

**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: _____

Signature: _____

New Operator's License No. _____

Contact Person: _____

New Operator's Name & Address: _____

Phone: _____

Oil / Gas Purchaser: _____

Date: _____

Title: _____

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 _____



Must Be Filed For All Wells

KDOR Lease No.: _____

* Lease Name: _____ * Location: _____

| Well No. | API No. (YR DRLD/PRE '67) | Footage from Section Line (i.e. FSL = Feet from South Line) | | 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 | | |

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.

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 (House Bill 2032), 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: _____

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

STATE OF KANSAS §
 § KNOW ALL MEN BY THESE PRESENTS
 COUNTY OF SUMNER §

THAT, LASSO HOLDING LLC, whose address is P.O. Box 465, 1125 South Main, Chase, Kansas 67524-0465 (hereinafter referred to as "Assignor") for and in consideration of the sum of One Hundred Dollars (\$100.00) cash and other good and valuable consideration to Assignor in hand paid by KELSO OIL AND GAS INC, whose address is P.O. Box 209, 1119 South Main, Chase, Kansas 67524-0209 (hereinafter referred to as "Assignee"), the receipt and sufficiency of all consideration being hereby acknowledged, has GRANTED, TRANSFERRED, ASSIGNED, and CONVEYED and does hereby GRANT, TRANSFER, ASSIGN, and CONVEY unto Assignee, subject to the terms and provisions hereinafter stated, twenty one and two thirds (21.6666666667%) percent gross working interest of Assignor's right title and interest in and to: (i) the wells listed on the attached Exhibit "A" including, but not limited to, the casing and tubing therein and all downhole and wellhead equipment, and all surface equipment (hereinafter referred to as the "Wells") and propionate share of surface land rights and deeds existing as of the Effective Time (hereinafter defined); (ii) propionate share of Assignor's right, title and interest in and to all oil and gas leases listed on Exhibit "B" insofar as the same cover the wells listed on Exhibit "A" (the "Leases") and (iii) propionate share of oil, gas, well gas, casinghead gas, condensate, and components of any of them (hereinafter referred to as "Hydrocarbons") produced therefrom on or after the Effective Time; situated in **Sumner County, Kansas** (collectively the Wells, Leases Hydrocarbons and Surface Interests referred to herein as the "Properties") as of the Effective Time.

TO HAVE AND TO HOLD the Properties, subject to the following terms and conditions:

1. Existing Agreements. This Assignment is made in accordance with and is subject to the terms, covenants and conditions contained in all of the assignments or other instruments or agreements of record that are disclosed and provided by Assignor to Assignee prior to the Effective Time and pertain to the Properties and all contractually binding arrangements of record or disclosed by Assignor to Assignee prior to the Effective Time to which the Properties may be subject and which will be binding on the Properties or Assignee on and after the Effective Time.

2. Assumption of Obligations. Assignee hereby assumes and agrees to perform and be bound by all provisions of the Leases and all contractual duties and obligations of Assignor as owner of the Properties to the extent that the same are valid and subsisting on the Effective Time. From and after the Effective Time, Assignee assumes and agrees to timely pay and perform its proportionate share of all duties, obligations, covenants and liabilities under the Leases relating to the ownership, use or operation of the Properties, including without limitation all express or implied covenants and obligations imposed upon the lessee under the terms and conditions of the Leases. Furthermore, Assignee expressly assumes, from and after the Effective Time, any and all obligations and liabilities for its proportionate share associated with the Properties, including but not limited to restoration of the surface and plugging and abandonment operations in accordance with the rules of the Kansas Corporation Commission, regardless of whether such surface restoration and plugging and abandonment operations arose prior to the Effective Time.

3. INDEMNITY. ASSIGNEE SHALL FULLY PROTECT, INDEMNIFY AND DEFEND ASSIGNOR, ITS AFFILIATES AND THEIR RESPECTIVE OFFICERS, AGENTS AND/OR EMPLOYEES AND HOLD THEM HARMLESS FROM ALL CLAIMS, DEMANDS, NOTICES, SUITS, CAUSES OF ACTION, LOSSES, DAMAGES, LIABILITIES, FINES, PENALTIES, COSTS AND EXPENSES, REASONABLE ATTORNEY FEES, AND UNIT COSTS, INCLUDING BUT NOT LIMITED TO AD VALOREM, PRODUCTION, SEVERANCE OR EXCISE TAXES AND ROYALTIES ATTRIBUTABLE TO ASSIGNEE'S OWNERSHIP AND OPERATION OF THE PROPERTIES ATTRIBUTABLE TO THE PERIOD ON AND AFTER THE EFFECTIVE TIME. AND (B) ASSIGNEE'S OBLIGATIONS

RELATED TO SURFACE RESTORATION AND PLUGGING AND ABANDONMENT OPERATIONS ARISING BEFORE OR AFTER THE EFFECTIVE TIME.

4. **NO WARRANTY.** THIS ASSIGNMENT IS MADE WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND WHATSOEVER, EXPRESS, STATUTORY, IMPLIED OR OTHERWISE. ASSIGNOR MAKE NO, AND EXPRESSLY DISCLAIMS AND NEGATES ANY, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO TITLE TO ANY OF THE PROPERTIES.

