 57
- 58
- 59
- 60

**B. Liens and Security Interests:**

Each party grants to the other parties hereto a lien upon any interest it now owns or hereafter acquires in Oil and Gas Leases and Oil and Gas Interests in the Contract Area, and a security interest and/or purchase money security interest in any interest it now owns or hereafter acquires in the personal property and fixtures on or used or obtained for use in connection therewith, to secure performance of all of its obligations under this agreement including but not limited to payment of expense, interest and fees, the proper disbursement of all monies paid hereunder, the assignment or relinquishment of interest in Oil and Gas Leases as required hereunder, and the proper performance of operations hereunder. Such lien and security interest granted by each party hereto shall include such party's leasehold interests, working interests, operating rights, and royalty and overriding royalty interests in the Contract Area now owned or hereafter acquired and in lands pooled or unitized therewith or otherwise becoming subject to this agreement, the Oil and Gas when extracted therefrom and equipment situated thereon or used or obtained for use in connection therewith (including, without limitation, all wells, tools, and tubular goods), and accounts (including, without limitation, accounts arising from gas imbalances or from the sale of Oil and/or Gas at the wellhead), contract rights, inventory and general intangibles relating thereto or arising therefrom, and all proceeds and products of the foregoing.

To perfect the lien and security agreement provided herein, each party hereto shall execute and acknowledge the recording supplement and/or any financing statement prepared and submitted by any party hereto in conjunction herewith or at any time following execution hereof, and Operator is authorized to file this agreement or the recording supplement executed herewith as a lien or mortgage in the applicable real estate records and as a financing statement with the proper officer under the Uniform Commercial Code in the state in which the Contract Area is situated and such other states as Operator shall deem appropriate to perfect the security interest granted hereunder. Any party may file this agreement, the recording supplement executed herewith, or such other documents as it deems necessary as a lien or mortgage in the applicable real estate records and/or a financing statement with the proper officer under the Uniform Commercial Code.

Each party represents and warrants to the other parties hereto that the lien and security interest granted by such party to the other parties shall be a first and prior lien, and each party hereby agrees to maintain the priority of said lien and security interest against all persons acquiring an interest in Oil and Gas Leases and Interests covered by this agreement by, through or under such party. All parties acquiring an interest in Oil and Gas Leases and Oil and Gas Interests covered by this agreement, whether by assignment, merger, mortgage, operation of law, or otherwise, shall be deemed to have taken subject to the lien and security interest granted by this Article VII.B. as to all obligations attributable to such interest hereunder whether or not such obligations arise before or after such interest is acquired.

To the extent that parties have a security interest under the Uniform Commercial Code of the state in which the Contract Area is situated, they shall be entitled to exercise the rights and remedies of a secured party under the Code. The bringing of a suit and the obtaining of judgment by a party for the secured indebtedness shall not be deemed an election of remedies or otherwise affect the lien rights or security interest as security for the payment thereof. In addition, upon default by any party in the payment of its share of expenses, interests or fees, or upon the improper use of funds by the Operator, the other parties shall have the right, without prejudice to other rights or remedies, to collect from the purchaser the proceeds from the sale of such defaulting party's share of Oil and Gas until the amount owed by such party, plus interest as provided in "Exhibit C," has been received, and shall have the right to offset the amount owed against the proceeds from the sale of such defaulting party's share of Oil and Gas. All purchasers of production may rely on a notification of default from the non-defaulting party or parties stating the amount due as a result of the default, and all parties waive any recourse available against purchasers for releasing production proceeds as provided in this paragraph.

If any party fails to pay its share of cost within one hundred twenty (120) days after rendition of a statement therefor by Operator, the non-defaulting parties, including Operator, shall upon request by Operator, pay the unpaid amount in the proportion that the interest of each such party bears to the interest of all such parties. The amount paid by each party so paying its share of the unpaid amount shall be secured by the liens and security rights described in Article VII.B., and each paying party may independently pursue any remedy available hereunder or otherwise.

If any party does not perform all of its obligations hereunder, and the failure to perform subjects such party to foreclosure or execution proceedings pursuant to the provisions of this agreement, to the extent allowed by governing law, the defaulting party waives any available right of redemption from and after the date of judgment, any required valuation or appraisal of the mortgaged or secured property prior to sale, any available right to stay execution or to require a marshaling of assets and any required bond in the event a receiver is appointed. In addition, to the extent permitted by applicable law, each party hereby grants to the other parties a power of sale as to any property that is subject to the lien and security rights granted hereunder, such power to be exercised in the manner provided by applicable law or otherwise in a commercially reasonable manner and upon reasonable notice.

Each party agrees that the other parties shall be entitled to utilize the provisions of Oil and Gas lien law or other lien

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 law of any state in which the Contract Area is situated to enforce the obligations of each party hereunder. Without limiting  
2 the generality of the foregoing, to the extent permitted by applicable law, Non-Operators agree that Operator may invoke or  
3 utilize the mechanics' or materialmen's lien law of the state in which the Contract Area is situated in order to secure the  
4 payment to Operator of any sum due hereunder for services performed or materials supplied by Operator.

5 **C. Advances:**

6 Operator, at its election, shall have the right from time to time to demand and receive from one or more of the other  
7 parties payment in advance of their respective shares of the estimated amount of the expense to be incurred in operations  
8 hereunder during the next succeeding month, which right may be exercised only by submission to each such party of an  
9 itemized statement of such estimated expense, together with an invoice for its share thereof. Each such statement and invoice  
10 for the payment in advance of estimated expense shall be submitted on or before the 20th day of the next preceding month.  
11 Each party shall pay to Operator its proportionate share of such estimate within fifteen (15) days after such estimate and  
12 invoice is received. If any party fails to pay its share of said estimate within said time, the amount due shall bear interest as  
13 provided in Exhibit "C" until paid. Proper adjustment shall be made monthly between advances and actual expense to the end  
14 that each party shall bear and pay its proportionate share of actual expenses incurred, and no more.

15 **D. Defaults and Remedies:**

16 If any party fails to discharge any financial obligation under this agreement, including without limitation the failure to  
17 make any advance under the preceding Article VII.C. or any other provision of this agreement, within the period required for  
18 such payment hereunder, then in addition to the remedies provided in Article VII.B. or elsewhere in this agreement, the  
19 remedies specified below shall be applicable. For purposes of this Article VII.D., all notices and elections shall be delivered  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60



A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 only by Operator, except that Operator shall deliver any such notice and election requested by a non-defaulting Non-Operator,  
2 and when Operator is the party in default, the applicable notices and elections can be delivered by any Non-Operator.  
3 Election of any one or more of the following remedies shall not preclude the subsequent use of any other remedy specified  
4 below or otherwise available to a non-defaulting party.

5 1. Suspension of Rights: Any party may deliver to the party in default a Notice of Default, which shall specify the default,  
6 specify the action to be taken to cure the default, and specify that failure to take such action will result in the exercise of one  
7 or more of the remedies provided in this Article. If the default is not cured within thirty (30) days of the delivery of such  
8 Notice of Default, all of the rights of the defaulting party granted by this agreement may upon notice be suspended until the  
9 default is cured, without prejudice to the right of the non-defaulting party or parties to continue to enforce the obligations of  
10 the defaulting party previously accrued or thereafter accruing under this agreement. If Operator is the party in default, the  
11 Non-Operators shall have in addition the right, by vote of Non-Operators owning a majority in interest in the Contract Area  
12 after excluding the voting interest of Operator, to appoint a new Operator effective immediately. The rights of a defaulting  
13 party that may be suspended hereunder at the election of the non-defaulting parties shall include, without limitation, the right  
14 to receive information as to any operation conducted hereunder during the period of such default, the right to elect to  
15 participate in an operation proposed under Article VI.B. of this agreement, the right to participate in an operation being  
16 conducted under this agreement even if the party has previously elected to participate in such operation, and the right to  
17 receive proceeds of production from any well subject to this agreement.

18 2. Suit for Damages: Non-defaulting parties or Operator for the benefit of non-defaulting parties may sue (at joint  
19 account expense) to collect the amounts in default, plus interest accruing on the amounts recovered from the date of default  
20 until the date of collection at the rate specified in Exhibit "C" attached hereto. Nothing herein shall prevent any party from  
21 suing any defaulting party to collect consequential damages accruing to such party as a result of the default.

22 3. Deemed Non-Consent: The non-defaulting party may deliver a written Notice of Non-Consent Election to the  
23 defaulting party at any time after the expiration of the thirty-day cure period following delivery of the Notice of Default, in  
24 which event if the billing is for the drilling a new well or the Plugging Back, Sidetracking, Reworking or Deepening of a  
25 well which is to be or has been plugged as a dry hole, or for the Completion or Recompletion of any well, the defaulting  
26 party will be conclusively deemed to have elected not to participate in the operation and to be a Non-Consenting Party with  
27 respect thereto under Article VI.B. or VI.C., as the case may be, to the extent of the costs unpaid by such party,  
28 notwithstanding any election to participate theretofore made. If election is made to proceed under this provision, then the  
29 non-defaulting parties may not elect to sue for the unpaid amount pursuant to Article VII.D.2.

