

Kansas Corporation Commission Oil & Gas Conservation Division Form T-1 July 2014 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:	MUST be submitted with this form.
Oil Lease: No. of Oil Wells**	Effective Date of Transfer:
Gas Lease: No. of Gas Wells**	KS Dept of Revenue Lease No.:
Gas Gathering System:	·
Saltwater Disposal Well - Permit No.:	
Spot Location: feet from N / feet from E /	Legal Description of Lease.
Enhanced Recovery Project Permit No.:	
Entire Project: Yes No	County:
Number of Injection Wells **	Production Zone(s):
Field Name:	\ \frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac}\fint}}}}{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac}\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac}}}}}}}}{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac}}}}}}}}{\frac{\frac{\frac{\frac{\frac{\frac{\frac}}}}}}}{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac}}}}}}{\frac{\frac{\frac{\
** Side Two Must Be Completed.	Injection Zone(s):
Surface Pit Permit No.:	feet from N / S Line of Section feet from E / W Line of Section ettling Haul-Off Workover Drilling
Past Operator's License No.	Contact Person:
Past Operator's Name & Address:	Phone:
	Date:
Title:	Signature:
New Operator's License No.	Contact Person:
New Operator's Name & Address:	Phone:
	Oil / Gas Purchaser:
	 Date:
Title:	Signature:
	sfer of injection authorization, surface pit permit # has been sas Corporation Commission. This acknowledgment of transfer pertains to Kansas Corporation p interest in the above injection well(s) or pit permit.
is ack	nowledged as is acknowledged as
the new operator and may continue to inject fluids as a	authorized by the new operator of the above named lease containing the surface pit
Permit No.: Recommended action:	permitted by No.:
Date:	Date:
Authorized Signature	Authorized Signature
DISTRICT EPR	PRODUCTION UIC





Must Be Filed For All Wells

KDOR Lease	No.:		_		
* Lease Name: ₋			* Location:		
Well No.	API No. (YR DRLD/PRE '67)	Footage from Secti (i.e. FSL = Feet from S		Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/TA'D/Abandoned)
		Circle FSL/FNL	Circle FEL/FWL		-
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		·
		FSL/FNL	FEL/FWL		_
		FSL/FNL	FEL/FWL		_
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNI	FEL/FWL		

A separate sheet may be attached if necessary

^{*} When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located.



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form KSONA-1 July 2014 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:	(Cathodic Protection Borehole Intent)
OPERATOR: License #	Well Location:
Name:	
Address 1:	
Address 2:	·
City: State: Zip:+	
Contact Person:	the lease below:
Phone: () Fax: ()	
Email Address:	
Surface Owner Information:	
Name:	When filing a Form T-1 involving multiple surface owners, attach an additional
Address 1:	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
Address 2:	and the second to the second and the second and the second and the second secon
City: State: Zip:+	
the KCC with a plat showing the predicted locations of lease roads, tale are preliminary non-binding estimates. The locations may be entered	nodic Protection Borehole Intent), you must supply the surface owners and nk batteries, pipelines, and electrical lines. The locations shown on the plat on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.
Select one of the following:	
owner(s) of the land upon which the subject well is or will be	Act (House Bill 2032), I have provided the following to the surface located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form being filed is a Form C-1 or Form CB-1, the plat(s) required by this and email address.
KCC will be required to send this information to the surface of	acknowledge that, because I have not provided this information, the owner(s). To mitigate the additional cost of the KCC performing this as of the surface owner by filling out the top section of this form and e KCC, which is enclosed with this form.
If choosing the second option, submit payment of the \$30.00 handlin form and the associated Form C-1, Form CB-1, Form T-1, or Form CF	ng fee with this form. If the fee is not received with this form, the KSONA-1P-1 will be returned.
I hereby certify that the statements made herein are true and correct	to the best of my knowledge and belief.
Date: Signature of Operator or Agent:	Title:

ASSIGNMENT OF OPERATIONS

WHEREAS, SHAWN D. EVANS, INC, dba ACE OIL COMPANY, 18529 Walters Road, Russell, KS 67665-0606 (ASSIGNOR) is the current named Operator with the Kansas Corporation Commission-Oil and Gas Conservation Division, of the Well Bores described in the attached Exhibit "A". ASSIGNOR, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, BARGAIN, SELL, CONVEY, TRANSFER AND ASSIGN Assignor's right to operate the well bores described on the attached Exhibit "A" to SAMUEL GARY JR. & ASSOCIATES, INC, 1515 Wynkoop Street, Suite 700, Denver, CO 80202 (ASSIGNEE).

