

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: _____

Title: _____

Date: _____

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

Permit No.: _____ . Recommended action: _____

Date: _____

Authorized Signature

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

permitted by No.: _____ .

Date: _____

Authorized Signature

DISTRICT _____ EPR _____ PRODUCTION _____ UIC _____

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: _____

WELLBORE ASSIGNMENT AND BILL OF SALE

STATE OF KANSAS)
 :
COUNTY OF HASKELL)

THIS WELLBORE ASSIGNMENT AND BILL OF SALE (this "Assignment") is made and entered into as of August __, 2023 (the "Effective Date"), by and between Scout Energy Group V, LP, Scout Energy Partners V-A, LP, Scout Energy Group Co-Invest V, LP, Scout Energy Partners Co-Invest V-A, LP (collectively, "Assignor,"), with an address at 13800 Montfort Drive, Suite 100, Dallas, Texas 75240 and M3 Helium Corp ("Assignee"), with an address at 4601 E. Douglas Ave, Suite 150, Wichita, Kansas 67218.

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Assignor does hereby GRANT, BARGAIN, SELL, CONVEY, ASSIGN and TRANSFER unto Assignee all of Assignor's right, title and interest (of whatever kind or character, whether legal or equitable) in and to the assets described and limited below in the Northeast Quarter of the Southwest Quarter of Section 28, Township 27 South, Range 32 West, in Haskell

County, Kansas (the "Assets"):

- (a) The wellbore of the Giles A 28 001 Well (all so known as the Giles 1 Well) (API Number 1508100124) (the "Well") including the production casing and production tubing related to such Well;
- (b) The surface equipment, flow lines, and any other surface or subsurface equipment to the extent, and only to the extent, historically used in conjunction with the production of hydrocarbons from the Well;
- (c) Any permits, licenses, servitudes, rights-of-way and surface agreements to the extent, and only to the extent, used or held historically for use primarily in connection with the ownership or operation of the Well;
- (d) Copies of all of the files, records, information and data, in Assignor's possession, whether written or electronically stored, to the extent, and only to the extent, primarily relating to the Well.

For the avoidance of doubt, it is the intent of Assignor to assign to Assignee all of Assignor's rights to the wellbore of the Well and only such rights to the oil and gas leases, fee minerals, permits, licenses, servitudes, rights-of-way and surface agreements associated with the Well to the extent, and only to the extent, historically used to, and currently necessary to, operate and produce hydrocarbons from the Well.

TO HAVE AND TO HOLD the Assets unto Assignee, its heirs and assigns forever. This Assignment is made and accepted expressly subject to the following terms and conditions:

- a. **THIS ASSIGNMENT IS MADE WITHOUT WARRANTY OF TITLE OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY. ASSIGNOR MAKES NO REPRESENTATIONS OR WARRANTIES, WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED, CONCERNING THE WELL AND THE ASSETS, OR THEIR CONDITION OR SUITABILITY FOR ANY PURPOSE, AND IT IS UNDERSTOOD THAT ASSIGNEE TAKES TRANSFERRED ASSETS "AS IS" AND "WHERE IS". ASSIGNOR AND ASSIGNEE AGREE THAT, TO THE EXTENT REQUIRED BY APPLICABLE LAW TO BE EFFECTIVE, THE DISCLAIMERS AND LIMITATIONS SET FORTH IN THIS PARAGRAPH ARE "CONSPICUOUS" DISCLAIMERS AND LIMITATIONS FOR THE PURPOSE OF ANY APPLICABLE LAW.**
- b. As further consideration for Assignor's delivery of this Assignment, Assignee hereby assumes and accepts, and agrees to indemnify and hold harmless Assignor from, (1) all plugging and abandonment liabilities and all restoration and remediation obligations related to the Well, the Assets and the sites thereof, and (2) any and all

liabilities arising on or after the Effective Date relating to or in connection with Well and the Assets, and Assignee's activities and operations related thereto and the activities and operations of Assignee's contractors, employees and invitees.

