

Instructions

OKLAHOMA CORPORATION COMMISSION

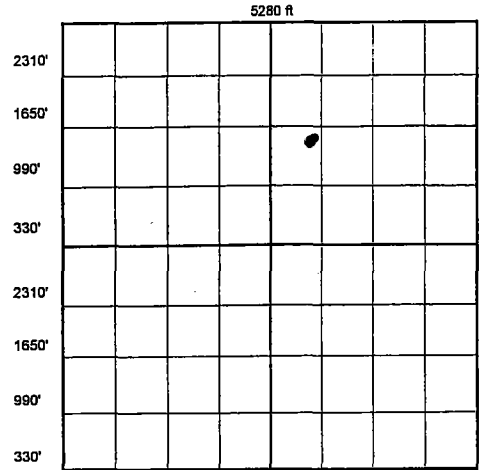
Form 1073
Rev. 2009

- A. Please type or print using black ink.
- B. Form must be signed by former operator and new operator.
- C. Outline boundaries of lease and spot well being transferred.
- D. Attach 1002A for well.
- E. Direct questions to Well Records (405) 521-2275.

Oil & Gas Conservation Division
Post Office Box 52000
Oklahoma City, OK 73152-2000

Transfer of Operator
OAC 165:10-1-15

API No	075-02172		OTC Prod. Unit No.	075-042413	
Location	NE 1/4 NW 1/4 SW 1/4 NE 1/4		Sec.	26	Twp. 7N Rge. 16W
Ft FSL of Qtr Sec	1155	Ft FWL of Qtr Sec	495	County Kiowa	
Current Well Name/Number	Tate 3				
Original Well Name/Number	State School Land 3				
Unit Name (if applicable)					



Well Class: OIL GAS DRY

Producing formation(s) Fortuna

The effective date of transfer of this well, for the purposes of Commission records, is the date that the transfer is approved by the Commission.

CURRENT OPERATOR		OCC No.
Name		
Address		
City	State	Zip
Phone No.	FAX No./E-mail	
I verify that I am the legal operator of record with authority to transfer operatorship of this well.		
Signature		
Name & Title (Typed or Printed)		
Signed and sworn to before me this _____ day of _____.		
Notary Public		
My commission expires: _____		

NEW OPERATOR		OCC No.
Name <u>Randy Gonzalez Oil</u>		
Address <u>P.O. Box 281</u>		
City <u>Gotebo</u>	State <u>OK</u>	Zip <u>73041</u>
Phone No. <u>580-301-0629</u>	FAX No./E-mail <u>580-538-2224</u>	
I verify that I am the legal operator of record with authority to transfer operatorship of this well.		
Signature <u>Randy Gonzalez</u>		
Name & Title (Typed or Printed) <u>Randy Gonzalez Oil</u>		
Signed and sworn to before me this <u>11</u> day of <u>December</u> , <u>2014</u> .		
Notary Public <u>Joone Peck</u>		
My commission expires: <u>10-01-2017</u>		

I verify under oath that I have exercised due diligence in attempting to locate the current operator of record according to OCC records, who has abandoned the above well/lease and cannot be located to obtain signature.

I have attached a copy of the certified recorded assignment of lease.

* APPROVED COPY AVAILABLE ON OCC WEBSITE. *

Signed and sworn to before me this 11 day of December, 2014.

Signature Randy Gonzalez

Notary Public Joone Peck

My commission expires: 10-01-2017

FOR OCC USE ONLY

Surety Dept. Approved Rejected Date DEC 11 2014 Well Records Dept. Approved Rejected Date DEC 11 2014

NOTE: By processing this Form 1073, the Oklahoma Corporation Commission has approved the contents thereof as to form only. Oklahoma Corporation Commission does not warrant that the facts provided by the operator are true. Form is not approved until approved by Well Records.



WELL RECORDS
APPROVED

THE STATE OF OKLAHOMA

OIL AND GAS MINING LEASE

THIS LEASE is made and entered into in duplicate, on this 13 day of MARCH, A.D., 1995 by and between the Commissioners of the Land Office of the State of Oklahoma, acting for and on behalf of the State of Oklahoma, parties of the first part, hereinafter designated as Lessor, and RANDY GONZALEZ OIL, party of the second part, hereinafter designated as Lessee, whose post office address is P. O. Box 281, Gotebo, OK 73041. (The post office address of Lessee for all purposes hereunder shall be as stated until Lessor has received written notice of a change thereof.)