ASSIGNOR hereby conveys to ASSIGNEE, ALL of ASSIGNOR's right, title and interest in and to the following (collectively, the "Assets")

- (a) the oil and/or gas wells (whether producing, non-producing or shut-in) described in Exhibit "A" attached hereto, the water source wells and any other types of injection and disposal wells located on the property (collectively, the "Wells");
- (b) all permits, licenses, variances, exemptions, orders, franchises, approvals and authorizations of all governmental authorities used, or held for use, in connection with the ownership or operation of the Assets, or with the production or treatment of hydrocarbons from, or attributable to, the Assets (to the extent such permits are transferable to Assignee under applicable legal requirements);
- (c) all servitudes, easements, rights-of-way and orders used, or held for use, in connection with the ownership or operation of the Assets, or with the production or treatment of hydrocarbons from, or attributable to, the Assets (collectively, the "Easements");
- (d) all equipment, machinery, fixtures and other real, personal and mixed property (excluding vehicles) situated on the Leases and used, or held for use, in connection with the ownership or operation of the Assets, including well equipment, casing, rods, tanks, boilers, buildings, tubing, pumps, motors, fixtures, machinery, inventory, separators, dehydrators, compressors, treaters, power lines, field processing facilities, flowlines, gathering lines, transmission lines and all other pipelines and equipment; and

(e) copies of all of the files, records, information and data solely and directly pertaining to the Assets in Assignor's possession and/or to which Assignor has a right, including title records, abstracts, title opinions, title certificates, interpretive data, computer records, production records, severance tax records, geological and geophysical data, reservoir and well information.

TO HAVE AND TO HOLD all of Assignor's right, title and interest in and to all of said Assets unto Assignee, its successors and assigns, forever. This Assignment is made and accepted expressly subject to the following terms and conditions:

- 1. THIS ASSIGNMENT IS MADE WITHOUT ANY WARRANTY OF ANY KIND TO THE ASSETS, INCLUDING WITHOUT LIMITATION WARRANTIES OF TITLE, WHETHER EXPRESS, IMPLIED OR STATUTORY EXCEPT WITH RESPECT TO TITLE CLAIMS ARISING BY, THROUGH AND UNDER ASSIGNOR, BUT NOT OTHERWISE.
- IT IS EXPRESSLY UNDERSTOOD BY ASSIGNEE 2. THAT PERSONAL PROPERTY, FIXTURES, EQUIPMENT AND ITEMS THAT COMPRISE THE ASSETS ARE BEING CONVEYED TO ASSIGNEE "AS IS" "WHERE IS" AND **WITHOUT AND** WARRANTY **OF** MERCHANTABILITY, CONDITION OR FITNESS FOR A PARTICULAR PURPOSE, EITHER EXPRESS OR IMPLIED, AND ASSIGNEE ACCEPTS SUCH ASSETS IN THEIR PRESENT CONDITION WITH ALL FAULTS AND DEFECTS, INCLUDING, BUT NOT LIMITED TO, THE PRESENCE OF NATURALLY OCCURRING RADIOACTIVE MATERIAL. ADDITION, ASSIGNOR MAKES NO REPRESENTATION, COVENANT, OR WARRANTY, EXPRESS, IMPLIED, OR STATUTORY, AS TO THE ACCURACY OR COMPLETENESS OF ANY DATA DELIVERED TO ASSIGNEE WITH RESPECT TO THE ASSETS, OR CONCERNING THE QUALITY OR QUANTITY OF HYDROCARBON RESERVES, IF ANY, ATTRIBUTABLE TO THE ASSETS, OR THE ABILITY OF THE ASSETS TO PRODUCE HYDROCARBONS, OR THE PRICES THAT ASSIGNEE WILL BE ENTITLED TO RECEIVE FOR SUCH HYDROCARBONS.
- 3. Assignee agrees to assume any and all of the liabilities and obligations, or alleged or threatened liabilities and obligations, for claims, losses, damages, costs, expenses, diminutions in value, suits and causes of action of any kind or character attributable or arising out of ownership or operation of the Assets subsequent to the Effective Date.
- 4. Assignor does hereby represent and warrant that the Assets are free and clear of all liens and encumbrances created by Assignor but Assignor does not warrant title against liens, encumbrances and other burdens that arose prior to or separate from Grantor's interest in the property.
- 5. All taxes, including, but not limited to, ad valorem, property and severance taxes shall be prorated between Assignor and Assignee as of the Effective Date with

Assignor being responsible for filing and payment of all taxes accruing prior to the Effective Date and Assignee and Assignor being responsible for filing and payment of all taxes accruing on and after the Effective Date based upon their respective interests.