- c. This Assignment binds and inures to the benefit of Assignor and Assignee and their respective heirs, successors and assigns.
- d. This Assignment may be executed in any number of counterparts, and each such counterpart shall be deemed to be an original and all of which together shall constitute one and the same instrument.
- e. Assignee agrees and acknowledges that all leasehold rights granted pursuant to this Assignment are (1) limited as set forth above, and (2) subject to and limited by the provisions of the applicable leases.
- f. Assignee agrees to pay the mineral owner(s) or lessors of the oil and natural gas and their constituent products pursuant to the terms of the applicable leases and applicable law for all oil and gas and constituent products produced and marketed by Assignee from the Well and to indemnify and hold Assignor harmless for any failure to do so by Assignee.
- g. If any activities by Assignee trigger an obligation to provide free gas to a surface owner under an applicable lease or other document filed of record as of the date of this Assignment over and above such obligations resulting from Assignor's activities separate and apart from Assignee's activities or interests, then Assignee shall be fully responsible for such free gas obligation to the extent of Assignee's ownership in the Assets.
- h. Assignee shall remove unnecessary equipment and reclaim disturbed lands at the conclusion of drilling, reworking, completion or installation activities. Assignee agrees to repair any damage to existing well roads and well locations, and damaged improvements to the land, and pay for the loss of crops and marketable timber, in a commercially reasonable time but no later than within sixty (60) days of the damage occurring or any earlier date that may otherwise be required by an applicable lease. Assignee shall have no right to use Assignor's well locations, facilities sites or pipeline easements without Assignor's written consent, which may be withheld in Assignor's sole discretion. Assignee may use lease roads of Assignor provided Assignee assumes all maintenance obligations and costs for the portions of such roads used by Assignee in proportion to such use.
- i. Until the Well is plugged and abandoned and all related surface reclamation and

remediation work is complete, Assignee shall be responsible for its share of all lease payment obligations that are not calculated based on the actual quantity of production or quantity of disposal, such as shut-in payments or minimum royalty payments, with Assignee's share of such obligations based calculated prorata by wellbore ownership based on the ratio of the wellbores owned by Assignee (and Assignee's proportionate share of working interest ownership therein) associated with the applicable lease(s) to the total number of unplugged wellbores associated with the applicable lease(s).

IN WITNESS WHEREOF, this Assignment is executed this ___ day of _____, 2023, to be effective as of 7:00 a.m., on the Effective Time.

ASSIGNOR:

Scout Energy Group V, LP

by Scout Energy Group V GP, LLC
its general partner

By: Todd Flott
Name: Todd Flott
Title: Managing Director

Scout Energy Partners V-A, LP

by Scout Energy Group V, LP
its general partner

by Scout Energy Group V GP, LLC
its general partner

By: Todd Flott
Name: Todd Flott
Title: Managing Director

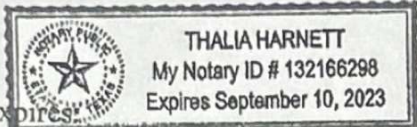
Scout Energy Group Co-Invest V, LP

by Scout Energy Group V GP, LLC
its general partner

By: Todd Flott
Name: Todd Flott
Title: Managing Director

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on August 14th, 2023 by Todd Flott, as Managing Director of Scout Energy Group V GP, LLC, a Texas limited liability company, the sole general partner of Scout Energy Group V, LP, a Texas limited partnership, which is in turn the sole general partner of Scout Energy Partners V-A, LP, a Delaware limited partnership, and as Managing Director of Scout Energy Group V GP, LLC, a Texas limited liability company, the sole general partner of Scout Energy Group Co-Invest V, LP, a Texas limited partnership, which is in turn the sole general partner of Scout Energy Partners Co-Invest V-A, LP, a Delaware limited partnership. In witness whereof, I hereunto set my hand and official seal.



My Commission Expires: 09/10/2023

[Signature]
Notary Public in and for the State of Texas

THE STATE OF ILL §
§
COUNTY OF LAKE §

On this 15th day of August, 2023, before me, personally appeared ANTHONY MERVIN, known to me to be the CEO of M3 Helium and acknowledged to me that he/she executed this document in the capacities and for the purposes set forth herein.

