



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:

- 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: _____

Title: _____

Signature: _____

Oil / Gas Purchaser: _____

Date: _____

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 _____



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

THIS ASSIGNMENT AND CONVEYANCE, executed on the 1 day of July, 2017, but effective as of 7:00 A.M. July 1, 2017, is from Pioneer Resources, Inc., Assignor, to the Owen McQuade Trust, dated September 29, 2006, Assignee.

For the sum of \$10,000.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Assignor, Assignor hereby transfers, grants, conveys and assigns to Assignee effective as of the Effective Date the following (all of which are herein called the "Interests"):

All of Assignor's working interest and estate in, to and under the oil, gas and mineral estates of Assignor insofar and only insofar as said estates cover and affect the lands described as the The Southeast Quarter (SE/4) of Section 31, Township 12, Range 19, Ellis County, Kansas, together with (i) all wells, equipment, inventory and other property owned by Assignor and located on or appurtenant to the above lands, (ii) all contracts, licenses, surface lease agreements, tank battery agreements, salt water disposal agreements, easements, and other rights and interests owned by Assignor but only to the extent said contracts, licenses and other rights and interests are associated with the oil and gas wells located on the above lands or lands unitized therewith, all of the above being hereafter referred to as the "Interests".

Photo _____
Direct _____
In Direct _____
Numerical _____
Checked _____

The parties acknowledge that there is one temporarily abandoned open hole on the property being conveyed. By this agreement, Assignee agrees to be responsible for the operation or plugging of said well. Also, this sale is without warranty of title or fitness for operation and Assignee acknowledges that purchase of this lease and property is "as is". Assignee further acknowledges that the current Oil and Gas Lease on the property owned by assignor has expired due to lack of production, and Assignor is likely only conveying the open hole and tank battery and other miscellaneous equipment still on said property.

To have and to hold the Interests unto Assignee and its successors and assigns forever.

In connection with the wells, equipment and materials sold pursuant to this Assignment, Bill of Sale and General Conveyance, Assignor expressly disclaims and negates (a) any implied or express warranty of merchantability, (b) any implied or express warranty of fitness for a particular purpose, (c) any implied or express warranty of conformity to models or samples of materials. All wells, equipment and materials sold pursuant thereto are sold "As is; Where is".

Assignor hereby assigns to Assignee, with full right of subrogation, to the extent so transferable, the benefit of and the right to enforce the covenants and warranties, if any, which Assignor is entitled to enforce with respect to the Interests against Assignor's predecessors in title to the Interests.

Assignee agrees to comply with all laws, orders, rules, and governmental regulations applicable to the assigned premises and to wells and operations thereon, including, without limitation, laws, orders, rules, and regulations with respect to plugging and abandonment of wells, abandonment of the assigned premises, and compliance with law or rules regarding inactive or

Edith McQuade

unplugged wells and shall restore the assigned premises as required by law or rules. Assignee hereby assumes and agrees fully to comply with and timely perform all obligations and covenants, express or implied, imposed upon the lessee under the original, now expired oil and gas lease(s). Assignee agrees to save, protect and hold Assignor, its agents, employees, and subsidiaries, harmless at all times from all damages and all penalties which may arise or be adjudged against them as a result of Assignee's failure or refusal to fully and faithfully comply with each and every duty, obligation and covenant of said laws, rules, regulations and orders and of the terms of the leasehold estate herein assigned. Further Assignee shall assume all risk and liability of whatsoever nature connected with or related to the ownership or operation of the leasehold estate herein assigned from the effective date forward and agrees to indemnify, defend and hold Assignor, its agents, employees, and subsidiaries, harmless from and against all such claims, costs and liabilities including, but not limited to, the plugging and abandonment of any active, inactive or unplugged lease wells or associated wells and the restoration of the leased premises. These obligations shall survive this assignment to Assignee.

Assignee has had a reasonable opportunity to inspect, examine and determine the environmental condition of the leases, wells, equipment, buildings, and facilities; Assignee is aware of and satisfied with and accepts such environmental condition; and Assignee assumes all risk and liability incident to the condition and use thereof and Assignor shall have no obligation after the effective date with respect thereto.