- 6. Assignor shall execute and deliver to Assignee, from time to time, such other and additional instruments, notices, division orders, transfer orders and other documents, and to do all such other and further acts and things as may be necessary to more fully and effectively grant, convey and assign to Assignee all of Assignor's interest in and to the Assets.
- 7. This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee, their respective successors and assigns.
- 8. This Assignment shall be governed by and construed in accordance with the laws of the State of Kansas without regard to its conflict of law provisions.

By ASSIGNEE'S execution and acceptance of this Assignment of Operations and the wellbores and equipment described in Exhibit "A", Assignee agrees to be responsible for and hereby assumes all obligations of Assignor, for the plugging, abandonment and remediation of the wellbores and well sites conveyed herein in full compliance with all applicable laws, rules and regulations; to restore the surface to its prior condition as necessary according to all applicable laws, rules and regulations and the provisions of the oil and gas leases under which they were operated and to indemnify and to hold Assignor harmless from any liability which Assignor may incur due to any failure of Assignee to do so, including but not limited to attorney's fees and other legal expenses.

[SIGNATURE PAGESTO FOLLOW]

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment of Operations on the date(s) set forth in their respective acknowledgments below, but to be effective for all purposes as of Sept. 1, 2017. This Assignment of Operations may be executed in counterpart by the Parties.

ASSIGNOR:

SHAWN D. EVANS, INC, dba ACE OIL COMPANY

By: Shawn D. Evans, President

Acknowledgement:

STATE OF Kansas §
COUNTY OF Russell §

Witness my hand and official seal.

My commission expires:

Sept. 1,2019

GLENDA R. PHILLIPS
State of Kansas
My Appt. Exp. Sept. 1, 2019

Slenda R Phillips Notary Public **ASSIGNEE:**

SAMUEL GARY JR. & ASSOCIATES, INC.

By: Craig Ambler Title: Vice President

Acknowledgement:

STATE OF COLORADO **COUNTY OF DENVER**

On this 7th day of September, 2017 before me, a notary public, personally appeared Craig Ambler, Vice President, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which he acted, executed the instrument.

Witness my hand and official seal.

My commission expires

TAMMY B. McFADDEN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19974017182 MY COMMISSION EXPIRES 09/22/2017

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my B M Tadder

EXHIBIT 'A'

Attached to and made a part hereof that certain Assignment of Operations dated Action Sey, 2017 by and between Shawn D. Evans, Inc, dba Ace Oil Company, ASSIGNOR, and Samuel Gary Jr. & Associates, Inc., ASSIGNEE

WELL NAME	API NUMBER	TWP	RNG	SEC	DESCRIPTION	LOCATION	COUNTY
#1 (Wegele 'E')	15-167-22511	155	15W	32	NE NE SW	2310 North 2970 West, from the Southeast corner	Russell County, Kansas
#2 (Funk) 15-167-22383 15-5 miclading any associated surface and downhole equipment	15-167-22383 ed surface and downho	ole equipmen	15W 115W	32	SW SW NE	2970 North, 2310 West, from the Southeast corner	Russell County, Kansas
#3 (Funk) 15-167-22576 15S Including any associated surface and downhole equipment	15-167-22576 ed surface and downho	15S ole equipmen	15W It	32	N2 SW NE	3630 North, 1980 West, from the Southeast corner	Russell County, Kansas
#2C-84 (Wegele) Including any associat	#2C-84 (Wegele) 15-167-22503 15S Including any associated surface and downhole equipment	15S Iole equipmen	15W It	32	NW NW SE	2310 North, 2310 West, from the Southeast corner	Russell County, Kansas
#3C-85 (Wegele) Including any associat	#3C-85 (Wegele) 15-167-22566 15S Including any associated surface and downhole equipment	15S Iole equipmen	15W nt	32	NE NW SE	2310 North, 1650 West, from the Southeast corner	Russell County, Kansas
#2 (Wegele 'E') Including any associat	#2 (Wegele 'E') 15-167-23776 15S Including any associated surface and downhole equipment	15S Iole equipmen	15W	32	E2 SE NE SW	1650 North, 2340 East, from the Southwest corner	Russell County, Kansas
#1 SWD (Wegele 'D') Including any associat	#1 SWD (Wegele 'D') Including any associated surface and downhole equipment	15S Iole equipmen	15W 1t	32	SW SE NE	2970 North, 990 West, from the Southeast corner	Russell County, Kansas

Page 1 of 1