[Signature]
Notary Public in and for the State of ILL

My Commission Expires: 04/05/2025

RELEASE OF NPI

Scout Energy Partners V-B, LP, Scout Energy Partners Co-Invest V-B, LP, and Scout Energy Partners III-B, LP join in this Assignment for the limited purpose of releasing the interests assigned by this Assignment from any Conveyance of Net Profits Overriding Interest conveyed to Scout Energy Partners V-B, LP, Scout Energy Partners Co-Invest V-B, LP, or Scout Energy Partners III-B, LP whether recorded in the records of Haskell County, Kansas or not, such that Assignee shall receive the interests conveyed by this Assignment free and clear from any burden related to such Conveyance of Net Profits Overriding Interest.

Scout Energy Partners V-B, LP

by Scout Energy Group V, LP
its general partner

by Scout Energy Group IV GP, LLC
its general partner

By: Todd Flott
Name: Todd Flott
Title: Managing Director

Scout Energy Partners Co-Invest V-B, LP

by Scout Energy Group Co-Invest V, LP
its general partner

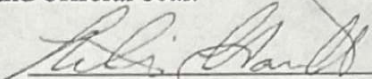
by Scout Energy Group V GP, LLC
its general partner

By: Todd Flott
Name: Todd Flott
Title: Managing Director

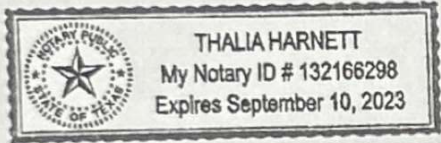
THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on August 14th, 2023 by Todd Flott, as Managing Director of Scout Energy Group V GP, LLC, a Texas limited liability company, the sole general partner of Scout Energy Group V, LP, a Texas limited partnership, which is in turn the sole general partner of Scout Energy Partners V-B, LP, a Delaware limited partnership, and as Managing Director of Scout Energy Group V GP, LLC, a Texas limited liability company, the sole general partner of Scout Energy Group Co-Invest V, LP, a Texas limited partnership, which is in turn the sole general partner of Scout Energy Partners Co-Invest V-B, LP, a Delaware limited partnership. In witness whereof, I hereunto set my hand and official seal.

My Commission Expires:
09-10-2023



Notary Public in and for the
State of Texas



Scout Energy Partners Co-Invest V-A, LP

by Scout Energy Group Co-Invest V, LP
its general partner

by Scout Energy Group V GP, LLC
its general partner

By: Todd Flott
Name: Todd Flott
Title: Managing Director

ASSIGNEE:

M3 HELIUM CORP

By: Anthony Melikhov
Name: Anthony Melikhov
Title: CEO

OIL AND GAS LEASE



THIS AGREEMENT, Entered into this the 8th day of August, 1944

between Howard E. Giles and Betty Giles, husband and wife, Hopewell, Kans. hereinafter called lessor

and Joe E. Dehner hereinafter called lessee, does witness:

1. That lessor, for and in consideration of the sum of One Dollars (\$ 1.00),

in hand paid, and of the covenants and agreements hereinafter contained to be performed by the lessee, has this day granted and leased and hereby grants, leases and lets unto the lessee for the purpose of mining and operating for and producing oil and gas, casinghead gas and casinghead gasoline, laying pipe lines, building tanks, storing oil, building powers, stations, telephone lines and other structures thereon to produce, save, take care of and manufacture

all of such substances, and for housing and boarding employees, the following described tract of land in Haskell

County Kansas to-wit: The Northeast Quarter (NE 1/4) of

Section twenty two (22) and the Northeast Quarter (NE 1/4) of Section twenty-eight (28)

in Section 27N Township 33W Range 33E and containing 3.26 acres, more or less

2. This lease shall remain in force for a term ending August 8-1964, and as long thereafter as oil, gas, casinghead gas, casinghead gasoline, or any of them is produced.

3. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth part of all oil produced and saved from the leased premises, or at the lessee's option, may pay to the lessor for such one-eighth royalty the market price for oil of like grade and gravity prevailing on the day such oil is run into the pipe line, or into storage tanks.

4. Lessee shall pay lessor monthly as royalty: (a) on gas marketed from each well, one-eighth (1/8) of the proceeds if sold at the well, or, if marketed by lessee off the leased premises, then, one-eighth (1/8) of the market value thereof at the well; (b) on gas used by lessee for the extraction of casinghead gasoline, one-eighth (1/8) of the value of the natural gasoline content as determined by the Natural Gasoline Association of America revised contract, adopted April 4, 1939; and (c) on gas produced from any well or on residue gas, where either or both are utilized by lessee for operations off the leased premises or in the manufacture of any product, one-eighth (1/8) of four cents (4c) per thousand cubic feet for the gas so used, measured on the basis of two pounds above an atmospheric pressure of 14.4 pounds per square inch absolute pressure, and at 60° F. temperature. Lessor shall have the privilege at his own risk and expense of using gas from any gas well on said land for stoves and inside lights in the principal dwelling located on the leased premises by making his own connections thereto.