Under and pursuant to the provisions of the Constitution and Laws of the State of Oklahoma relating to leasing school and other public lands belonging to the State of Oklahoma, WITNESSETH:

1. The Lessor, for and in consideration of One hundred dollars and no/100 (\$100.00), Dollars, the receipt of which is hereby acknowledged, and the rents and royalties to be paid, and the covenants, stipulations and conditions to be observed and performed as herein set forth, does hereby demise, lease and let unto the Lessee for a primary term of three (3) years from the date hereof and as hereinafter extended, the following described tract(s) of land situated in the County of KIOWA, in the State of Oklahoma, to wit:

N/2 SW/4 NE/4, from the surface of the earth to a depth of 1,500 feet. Lessee agrees to return the existing state wells to production in paying quantities within sixty (60) days from date of this lease. In the event production is not established within sixty (60) days from date of this lease, lessee shall promptly plug all wells. Time for plugging of all wells shall not exceed one-hundred twenty (120) days from date of this lease. (See Oklahoma Corporation Commission C.D. 950-000020) (ALL M.R.)
Sec. 26-7N-16W

containing 20 acres, more or less, and does hereby grant to the Lessee the exclusive right and privilege to prospect and drill for, mine and extract all of the oil and natural gas deposits in or under said land, together with the right to pipe, store, and remove oil and natural gas and, subject to the terms of paragraph 11, below, to occupy and use only so much of the surface of said land as may reasonably be necessary to carry on the work of prospecting for, extracting, piping, storing, and removing such oil, distillate, and natural gas. Also the right to obtain from wells or other sources on said land by means of pipelines or otherwise a sufficient supply of water to carry on said operations, except the private wells or surface water of the surface owner or lessee, and also the right to use, free of cost, oil, gas and casinghead gas for fuel so far as necessary to the development and operation of said property.

2. The Lessee hereby agrees to deliver or cause to be delivered to the Commissioners of the Land Office of the State of Oklahoma, or their successors, without cost into pipelines, a royalty of three-sixteenths (3/16) part of the oil or gas produced from the leased premises and a three-sixteenths (3/16) part of all casinghead or drip gas or gasoline or other hydrocarbon substances produced from any well or wells on said premises, or in lieu thereof, pay to Lessor the market value thereof, as the Commissioners may elect. The Lessee shall furnish to the Lessor certified copies of gauge tickets, sales, shipments, and amounts of gross production, at its office in Oklahoma City, Oklahoma. Gas is to be metered on the premises in accordance with the Laws of the State of Oklahoma and the rules of the Oklahoma Corporation Commission.

3. If operations for the drilling of a well for oil and gas are not commenced on said land on or before one year from date hereof, this lease shall terminate as to both parties unless the Lessee on or before the expiration of said one year period shall pay to the Lessor, during office hours, at its office in Oklahoma City, Oklahoma, the sum of One Dollar (\$1.00) per acre for the privilege of delaying 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 not exceeding three (3) years from the date hereof. For the purpose of the calculation of the rental payments, the acreage listed in paragraph (1) above shall be controlling. Operations for the drilling of a well are deemed to have commenced when a drilling rig is on location and conducting continuous drilling operations; however, said operations for the drilling of a well may, for good cause shown, be extended by the Lessor, for an additional thirty (30) days beyond the primary term of this lease, if Lessee submits a written request for the same before the end of the primary term.

4. If at any time during the primary term of this lease, the Lessee shall drill a dry hole or holes on this land, or if, after production is obtained, this lease should cease to produce during the primary term, this lease shall not terminate, provided operations for the drilling of a well shall be commenced before the next ensuing rental paying date, or provided the Lessee begins or resumes the payment of rentals in the manner and amount hereinabove provided, and in this event the preceding paragraphs hereof governing the payment of rentals and the manner and effect thereof shall continue in force.

5. (A) It is expressly agreed that if Lessee shall commence drilling operations at any time during the primary term of this lease, the lease shall remain in force and its term shall continue so long as such operations are diligently prosecuted and, if production results therefrom, then this lease shall be extended as to the stratigraphic equivalent of the producing intervals, if unspaced, and/or the producing common sources of supply, as spaced, as long as production in paying quantities continues; provided that if a gas well is completed and shut-in for lack of a market, Lessee shall pay annually on or before the anniversary date next ensuing, the sum of One Dollar (\$1.00) per acre for the first year, and Three Dollars (\$3.00) per acre for every year thereafter. It is expressly agreed that this lease shall terminate as to all non-producing intervals, if unspaced, and all non-producing common sources of supply, as spaced, at the expiration of the primary term of this lease.