30 Until the delivery of such Notice of Non-Consent Election to the defaulting party, such party shall have the right to cure  
31 its default by paying its unpaid share of costs plus interest at the rate set forth in Exhibit "C," provided, however, such  
32 payment shall not prejudice the rights of the non-defaulting parties to pursue remedies for damages incurred by the non-  
33 defaulting parties as a result of the default. Any interest relinquished pursuant to this Article VII.D.3. shall be offered to the  
34 non-defaulting parties in proportion to their interests, and the non-defaulting parties electing to participate in the ownership  
35 of such interest shall be required to contribute their shares of the defaulted amount upon their election to participate therein.

36 4. Advance Payment: If a default is not cured within thirty (30) days of the delivery of a Notice of Default, Operator, or  
37 Non-Operators if Operator is the defaulting party, may thereafter require advance payment from the defaulting  
38 party of such defaulting party's anticipated share of any item of expense for which Operator, or Non-Operators, as the case may  
39 be, would be entitled to reimbursement under any provision of this agreement, whether or not such expense was the subject of  
40 the previous default. Such right includes, but is not limited to, the right to require advance payment for the estimated costs of  
41 drilling a well or Completion of a well as to which an election to participate in drilling or Completion has been made. If the  
42 defaulting party fails to pay the required advance payment, the non-defaulting parties may pursue any of the remedies provided  
43 in the Article VII.D. or any other default remedy provided elsewhere in this agreement. Any excess of funds advanced remaining  
44 when the operation is completed and all costs have been paid shall be promptly returned to the advancing party.

45 5. Costs and Attorneys' Fees: In the event any party is required to bring legal proceedings to enforce any financial  
46 obligation of a party hereunder, the prevailing party in such action shall be entitled to recover all court costs, costs of  
47 collection, and a reasonable attorney's fee, which the lien provided for herein shall also secure.

48 **E. Rentals, Shut-in Well Payments and Minimum Royalties:**

49 Rentals, shut-in well payments and minimum royalties which may be required under the terms of any lease shall be paid  
50 by the party or parties who subjected such lease to this agreement at its or their expense. In the event two or more parties  
51 own and have contributed interests in the same lease to this agreement, such parties may designate one of such parties to  
52 make said payments for and on behalf of all such parties. Any party may request, and shall be entitled to receive, proper  
53 evidence of all such payments. In the event of failure to make proper payment of any rental, shut-in well payment or  
54 minimum royalty through mistake or oversight where such payment is required to continue the lease in force, any loss which  
55 results from such non-payment shall be borne in accordance with the provisions of Article IV.B.2.

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 Operator shall notify Non-Operators of the anticipated completion of a shut-in well, or the shutting in or return to  
2 production of a producing well, at least five (5) days (excluding Saturday, Sunday, and legal holidays) prior to taking such  
3 action, or at the earliest opportunity permitted by circumstances, but assumes no liability for failure to do so. In the event of  
4 failure by Operator to so notify Non-Operators, the loss of any lease contributed hereto by Non-Operators for failure to make  
5 timely payments of any shut-in well payment shall be borne jointly by the parties hereto under the provisions of Article  
6 IV.B.3.

7 **F. Taxes:**

8 Beginning with the first calendar year after the effective date hereof, Operator shall render for ad valorem taxation all  
9 property subject to this agreement which by law should be rendered for such taxes, and it shall pay all such taxes assessed  
10 thereon before they become delinquent. Prior to the rendition date, each Non-Operator shall furnish Operator information as  
11 to burdens (to include, but not be limited to, royalties, overriding royalties and production payments) on Leases and Oil and  
12 Gas Interests contributed by such Non-Operator. If the assessed valuation of any Lease is reduced by reason of its being  
13 subject to outstanding excess royalties, overriding royalties or production payments, the reduction in ad valorem taxes  
14 resulting therefrom shall inure to the benefit of the owner or owners of such Lease, and Operator shall adjust the charge to  
15 such owner or owners so as to reflect the benefit of such reduction. If the ad valorem taxes are based in whole or in part  
16 upon separate valuations of each party's working interest, then notwithstanding anything to the contrary herein, charges to  
17 the joint account shall be made and paid by the parties hereto in accordance with the tax value generated by each party's  
18 working interest. Operator shall bill the other parties for their proportionate shares of all tax payments in the manner  
19 provided in Exhibit "C."  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

1 If Operator considers any tax assessment improper, Operator may, at its discretion, protest within the time and manner  
 2 prescribed by law, and prosecute the protest to a final determination, unless all parties agree to abandon the protest prior to final  
 3 determination. During the pendency of administrative or judicial proceedings, Operator may elect to pay, under protest, all such taxes  
 4 and any interest and penalty. When any such protested assessment shall have been finally determined, Operator shall pay the tax for  
 5 the joint account, together with any interest and penalty accrued, and the total cost shall then be assessed against the parties, and be  
 6 paid by them, as provided in Exhibit "C."

7 Each party shall pay or cause to be paid all production, severance, excise, gathering and other taxes imposed upon or with respect  
 8 to the production or handling of such party's share of Oil and Gas produced under the terms of this agreement.

9 **ARTICLE VIII.**

10 **ACQUISITION, MAINTENANCE OR TRANSFER OF INTEREST**

11 **A. Surrender of Leases:**

12 The Leases covered by this agreement, insofar as they embrace acreage in the Contract Area, shall not be surrendered in whole  
 13 or in part unless all parties consent thereto.

14 However, should any party desire to surrender its interest in any Lease or in any portion thereof, such party shall give written  
 15 notice of the proposed surrender to all parties, and the parties to whom such notice is delivered shall have thirty (30) days after  
 16 delivery of the notice within which to notify the party proposing the surrender whether they elect to consent thereto. Failure of a  
 17 party to whom such notice is delivered to reply within said 30-day period shall constitute a consent to the surrender of the Leases  
 18 described in the notice. If all parties do not agree or consent thereto, the party desiring to surrender shall assign, without express or  
 19 implied warranty of title, all of its interest in such Lease, or portion thereof, and any well, material and equipment which may be  
 20 located thereon and any rights in production thereafter secured, to the parties not consenting to such surrender. If the interest of the  
 21 assigning party is or includes an Oil and Gas Interest, the assigning party shall execute and deliver to the party or parties not  
 22 consenting to such surrender an oil and gas lease covering such Oil and Gas Interest for a term of one (1) year and so long  
 23 thereafter as Oil and/or Gas is produced from the land covered thereby, such lease to be on the form attached hereto as Exhibit "B."  
 24 Upon such assignment or lease, the assigning party shall be relieved from all obligations thereafter accruing, but not theretofore  
 25 accrued, with respect to the interest assigned or leased and the operation of any well attributable thereto, and the assigning party  
 26 shall have no further interest in the assigned or leased premises and its equipment and production other than the royalties retained  
 27 in any lease made under the terms of this Article. The party assignee or lessee shall pay to the party assignor or lessor the  
 28 reasonable salvage value of the latter's interest in any well's salvable materials and equipment attributable to the assigned or leased  
 29 acreage. The value of all salvable materials and equipment shall be determined in accordance with the provisions of Exhibit "C," less  
 30 the estimated cost of salvaging and the estimated cost of plugging and abandoning and restoring the surface. If such value is less  
 31 than such costs, then the party assignor or lessor shall pay to the party assignee or lessee the amount of such deficit. If the  
 32 assignment or lease is in favor of more than one party, the interest shall be shared by such parties in the proportions that the  
 33 interest of each bears to the total interest of all such parties. If the interest of the parties to whom the assignment is to be made  
 34 varies according to depth, then the interest assigned shall similarly reflect such variances.

35 Any assignment, lease or surrender made under this provision shall not reduce or change the assignor's, lessor's or surrendering  
 36 party's interest as it was immediately before the assignment, lease or surrender in the balance of the Contract Area; and the acreage  
 37 assigned, leased or surrendered, and subsequent operations thereon, shall not thereafter be subject to the terms and provisions of this  
 38 agreement but shall be deemed subject to an Operating Agreement in the form of this agreement.

39 **B. Renewal or Extension of Leases:**

40 If any party secures a renewal or replacement of an Oil and Gas Lease or Interest subject to this agreement, then all other parties  
 41 shall be notified promptly upon such acquisition or, in the case of a replacement Lease taken before expiration of an existing Lease,  
 42 promptly upon expiration of the existing Lease. The parties notified shall have the right for a period of thirty (30) days following  
 43 delivery of such notice in which to elect to participate in the ownership of the renewal or replacement Lease, insofar as such Lease  
 44 affects lands within the Contract Area, by paying to the party who acquired it their proportionate shares of the acquisition cost  
 45 allocated to that part of such Lease within the Contract Area, which shall be in proportion to the interest held at that time by the  
 46 parties in the Contract Area. Each party who participates in the purchase of a renewal or replacement Lease shall be given an  
 47 assignment of its proportionate interest therein by the acquiring party.