Where gas from a well or wells, capable of producing gas only, is not sold or used for a period of one year, lessee shall pay or tender as royalty, an amount equal to the delay rental as provided in paragraph (5) hereof, payable annually at the end of each year during which such gas is not sold or used, and while said royalty is so paid or tendered this lease shall be held as a producing property under paragraph numbered two hereof.

5. If operations for the drilling of a well for oil or gas on said land or for gas, on a consolidated leasehold estate of which this land is a part thereof, as contemplated in paragraph 9, are not commenced on or before August 8, 1945 this lease shall terminate as to both parties unless the lessee shall on or before that date, pay or tender to the lessor, or to the lessor's credit in the

Michoville State Bank at Macksville, Kans. or its successors, which bank and its successors are the lessor's agent and shall continue as the depository of any and all sums payable under this lease, regardless of changes of ownership in said land or in the oil and gas, or in the rentals to accrue thereunder, the sum of

Three hundred twenty Dollars (\$ 320.00) which shall operate as

rental and cover the privilege of deferring the commencement of drilling operations for a period of one year. In like manner and upon like payments or tenders, the commencement of drilling operations may be further deferred for like periods successively. All payments or tenders may be made by check or draft of lessee or any assignee thereof, mailed or delivered on or before the rental paying date. Notwithstanding the death of the lessor, or his successor in interest, the payment or tender of rentals in the manner provided above shall be binding on the heirs, devisees, executors, and administrators of such person.

6. If at any time prior to the discovery of oil or gas on this land and during the term of this lease, the lessee shall drill a dry hole, or holes, on this land, this lease shall not terminate, provided operations for the drilling of a well shall be commenced by the next ensuing rental paying date, or provided the lessee begins or resumes the payment of rentals in the manner and amount herein above provided; and in this event the preceding paragraphs hereof governing the payment of rentals and the manner and effect thereof shall continue in force.

7. In case said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided for shall be paid the said lessor only in the proportion which his interest bears to the whole and undivided fee.

8. The lessee shall have the right to use free of cost, gas, oil and water found on said land for its operations thereon, except water from the wells of the lessor. When required by lessor, the lessee shall bury pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the lessor. Lessee shall have the right at any time during or after the expiration of this lease to remove all machinery, fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.

9. As to the gas leasehold estate hereby granted (excluding casinghead gas produced from oil wells), lessee is expressly granted the right and privilege to consolidate said gas leasehold with any other adjacent or contiguous gas leasehold estates to form a consolidated gas leasehold estate which shall not exceed a total area of 640 acres; and in the event lessee exercises the right and privilege of consolidation, as herein granted, the consolidated gas leasehold estate shall be deemed, treated and operated in the same manner as though the entire consolidated leasehold estate were originally covered by and included in this lease, and all royalties which shall accrue on gas (excluding casinghead gas produced from oil wells), produced and marketed from the consolidated estate, including all royalties payable hereunder, shall be prorated and paid to the lessors of the various tracts included in the consolidated estate in the same proportion that the acreage of each said lessor bears to the total acreage of the consolidated estate, and a producing gas well on any portion of the consolidated estate shall operate to continue the oil and gas leasehold estate hereby granted so long as gas is produced therefrom.

10. If the estate of either party hereto is assigned (and the privilege of assigning in whole or in part is expressly allowed), the covenants hereof shall extend to the heirs, executors, administrators, successors and assigns, but no change of ownership in the land or in the rentals or royalties shall be binding on the lessee until after notice to the lessee and it has been furnished with the written transfer or assignment or a certified copy thereof.

