

M 73 148

AFFIDAVIT OF NON-PRODUCTION AND NON-DEVELOPMENT

Wendell Woodard, being first duly sworn upon oath, states:

That his residence and correct post office address is Osborne, Kansas.

That affiant is well and personally acquainted with the oil and gas development in Osborne County and particularly with reference to the following described real property:

The East Half of the Northwest Quarter (E/2 NW/4) and the West Half of the Northeast Quarter (W/2 NE/4) of Section 22, Township 8, Range 14, Osborne County, Kansas

Affiant positively knows and states that as of June 2, 2011, there were no development operations of any kind being conducted on the above properties and that no oil or gas was being produced from the above described properties or any property with which these properties were unitized.

That all mineral conveyances, oil and gas leases, and mineral reservations whose primary terms expired prior to June 2, 2011, are now null and void in accordance with their own terms, and that no production was obtained under any base leases which would perpetuate the terms of any of said leases, mineral conveyances or mineral reservations with respect to the above described properties.

AND FURTHER AFFIANT SAITH NOT.

Wendell Woodard  
Wendell Woodard

JURAT and ACKNOWLEDGMENT

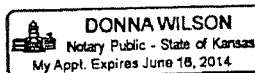
STATE OF KANSAS )  
COUNTY OF Osborne ) ss:

Now on this 6<sup>th</sup> day of June, 2011, the above and foregoing instrument was subscribed and sworn to before me, a notary public, in and for the county and state aforesaid by Wendell Woodard, who is personally known to me to be the same person who executed said instrument and such person duly acknowledged the execution of the same.

STATE OF KANSAS } ss  
OSBORNE COUNTY }  
Filed on the 14<sup>th</sup> day of June  
A.D. 2011 at 9:05 o'clock A.M.  
and duly Recorded in 72 pages  
Book 773 Page 148  
Rebecca A. Rynd  
REGISTER OF DEEDS  
fee \$8.00



Donna Wilson  
Notary Public



AFFIDAVIT OF NON-PRODUCTION AND NON-DEVELOPMENT

Wendell Woodard, being first duly sworn upon oath, states:

That his residence and correct post office address is Osborne, Kansas.

That affiant is well and personally acquainted with the oil and gas development in Osborne County and particularly with reference to the following described real property:

The NE/4 NW/4 and NW/4 NE/4 and S/2 NW/4 and SW/4 NE/4 and SW/4 and W/2 SE/4 of 22-8-14 and NW/4 and W/2 NE/4 of 27-8-14 and SW/4 of 3-9-14 and W/2 NW/4 of 8-9-14, Osborne County, Kansas

Affiant positively knows and states that as of January 8, 1986, there were no development operations of any kind being conducted on the above properties and that no oil or gas was being produced from the above described properties or any property with which these properties were unitized.

That all mineral conveyances, oil and gas leases, and mineral reservations whose primary terms expired prior to January 8, 1986, are now null and void in accordance with their own terms, and that no production was obtained under any base leases which would perpetuate the terms of any of said leases, mineral conveyances or mineral reservations with respect to the above described properties.

AND FURTHER AFFIANT SAITH NOT.

Wendell Woodard  
Wendell Woodard

JURAT and ACKNOWLEDGMENT

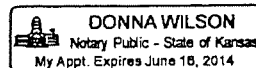
STATE OF KANSAS )  
 ) ss:  
COUNTY OF Osborne )

Now on this 16<sup>th</sup> day of June, 2011, the above and foregoing instrument was subscribed and sworn to before me, a notary public, in and for the county and state aforesaid by Wendell Woodard, who is personally known to me to be the same person who executed said instrument and such person duly acknowledged the execution of the same.

