

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:

- 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 _____

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**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 OF OPERATIONAL AUTHORITY

This Assignment of Operational Authority (“Assignment”) is entered into effective as of JANUARY 19, 2018, (the “Effective Date”) by and between Trans Pacific Oil Corporation (“Assignor”) and Black Tea Oil, LLC (“Assignee”). The parties agree as follows:

1. Recitals.

A. Assignor and Assignee are parties to a certain Model Form Operating Agreement dated June 1, 2015 (the “Operating Agreement”).

B. Assignor is the Operator of the oil and gas leases, wells, and equipment under the Operating Agreement.

C. The parties are defendants in a certain case styled as *United States of America v. Black Tea Oil, LLC, et al.*, Case No. 2:17-cv-02030, filed in the United States District Court for the District of Kansas (the “Enforcement Action”), wherein the United States of America alleges certain violations of the Federal Water Pollution Control Act, commonly known as the Clean Water Act, pertaining to certain oil and gas leases under the Operating Agreement.

D. Pursuant to a Consent Decree dated January 3, 2018, (the “Consent Decree”), BTO and the United States of America have compromised the claims of the United States of America in the Enforcement Action in consideration for, among other things, plugging and abandoning the Krebs ‘B’1, Krebs ‘P’ 1, and Rose Trust ‘B’ 3 wells which are located in Logan County, Kansas, and covered by the Operating Agreement. Pursuant to a Stipulated Dismissal of Claims With Conditions dated November 6, 2017, Assignor is required to transfer operations of the Krebs ‘B’1, Krebs ‘P’1 and Rose Trust ‘B’3 wells to Assignee.

E. As required by the Consent Decree, Assignee is required to assume all rights to operate the Assets (as defined in Paragraph 2 below) under the Operating Agreement and Assignor is required to transfer such rights to Assignee, to enable Assignee to plug and abandon the Krebs ‘B’1, Krebs ‘P’ 1, and Rose Trust ‘B’ 3 wells and remediate the surrounding premises in compliance with the Consent Decree.

2. Assignment. Assignor hereby transfers and assigns to Assignee all rights as Operator under the Operating Agreement, and appoints Assignee as Operator under the Operating Agreement, **INSOFAR AND ONLY INSOFAR** as such rights pertain to the following wellbores and associated locations and equipment:

Krebs ‘B’ 1
API 15-109-21209
2310’ from South line, 375’ from West line, E/2 NW/4 NW/4 SW/4,
Section 28, Township 14 South, Range 32 West of the 6th P.M., Logan
County, Kansas;

Krebs 'P' 1
API 15-109-21232
1860' from South line, 1250' from East line, NW/4 SW/4 NE/4 SE/4,
Section 29, Township 14 South, Range 32 West of the 6th P.M., Logan
County, Kansas; and

Rose Trust 'B' 3
API 15-109-21380
1950' from North line, 1895' from West line, SE/4 NW/4 SE/4 NW/4,
Section 29, Township 14 South, Range 32 West of the 6th P.M., Logan
County, Kansas;

together with all rights of ingress and egress and any and all other rights and privileges under the Operating Agreement as to any appurtenant or related leasehold interests, surface interests, and downhole, wellbore, and surface equipment (collectively the "Assets") necessary for Assignee to conduct the activities described in Paragraph 1.E. above.

3. **Assignor's Representations and Warranties.** Assignor represents, warrants, and agrees that it has unrestricted right, power, and authority to assign the rights to operate the Assets under the Operating Agreement. Any and all conditions to Assignor's right, power, and authority have been satisfied and no further action by any person is necessary to take such actions.

4. **Further Assurance.** Assignor agrees that, after the execution of this Assignment, it will execute such additional forms or other documents promulgated by the Kansas Corporation Commission, Conservation Divisions, required to assign and transfer operation of the Assets to Assignee as provided in Paragraph 2 of this Assignment.

5. **Kansas Law.** This Assignment shall be governed by and construed in accordance with the laws of the state of Kansas regardless of choice of law provisions.

6. **Survival.** The representations and agreements of the parties under this Assignment shall survive the execution and Effective Date hereof.

7. **Successors.** This Assignment shall bind and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

8. **Counterparts.** This Assignment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute but one and the same instrument.


The parties execute this Assignment effective as of the Effective Date.

ASSIGNOR

ASSIGNEE

Trans Pacific Oil Corporation

Black Tea Oil, LLC

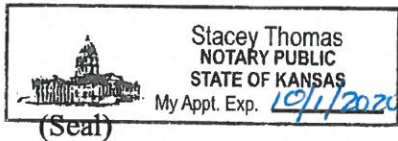
By: 
Alan Banta
President

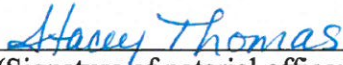
By: 
Christopher Leiker
Manager

ACKNOWLEDGMENTS

State of Kansas)
)
County of Sedgwick)

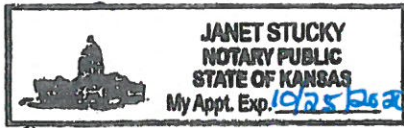
This instrument was acknowledged before me on January 4, 2018, by Alan Banta, as President of Trans Pacific Oil Corporation.



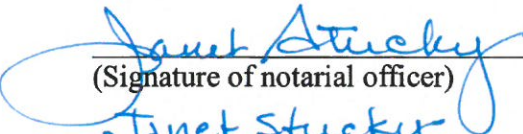

(Signature of notarial officer)
Stacey Thomas
Notary Public
Title (and Rank)

State of Kansas)
)
County of Sedgwick)

This instrument was acknowledged before me on January 10, 2018, by Christopher Leiker, as Manager of Black Tea Oil, LLC.



(Seal)


(Signature of notarial officer)
Janet Stucky
Notary Public

State of Kansas)
)
County of Sedgwick)

Title (and Rank)