11. If the leased premises shall hereafter be owned in severalty or in separate tracts, the premises, nevertheless, shall be developed and operated as one lease and all royalties accruing hereunder shall be treated as an entirety and shall be divided among and paid to such separate owners in the proportion that the acreage owned by each such separate owner bears to the entire leased acreage. There shall be no obligation on the part of the lessee to offset wells on separate tracts into which the land covered by this lease may be hereafter divided by sale, devise, or otherwise, or to furnish separate measuring or receiving tanks. It is hereby agreed that, in the event this lease shall be assigned as to a part or as to parts of the above described lands, and the holder or owner of any such part or parts shall fail or make default in the payment of the proportionate part of the rent due from him or them, such default shall not operate to defeat or effect this lease in so far as it covers a part or parts of said land upon which the said lessee or any assignee hereof shall make due payment of said rentals; if at any time there be as many as four parties entitled to rentals or royalties, lessee may withhold payments thereof unless and until all parties designate, in writing, in a recordable instrument to be filed with the lessee, a common agent to receive all payments due hereunder, and to execute division and transfer orders on behalf of said parties, and their respective successors in title.

12. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee, at its option, may pay and discharge any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in event it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty or rentals accruing hereunder.

13. Notwithstanding anything in this lease contained to the contrary, it is expressly agreed that if lessee shall commence drilling operations at any time while this lease is in force, this lease shall remain in force and its term shall continue so long as such operations are prosecuted and, if production results therefrom, then as long as production continues.

14. If, within the primary term of this lease, the well or wells on the leased premises, or on the consolidated gas leasehold estate, shall cease to be productive, this lease shall not terminate, provided operations for the drilling of a well on the leased premises, or on the consolidated gas leasehold estate, shall be commenced before or on the next ensuing rental payment date; or, provided lessee begins or resumes the payment of rentals in the manner and amount hereinbefore provided. It is agreed, however, that the completion of a well producing or capable of producing gas, upon the property hereinabove described, or the inclusion of such property in a consolidation unit producing or capable of producing gas as provided by paragraph number 9 hereof, shall constitute full and complete development with respect to the gas leasehold estate hereby granted. If, upon, or after the expiration of the primary term of this lease the well or wells on the leased premises, or on the consolidated gas leasehold estate, shall be incapable of producing, this lease shall not terminate provided lessee resumes operations for drilling a well on the leased premises or on the consolidated gas leasehold estate within one hundred twenty (120) days from such cessation, and this lease shall remain in force during the prosecution of such operations and, if production results therefrom, then as long as production continues.

15. In view of the existing National Emergency, this lease shall not be terminated, nor shall lessee be held liable in damages by failure of lessee to fulfill any condition or comply with any express or implied covenant hereunder by reason of lessee's inability to procure necessary machinery, pipe, tools, or other equipment and supplies as the result of any State or Federal Act, Executive Order or Decree, or of any Order, Rule, or Regulation of any agency of the State or Federal Government. It is contemplated and agreed by both lessor and lessee that this lease shall at all times and in all respects be subject to valid orders, rules and regulations of any duly constituted authority having jurisdiction of the subject matter hereof.

16. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all the heirs, grantees, administrators or assigns of said Lessor or Lessee.

IN WITNESS WHEREOF, we sign the day and year first above written.
Witness: Howard E. Giles



89128 8529

STATE OF Kansas } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Oklahoma and Kansas)
 COUNTY OF Edmond }
 Before me, the undersigned, a Notary Public, within and for said County and State, on this
 day of Aug, 1944, personally appeared Howard B Giles
 and Belle Giles his wife

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me
 that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.
 IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.
 My commission expires Oct 18 1947 _____

 Notary Public

STATE OF _____ } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Oklahoma and Kansas)
 COUNTY OF _____ }
 Before me, the undersigned, a Notary Public, within and for said County and State, on this
 day of _____, 19____, personally appeared _____
 and _____

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me
 that _____ executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.
 IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.
 My commission expires _____

 Notary Public

STATE OF _____ } ss. ACKNOWLEDGMENT FOR CORPORATION
 COUNTY OF _____ }
 Be it remembered that on this _____ day of _____, 19____, before me, the undersigned, a
 Notary Public, duly commissioned, in and for the county and state aforesaid, came _____
 _____, president of _____
 a corporation of the State of _____, personally known to me to be such officer, and to be
 the same person who executed as such officer the foregoing instrument of writing in behalf of said corporation, and he duly ac-
 knowledged the execution of the same for himself and for said corporation for the uses and purposes therein set forth.
 IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day and year last above written.
 My commission expires _____

 Notary Public

No. _____

OIL AND GAS LEASE

FROM _____

TO _____

Date _____, 19____

Section _____ Twp. _____ Rge. _____

No. of Acres _____ Term _____ County _____

STATE OF Kansas } ss.
 County of Nowata }

This instrument was filed for record on the
6 day of October, 1944

at 2 o'clock P. M., and duly recorded
 in Book 8 Page 196 of
 the records of this office.
Belle Beahm
 Register of Deeds.