STATE OF KANSAS } ss  
OSBORNE COUNTY }  
Filed on the 14<sup>th</sup> day of June  
A.D. 2011 at 2:00 o'clock A.M.  
and duly Recorded in Miss  
Book M.13 Page 417  
Rebecca A. Byrd  
REGISTER OF DEEDS  
fee \$8.00



Donna Wilson  
Notary Public



M 75 10

STATE OF KANSAS } SS  
OSBORNE COUNTY }  
Filed on the 31st day of March  
A.D. 2011 at 9:28 o'clock A.M.  
and duly Recorded in Miss.  
Book M.T.S. Page 12  
Rebecca A. Boyd  
REGISTER OF DEEDS  
fee \$8.00

EXTENSION OF OIL AND GAS LEASE



WHEREAS, Wendall E. Woodard, is the owner and holder of an oil and gas lease on the following described land in Osborne County, State of Kansas:

W/2 NE/4

Of Section 22, Township 8 South, Range 14 West, containing 80 acres and recorded in M 67, Page 38 of the Records of said County, and

WHEREAS, said lease expires in the absence of drilling operations on April 24, 2011 and the said owner(s) and holders(s) desire(s) to have the term of said leases extended;

NOW, THEREFORE, the undersigned, for themselves, their heirs, executors, administrators and assigns, for and in consideration of Ten or more Dollars, in hand paid, the receipt whereof is hereby acknowledged, does hereby agree that the said term of said lease shall be and is hereby extended, with the same tenor and effect as if such extended term had been originally expressed in such lease, for a period of 3 years from the date of the said expiration thereof and as long thereafter as oil or gas (including casinghead gas) is produced from any well on the land covered by said lease; subject, however, in all other respects, to the provisions and conditions of said lease or said lease as modified, if any modification thereof may have been heretofore executed.

IN WITNESS WHEREOF, this instrument is signed on this the 22nd day of March, 2011.

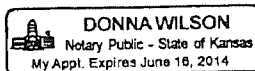
Wendall E. Woodard  
Wendall E. Woodard

STATE OF KANSAS }  
COUNTY OF OSBORNE } ACKNOWLEDGMENT FOR INDIVIDUALS

The foregoing instrument was acknowledged before me this 22nd day of March, 2011 by Wendall E. Woodard, a single person.

My commission expires 6-16-14

Donna Wilson  
Notary Public



M 75 9

STATE OF KANSAS }  
OSBORNE COUNTY } SS  
Filed on the 31st day of March  
A.D. 2011 at 7:22 o'clock A.M.  
and duly Recorded in Miss.  
Book 75 Page 9  
Robert A. Byrd  
REGISTER OF DEEDS  
fee \$8.00

EXTENSION OF OIL AND GAS LEASE



WHEREAS, Wendall E. Woodard, is the owner and holder of an oil and gas lease on the following described land in Osborne County, State of Kansas:

E/2 NW/4

Of Section 22, Township 8 South, Range 14 West, containing 80 acres and recorded in M 67 , Page 37 of the Records of said County, and

WHEREAS, said lease expires in the absence of drilling operations on April 24, 2011 and the said owner(s) and holders(s) desire(s) to have the term of said leases extended;

NOW, THEREFORE, the undersigned, for themselves, their heirs, executors, administrators and assigns, for and in consideration of Ten or more Dollars, in hand paid, the receipt whereof is hereby acknowledged, does hereby agree that the said term of said lease shall be and is hereby extended, with the same tenor and effect as if such extended term had been originally expressed in such lease, for a period of 3 years from the date of the said expiration thereof and as long thereafter as oil or gas (including casinghead gas) is produced from any well on the land covered by said lease; subject, however, in all other respects, to the provisions and conditions of said lease or said lease as modified, if any modification thereof may have been heretofore executed.

IN WITNESS WHEREOF, this instrument is signed on this the 22<sup>nd</sup> day of March, 2011.