Assignee shall defend, indemnify and hold Assignor harmless from any and all claims in favor of any person for personal injury, death or damage to the Conveyed Properties or to the environment, or for any other relief arising directly or indirectly from, or incident to, the use, occupation, operations, maintenance or abandonment of any of the Conveyed Properties, whether latent or patent, and whether arising from or contributed to by the negligence in any form of Assignor, its agents, employees or contractors, and asserted against Assignee and/or Assignor after the Closing Date, except for any claims, whether asserted before or after the Closing Date, in favor of any person for injury, death or property damage occurring with respect to the interests prior to the Effective Date and proximately caused by the gross negligence or willful misconduct of Assignor, its agents, employees or contractors.

This Assignment and Bill of Sale is subject to the leases of record regarding the property even though it may be expired.

The 2016 ad valorem and personal property taxes on all property conveyed herein have been paid in full by Assignors. Assignee agrees to pay all taxes hereafter on all property being conveyed.

Assignee agrees to remove Assignor's company name from all tank batteries and leases by Aug 1, 2017, and replace the names with its operating name. Assignee shall promptly notify the State of Kansas of the change in ownership of the property by filing with the State of Kansas the T-1, showing change of operator.

Assignee shall assume responsibility for the physical operation of the assigned premises and leasehold on the effective date hereof, along with all risk and liability and costs connected therewith

and agrees to indemnify, defend and hold Assignors harmless from and against all claims, costs and liabilities, from that time forward.

This Assignment, Bill of Sale and Conveyance shall bind and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

IN WITNESS WHEREOF, this instrument is executed on the 13 day of July, 2017, but effective as of the date set forth hereinabove.

Owen McQuade Trust, dated
September 29, 2006

Pioneer Resources, Inc.

By: *Owen McQuade*
Owen McQuade, Trustee

By: *Rodger Wells*
Rodger Wells, President

Owen McQuade Trust,
Dated September 29, 2006

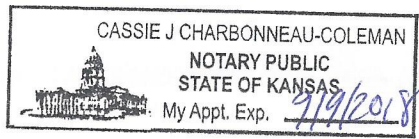
By: *Edith M. McQuade*
Edith M. McQuade, Trustee

STATE OF KANSAS, ELLIS COUNTY, SS
Rebecca Herzog, Register of Deeds
Book: 915 Page: 438-440
Receipt #: 227132 Total Fees: \$46.00
Pages Recorded: 3
Register of Deeds: *Rebecca Herzog*
Date Recorded: 8/11/2017 3:00:42 PM



STATE OF KANSAS, *Russell Kansas* COUNTY) ss:

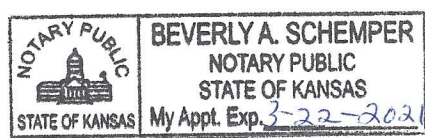
The above and foregoing instrument was acknowledged before me this 13th day of July, 2017, by Owen McQuade and Edith M. McQuade, Trustees of the Owen McQuade Trust, dated September 29, 2006.



Cassie J. Charbonneau-Coleman
Notary Public

STATE OF KANSAS, *Phillips* COUNTY) ss:

The above and foregoing instrument was acknowledged before me this 19th day of July, 2017, by Rodger Wells, President of Pioneer Resources, Inc..



Beverly A. Schemper
Notary Public

OIL AND GAS LEASE

AGREEMENT, made and entered into the 12th day of July 2017, by and between Kenneth L. Hladek, and Joy L. Hladek, husband and wife, hereinafter called Lessors (whether one or more), and the Owen McQuade Trust, dated September 29, 2006, hereinafter called Lessee.

Lessor, in consideration of Ten 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 there from, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in the County of Ellis, State of Kansas, described as follows to-wit:

The Southeast Quarter (SE/4) of Section 31, Township 12 South, Range 19 West of the 6th P.M. ✓

and containing approximately 160 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of 1 year, from July 12th, 2017 (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 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 (1/8th) 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 there from, one-eighth (1/8th), at the market price at the well, (but, as to gas sold by Lessee, in no event more than one-eighth (1/8th) of the proceeds received by the Lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products there from, 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, the 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 then 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 costs, 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 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 Order, 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 in 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 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 the 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.