By FHS \$2.35

When recorded, return to _____

THE KANSAS BLUE PRINT CO.
 141 NORTH MARKET ST. WICHITA, KANSAS
 PHOTOSTAT SERVICE UP-TO-DATE OIL MAPS

NOTE: When signature by mark in Kansas, said mark to be witnessed by at least one person and also acknowledged.
 For acknowledgment by mark, use regular Kansas acknowledgment.

(Oklahoma, Kansas and Colorado)
 STATE OF _____ } ss. ACKNOWLEDGMENT FOR INDIVIDUAL
 COUNTY OF _____ }
 Before me, the undersigned, a Notary Public, within and for said County and State, on this
 day of _____, 19____, personally appeared _____
 and _____

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me
 that _____ executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.
 IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.
 My commission expires _____

 Notary Public

OIL AND GAS LEASE



THIS AGREEMENT, Entered into this the 6th day of November, 1944

between Jessie C. Barbee, a Widow, of Pratt, Kansas,

hereinafter called lessor

Ben F. Brack

hereinafter called lessee, does witness:

1. That lessor, for and in consideration of the sum of One and no/100 - - - Dollars (\$ 1.00),

in hand paid, and of the covenants and agreements hereinafter contained to be performed by the lessee, has this day granted and leased and hereby grants, leases and lets unto the lessee for the purpose of mining and operating for and producing oil and gas, casinghead gas and casinghead gasoline, laying pipe lines, building tanks, storing oil, building powers, stations, telephone lines and other structures thereon to produce, save, take care of and manufacture all of such substances, and for housing and boarding employees, the following described tract of land in Haskell

County, Kansas to-wit: The West Half (W/2) Section 28, Township 27 S., Range 32 W., containing 320 acres, more or less; to a depth, however, of only 3400 feet; it being understood and agreed that lessors reserve unto themselves, their heirs and assigns, all gas, oil and other minerals below a depth of 3400 feet, together with full rights of development thereof;

In Section _____, Township _____, Range _____, and containing 73535 acres, more or less

2. This lease shall remain in force for a term ending November 6th, 1954, and as long thereafter as oil, gas, casinghead gas, casinghead gasoline, or any of them is produced.

3. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth part of all oil produced and saved from the leased premises, or at the lessee's option, may pay to the lessor for such one-eighth royalty the market price for oil of like grade and gravity prevailing on the day such oil is run into the pipe line, or into storage tanks.

4. The lessee shall monthly pay lessor as royalty on gas marketed from each well where gas only is found, one-eighth (1/8) of the proceeds if sold at the well, or if marketed by lessee off the leased premises, then one-eighth (1/8) of its market value at the well. The lessee shall pay the lessor: (a) one-eighth (1/8) of the proceeds received by the lessee from the sale of casinghead gas, produced from any oil well; (b) one-eighth (1/8) of the value, at the mouth of the well, computed at the prevailing market price, of the casinghead gas, produced from any oil well and used by lessee off the leased premises for any purpose or used on the leased premises by the lessee for purposes other than the development and operation thereof. Lessor shall have the privilege at his own risk and expense of using gas from any gas well on said land for stoves and inside lights in the principal dwelling located on the leased premises by making his own connections thereto.

Where gas from a well or wells, capable of producing gas only, is not sold or used for a period of one year, lessee shall pay or tender as royalty, an amount equal to the delay rental as provided in paragraph (5) hereof, payable annually at the end of each year during which such gas is not sold or used, and while said royalty is so paid or tendered this lease shall be held as a producing property under paragraph numbered two hereof.