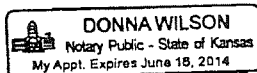
Wendall E. Woodard  
Wendall E. Woodard

STATE OF KANSAS }  
COUNTY OF OSBORNE } ACKNOWLEDGMENT FOR INDIVIDUALS

The foregoing instrument was acknowledged before me this 22<sup>nd</sup> day of March, 2011 by Wendall E. Woodard, a single person.

My commission expires 6-16-14

Donna Wilson  
Notary Public



STATE OF Kansas ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)  
 COUNTY OF Osborne  
 The foregoing instrument was acknowledged before me this 24th day of April 2008  
 by Wendall E. Woodard a single man

My commission expires 02-08-2012



*[Signature]*  
 Notary Public  
 Michael Owen

STATE OF Kansas ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)  
 COUNTY OF Osborne  
 The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
 by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_ Notary Public

STATE OF \_\_\_\_\_ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)  
 COUNTY OF \_\_\_\_\_  
 The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
 by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_ Notary Public

STATE OF \_\_\_\_\_ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)  
 COUNTY OF \_\_\_\_\_  
 The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
 by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_ Notary Public

No. \_\_\_\_\_  
 OIL AND GAS LEASE

FROM

TO \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Date \_\_\_\_\_  
 Section \_\_\_\_\_ Twp. \_\_\_\_\_ Rge. \_\_\_\_\_  
 No. of Acres \_\_\_\_\_ Term \_\_\_\_\_



County

STATE OF Kansas  
 County Osborne

This instrument was filed for record on the 12th

day of June 2008

at 2:00 o'clock P M., and duly recorded

in Book 5767 Page 38 of

the records of this office.

By *[Signature]*  
 Registrar of Deeds.

When recorded, return to fee \$16.00

STATE OF \_\_\_\_\_ ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)  
 COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
 by \_\_\_\_\_  
 of \_\_\_\_\_ a \_\_\_\_\_  
 corporation, on behalf of the corporation.

My commission expires \_\_\_\_\_ Notary Public

M 67 38

RIDER

If at the end of the primary term, this lease is not otherwise continued in force under the provisions hereof, this lease shall expire, unless Lessee on or before the end of the primary term shall pay of tender to Lessor, the sum of \$10.00, multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this lease, and subject to the other provisions of this lease, the primary term shall be extended for an additional term of ~~three~~(3) years from the end of the primary term hereof.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
X Wendall E. Woodward  
Wendall E. Woodward

M 67 38

83U (Rev. 1993)

## OIL AND GAS LEASE

Reorder No.  
09-115
 Kansas Blue Print  
 700 S. Broadway, PO Box 703  
 Wichita, KS 67201-0703  
 316-264-0344; 316-264-1055 fax  
 www.kbp.com - kbp@kbp.com
AGREEMENT, Made and entered into the 24th day of April, 2008by and between Wendall E. Woodard, a single personwhose mailing address is 225 S. 3rd, Osborne, Kansas 67473

hereinafter called Lessor (whether one or more),

and J. Fred Hambright Inc., 125 N. Market, #1415, Wichita, Kansas 67203

hereinafter called Lessee:

Lessor, in consideration of Ten and more Dollars (\$10.00 and more) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Osborne State of Kansas described as follows to-wit:

Township 08 South, Range 14 West  
Section 22: WYNE

In Section XXXX Township XXXXX Range XXXXXX and containing 80 acres, more or less, and all accretions thereon.

Subject to the provisions herein contained, this lease shall remain in force for a term of three years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said land is pooled.

In consideration of the premises the said lessee covenants and agrees:

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.

This lease may be maintained during the primary term hereof without further payment or drilling operations. If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed within the term of years first mentioned.

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

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessor's operation thereon, except water from the wells of lessor.

When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.

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

Lessee shall pay for damages caused by lessee's operations to growing crops on said land.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessor assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessor's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

See Rider attached hereto and made a part hereof.