48 If some, but less than all, of the parties elect to participate in the purchase of a renewal or replacement Lease, it shall be owned  
 49 by the parties who elect to participate therein, in a ratio based upon the relationship of their respective percentage of participation in  
 50 the Contract Area to the aggregate of the percentages of participation in the Contract Area of all parties participating in the  
 51 purchase of such renewal or replacement Lease. The acquisition of a renewal or replacement Lease by any or all of the parties hereto  
 52 shall not cause a readjustment of the interests of the parties stated in Exhibit "A," but any renewal or replacement Lease in which  
 53 less than all parties elect to participate shall not be subject to this agreement but shall be deemed subject to a separate Operating  
 54 Agreement in the form of this agreement.

55 If the interests of the parties in the Contract Area vary according to depth, then their right to participate proportionately in

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

renewal or replacement Leases and their right to receive an assignment of interest shall also reflect such depth variances.

The provisions of this Article shall apply to renewal or replacement Leases whether they are for the entire interest covered by the expiring Lease or cover only a portion of its area or an interest therein. Any renewal or replacement Lease taken before the expiration of its predecessor Lease, or taken or contracted for or becoming effective within six (6) months after the expiration of the existing Lease, shall be subject to this provision so long as this agreement is in effect at the time of such acquisition or at the time the renewal or replacement Lease becomes effective; but any Lease taken or contracted for more than six (6) months after the expiration of an existing Lease shall not be deemed a renewal or replacement Lease and shall not be subject to the provisions of this agreement.

The provisions in this Article shall also be applicable to extensions of Oil and Gas Leases.

**C. Acreage or Cash Contributions: Reserved.**

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 If any party contracts for any consideration relating to disposition of such party's share of substances produced hereunder,  
2 such consideration shall not be deemed a contribution as contemplated in this Article VIII.C.

3 **D. Assignment; Maintenance of Uniform Interest:**

4  
5 Every sale, encumbrance, transfer or other disposition made by any party shall be made expressly subject to this agreement  
6 and shall be made without prejudice to the right of the other parties, and any transferee of an ownership interest in any Oil and  
7 Gas Lease or Interest shall be deemed a party to this agreement as to the interest conveyed from and after the effective date of the  
8 transfer of ownership; provided, however, that the other parties shall not be required to recognize any such sale,  
9 encumbrance, transfer or other disposition for any purpose hereunder until thirty (30) days after they have received a copy of the  
10 instrument of transfer or other satisfactory evidence thereof in writing from the transferor or transferee. No assignment or other  
11 disposition of interest by a party shall relieve such party of obligations previously incurred by such party hereunder with respect  
12 to the interest transferred, including without limitation the obligation of a party to pay all costs attributable to an operation  
13 conducted hereunder in which such party has agreed to participate prior to making such assignment, and the lien and security  
14 interest granted by Article VII.B. shall continue to burden the interest transferred to secure payment of any such obligations.

15 If, at any time the interest of any party is divided among and owned by four or more co-owners, Operator, at its discretion,  
16 may require such co-owners to appoint a single trustee or agent with full authority to receive notices, approve expenditures,  
17 receive billings for and approve and pay such party's share of the joint expenses, and to deal generally with, and with power to  
18 bind, the co-owners of such party's interest within the scope of the operations embraced in this agreement; however, all such co-  
19 owners shall have the right to enter into and execute all contracts or agreements for the disposition of their respective shares of  
20 the Oil and Gas produced from the Contract Area and they shall have the right to receive, separately, payment of the sale  
21 proceeds thereof.

22 **E. Waiver of Rights to Partition:**

23 If permitted by the laws of the state or states in which the property covered hereby is located, each party hereto owning an  
24 undivided interest in the Contract Area waives any and all rights it may have to partition and have set aside to it in severalty its  
25 undivided interest therein.

26  
27 **ARTICLE IX.**

28 **INTERNAL REVENUE CODE ELECTION**

29 If, for federal income tax purposes, this agreement and the operations hereunder are regarded as a partnership, and if the  
30 parties have not otherwise agreed to form a tax partnership pursuant to Exhibit "G" or other agreement between them, each  
31 party thereby affected elects to be excluded from the application of all of the provisions of Subchapter "K," Chapter 1, Subtitle  
32 "A," of the Internal Revenue Code of 1986, as amended ("Code"), as permitted and authorized by Section 761 of the Code and  
33 the regulations promulgated thereunder. Operator is authorized and directed to execute on behalf of each party hereby affected  
34 such evidence of this election as may be required by the Secretary of the Treasury of the United States or the Federal Internal  
35 Revenue Service, including specifically, but not by way of limitation, all of the returns, statements, and the data required by  
36 Treasury Regulation §1.761. Should there be any requirement that each party hereby affected give further evidence of this  
37 election, each such party shall execute such documents and furnish such other evidence as may be required by the Federal Internal  
38 Revenue Service or as may be necessary to evidence this election. No such party shall give any notices or take any other action  
39 inconsistent with the election made hereby. If any present or future income tax laws of the state or states in which the Contract  
40 Area is located or any future income tax laws of the United States contain provisions similar to those in Subchapter "K," Chapter  
41 1, Subtitle "A," of the Code, under which an election similar to that provided by Section 761 of the Code is permitted, each party  
42 hereby affected shall make such election as may be permitted or required by such laws. In making the foregoing election, each  
43 such party states that the income derived by such party from operations hereunder can be adequately determined without the  
44 computation of partnership taxable income.

45 **ARTICLE X.**

46 **CLAIMS AND LAWSUITS**

47 Operator may settle any single uninsured third party damage claim or suit arising from operations hereunder if the expenditure  
48 does not exceed Ten Thousand Dollars (\$ 10,000 ) and if the payment is in complete settlement  
49 of such claim or suit. If the amount required for settlement exceeds the above amount, the parties hereto shall assume and take over  
50 the further handling of the claim or suit, unless such authority is delegated to Operator. All costs and expenses of handling settling,  
51 or otherwise discharging such claim or suit shall be a the joint expense of the parties participating in the operation from which the  
52 claim or suit arises. If a claim is made against any party or if any party is sued on account of any matter arising from operations  
53 hereunder over which such individual has no control because of the rights given Operator by this agreement, such party shall  
54 immediately notify all other parties, and the claim or suit shall be treated as any other claim or suit involving operations hereunder.

**ARTICLE XI.  
FORCE MAJEURE**

If any party is rendered unable, wholly or in part, by force majeure to carry out its obligations under this agreement, other than the obligation to indemnify or make money payments or furnish security, that party shall give to all other parties prompt written notice of the force majeure with reasonably full particulars concerning it; thereupon, the obligations of the party giving the notice, so far as they are affected by the force majeure, shall be suspended during, but no longer than, the continuance of the force majeure. The term "force majeure," as here employed, shall mean an act of God, strike, lockout, or other industrial disturbance, act of the public enemy, war, blockade, public riot, lightening, fire, storm, flood or other act of nature, explosion, governmental action, governmental delay, restraint or inaction, unavailability of equipment, and any other cause, whether of the kind specifically enumerated above or otherwise, which is not reasonably within the control of the party claiming suspension.

The affected party shall use all reasonable diligence to remove the force majeure situation as quickly as practicable. The requirement that any force majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes, lockouts, or other labor difficulty by the party involved, contrary to its wishes; how all such difficulties shall be handled shall be entirely within the discretion of the party concerned.

**ARTICLE XII.  
NOTICES**

All notices authorized or required between the parties by any of the provisions of this agreement, unless otherwise specifically provided, shall be in writing and delivered in person or by United States mail, courier service, telegram, telex, telecopier or any other form of facsimile, postage or charges prepaid, and addressed to such parties at the addresses listed on Exhibit "A." All telephone or oral notices permitted by this agreement shall be confirmed immediately thereafter by written notice. The originating notice given under any provision hereof shall be deemed delivered only when received by the party to whom such notice is directed, and the time for such party to deliver any notice in response thereto shall run from the date the originating notice is received. "Receipt" for purposes of this agreement with respect to written notice delivered hereunder shall be actual delivery of the notice to the address of the party to be notified specified in accordance with this agreement, or to the telecopy, facsimile or telex machine of such party. The second or any responsive notice shall be deemed delivered when deposited in the United States mail or at the office of the courier or telegraph service, or upon transmittal by telex, telecopy or facsimile, or when personally delivered to the party to be notified, provided, that when response is required within 24 or 48 hours, such response shall be given orally or by telephone, telex, telecopy or other facsimile within such period. Each party shall have the right to change its address at any time, and from time to time, by giving written notice thereof to all other parties. If a party is not available to receive notice orally or by telephone when a party attempts to deliver a notice required to be delivered within 24 or 48 hours, the notice may be delivered in writing by any other method specified herein and shall be deemed delivered in the same manner provided above for any responsive notice.

