

EXHIBIT ONE

Tract 2: That part of the Northwest Quarter of the Northwest Quarter of Section 2, Township 22 South, Range 19 East, described as follows:  
COMMENCING at the Southwest corner of said Northwest Quarter of the Northwest Quarter of said Section 2;  
THENCE East to intersect Block 7 in the town of Welda;  
THENCE Northwest on south boundary line of said town of Welda to a point 50 feet East of the main track of the Kansas City, Lawrence and Southern Kansas Railway;  
THENCE Southwesterly and parallel with and 50 feet east of said main tract of said railway to the place of beginning; and

The North 12 acres of the West Half of the South Half of the Northwest Quarter of Section 2, Township 22 South, Range 19 East, except however, that part of said lease which has been released and is described as follows:

COMMENCING at the Southwest corner of the Northwest Quarter of the Northwest Quarter of said Section 2, Township 22 South, Range 19 East;  
THENCE running east to intersect with Block 7 in the town of Welda;  
THENCE northwesterly on the south boundary line of said town of Welda to a point 50 feet east of the main track of Santa Fe Railroad (formerly Kansas City, Lawrence & Southern Kansas Railway);  
THENCE Southwest parallel with and 50 feet east of said railroad to the place of beginning; and

All that part of the North 12 acres of the Southwest Quarter of the Northwest Quarter of said Section 2 lying north and west of Highway 169 and south of the town of Welda.

Each of the aforesaid leases located in the Welda South Field Unit No. 3 are subject to the unpaid balance of a production payment in the original sum of \$75,000.00 payable out of 1/8 of 7/8 of the production and which is owned of record by the W. S. Fees Estate, and is further subject to the gas leasehold estate down to a depth of 1,050 feet beneath the surface owned by Cities Service Gas Company.