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

Witnesses:

372-12-1247

x Wendall E. Woodard  
 Wendall E. Woodard

M 67 37

RIDER

If at the end of the primary term, this lease is not otherwise continued in force under the provisions hereof, this lease shall expire, unless Lessee on or before the end of the primary term shall pay of tender to Lessor, the sum of \$10.00, multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this lease, and subject to the other provisions of this lease, the primary term shall be extended for an additional term of ~~three~~(3) years from the end of the primary term hereof.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
x Wendall E. Woodard  
Wendall E. Woodard  
\_\_\_\_\_



M 67 37

STATE OF Kansas

COUNTY OF Osborne

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this 24th day of April, 2008  
by Wendell E. Woodward, Notary Public

My commission expires 02-08-2012



Michael Owen  
Notary Public

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

No. \_\_\_\_\_

OIL AND GAS LEASE

FROM

TO

Date

Section

Twp.

Rge.

No. of Acres

Term

County



STATE OF Kansas

County Osborne

This instrument was filed for record on the 12th  
day of June, 2008,  
at 2:00 o'clock P. M., and duly recorded  
in Book m67 Page 37 of  
the records of this office.

By

Register of Deeds.

When recorded, return to fee \$16.00

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
by \_\_\_\_\_  
of \_\_\_\_\_  
corporation, on behalf of the corporation.

My commission expires \_\_\_\_\_

Notary Public

M 67 37

Reorder No.  
09-115Kansas Blue Print  
700 S. Broadway, PO Box 703  
Wichita, KS 67201-0703  
316-264-2244 • 316-264-1100 fax  
www.kbp.com • kbp@kbp.com

63U (Rev. 1993)

## OIL AND GAS LEASE

AGREEMENT, Made and entered into the 24th day of April, 2008by and between Wendall E. Woodard, a single personwhose mailing address is 225 S. 3rd, Osborne, Kansas 67473

hereinafter called Lessor (whether one or more).

and J. Fred Harbright Inc., 124 N. Market, #1415, Wichita, Kansas 67203

hereinafter called Lessee:

Lessor, in consideration of Ten and more Dollars (\$ 10.00 and more ) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, stringing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interests, therein situated in County of Osborne State of Kansas described as follows to-wit:

Township 08 South, Range 14 West  
Section 22: B-1415

In Section XXXX Township XXXX Range XXXX and containing 80 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of three years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said land is pooled.

In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8) at the market price at the well, (but, as to gas sold by Lessee, in no event more than one-eighth (1/8) of the proceeds received by Lessee from such sales); for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, Lessee may pay or tender as royalty One Dollar (\$1.00) per acre per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.

This lease may be maintained during the primary term hereof without further payment or drilling operations. If the Lessee shall commence to drill a well within the term of this lease or any extension thereof, the Lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed within the term of years first mentioned.

If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the said Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

When requested by Lessor, Lessee shall bury Lessee's pipe lines below plow depth.

No well shall be drilled nearer than 300 feet to the house or barn now on said premises without written consent of Lessor.

Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the Lessee until after the Lessee has been furnished with a written transfer or assignment or a true copy thereof. In case Lessee assigns this lease, in whole or in part, Lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

Lessee may at any time execute and deliver to Lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

Lessee hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in Lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, each pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, Lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

See Rider attached hereto and made a part hereof.

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

Witnesses:

512-12-1249

X Wendall E. Woodard  
Wendall E. Woodard

## EXHIBIT A

Attached to and made a part of that of Oil and Gas Lease dated June 25th, 2014 By and between Wendell E. Woodard, a single person as Lessor to J. Fred Hambright, Inc. as Lessee.