**ARTICLE XIII.  
TERM OF AGREEMENT**

This agreement shall remain in full force and effect as to the Oil and Gas Leases and/or Oil and Gas Interests subject hereto for the period of time selected below; provided, however, no party hereto shall ever be construed as having any right, title or interest in or to any Lease or Oil and Gas interest contributed by any other party beyond the term of this agreement.

Option No. 1: So long as any of the Oil and Gas Leases subject to this agreement remain or are continued in force as to any part of the Contract Area, whether by production, extension, renewal or otherwise.

Option No. 2: In the event the well described in Article VI.A., or any subsequent well drilled under any provision of this agreement, results in the Completion of a well as a well capable of production of Oil and/or Gas in paying quantities, this agreement shall continue in force so long as any such well is capable of production, and for an additional period of 180 days thereafter; provided, however, if, prior to the expiration of such additional period, one or more of the parties hereto are engaged in drilling, Reworking, Deepening, Sidetracking, Plugging Back, testing or attempting to Complete or Re-complete a well or wells hereunder, this agreement shall continue in force until such operations have been completed and if production results therefrom, this agreement shall continue in force as provided herein. In the event the well described in Article VI.A., or any subsequent well drilled hereunder, results in a dry hole, and no other well is capable of producing Oil and/or Gas from the Contract Area, this agreement shall terminate unless drilling, Deepening, Sidetracking, Completing, Re-completing, Plugging Back or Reworking operations are commenced within 180 days from the date of abandonment of said well. "Abandonment" for such purposes shall mean either (i) a decision by all parties not to conduct any further operations on the well or (ii) the elapse of 180 days from the conduct of any operations on the well, whichever first occurs.

The termination of this agreement shall not relieve any party hereto from any expense, liability or other obligation or any

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

remedy therefor which has accrued or attached prior to the date of such termination.

Upon termination of this agreement and the satisfaction of all obligations hereunder, in the event a memorandum of this Operating Agreement has been filed of record, Operator is authorized to file of record in all necessary recording offices a notice of termination, and each party hereto agrees to execute such a notice of termination as to Operator's interest, upon request of Operator, if Operator has satisfied all its financial obligations.

ARTICLE XIV.

COMPLIANCE WITH LAWS AND REGULATIONS

A. Laws, Regulations and Orders:

This agreement shall be subject to the applicable laws of the state in which the Contract Area is located, to the valid rules, regulations, and orders of any duly constituted regulatory body of said state; and to all other applicable federal, state, and local laws, ordinances, rules, regulations and orders.

B. Governing Law:

This agreement and all matters pertaining hereto, including but not limited to matters of performance, non-performance, breach, remedies, procedures, rights, duties, and interpretation or construction, shall be governed and determined by the law of the state in which the Contract Area is located. If the Contract Area is in two or more states, the law of the state of Kansas shall govern.

C. Regulatory Agencies:

Nothing herein contained shall grant, or be construed to grant, Operator the right or authority to waive or release any rights, privileges, or obligations which Non-Operators may have under federal or state laws or under rules, regulations or

1 orders promulgated under such laws in reference to oil, gas and mineral operations, including the location, operation, or  
2 production of wells, on tracts offsetting or adjacent to the Contract Area.  
3

4 With respect to the operations hereunder, Non-Operators agree to release Operator from any and all losses, damages,  
5 injuries, claims and causes of action arising out of, incident to or resulting directly or indirectly from Operator's interpretation  
6 or application of rules, rulings, regulations or orders of the Department of Energy or Federal Energy Regulatory Commission  
7 or predecessor or successor agencies to the extent such interpretation or application was made in good faith and does not  
8 constitute gross negligence. Each Non-Operator further agrees to reimburse Operator for such Non-Operator's share of  
9 production or any refund, fine, levy or other governmental sanction that Operator may be required to pay as a result of such  
10 an incorrect interpretation or application, together with interest and penalties thereon owing by Operator as a result of such  
11 incorrect interpretation or application.

12 **ARTICLE XV.**  
13 **MISCELLANEOUS**

14 **A. Execution:**

15 This agreement shall be binding upon each Non-Operator when this agreement or a counterpart thereof has been  
16 executed by such Non-Operator and Operator notwithstanding that this agreement is not then or thereafter executed by all of  
17 the parties to which it is tendered or which are listed on Exhibit "A" as owning an interest in the Contract Area or which  
18 own, in fact, an interest in the Contract Area. Operator may, however, by written notice to all Non-Operators who have  
19 become bound by this agreement as aforesaid, given at any time prior to the actual spud date of the Initial Well but in no  
20 event later than five days prior to the date specified in Article VI.A. for commencement of the Initial Well, terminate this  
21 agreement if Operator in its sole discretion determines that there is insufficient participation to justify commencement of  
22 drilling operations. In the event of such a termination by Operator, all further obligations of the parties hereunder shall cease  
23 as of such termination. In the event any Non-Operator has advanced or prepaid any share of drilling or other costs  
24 hereunder, all sums so advanced shall be returned to such Non-Operator without interest. In the event Operator proceeds  
25 with drilling operations for the Initial Well without the execution hereof by all persons listed on Exhibit "A" as having a  
26 current working interest in such well, Operator shall indemnify Non-Operators with respect to all costs incurred for the  
27 Initial Well which would have been charged to such person under this agreement if such person had executed the same and  
28 Operator shall receive all revenues which would have been received by such person under this agreement if such person had  
29 executed the same.

30 **B. Successors and Assigns:**

31 This agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs,  
32 devisees, legal representatives, successors and assigns, and the terms hereof shall be deemed to run with the Leases or  
33 Interests included within the Contract Area.

34 **C. Counterparts:**

35 This instrument may be executed in any number of counterparts, each of which shall be considered an original for all  
36 purposes.

37 **D. Severability:**

38 For the purposes of assuming or rejecting this agreement as an executory contract pursuant to federal bankruptcy laws,  
39 this agreement shall not be severable, but rather must be assumed or rejected in its entirety, and the failure of any party to  
40 this agreement to comply with all of its financial obligations provided herein shall be a material default.

41 **ARTICLE XVI.**  
42 **OTHER PROVISIONS**

43 **\*\*See attached.**  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56

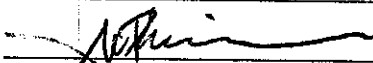


A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1989

1 IN WITNESS WHEREOF, this agreement shall be effective as of the 1<sup>st</sup> day of APRIL,  
2 2022.

3 This form was printed from and, with the exception(s) listed below, is identical to the AAPL Form 610-1989 Model Form  
4 Operating Agreement, as published in computerized form by Forms On-A-Disk, Inc. No changes, alterations, or  
5 modifications, other than those made by strikethrough and/or insertion and that are clearly recognizable as changes, have  
6 been made to the form.

**OPERATOR**  
AMERICAN STAR ENERGY SERVICES, LLC

6 \_\_\_\_\_ By   
7 \_\_\_\_\_  
8 JEFFREY S. ROBINSON, MANAGER


Title MANAGER

Date APRIL 1, 2022

Tax ID or S.S. No. 85-0982372

**NON-OPERATORS**

JULIET ROMEO INVESTMENTS, LLC

15 \_\_\_\_\_ By   
16 \_\_\_\_\_  
17 JEFFREY S. ROBINSON

Title MANAGER

Date APRIL 1, 2022

Tax ID or S.S. No. 46-2224938

**Exhibit "A"**  
**to Joint Operating Agreement dated APRIL 1, 2022 by and between**  
**AMERICAN STAR ENERGY SERVICES, LLC, as Operator, and the other Non-**  
**Operator signatory parties thereto**

I. Description of lands subject to this agreement:

- (i) The wells and lands described in Exhibit A-1 through A-3 hereto (collectively, "*Exhibit A1-2*");
- (ii) The lands covered by the oil, gas and mineral leases identified in Exhibit A1-1 attached hereto; and
- (iii) The wells described within any instrument identified and/or incorporated by reference in Exhibit A1-2 hereto.
- (iv) The interest in each well being conveyed/covered by this agreement.

II. Parties to agreement with addresses and telephone numbers for notice purposes:

OPERATOR:

**AMERICAN STAR ENERGY SERVICES, LLC**

Attention: Mr. JEFFREY S. ROBINSON

Telephone:

E-mail: jeffrob918@gmail.com

NON-OPERATORS:

**JULIET ROMEO**  
**INVESTMENTS, LLC**

Attention: Mr. JEFFREY S.  
ROBINSON

Telephone:

E-mail: jeffrob918@gmail.com

III. Percentages or fractional interests of parties to this agreement:

PARTY	CAPEX	LOE	WORKING INTEREST
AMERICAN STAR ENERGY SERVICES, LLC (OPERATOR)	0.0000%	0.0000%	0.0000%
JULIET ROMEO INVESTMENTS, LLC	VARIOUS	VARIOUS	VARIOUS

The percentages set forth above are the undivided fractional ownership share, of each party, respectively, of the parties' collective right, title and interest in and to the oil and gas leases, fee mineral interests, wells and associated equipment, and other property covered by this Operating Agreement within the Contract Area (as such term is defined in the Operating Agreement). In the event the parties determine that there are portions of the Contract Area and/or properties or assets therein where their collective interest is less than 8/8ths of the entire ownership of working interest and other interests in such area, properties and/or assets, in which cases it is understood that the percentages set forth above are proportionately reduced to the collective interest of the parties.