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

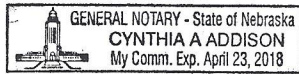
Kenneth L. Hladek
Kenneth L. Hladek

Joy L. Hladek
Joy L. Hladek

ACKNOWLEDGMENT

STATE OF NEBRASKA)
COUNTY OF Douglas ss:

The foregoing instrument was acknowledged before me this 7 day of July, 2017, by Kenneth L. Hladek and Joy L. Hladek, husband and wife.



Cynthia A Addison
Notary Public

STATE OF KANSAS, ELLIS COUNTY, SS
Rebecca Herzog, Register of Deeds
Book: 914 Page: 946-947

Receipt #: 226989 Total Fees: \$32.00
Pages Recorded: 2

Register of Deeds: *Rebecca Herzog*

Date Recorded: 8/2/2017 11:37:59 AM

Photo
Direct
In Direct
Numerical
Checked



OIL AND GAS LEASE

AGREEMENT, made and entered into the 12th day of July 2017, by and between Joan J. Keller, a single person, hereinafter called Lessor (whether one or more), and the Owen McQuade Trust, dated September 29, 2006, hereinafter called Lessee.

Lessor, in consideration of Ten 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 there from, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in the County of Ellis, State of Kansas, described as follows to-wit:

The Southeast Quarter (SE/4) of Section 31, Township 12 South, Range 19 West of the 6th P.M. ✓

and containing approximately 160 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of 1 year, from July 12th, 2017 (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 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 (1/8th) 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 there from, one-eighth (1/8th), at the market price at the well, (but, as to gas sold by Lessee, in no event more than one-eighth (1/8th) of the proceeds received by the Lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products there from, 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, the 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 then 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 costs, 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 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 Order, 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 in 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 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 the 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.

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

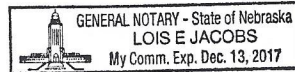
Joan J. Keller
Joan J. Keller

ACKNOWLEDGMENT

STATE OF NEBRASKA)
COUNTY OF Lancaster)

The foregoing instrument was acknowledged before me this 17th day of July, 2017, by Joan J. Keller, a single person.

Lois E Jacobs
Notary Public



STATE OF KANSAS, ELLIS COUNTY, SS
Rebecca Herzog, Register of Deeds
Book: 914 Page: 944-945

Receipt #: 226988 Total Fees: \$32.00
Pages Recorded: 2

Register of Deeds: *Rebecca Herzog*

Date Recorded: 8/2/2017 11:35:30 AM

Photo *[initials]*
Direct *[initials]*
In Direct *[initials]*
Numerical *[initials]*
Checked *[initials]*



INSPECTION REPORT

Case# _____

<input type="checkbox"/>	Complaint
<input checked="" type="checkbox"/>	New Situation
<input checked="" type="checkbox"/>	Response to request
<input type="checkbox"/>	Follow-up

Date: 09-27-2017

Operator: Owen's Pumping Service

License: 31203

Address: 640 E Sunset Ave

Location: SE/4 Sec. 31-12-19w

City/St: Russell, KS. 67665

Lease: Schoenthaler 'A'

Phone: 785-483-6321

County: Ellis

Reason for investigation: Routine lease inspection for T-1 Transfer & Bonding from Pioneer Resources(32016) to Owen's Pumping Service(31203)

Problem: No lease sign @ the TB site

Findings:

- A lease inspection was conducted on the above said lease on September 26, 2017 and found the following:
- The Schoenthaler 'A' well # 2 located in the SW SW NE SE is a producer on the lease. GPS location was 38.96198 099.46925. 1506'FSL & 1062'FEL. API # 15-051-25506-00-00.
- The Schoenthaler TB site located in the SE SE NE SE has no ID sign at the tank site. The dike area was dry with anew dike area built around the tanks.

Photos: Yes

Action /recommendations:

- The operator is in violation of K.A.R.82-3-126 for the lease sign at the TB site. A violation letter will be sent.
- The lease is ok to transfer.