(B) Within the last six (6) months before the end of the primary term, Lessee shall have the option to extend the lease, as to all non-producing intervals, if unspaced, and/or all non-producing common sources of supply, as spaced, above the said deepest producing interval or deepest producing common source of supply, in exchange for a payment equal to 50% of the original bonus paid for this lease. Said payment shall be made to Lessor, during office hours, at its office in Oklahoma City, Oklahoma, and if not paid by the end of the primary term, this option shall terminate. However, said option may, for good cause shown, be extended by the Lessor, beyond the primary term, if the Lessee submits a written request for the same before the end of said primary term. If this option is exercised by the Lessee, its successors and assigns, it shall terminate by the cessation of production in paying quantities or by other just cause.

6. Lessee will supply Lessor with a notice of intention to drill, such notice to be sent to Lessor's office in Oklahoma City, Oklahoma, at least five (5) days prior to commencement of operations, unless a lesser time is agreed to, in writing, by Lessor. Lessee additionally will file with Lessor a copy of the Oklahoma Corporation Commission Completion Report and of the Oklahoma Corporation Commission Plugging Report for each well in a unit of which this lease is a part, immediately upon preparation.

7. Lessee shall exercise diligence in sinking wells for oil and natural gas on the land covered by this lease, and shall drill a sufficient number of wells to directly offset the wells upon adjoining contiguous premises, said offset wells to be commenced within sixty (60) days after commencement of marketing of production from the well upon such adjoining contiguous premises unless a longer time is agreed to in writing by the Lessor, and to be prosecuted diligently and continuously until completed. The said Lessee shall operate the leased premises for the production of oil and gas to the same extent as individual and corporate premises are being operated within the general oil and gas fields where such land is located. Failure to faithfully comply with either of these provisions shall be cause for cancellation of this lease.

8. Lessee shall carry on the development and/or operation of the lease in a workmanlike manner, and shall not commit, or suffer to be committed, waste or pollution upon the lands in his occupancy and use. Lessee shall preserve the lands, and upon the termination of this lease, promptly surrender and return the premises to the Lessor. Lessee shall bury and maintain all pipelines below thirty (30) inches unless written permission to bury pipelines at a shallower depth is obtained from the Commissioners of The Land Office, pursuant to their rules and regulations. Lessee shall obtain the consent of the Lessor on the location of any tank batteries and/or lease roads, which consent will not be unreasonably denied.

9. All pipe, casing, equipment and incidentals of exploration, drilling and production shall remain the property of the Lessee, and may be removed at any time prior to or upon the termination of the lease; and the Lessee shall not permit any nuisance to be maintained on the premises; and shall not use said premises for any purposes other than those authorized in the lease. Before abandoning any well, Lessee shall securely plug the same in accordance with the rules and regulations of the Oklahoma Corporation Commission and the laws of the State of Oklahoma.

10. The Lessee shall keep an accurate account of all oil and gas mining operations, including but not limited to the following: a log of each well drilled, duly sworn to by the contractor or driller; original gas sales contracts with amendments; gas balancing agreements and schedules; information concerning litigation, settlement agreements, or other agreements relating to sales and pricing of gas and oil. All information concerning the operation and management of the lease, including but not limited to the above, shall be furnished to the Commissioners of the Land Office or their representative on demand. The Lessee shall also keep an accurate account showing the sales, prices, dates, purchases, and the whole amount of oil and gas mined or removed, and all sums due as royalties shall be a lien upon the implements, tools and movable machinery or personal chattels used in operating said property, and also upon the unsold oil and gas obtained from the land herein leased as security for the payment of said royalties.

11. The Lessee shall compensate the Lessor, certificate of purchase holder and/or surface lessee of the Commissioners of the Land Office for their respective interests as affected by Lessee's oil and gas mining operations. Landowners' compensation shall be established by determining the comparable rate of compensation for similar oil and gas drilling and related activities, considering any special attributes to the property. In the event the amount of compensation cannot be agreed upon, it shall be determined as provided by law. If compensation to Lessor is not paid in a timely manner, the amount may be recovered from Lessee or the Lessee's bond given to secure the faithful performance of the lease.

12. This lease shall be subject to the Constitution and laws of the State of Oklahoma and the rules and regulations of the Commissioners of the Land Office now or hereafter in force relative to such leases, all of which are made a part and condition of this lease; provided, that no regulation made after the execution of this lease affecting either the length of the term hereof, the rate of royalty, or payment hereunder, or the assignment hereof, shall operate to alter the terms and conditions of this lease.

13. Before this lease shall be in force and effect the Lessee and assigns shall give and maintain a good and sufficient bond, on a form approved by the Commissioners of the Land Office, conditioned upon the faithful performance of the covenants and conditions of this lease. Failure to comply with this requirement shall be cause for cancellation of this lease.