IV. Oil and Gas Leases, Wells, and/or Oil and Gas Interests subject to this agreement:

See lands in which interest is owned as Exhibit A-1 attached hereto, together the interests (leasehold or otherwise) of the parties.

**EXHIBIT A-1**  
**ATTACHED HERETO AND MADE A PART HEREOF THAT CERTAIN JOINT**  
**OPERATING AGREEMENT, BY AND BETWEEN AMERICAN STAR ENERGY**  
**SERVICES, LLC AS OPERATOR AND JULIET ROMEO INVESTMENTS, LLC, AS**  
**NON-OPERATOR.**

**DESCRIPTION OF LANDS**  
**GREELEY COUNTY, KANSAS**

<b>ADAMS #1</b>	<b>All of Section 2, T17S, R40W</b>
<b>BARKER #1-10</b>	<b>SE/4 Section 10, T19S, R40W</b>
<b>BARR #1</b> <b>BARR #2-16</b>	<b>All of Section 16, T17S, R40W</b>
<b>BAUGHMAN "W"</b>	<b>E/2 SE/4 &amp; SW/4 SE/4 Section 19, T19S,</b> <b>R39W</b>  <b>NW/4 Section 29, SW/4 Section 29 &amp; NE/4</b> <b>Section 31, T19S, R39W</b>
<b>BEARD #1</b>	<b>SE/4 Section 36, T20S, R41W</b>
<b>BOUNDS SWD</b>	<b>SW4 Section 13, T20S, R40W</b>
<b>BURSKE 'A' #1</b>	<b>Section 2, T20S, R40W</b>
<b>BURSKE #2</b>	<b>SE/4 Section 2, T20S, R40W</b>
<b>CAMPBELL #2-13</b>	<b>NE/4 Section 13, T19S, R41W</b>
<b>CAMPBELL #3-13</b>	<b>SE/4 Section 13, T19S, R41W</b>
<b>CHESTER #1-RCB</b> <b>CHESTER #2-RCB</b> <b>CHESTER #3-RCB</b> <b>CHESTER #4-RCB</b>	<b>SE/4 Section 19, T17S, R40W</b> <b>W2 E2 NE/4Section 19, T17S, R40W</b> <b>SW/4 Section 19, T17S, R40W</b> <b>NW/4 Section 19, T17S, R40W</b>
<b>CLIFT #1-17-RCB</b> <b>CLIFT #2-17-RCB</b>	<b>SE/4 Section 17, T17S, R40W</b> <b>SW/4 Section 17, T17S, R40W</b>
<b>CLIFT 'A' -1</b>	<b>West Side NW/4 &amp; NE/4 Section 17 &amp; N/2</b> <b>SE/4 Section 33, T18S, R40W</b>

<b>CLIFT 'B'-1</b>	<b>W/2 &amp; SE/4 Section 34, T18S, R40W</b>
<b>CLIFT #1</b>	<b>Section 9, T19S, R40W</b>
<b>CLIFT 'A' #3-33</b>	<b>Section 33, T18S, R40W</b>
<b>CLIFT 'B' #3-34</b>	<b>SE/4 Section 34, T18S, R40W</b>
<b>DRAKE #1</b>	<b>NE/4 Section 27, T20S, R40W</b>
<b>DRAKE #3-27</b>	<b>NW SW/4 Section 27, T20S, R40W</b>
<b>EDMUN #2-17</b>	<b>E/4 Section 17, T19S, R40W</b>
<b>EDMUN #3-17</b>	<b>SE/4 Section 17, T19S, R40W</b>
<b>EDMUN #4-17</b>	<b>SW/4 Section 17, T19S, R40W</b>
<b>FECHT 'B'</b>	<b>All of Section 10, T19S, R40W</b>
<b>FECHT 'B' #2-10</b>	<b>SW/4 Section 10, T19, R40W</b>
<b>FECHT 'D' #1</b>	<b>NE/4, SW/4 Section 28, T18S, R40W</b>
<b>FERTIG #1-35</b>	<b>SW/4 Section 35, T19S, R40W</b>
<b>FISHMAN #1-RCB</b>	<b>SE/4 Section 8, T17S, R40W</b>
<b>FLOYD #2</b>	<b>E/2 &amp; SW/4 Section 24, T19S, R40W</b>
<b>FLOYD #3</b>	<b>Section 25, T19S, R40W</b>
<b>FLOYD 'A' #1</b>	<b>Section 15, T20S, R40W</b>
<b>FLOYD 'B' #1</b>	<b>All of Section 12, T19S, R41W</b>
<b>FLOYD 'A' #2-25</b>	<b>Section 25, T19S, R40W</b>
<b>FLOYD "A" #3-25</b>	<b>NW SW/4 Section 25, T19S, R40W</b>
<b>FOSTER #1-7</b>	<b>Section 7, T20S, R39W</b>
<b>FOSTER #2-7</b>	
<b>FOSTER #3-7</b>	
<b>GIB #1</b>	<b>NW NW NW/4 Section 28, T17S, R40W</b>

<b>GIBSON #1</b>	<b>E/2 NW/4 &amp; SW/4 Section 26, T17S, R40W</b>
<b>GIBSON #3-26</b>	<b>SW/4 Section 26, T17S, R40W</b>
<b>HARDING #1</b>	<b>Section 10, T20S, R40W</b>
<b>HARRIS 'A' #1</b>	<b>Section 15, T20S, R40W</b>
<b>HARRIS 'A' #2</b>	
<b>HOFFMAN #1</b>	<b>N/2 &amp; SW/4 &amp; SE/4 Section 24, T18S,</b>
<b>R40W</b>	
<b>HOFFMAN #32-1</b>	<b>SW/4 Section 30; N/2 Section 31; SE/4</b>
	<b>Section 31 &amp; SW/4 Section 32, T18S, R40W</b>
<b>HOPPE #1</b>	<b>E/2 Section 10; W/2 Section 11, T17S,</b>
<b>R40W</b>	
<b>HOUSEHOLDER GAS UNIT</b>	<b>Section 28, T20S, R40W</b>
<b>HOUSEHOLDER #2</b>	<b>Section 28, T20S, R40W</b>
<b>HOUSEHOLDER #1-29</b>	<b>SE/4 Section 29, T20S, R40W</b>
<b>HOUSEHOLDER #2-29</b>	<b>NE/4 Section 29, T20S, R40W</b>
<b>HOUSEHOLDER #3-29</b>	<b>SW/4 Section 29, T20S, R40W</b>
<b>HUNT #1-RCB</b>	<b>NE/4 Section 20, T17S, R40W</b>
<b>HUNT #2-RCB</b>	<b>SW/4 Section 20, T17S, R40W</b>
<b>JOY #1</b>	<b>Section 6, T20S, R39W</b>
<b>KAEBERLE #1</b>	<b>S/2 Section 36, T16S, R40W</b>
<b>KUDER</b>	<b>All of Section 1, T18S, R40W</b>
<b>KUTTLER 'A'</b>	<b>S/2 Section 28; SE/4 Section 29 &amp; NE/4</b>
	<b>Section 32, T19S, R39W</b>
<b>KUTTLER 'B'</b>	<b>S/2 Section 33; NE/4 &amp; SW/4 Section 4,</b>
	<b>T19S, R39W</b>

<b>KUTTLER 'D'</b>	<b>N/2 &amp; SW/4 Section 20; NE/4 Section 19, T19S, R39W</b>
<b>KUTTLER 'E'</b>	<b>SE/4 Section 20; N/2 Section 28; NE/4 Section 29, T19S, R39W</b>
<b>KUTTLER 'F'</b>	<b>N/2 SW/4 &amp; NW/4 SE/4 Section 19 &amp; SW/4 Section 18, T19S, R39W</b>
<b>KUTTLER 'G'</b> <b>26,</b>	<b>NW/4 &amp; SW/4 Section 29 &amp; NE/4 Section T19S, R39W</b>
<b>KUTTLER 'H'</b>	<b>NW/4 Section 29, T19S, R39W</b>
<b>KUTTLER #2-SWD</b> <b>Section 29,</b>	<b>Tract of Land 200' by 200' in the SE/4, T19S, R39W</b>
<b>LEE #1-27</b>	<b>NE/4 and W/2 Section 27, R17S, R40W</b>
<b>LEE #3-27</b>	<b>NE/4 Section 27, T17S, R40W</b>
<b>MARG HUNT #1</b> <b>MARG HUNT #2</b>	<b>NW/4 Section 21, T17S, R40W</b> <b>W2 SW/4 Section 21, T17S, R40W</b>
<b>MARVEL #1-A</b>	<b>NE/4 &amp; SW/4 SECTION 20, T20S, R40W</b>
<b>MILLER # A2-23</b> <b>MILLER # A3-23</b>	<b>NE/4 Section 23, T20S, R40W</b>
<b>MONROE #1-4</b> <b>MONROE #2-4</b>	<b>Section 4, T18S, R40W</b>
<b>NICKELSON #1-4</b>	<b>NE/4 Section 4, T20S, R39W</b>
<b>NICKELSON #2</b>	<b>NE/4 &amp; SW/4 Section 4, T20S, R39W</b>
<b>PONCIN</b>	<b>N2 &amp; SW/4 Section 5, &amp; SE/4 Section 6, T19S, R40W</b>
<b>PRINGLE 'A' #1</b>	<b>S/2 Section 25, T18S, R40W</b>
<b>PRINGLE 'A' #2</b>	<b>NW/4 Section 26, T18S, R40W</b>