5. **DISCLAIMER OF WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.** THE PROPERTIES COVERED HEREBY ARE USED AND ARE SOLD ON AS "AS IS WHERE IS" BASIS WITH ALL FAULTS, IF ANY. ASSIGNEE ACKNOWLEDGES, PRIOR TO ITS ACCEPTANCE OF THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE, THAT ASSIGNEE HAS BEEN GIVEN ADEQUATE AND TIMELY ACCESS TO INSPECT THE PROPERTIES. ASSIGNOR SHALL HAVE NO LIABILITY TO ASSIGNEE FOR ANY CLAIMS, LOSS OR DAMAGE CAUSED OR ALLEGED TO BE CAUSED DIRECTLY OR INDIRECTLY, INCIDENTALLY OR CONSEQUENTIALLY, BY THE PROPERTIES OR THE MECHANICAL INTEGRITY OF ANY PART THEREOF, BY ANY INADEQUACY THEREOF OR THEREWITH, ARISING IN STRICT LIABILITY OR OTHERWISE, OR IN ANY WAY RELATED TO OR ARISING OUT OF THIS ASSIGNMENT. ASSIGNOR MAKE NO EXPRESS OR IMPLIED WARRANTIES OF ANY KIND, INCLUDING THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE PROPERTIES AND EXPRESSLY DISCLAIMS ANY WARRANTIES WITH RESPECT THERETO.

6. **Entire Agreement.** This Assignment supersedes all prior and contemporaneous negotiations, understandings, letters of intent and agreements between the parties relating to the assignment of the Properties and constitutes the entire agreement between parties.

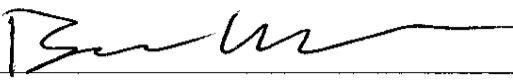
7. **Amendments and Severability.** This Assignment may not be modified supplemented or changed except in writing duly executed by both parties. If any provision of this Assignment is found by any court of competent jurisdiction to be invalid or unenforceable, the provision will be deemed modified to the extent necessary to make it valid or enforceable, and if it cannot be so modified, it will be deemed deleted and the remainder of this Assignment will not be affected thereby.

The provisions hereof shall be binding upon the parties hereto and their respective heirs, personal representatives, successors and assigns.

IN WITNESS WHEREOF, the undersigned have executed this instrument on the date(s) of the acknowledgements annexed hereto, but effective for all purposes as of **June 1, 2017** (the "Effective Time").

Signature Page Follows

ASSIGNOR: LASSO HOLDING LLC
P.O. Box 465, 1125 South Main
Chase, Kansas 67524-0465

By: 
Name: Bruce D. Kelso
Title: Managing Member
Date: 06/19/2017

ASSIGNEE: KELSO OIL AND GAS INC
Mr. Mike D. Kelso, Managing Member
P.O. Box 209, 1119 South Main
Chase, Kansas 67524-0209

STATE OF KANSAS)
) ss:
COUNTY OF RICE)

BE IT REMEMBERED that on this 19th day of June, 2017, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Bruce D. Kelso Managing Member of LASSO HOLDING LLC, to me personally known to be such officer and to be the same person who executed as such officer the foregoing instrument of writing on behalf of said limited liability company, and acknowledged the execution of the same for himself and for said limited liability company 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.


Notary Public

My appointment expires:

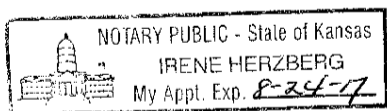


EXHIBIT "A"

Attached to and made a part of that Assignment, Bill of Sale and Conveyance from **LASSO HOLDING LLC** Assignor, to **KELSO OIL AND GAS INC.**, as Assignee, dated effective as of the Effective Time.

| <u>WELL NAME</u> | <u>API</u> | <u>SEC</u> | <u>TWN</u> | <u>RNG</u> | <u>WI ASSIGNED</u> |
|---------------------|-------------------|------------|------------|------------|--------------------|
| Perth 3302 #2-1H | 15-191-22718-0100 | 01 | 33S | 02W | 0.216666667 |
| Perth 3302 #1-1 SWD | 15-191-22699-0001 | 01 | 33S | 02W | 0.216666667 |

END OF EXHIBIT "A"

EXHIBIT "B"

Attached to and made a part of that certain Assignment, Bill of Sale and Conveyance from LASSO HOLDING LLC as Assignor, to KELSO OIL AND GAS INC., as Assignee, dated effective as of the Effective Time.