14. No transfer or assignment of this lease, or any part thereof, shall be valid, or convey any right to the assignee without the consent in writing of the Commissioners of the Land Office; and such assignee shall furnish and maintain a bond on a form approved by the Commissioners of the Land Office, conditioned upon the faithful performance of the covenants and conditions of this lease.

15. Upon the violation of any substantial terms or conditions of this lease, the Commissioners of the Land Office shall have the right at any time to declare this lease null and void after hearing upon thirty (30) days notice, by registered mail to the last known address of Lessee, specifying the terms or conditions violated; provided any person affected thereby may appeal in the manner provided by law; and the said Commissioners for and on behalf of the State of Oklahoma, shall be entitled to recover from the Lessee or the Lessee's bondsmen, all royalties, charges, claims of every kind and nature due and owing and accruing and arising out of and by reason of this lease, upon failure to comply with the provisions thereof, and to take immediate possession of the land.

16. The Lessee may at any time hereafter surrender and wholly terminate all or any part of this lease upon payment of all liabilities then accrued and due hereunder, and may exercise such right by filing a formal relinquishment and release of the said lease with the Secretary to the Commissioners of the Land Office, and Lessee specifically agrees to release this lease upon expiration, provided that if such lease has been recorded in the county, the release thereof must be recorded in the county prior to filing with the Secretary to the Commissioners of the Land Office.

17. If Lessor herein owns a lesser interest in the minerals in the described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the Lessor only in the proportion which its mineral interest ownership bears to the entire and undivided fee estate.

18. Lessor makes no representation or warranty whatsoever with respect to its title to the lands leased hereby and Lessee shall be solely responsible for satisfying itself with respect to the ownership of such lands. References to surface ownership herein shall be applicable only as to that portion of the surface estate which is owned by the Lessor.

19. Election of delayed rental payment.

✓ (initials)

RJG

I elect to make this a paid-up lease, payment is enclosed.

RG

I do not elect this to be a paid-up lease.

IN WITNESS WHEREOF, the parties hereunto subscribed their signatures on the day and year first above written.

COMMISSIONERS OF THE LAND OFFICE
OF THE STATE OF OKLAHOMA

By: [Signature]
Secretary.

RANDY GONZALEZ OIL

By: [Signature]
Lessee.

ATTEST:

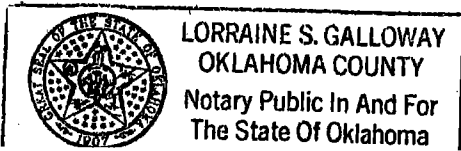
Secretary.

STATE OF OKLAHOMA)
) §
COUNTY OF OKLAHOMA)

Personally appeared before me, the undersigned Notary Public, within and for said County and State Rob Johnson, to me known to be the person who subscribed the name of the Commissioners of the Land Office of the State of Oklahoma, to the foregoing instrument, as its Secretary, and acknowledged to me that (s)he executed the same as his(her) free and voluntary act and deed and as free and voluntary act and deed of such Commissioners of the Land Office for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal on this 31st day of March, 1995.
My Commission expires April 16, 1996

[Signature]
Lorraine S. Galloway, Notary Public



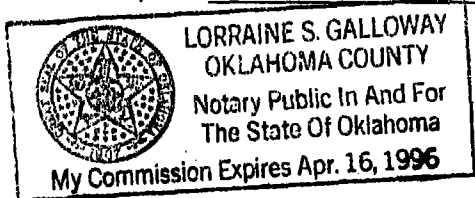
ACKNOWLEDGEMENT FOR INDIVIDUAL

STATE OF OKLAHOMA)
) §
COUNTY OF OKLAHOMA)

Personally appeared before me, the undersigned Notary Public, within and for said County and State
RANDY GONZALEZ, to me known to be the identical person who executed the within and foregoing
instrument, and acknowledged to me that (s)he executed the same as his(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 notarial seal on this 21st day of March, 19 95.
My Commission expires April 16, 1996

Lorraine S. Galloway
Lorraine S. Galloway, Notary Public.



ACKNOWLEDGEMENT FOR CORPORATION

STATE OF)
) §
COUNTY OF)

Personally appeared before me, the undersigned Notary Public, within and for said County and State
to me known to be the identical person who signed the name of the
to the above and foregoing instrument as its
President/Attorney-in-Fact, and acknowledged that (s)he executed the same as his(her) free and voluntary act and deed, and as
the free and voluntary act and deed of the said corporation for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal on this day of, 19.
My Commission expires
Notary Public.