RE:

**Township 8 South, Range 14 West**  
**Section 22: SW/4; S/2NW/4; NE/4NW/4**  
**Section 27: NW/4; W/2NE/4**

1. Lessee or assigns shall restore the surface contours of the premises to their original condition as reasonably as is practicable as a result of their drilling operations conducted on any of the above described tracts.
2. The Lessor reserves the right to designate routes of ingress and egress to well site locations and Lessee or assigns agree to consult with Lessor as to location of roads, pipelines, tank batteries necessary for production prior to conducting operations for the drilling of a well on the premises for the purpose of minimizing interference with the surface farming operations, with the understanding that these rights and reservations as stated herein, will not be unreasonably denied.
3. If at the end of the primary term, this lease is not otherwise continued in force under the provisions hereof, this lease shall expire, unless on or before the end of the primary term, Lessee or assigns shall pay or tender to Lessor, the sum equal to the original price per acre bonus paid to Lessor under the initial primary term of said Lease multiplied by the net mineral acres owned by Lessor in the land above described and then subject to the other provisions of this lease, the primary term shall be extended for an additional term of three(3) years from the end of the primary term hereof.

Initial for Identification

W. E. W.

STATE OF Kansas

M78

64

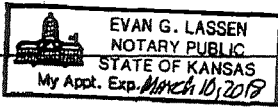
ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

COUNTY OF Osborne

the foregoing instrument was acknowledged before me this 25<sup>th</sup> day of June, 2014

by Wendell E. Woodard, a single person

My commission expires



*[Signature]*  
Notary Public  
Evan G. Lassen

STATE OF \_\_\_\_\_

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

COUNTY OF \_\_\_\_\_

foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2014

by \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

STATE OF \_\_\_\_\_

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

COUNTY OF \_\_\_\_\_

the foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2014

by Michael D. La Rosh, Trustee of The Alice La Rosh Trust pursuant to Article IV of the Alice La Rosh Trust u/a dated January 29, 1985

My commission expires \_\_\_\_\_

Notary Public

STATE OF \_\_\_\_\_

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

COUNTY OF \_\_\_\_\_

the foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_

by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

No. \_\_\_\_\_

OIL AND GAS LEASE

FROM

TO

Date

Section

Twp.

Rge

No. of Acres

Term

County

STATE OF Kansas

County Osborne



This instrument was filed for record on the 13<sup>th</sup> day of October, 2014

at 9:35 o'clock P M., and duly recorded

in Book M78 Page 64 of in the Mac

records of this office

*[Signature]*  
Register of Deeds  
for \$16.00

By \_\_\_\_\_

When recorded, return to \_\_\_\_\_

M78 64

OIL AND GAS LEASE



Kansas Blue Print  
700 E. Broadway, P.O. Box 700  
Wichita, KS 67201-0700  
316-264-9344 - 254-  
5165 fax  
www.kbp.com, kbp@kbp.com

AGREEMENT made & entered into on the 25th day of June 2014

by and between

Wendell E. Woodard, a single person

whose mailing address is 225 E. 3rd Street, Osborne, Kansas 67473 hereinafter called Lessor (whether one or more),

and J. Fred Hambricht, Inc., 125 N. Market, Suite 1415, Wichita, KS. 67202 hereinafter called Lessee:

Lessor, in consideration of Ten and more Dollars (\$ 10.00+ ) in hand paid,

receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired

interest, therein situated in County of Osborne State of KANSAS Described as follows to wit:

Township 8 South, Range 14 West  
Section 22: SW/4; S/2NW/4; NE/4NW/4  
Section 27: NW/4; W/2NE/4;

In Section XXX Township XXX Range XXX and containing 520 acres, more or less and all accretions thereto

Subject to the provisions herein contained, this lease shall remain in force for a term of Three (3) years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said land is pooled.

In consideration of the premises the said lessee covenants and agrees:

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.

This lease may be maintained during the primary term hereof without further payment or drilling operations. If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed within the term of years first mentioned.

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

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operation thereon, except water from the wells of lessor.

When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.

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

Lessee shall pay for damages caused by lessee's operations to growing crops on said land.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessor assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land; lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

See EXHIBIT A attached hereto and made a part hereof

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

Wendell E. Woodard  
(Wendell E. Woodard)