Pat Staab, E.C.R.S.

(Agent)

September 27, 2017


(Signature)

cc: file,

Conservation Division
District Office No. 4
2301 E. 13th Street
Hays, KS 67601-2651



Phone: 785-261-6250
Fax: 785-625-0564
<http://kcc.ks.gov/>

Pat Apple, Chairman
Shari Feist Albrecht, Commissioner
Jay Scott Emler, Commissioner

Sam Brownback, Governor

NOTICE OF VIOLATION

September 27, 2017

Owen's Pumping Service
640 E Sunset Ave
Russell, KS. 67665

(785)483-6321

Re: Lease - Schoenthaler
TB -site
SE NE SE/4
Sec. 31-12-19W
Ellis County

Attention: Owen McQuade

Following a lease inspection conducted on September 27, 2017, on the above captioned lease, it has been determined that you are currently in violation of the General Rules and Regulations set forth by the Kansas Corporation Commission regarding the conservation of crude oil and natural gas. Specifically you are in violation of K.A.R. 82-3-126.

All oil tanks, tank batteries, tanks used for salt water collection or disposal, and tanks used for sediment oil treatment or storage shall be identified by a sign posted on, or not more than 50 feet from the tank or tank battery. The sign shall be of durable construction and shall be large enough to be legible under normal conditions at a distance of 50 feet. The sign shall identify:

- (1) The name and license number of the operator;
- (2) The name of the lease being served by the tank; and
- (3) The location of the tank by unit name, section, township, range and county.

Pursuant to Commission policy, a thirty-day grace period is hereby extended, during which the above-noted violation must be corrected. Failure to bring the lease into compliance by **October 30, 2017**, may result in the imposition of administrative penalties.

Your cooperation in this matter is appreciated. Should you have any questions, you may reach me by writing the KCC District Office #4, 2301 East 13th, Hays, Kansas 67601 or by calling (785)261-6250.

Sincerely,

Pat Staab
E.C.R.S.

Cc: file

<http://maps.kgs.ku.edu/oilgas/index.cfm?extenttype=well&extentv>
 Kansas Corporation... KGS--Oil and Gas ... Map of Kansas ...

Kansas Oil and Gas

Kansas Geological Survey

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OIL or GAS WELL	
API:	15-051-25506
Lease:	Schoenthaler 'A'
Well:	2
Original Operator:	Pioneer Resources
Current Operator:	Pioneer Resources Inc.
Field:	SCHOENTHALER
Location:	T12S R19W Sec. 31 SW SW NE SE 1500 North, 1070 West from SE corner
Longitude (NAD27):	-99.4668900
Latitude (NAD27):	38.9619511
County:	Ellis
Permit Date:	Apr-04-2006
Spud Date:	May-05-2006
Completion Date:	Jun-13-2006
Plugging Date:	
Well Type:	OIL
Status:	Producing
Total Depth:	3927
Elevation:	2169.0000 KB
Producing Formation:	Lansing-Kansas City
IP Oil (bbl):	8.00
IP Water (bbl):	70.00
IP Gas (mcf):	

Links:

- [Full KGS Database Entry](#)

Esri, HERE, Garmin, INCREMENT P, Intermap, USGS, ME...

7:57 AM
9/27/2017

(depending on type selected) in the search text box. If the query returns no operators, you may need to broaden the search criteria and try again.

This information is continuously updated. Click here to [download a tab-delimited list of all operators](#) or a [list of active operators only](#).

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LICENSE	EXPIRES	STATUS	COMPANY	TYPES
31203	04/30/2018	Active	McQuade, Owen Owen's Pumping Service 640 E SUNSET AVE RUSSELL, KS 67665 785-483-6321	Operator

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(depending on type selected) in the search text box. If the query returns no operators, you may need to broaden the search criteria and try again.

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LICENSE	EXPIRES	STATUS	COMPANY	TYPES
32016	01/30/2018	Active	Pioneer Resources Inc. 80 WINDMILL DR. PHILLIPSBURG, KS 67661 785-543-5556	Operator

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