<b>PRINGLE 'C' #1</b>	<b>S/2 of N/2 and S/2 Section 30, T18S, R39W</b>
<b>PRINGLE 'A' 4-25</b>	<b>Section 25, T18S, R40W</b>
<b>PRINGLE RANCH</b>	<b>NE/4 Section 26, T18S, R40W &amp; SW/4 Section 2, T19S, R40W</b>
<b>RAUCH</b>	<b>NW/4 NW/4 Section 8, T18S, R39W</b>
<b>RICHARDSON ESTATE #1</b>	<b>Section 13, T19S, R40W</b>
<b>ROE #1-RCB</b>	<b>NW/4 Section 29, T17S, R40W</b>
<b>ROE #2-RCB</b>	<b>SESW/4 Section 29, T17S, R40W</b>
<b>ROE #3-RCB</b>	<b>NE NW NE/4 Section 29, T17S, R40W</b>
<b>ROSS #2</b>	<b>All of Section 5, T18S, R39W</b>
<b>ROSS #3</b>	<b>All of Section 6, T18S, R39W</b>
<b>ROSS #5</b>	<b>SW SW/4 Section 5, T18S, R39W</b>
<b>SANDIFER 'A'</b>	<b>N/2 Section 33, T19S, R39W</b>
<b>SANDIFER 'A' #2</b>	<b>S/2 SEC 34, N/2 SEC 33, T19S-R39W</b>
<b>SELL#1-9</b>	<b>S/2 Section 9, T18S, R40W</b>
<b>SELL 'A' #1</b>	<b>Section 3, T19S, R40W</b>
<b>SELL 'A' #2-3</b>	<b>Section 3, T19S, R40W</b>
<b>SELL 'B' #1</b>	<b>All of Section 3, T17S, R40W</b>
<b>SIBYL #1</b>	<b>S/2 SE/4 SECTION 19, T19S, R39W NE/4 SE/4 SECTION 19, T19S, R39W W/2 SECTION 29, T19S, R39W NW/4 NW/4 SECTION 32, T19S, R39W NE/4 SECTION 31, T19S, R39W</b>
<b>SLEIGH #1-1</b>	<b>NW NW/4 Section 1, T17S, R40W</b>
<b>SLEIGH #2-1</b>	<b>NE/4 Section 1, T17S, R40W</b>
<b>THOMPSON #1</b>	<b>All of Section 32, T20S, R40W</b>
<b>V-HILL #1-11 SWD</b>	<b>SW/4 Section 11, T19S, R40W</b>



**VESTER**

**SW/4 Section 1; E/2 Section 11; SW/4  
Section 12, T17S, R40W**

**WALLACE #3-22**

**NW/4 Section 22, T20S, R40W**

**WATSON #1**

**SW/4 & NW/4 Section 17, T20S, R39W**

**WATSON FARMS**

**SW/4 & NE/4 Section 19, T20S, R39W**

**WATSON FARMS #2**

**SW/4 Section 19, T20S, R39W**

**WATSON 'E' #2-H  
WATSON 'E' #3**

**Section 12, T20S, R40W**

**WEAR #1**

**E/2 SECTION 15, T17S, R40W**

**WEAR #2**

**NE/4 SECTION 15, T17S, R40W**

**WEAR #1-RCB  
WEAR #2-RCB  
WEAR #3-RCB  
WEAR #4-RCB**

**SW/4 Section 30, T17S, R40W  
NE/4 Section 30, T17S, R40W  
SE NW/4 Section 30, T17S, R40W  
NW NW NW/4 Section 30, T17S, R40W**

**WEAR 'B' #1**

**NW/4 & NE/4 & S/2 Section 25, T17S,  
R40w**

**WINEINGER #1**

**NW/4 Section 35, T19S, R40W**

**WINEINGER #3-35**

**NE/4 Section 35, T19S, R40W**

**WOODS #1-RCB**

**E2 NE SE/4 Section 4, T17S, R40W**

**WATSON FARMS #1-A**

**Section 8, T20 S, R39 W;**

**WATSON FARMS #2,**

**NW/4, Section 19, T20 S, R39 W, & The  
SE/4, Section 19, T20 S, R39W, & The  
SE/4, Section 20, T20S, R39W**

**ANGELL #2 & ANGELL #2A**

**Section 5, T20S, R39W**

**REXFORD #1**

**E/2 & NW/4, Section 30, T20S, R39W, &  
SE/4 OF Section 36, T20S, R39W**

**REXFORD #2**

**N/2 of Section 29, T20S, R39W, & N/2 Of  
Section 28, T20S, R39W**

<b>KUTTLER #1</b>	<b>Section 4, T20S, R39W</b>
<b>LILJEGREN #1 &amp; STEPHENS #2-15</b>	<b>480 Acres being the N/2 &amp; SW/4 Of Section 15, T19S, R40W</b>
<b>WEST #1</b>	<b>Section 28, T19S, R40W</b>
<b>SPEARS #2</b>	<b>E/2 &amp; NW/4, Section 5, T20S, R40W, &amp; NE/4 Of Section 7, T20S, R40W</b>
<b>WINEINGER #1</b>	<b>Section 34, T19S, R40W</b>
<b>WINEINGER #2</b>	<b>Section 33, T20S, R40W</b>
<b>SPEARS #3</b>	<b>Section 14, T20S, R40W</b>
<b>KEIFER #1</b>	<b>N/2 &amp; SE/4, Section 6, T17S, R39W, &amp; NE/4 Section 7, T17S, R39W</b>
<b>BRUNSWIG #1</b>	<b>NE/4 &amp; SE/4 Of Section 12, T17S, R40W &amp; the S/2 Of Section 7, T17S, R39W</b>
<b>WEAR TRUST #1</b>	<b>E/2 Of Section 10, T17S, R39W, &amp; W/2 Section 14, T17S, R40 W;</b>
<b>BANBURY #1</b>	<b>NW/4 Of Section 7, T17S, R39W, &amp; E/2 Of Section 8, T17S, R39W, &amp; NW/4 Section 10, T17S, R39W</b>

**DESCRIPTION OF LANDS**  
**HAMILTON COUNTY, KANSAS**

<b>BANBURY #2</b>	<b>All of Section 31, T21S, R40W</b>
<b>BOLTZ #1</b>	<b>All of Section 1, T24S, R41W</b>
<b>BOLTZ #2</b>	<b>SE/4 NE/4 Section 1, T24S-R41W</b>

<b>BOLTZ #3</b>	<b>SE NE SW Section 1, T-24S-41W</b>
<b>BOLTZ SWD</b>	<b>SE/4 SE/4 Section 1, T24S, R41W</b>
<b>BRADDOCK #1</b>	<b>Section 34, T22S, R40W</b>
<b>BUCK #1-13</b>	<b>E/2 Section 3, T23S, R40W</b>
<b>BUCK #2-13</b>	<b>E/2 Section 3, T23S, R40W</b>
<b>CLETUS #1</b>	<b>SE/4 Section 20, T21S, R41W</b>
<b>DALENE #1</b>	<b>Section 7, T22S, R41W</b>
<b>DIKEMAN #1</b>	<b>W/2 Section 15, T22S, R40W</b>
<b>DIKEMAN #2</b>	<b>Section 1, T23S, R40W</b>
<b>DOTTS #1</b>	<b>All of Section 28, T23S, R40W</b>
<b>DOYLE #1</b>	<b>W/2 Section 21, T23S, R41W</b>
<b>DOYLE #2</b>	<b>N/2 SW/4 Section 21, T23S, R41W</b>
<b>EARL #1</b>	<b>Section 23, T212S, R40W</b>
<b>ELDON #1</b>	<b>NE/4 Sec. 12, T23S, R41W And SW/4 Section 7, T23S, R40W</b>
<b>ELSIE #1</b>	<b>NW/4 Section 3, T23S, R40W</b>
<b>GEORGE #1</b>	<b>S/2 and NE/4 Section 1, T22S, R42W</b>
<b>GEORGE #2</b>	<b>SE/4 Section 1, T22S, R42W</b>
<b>HATCHER CATTLE CO.</b>	<b>All of Section 22, T22S, R42W</b>
<b>HAZLETT #1</b>	<b>Section 22, T21S, R41W</b>
<b>HAZLETT#2</b>	
<b>HCU 0831-B</b>	<b>Section 8, T23S, R41W</b>
<b>HEGER SWD</b>	<b>SE/4 Section 19, T23S, R41W</b>
<b>HENRY #1</b>	<b>All of Section 15, T23S, R40W</b>
<b>HENRY #2</b>	