5. If operations for the drilling of a well for oil or gas on said land or for gas, on a consolidated leasehold estate of which this land is a part thereof, as contemplated in paragraph 9, are not commenced on or before November 6th, 1945 this lease shall terminate as to both parties unless the lessee shall on or before that date, pay or tender to the lessor, or to the lessor's credit in the

First National Bank in Pratt

Bank at Pratt, Kansas,

or its successors, which bank and its successors are the lessor's agent and shall continue as the depository of any and all sums payable under this lease, regardless of changes of ownership in said land or in the oil and gas, or in the rentals to accrue thereunder, the sum of

Three hundred twenty and no/100 - - - Dollars (\$ 320.00) which shall operate as

rental and cover the privilege of deferring the commencement of drilling operations for a period of one year. In like manner and upon like payments or tenders, the commencement of drilling operations may be further deferred for like periods successively. All payments or tenders may be made by check or draft of lessee or any assignee thereof, mailed or delivered on or before the rental paying date. Notwithstanding the death of the lessor, or his successor in interest, the payment or tender of rentals in the manner provided above shall be binding on the heirs, devisees, executors, and administrators of such person.

6. If at any time prior to the discovery of oil or gas on this land and during the term of this lease, the lessee shall drill a dry hole, or holes, on this land, this lease shall not terminate, provided operations for the drilling of a well shall be commenced by the next ensuing rental paying date, or provided the lessee begins or resumes the payment of rentals in the manner and amount herein above provided; and in this event the preceding paragraphs hereof governing the payment of rentals and the manner and effect thereof shall continue in force.

7. In case said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided for shall be paid the said lessor only in the proportion which his interest bears to the whole and undivided fee.

8. The lessee shall have the right to use free of cost, gas, oil and water found on said land for its operations thereon, except water from the wells of the lessor. When required by lessor, the lessee shall bury pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the lessor. Lessee shall have the right at any time during or after the expiration of this lease to remove all machinery, fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.

9. As to the gas leasehold estate hereby granted (excluding casinghead gas produced from oil wells), lessee is expressly granted the right and privilege to consolidate said gas leasehold with any other adjacent or contiguous gas leasehold estates to form a consolidated gas leasehold estate which shall not exceed a total area of 640 acres; and in the event lessee exercises the right and privilege of consolidation, as herein granted, the consolidated gas leasehold estate shall be deemed, treated and operated in the same manner as though the entire consolidated leasehold estate were originally covered by and included in this lease, and all royalties which shall accrue on gas (excluding casinghead gas produced from oil wells), produced and marketed from the consolidated estate, including all royalties payable hereunder, shall be prorated and paid to the lessors of the various tracts included in the consolidated estate in the same proportion that the acreage of each said lessor bears to the total acreage of the consolidated estate, and a producing gas well on any portion of the consolidated estate shall operate to continue the oil and gas leasehold estate hereby granted so long as gas is produced therefrom.

10. If the estate of either party hereto is assigned (and the privilege of assigning in whole or in part is expressly allowed), the covenants hereof shall extend to the heirs, executors, administrators, successors and assigns, with no change of ownership in the land or in the rentals or royalties shall be binding on the lessee until after notice to the lessee and it has been furnished with the written transfer or assignment or a certified copy thereof.

11. If the leased premises shall hereafter be owned in severalty or in separate tracts, the premises, nevertheless, shall be developed and operated as one lease and all royalties accruing hereunder shall be treated as an entirety and shall be divided among and paid to such separate owners in the proportion that the acreage owned by each such separate owner bears to the entire leased acreage. There shall be no obligation on the part of the lessee to offset wells on separate tracts into which the land covered by this lease may be hereafter divided by sale, devise, or otherwise, or to furnish separate measuring or receiving tanks. It is hereby agreed that, in the event this lease shall be assigned as to a part or as to parts of the above described lands, and the holder or owner of any such part or parts shall fail or make default in the payment of the proportionate part of the rent due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said land upon which the said lessee or any assignee hereof shall make due payment of said rentals. If at any time there be as many as four parties entitled to rentals or royalties, lessee may withhold payments thereof unless and until all parties designate, in writing, in a recordable instrument to be filed with the lessee, a common agent to receive all payments due hereunder, and to execute division and transfer orders on behalf of said parties, and their respective successors in title.

12. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee, at its option, may pay and discharge any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in event it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty or rentals accruing hereunder.