| LESSOR NAME | ORIGINAL LESSEE/GRANTEE | LEASE DATE | BOOK/PAGE | DESCRIPTION |
|---|--------------------------|------------|-----------|---|
| ALBERT A. HECKES AND MARIAN L. HECKES REVOCABLE TRUST - TRUST H DATED SEPTEMBER 19, 1979 | NOBLE PETROLEUM, INC. | 09/14/2010 | 813 / 605 | US/Kansas/Summer T033S - R002W: SEC 01: SE4 |
| DONALD D. GASPER AND SHIRLEY A. GASPER, CO-TRUSTEES OF THE SHIRLEY A. GASPER REVOCABLE TRUST DATED MAY 10, 2001 | NOBLE PETROLEUM, INC. | 08/20/2010 | 812 / 51 | US/Kansas/Summer T033S - R002W: SEC 01: SE4 |
| RAE A. REUSSER, TRUSTEE OF THE RAE A. REUSSER REVOCABLE LIVING TRUST DATED SEPTEMBER 17, 2002 | NOBLE PETROLEUM, INC. | 04/06/2010 | 806 / 496 | US/Kansas/Summer T033S - R002W: SEC 01: W2 |
| TRAVIS HECKES, A SINGLE MAN | NOBLE PETROLEUM, INC. | 09/07/2010 | 813 / 146 | US/Kansas/Summer T033S - R002W: SEC 01: SE4 |
| WESTANA L. ALUMBAUGH AND KENNETH T. ALUMBAUGH, WIFE AND HUSBAND | NOBLE PETROLEUM, INC. | 08/20/2010 | 812 / 54 | US/Kansas/Summer T033S - R002W: SEC 01: SE4 |
| DAVID F. GOEVERT AND ASHLEY T. GOEVERT, HWJT | UNITED LAND COMPANY, LLC | 10/07/2010 | 820/632 | US/Kansas/Summer T033S - R002W: SEC 01: NE4 |

END OF EXHIBIT "B"

LASSO ENERGY LLC

1125 South Main · Post Office Box 465 · Chase, Kansas 67524 · USA
Telephone: 1-620-481-0055
KCC# 34320

Bruce D. Kelso
Email: bkelso@lassoenergy.com
Cell: 918-633-9655

SENT VIA KOLAR

July 20, 2017

Kansas Corporation Commission
Oil and Gas Conservation Division
Mr. Joshua Wright
266 North Main Street, Suite 220
Wichita, Kansas 67202-1513

Dear Mr. Wright:

I Bruce D. Kelso am a Managing Member of Lasso Energy LLC, a Kansas corporation with an active KCC license that operates wells in the State of Kansas. I Bruce D. Kelso am also a Managing Member of Lasso Holding LLC, a Kansas corporation that owns investments including but not limited to non-operated interest in various oil and gas wells in Kansas and in other states.

Kindest regards,



Bruce D. Kelso

MIKE KELSO OIL INC

1119 South Main · Post Office Box 467 · Chase, Kansas 67524 · USA
Telephone: 1-620-938-2943
KCC# 31528

Mike D. Kelso
Email: mike@mikestesting.com
Cell: 620-562-8088

SENT VIA KOLAR

July 20, 2017

Kansas Corporation Commission
Oil and Gas Conservation Division
Mr. Joshua Wright
266 North Main Street, Suite 220
Wichita, Kansas 67202-1513

Dear Mr. Wright:

I Mike D. Kelso am a Managing Member of Mike Kelso Oil Inc, a Kansas corporation with an active KCC license that operates wells in the State of Kansas. I Mike D. Kelso am also a Managing Member of Kelso Oil and Gas Inc, a Kansas corporation that owns investments including but not limited to non-operated interests in various oil and gas wells in Kansas and in other states.

Kindest regards,



Mike D. Kelso

KELSO

MIKE KELSO OIL INC

1119 South Main · Post Office Box 467 · Chase, Kansas 67524 · USA
Telephone: 1-620-938-2943
KCC# 31528

Mike D. Kelso
Email: mike@mikestesting.com
Cell: 620-562-8088

SENT VIA KOLAR

July 27, 2017

Kansas Corporation Commission
Oil and Gas Conservation Division
Mr. Joshua Wright
266 North Main Street, Suite 220
Wichita, Kansas 67202-1513

RE: Perth, Misak, John and Blitzberg wells

Dear Mr. Wright:

I am the managing member of Kelso Oil and Gas, Inc (a working interest owner) and I am also the managing member of Mike Kelso Oil, Inc (a KCC operator). Kelso Oil and Gas, Inc appoint Mike Kelso Oil, Inc as the operator of the subject wells. If you have any questions please give me a call at 620-562-8088. Thank you.

Kindest regards,



Mike D. Kelso

KELSO

LASSO ENERGY LLC

1125 South Main · Post Office Box 465 · Chase, Kansas 67524 · USA
Telephone: 1-620-481-0055
KCC# 34320

Bruce D. Kelso
Email: bkello@lassoenergy.com
Cell: 918-633-9655

SENT VIA KOLAR

July 27, 2017

Kansas Corporation Commission
Oil and Gas Conservation Division
Mr. Joshua Wright
266 North Main Street, Suite 220
Wichita, Kansas 67202-1513

RE: Perth, Misak, John and Blitzberg wells

Dear Mr. Wright:

I am the managing member of Lasso Holding LLC (a working interest owner) and I am also the managing member of Lasso Energy LLC (a KCC operator). Lasso Holding LLC appoint Mike Kelso Oil, Inc as the operator of the subject wells. If you have any questions please give me a call at 918-633-9655. Thank you.

Kindest regards,



Bruce D. Kelso