<b>HERRMANN #1</b>	<b>E/2 Section 9, T23S, R40W;NW/4 &amp; SW/4 Section 10, T23S, R40W</b>
<b>HERRMANN 'A'</b>	<b>SW/4 Section 24, T23S, R40W</b>
<b>HILL #1 R40W HILL #2</b>	<b>SE/4 Section 10 &amp;SW/4 Section 11, T22S, Section 5, T23S, R40W</b>
<b>JANTZ #1</b>	<b>Section 5, T23S, R40W</b>
<b>JANTZ PIPELINE</b>	
<b>JOHNSON #1-'A'</b>	<b>Section 12, T24S, R41W</b>
<b>LESSER #1</b>	<b>All of Section 23, T21S, R41W</b>
<b>LESSER #3-SWD</b>	<b>NE/4 Section 23, T21S, R41W</b>
<b>LEWIS #1</b>	<b>SW/4 Section 7, T20S, R40W</b>
<b>LEWIS #2</b>	<b>SE/4 Section 7, T22S, R41W</b>
<b>LIVINGSTON #1</b>	<b>All of Section 16, T23S, R40W</b>
<b>LIVINGSTON #1-A</b>	<b>NW/4 Section 16, T23S, R40W</b>
<b>LIVINGSTON #2</b>	<b>All of Section 8, T23S, R40W</b>
<b>LIVINGSTON #4</b>	<b>N/2 SE/4 Section 8, T23S, R40W</b>
<b>LIVINGSTON SWD</b>	<b>N/2 Section 16, T23S, R40W</b>
<b>LOIS #1</b>	<b>NE/4 Section 10, T22S, R40W</b>
<b>MAI</b>	<b>Section 8, T23S, R41W</b>
<b>MARIE #1</b>	<b>SE/4 Section 7, T23S, R40W And the NW/4 Section 7, T23S, R40W SE/4 Section 2, T23S, R41W</b>
<b>MUNCIE #1</b>	<b>NW/4 Section 8, T23S, R40W SE/4 Section 33, T23S, R40W</b>
<b>PARSONS #1</b>	<b>All of Section 27, T23S, R41W</b>

**PARSONS #2**

**SIMON #1-12  
SIMON #2-12**

**SW/4 & W/2 SE/4 Section 23, T22S, R40W  
NW/4 & N/2 SW/4 Section 12, T23S,  
R41W**

**SINSABAUGH #1**

**N/2 Section 17, T23S, R41W  
S/2 Section 17, T23S, R41W**

**SINSABAUGH #2**

**SE/4 Section 17, T23S, R41W**

**SUERTE #1**

**Section 20, T23S, R41W**

**SUGAR #1**

**NW/4 Section 18, T23S, R39W  
NW/4 Section 24, T23S, R40W**

**TATE #1**

**Section 27, T24S, R41W**

**VIRGINIA #1**

**SW/2 Section 5 and SE/4 Section 6, T21S,  
R40W**

**WHITE #1**

**E/2 Section 7, T23S, R40W**

**WILCOX #1**

**Section 34, T22S, R40W**

**YODER #1**

**NW/4 Section 34, T22S, R40W &  
W/2 Section 24, T22S, R40W**

**EXHIBIT A-2  
WELL LIST**

**ATTACHED HERETO AND MADE A PART HEREOF THAT CERTAIN JOINT OPERATING AGREEMENT, BY AND BETWEEN AMERICAN STAR ENERGY SERVICES, LLC AS OPERATOR AND JULIET ROMEO INVESTMENTS, LLC AS NON-OPERATOR.**

WELL NAME	COUNTY	STATE	API #
ADAMS #1 1	GREELEY	KS	15-071-20107-0000
BARR 1	GREELEY	KS	15-071-20085-0000
BARR 2-16	GREELEY	KS	15-071-20791-0000
BAUGHMAN W 1	GREELEY	KS	15-071-20225-0000
BEARD 1 1	GREELEY	KS	15-071-20040-0000
BOLTZ 2	HAMILTON	KS	15-075-20612-0000
BOLTZ 3	HAMILTON	KS	15-075-20753-0000
BRADDOCK 1	HAMILTON	KS	15-075-20816-0000
BRUNSWIG 1	GREELEY	KS	15-071-20284-0000
BURSKE 2	GREELEY	KS	15-071-20659-0000
CAMPBELL 3-13	GREELEY	KS	15-071-20836-0000
CHESTER 1	GREELEY	KS	15-071-20087-0000
CHESTER 3	GREELEY	KS	15-071-20833-0000
CHESTER 4	GREELEY	KS	15-071-20846-0000
CLETUS 1	HAMILTON	KS	15-075-20746-0000
CLIFT 2	GREELEY	KS	15-071-20774-0000
CLIFT-A 1A	GREELEY	KS	15-071-20098-0000
CLIFT A 3-33	GREELEY	KS	15-071-20796-0000
DALENE 1	HAMILTON	KS	15-075-20695-0000
DIKEMAN 1	HAMILTON	KS	15-075-20668-0000
DIKEMAN 2	HAMILTON	KS	15-075-20668-0000
DRAKE 3-27	GREELEY	KS	15-071-20804-0000
EDMAN 4-17	GREELEY	KS	15-071-20820-0000
ELSIE 1	HAMILTON	KS	15-075-20806-0000
FECHT B #1 1B	GREELEY	KS	15-071-20083-0000
FERTIG 1-35	GREELEY	KS	15-071-20827-0000
FISHMAN #1 1	GREELEY	KS	15-071-20204-0000
FLOYD 2	GREELEY	KS	15-071-20455-0000
FLOYD 3	GREELEY	KS	15-071-20675-0000
FLOYD A 3-25	GREELEY	KS	15-071-20788-0000
FLOYD B 1	GREELEY	KS	15-071-20086-0000
FOSTER #1 1	GREELEY	KS	15-071-20136-0000
FOSTER 3-7	GREELEY	KS	15-071-20805-0000

GEORGE 1	HAMILTON	KS	15-075-20641-0000
GIBSON #1 1	GREELEY	KS	15-071-20106-0000
HARDING #1 1	GREELEY	KS	15-071-20076-0000
HARRIS A #1 1A	GREELEY	KS	15-071-20067-0000
HATCHER CATT #1 1	HAMILTON	KS	15-075-20259-0000
HAZLETT #1 1	HAMILTON	KS	15-075-20568-0000
HAZLETT 2	HAMILTON	KS	15-075-20634-0000
HCU 831 B	HAMILTON	KS	15-075-20682-0000
HERMANN 1	HAMILTON	KS	15-075-20704-0000
HILL 1	HAMILTON	KS	15-075-20699-0000
HILL 2	HAMILTON	KS	15-075-20744-0000
HUNT 2	GREELEY	KS	15-071-20772-0000
JANTZ 1	HAMILTON	KS	15-075-20603-0000
JOHNSON 1A	HAMILTON	KS	15-075-20672-0000
KUTTLER 1	GREELEY	KS	15-071-20299-0000
KUTTLER A 1	GREELEY	KS	15-071-20224-0000
KUTTLER B 1	GREELEY	KS	15-071-20231-0000
KUTTLER E 1	GREELEY	KS	15-071-20240-0000
KUTTLER G 1	GREELEY	KS	15-071-20753-0000
LEWIS 1	HAMILTON	KS	15-075-20669-0000
LEWIS 2	HAMILTON	KS	15-075-20737-0000
LIVINGSTON 1A	HAMILTON	KS	15-075-20646-0000
LIVINGSTON 4	HAMILTON	KS	15-075-20683-0000
MARG HUNT 1	GREELEY	KS	15-071-20081-0000
MARG HUNT 2	GREELEY	KS	15-071-20771-0000
MARIE 1	HAMILTON	KS	15-075-20605-0000
MILLER A 2-23	GREELEY	KS	15-071-20734-0000
MONROE 1	GREELEY	KS	15-071-20185-0000
NICKELSON 1-4	GREELEY	KS	15-071-20617-0000
NICKELSON 2	GREELEY	KS	15-071-20731-0000
PARSONS 01 1	HAMILTON	KS	15-075-20299-0000
PRINGLE A #1 1A	GREELEY	KS	15-071-20137-0000
PRINGLE A2	GREELEY	KS	15-071-20716-0000
PRINGLE C #1 1C	GREELEY	KS	15-071-20147-0000
PRINGLE RANCH 1	GREELEY	KS	15-071-20704-0000
ROE #1 1	GREELEY	KS	15-071-20088-0000
ROE 3	GREELEY	KS	15-071-20773-0000
SANDIFER 2	GREELEY	KS	15-071-20752-0000
SANDIFER A 1	GREELEY	KS	15-071-20379-0000
SELL A 2-3	GREELEY	KS	15-071-20821-0000
SIBYL 1	GREELEY	KS	15-071-20646-0000