13. Notwithstanding anything in this lease contained to the contrary, it is expressly agreed that if lessee shall commence drilling operations at any time while this lease is in force, this lease shall remain in force and its term shall continue so long as such operations are prosecuted and, if production results therefrom, then as long as production continues.

14. If, within the primary term of this lease, the well or wells on the leased premises, or on the consolidated gas leasehold estate, shall cease to be productive, this lease shall not terminate, provided operations for the drilling of a well on the leased premises, or on the consolidated gas leasehold estate, shall be commenced before or on the next ensuing rental payment date; or, provided lessee begins or resumes the payment of rentals in the manner and amount hereinbefore provided. It is agreed, however, that the completion of a well producing or capable of producing gas, upon the property hereinabove described, or the inclusion of such property in a consolidation unit producing or capable of producing gas as provided by paragraph number 9 hereof, shall constitute full and complete development with respect to the gas leasehold estate hereby granted. If, upon, or after the expiration of the primary term of this lease, the well or wells on the leased premises, or on the consolidated gas leasehold estate, shall be incapable of producing, this lease shall not terminate provided lessee resumes operations for drilling a well on the leased premises or on the consolidated gas leasehold estate within one hundred twenty (120) days from such cessation, and this lease shall remain in force during the prosecution of such operations and, if production results therefrom, then as long as production continues.

15. It is contemplated and agreed by both lessor and lessee that this lease shall at all times and in all respects be subject to valid orders, rules and regulations of any duly constituted authority having jurisdiction of the subject matter hereof.

16. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all the heirs, grantees, administrators or assigns of said Lessor or Lessee.

IN WITNESS WHEREOF, we sign the day and year first above written.

Witness:

Jessie C. Barbee



L-73535

STATE OF Kansas
COUNTY OF Pratt } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Oklahoma and Kansas)
Before me, the undersigned, a Notary Public, within and for said County and State, on this 9th
day of November, 19 44, personally appeared Jessie C. Barbee, a Widow,
and

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me
that she executed the same as her free and voluntary act and deed for the uses and purposes therein set forth.
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.
My commission expires March 13th, 1948
Freida Goodman
Notary Public

STATE OF _____ } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Oklahoma and Kansas)
COUNTY OF _____ }
Before me, the undersigned, a Notary Public, within and for said County and State, on this _____
day of _____, 19 _____, personally appeared _____
and

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me
that _____ executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.
My commission expires _____
Notary Public

STATE OF _____ } ss. ACKNOWLEDGMENT FOR CORPORATION
COUNTY OF _____ }
Be it remembered that on this _____ day of _____, 19 _____, before me, the undersigned, a
Notary Public, duly commissioned, in and for the county and state aforesaid, came _____
_____, president of _____,
a corporation of the State of _____, personally known to me to be such officer, and to be
the same person who executed as such officer the foregoing instrument of writing in behalf of said corporation, and he duly ac-
knowledged the execution of the same for himself and for said corporation for the uses and purposes therein set forth.
IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day and year last above written.
My commission expires _____
Notary Public

No. _____
OIL AND GAS LEASE
FROM _____
TO _____
Date _____, 19 _____
Section _____ Twp. _____ Rge. _____
No. of Acres _____ Term _____
County _____
STATE OF Kansas } ss:
County of Pratt }
This instrument was filed for record on the
3rd day of Feb., 1945
at 8: o'clock A.M., and duly recorded
in Book 6 Page 100 of
the records of this office.
Freida Bethel
\$2.35 Register of Deeds.
By _____
When recorded, return to _____
THE KANSAS BLUE PRINT CO.
141 NORTH MARKET ST. WICHITA, KANSAS
PHOTOSTAT SERVICE UP-TO-DATE OIL MAPS

NOTE: When signature by mark in Kansas, said mark to be witnessed by at least one person and also acknowledged.
For acknowledgment by mark, use regular Kansas acknowledgment.

STATE OF _____ } (Oklahoma, Kansas and Colorado)
COUNTY OF _____ } ss. ACKNOWLEDGMENT FOR INDIVIDUAL
Before me, the undersigned, a Notary Public, within and for said County and State, on this _____
day of _____, 19 _____, personally appeared _____
and

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me
that _____ executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.
My commission expires _____
Notary Public