SIMON 1-12	HAMILTON	KS	15-075-20714-0000
SINSABAUGH 2	HAMILTON	KS	15-075-20661-0000
SLEIGH 1	GREELEY	KS	15-071-20153-0000
SLEIGH 2-1	GREELEY	KS	15-071-20793-0000
SPEAR 2	GREELEY	KS	15-071-20246-0000
SUERTE 1	HAMILTON	KS	15-075-20665-0000
SUGAR 1	HAMILTON	KS	15-075-20793-0000
TATE 1	HAMILTON	KS	15-075-20671-0000
THOMPSON 1 1	GREELEY	KS	15-071-20036-0000
VIRGINIA 1	HAMILTON	KS	15-075-20743-0000
WATSON FARMS 1	GREELEY	KS	15-071-20358-0000
WATSON FARMS 1-A	GREELEY	KS	15-071-20812-0000
WATSON FARMS 2	GREELEY	KS	15-071-20711-0000
WEAR 1	GREELEY	KS	15-071-20693-0000
WEAR 2	GREELEY	KS	15-071-20730-0000
WEAR 2	GREELEY	KS	15-071-20775-0000
WEAR 3	GREELEY	KS	15-071-20844-0000
WEAR 4	GREELEY	KS	15-071-20845-0000
WEAR B #1 B-1	GREELEY	KS	15-071-20112-0000
WEAR TRUST 1	GREELEY	KS	15-071-20283-0000
WHITE 1	HAMILTON	KS	15-075-20606-0000
WINEINGER 3-35	GREELEY	KS	15-071-20802-0000
WOOD 01 1	HAMILTON	KS	15-075-20147-0000
YODER 1	HAMILTON	KS	15-075-20815-0000
ANGELL 2 NP	GREELEY	KS	15-071-20700-0000
BANBURY 1 NP	GREELEY	KS	15-071-20278-0000
BANBURY 2 NP	HAMILTON	KS	15-075-20792-0000
CAMPBELL 2-13 NP	GREELEY	KS	15-071-20803-0000
CHESTER 2 NP	GREELEY	KS	15-071-20776-0000
CLIFT #1 NP	GREELEY	KS	15-071-20079-0000
CLIFT 1 NP	GREELEY	KS	15-071-20103-0000
EARL 1 NP	HAMILTON	KS	15-075-20745-0000
EDMUN 3-17 NP	GREELEY	KS	15-071-20728-0000
ELDON 1 NP	HAMILTON	KS	15-075-20602-0000
FECHT D #1 D-1 NP	GREELEY	KS	15-071-20109-0000
FOSTER 2-7 NP	GREELEY	KS	15-071-20600-0000
GEORGE 2 NP	HAMILTON	KS	15-075-20735-0000
GIBSON 3-26 NP	GREELEY	KS	15-071-20735-0000
HENRY 1 NP	HAMILTON	KS	15-075-20775-0000
HENRY 2 NP	HAMILTON	KS	15-075-20775-0000
HERMANN A 1 NP	HAMILTON	KS	15-075-20783-0000



HOFFMAN 1-32 NP	GREELEY	KS	15-071-20357-0000
HOUSEHOLDER 2 NP	GREELEY	KS	15-071-20664-0000
KUTTNER H 1 NP	GREELEY	KS	15-071-20755-0000
LEE #1 1 NP	GREELEY	KS	15-071-20150-0000
LEE 3-27 NP	GREELEY	KS	15-071-20790-0000
LESSER 1 NP	HAMILTON	KS	15-075-20652-0000
LILJEGREN 1 NP	GREELEY	KS	15-071-20213-0000
LIVINGSTON 2 NP	HAMILTON	KS	15-075-20150-0000
LOIS 1 NP	HAMILTON	KS	15-075-20733-0000
MAI 1 NP	HAMILTON	KS	15-075-20709-0000
MUNCIE 1 NP	HAMILTON	KS	15-075-20667-0000
PARSONS 2 NP	HAMILTON	KS	15-075-20732-0000
PONCIN NP	GREELEY	KS	15-071-20318-0000
PRINGLE A 4-25 NP	GREELEY	KS	15-071-20799-0000
RAUCH 1 NP	GREELEY	KS	15-071-20212-0000
ROE #2 2 NP	GREELEY	KS	15-071-20269-0000
ROSS 2 NP	GREELEY	KS	15-071-20172-0000
ROSS 5 NP	GREELEY	KS	15-071-20756-0000
SELL A-1 1A NP	GREELEY	KS	15-071-20084-0000
SIMON 2-12 NP	HAMILTON	KS	15-075-20721-0000
SINSABAUGH 1 NP	HAMILTON	KS	15-075-20596-0000
SPEARS 3 NP	GREELEY	KS	15-071-20484-0000
STEPHENS 2-15 NP	GREELEY	KS	15-071-20789-0000
VESTER 1 NP	GREELEY	KS	15-071-20154-0000
WATSON 1 NP	GREELEY	KS	15-071-20656-0000
WEST 1 NP	GREELEY	KS	15-071-20180-0000
WINEGARD 2 NP	GREELEY	KS	15-071-20216-0000
WINEINGER 1 NP	GREELEY	KS	15-071-20032-0000
ANGELL 2-A	GREELEY	KS	15-071-20811-0000
BARKER 1-10	GREELEY	KS	15-071-20840-0000
BOLTZ 1	HAMILTON	KS	15-075-20031-0000
BUCK 1-3	HAMILTON	KS	15-075-20727-0000
BUCK 2-3	HAMILTON	KS	15-075-20747-0000
BURSKE 1	GREELEY	KS	15-071-20141-0000
CLIFT B 1B	GREELEY	KS	15-071-20102-0000
CLIFT B 3-34	GREELEY	KS	15-071-20822-0000
DOTTS 1	HAMILTON	KS	15-075-20098-0000
DOYLE 2	HAMILTON	KS	15-075-20620-0000
EDMUN 2-17	GREELEY	KS	15-071-20715-0000
FECHT B 2-10	GREELEY	KS	15-071-20597-0000
FLOYD 2-25	GREELEY	KS	15-071-20598-0000

FLOYD A 1A	GREELEY	KS	15-071-20047-0000
GIBB 1	GREELEY	KS	15-071-20151-0000
HOFFMAN 1	GREELEY	KS	15-071-20177-0000
HOPPE #1 1	GREELEY	KS	15-071-20145-0000
HOUSEHOLDER 3-29	GREELEY	KS	15-071-20807-0000
JOY 1	GREELEY	KS	15-071-20733-0000
KAEBERLE 1	GREELEY	KS	15-071-20749-0000
KIEFER 1	GREELEY	KS	15-071-20277-0000
KUDER 1	GREELEY	KS	15-071-20116-0000
KUTTLER D 1	GREELEY	KS	15-071-20238-0000
KUTTLER F1	GREELEY	KS	15-071-20378-0000
LIVINGSTON 1	HAMILTON	KS	15-075-20146-0000
MONROE 2-4H	GREELEY	KS	15-071-20706-0000
REXFORD 1	GREELEY	KS	15-071-20350-0000
REXFORD 2	GREELEY	KS	15-071-20352-0000
RICHARD EST 1	GREELEY	KS	15-071-20065-0000
ROSS 3	GREELEY	KS	15-071-20205-0000
SELL 1-9 A1	GREELEY	KS	15-071-20176-0000
SELL B-1 B-1	GREELEY	KS	15-071-20110-0000
WALLACE 3-22	GREELEY	KS	15-071-20777-0000
WEAR #1 1	GREELEY	KS	15-071-20093-0000
WILCOX 1	HAMILTON	KS	15-075-20705-0000
BOUNDS 2 SWD	GREELEY	KS	15-071-20217-0000
BRUNSWIG 18 SWD	GREELEY	KS	15-071-20217-0000
COAKES #7 1 SWD	GREELEY	KS	15-071-20217-0000
HEGER 1 SWD	GREELEY	KS	15-071-20217-0000
HOFFMAN 2-H SWD	GREELEY	KS	15-071-20217-0000
KUTTLER A2D SWD	GREELEY	KS	15-071-20217-0000
LESSER 1 SWD	GREELEY	KS	15-071-20217-0000
LIVINGSTON 3 SWD	GREELEY	KS	15-071-20217-0000
V HILL 1 SWD	GREELEY	KS	15-071-20217-0000