

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 _____

KANSAS CORPORATION COMMISSION
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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 SALTWATER DISPOSAL WELL AND AGREEMENT

THIS assignment made and entered into this 15 day of March, 2018, by and between Hupfer Operating, Inc., PO Box 3912, Shawnee, Kansas, 66203, KCC Operator No. 30380, hereinafter referred to as "HUPFER", and Kahan & Associates, Inc., PO Box 700780, Tulsa, Oklahoma, 74170, KCC Operator No.4252, hereinafter referred to as "KAHAN"

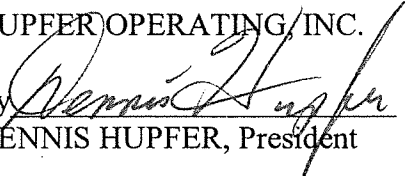
That Hupfer, for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby assign, convey, and transfer unto Kahan, all right, title, and interest, in and to the Ringwald No.1 Saltwater Disposal well and Disposal Agreement thereon covering the following:

The center Ten Acres (10), of the Northwest Quarter (NW/4) of Section Five (5), Township Twenty (20)South, Range Ten (10) West, Rice, County, Kansas

filed of record in Book 113 Oil and Gas, Page 445; Book 134 Oil and Gas, Page 498, Register of Deeds Office, Rice County, Kansas, and as amended pursuant to Letter Agreement dated December 11, 2012, a copy of which is **attached, hereto**, and incorporated herein as if fully set forth.

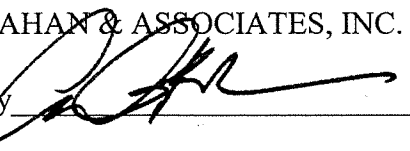
IN WITNESS WHEREOF, the parties have executed this document the date and year opposite their name.

HUPFER OPERATING, INC.

By 
DENNIS HUPFER, President

03-15-18
Dated

KAHAN & ASSOCIATES, INC.

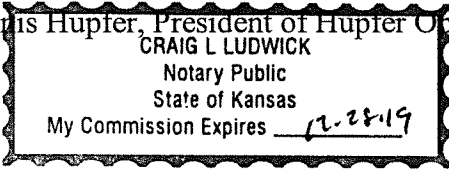
By 

05/01/18
Dated

Print Name: Aaron D. Kahan
Authorized Member

STATE OF KANSAS)
) ss:
COUNTY OF JOHNSON)

This instrument was acknowledged before me on this 15 day of MARCH, 2018, by
Dennis Hupfer, President of Hupfer Operating, Inc.



[Signature]
Notary Public

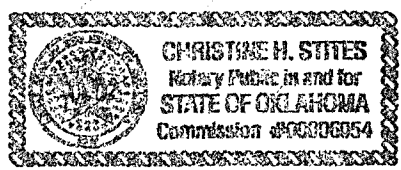
My appointment expires: 12-28-19

STATE OF OKLAHOMA)
) ss:
COUNTY OF Tulsa)

This instrument was acknowledged before me on this 1st day of May, 2018, by
Aaron D. Kahan, on behalf of Kahan & Associates. Inc.

[Signature]
Notary Public #00006054

My appointment expires: 30 April 2020





December 11, 2012

Mr. Mike Ringwald
655 3rd St.
Ellinwood, KS 67526

Subject: Salt Water Disposal Fees: Effective Jan. 1, 2013.

Dear Mike,

To confirm our meeting Dec. 5, 12, this will serve to confirm we will pay the following for SW disposed into SWDW's on your properties as follows:

- 1) Per lease - \$90.00 and below average: \$300.00 mthly. Posted NCRA price per bbl. - monthly.
- 2) Per lease - \$90.00 and above average: \$400.00 mthly. Posted NCRA price per bbl. - monthly.

Currently, the draws lease in the SW/4 of Sec 5-20-10W and the Silica lease in the SW/4 of 32-19-10W are going into your system in the NW/4 of Sec. 5-20-10W, known as the Ringwald B-1 SWD.

Mike, should you have any questions please call. Your cooperation is appreciated.

Sincerely yours,

Dennis D. Hupfer
 Dennis D. Hupfer

Document #: 201800887

STATE OF KANSAS

COUNTY OF RICE

This Instrument was filed on: 5/9/2018

At: 12:55:00 PM and duly recorded in

Book: Oil & Gas 163 Page: 574

Fees: \$55

Rhonda Hunt
 Rice Co., Register of Deeds

R
C

000576

P.O. Box 3912
 Shawnee, KS 66203-0912

PURCHASE AND SALE AGREEMENT

HUPFER OPERATING, INC., et al
as Seller

and

KIORCO, L.L.C.,
as Buyer

(Rice County, Kansas)

This Purchase and Sale Agreement (the "Agreement"), dated March 31, 2018 (the "Execution Date"), will evidence the agreement whereby KIORCO, L.L.C., an Oklahoma limited liability company, will acquire certain oil and gas interests, including oil and gas leases and other property rights, as more particularly described herein, from HUPFER OPERATING, INC., a Kansas corporation, DEAN E. BRITTING, TRUSTEE OF THE DEAN E. BRITTING LIVING TRUST, DEAN E. BRITTING, TRUSTEE OF THE DEAN E. BRITTING TRUST, DENNIS T. PFENNENSTIEL, HOWARD A. AGAN AND VIRGINIA R. AGAN, TRUSTEES OF THE HOWARD A. AGAN AND VIRGINIA R. AGAN REVOCABLE LIVING TRUST, and DKD, INC. (collectively, the "Seller"). (Buyer and Seller are also sometimes referred to herein individually as a "Party" and collectively as the "Parties.")

In consideration of the premises, the mutual covenants and conditions contained herein, and other valuable consideration, the receipt and sufficiency is hereby acknowledged, the Parties agree as follows:

1. Assets. Subject to the terms and conditions hereof, Buyer will acquire all of the right, title and interest of Seller in the following described properties:
 - a. The Oil, Gas and Mineral Leases listed and described on Exhibit A – Part I, attached hereto and made a part hereof, along with the surface rights, easements, licenses, permits, rights of way, and similar rights and interests owned or exercised by Seller in connection with such leases (the "Leases");
 - b. The wells and production equipment located on the Leases, listed and described on Exhibit A- Part II, including, but not limited to, wellhead equipment, downhole equipment, casing, tubing, pumping units, transportation and gathering lines, compressors, pumps, tanks, meters, and all other tangible personal assets and equipment located on, pertaining to, or used or to be used in connection with the production of oil or gas from the Leases (the "Wells");
 - c. To the extent assignable, all gas and oil purchase and sale contracts, farm in or farmout agreements, operating agreements, unit agreements, processing agreements,

joint venture agreements, pooling agreements, transportation agreements, and all other agreements which are owned by Seller, in whole or in part, which affect the ownership or operation of the Leases or the Wells (the "Contracts"); and

- d. All of Seller's files, records, and other data, whether written or electronic, relating to the Leases, the Wells, or the Contracts, including, but not limited to, lease records, including title records, title opinions, and correspondence, Well files, including production records, electric logs, core data, pressure data, decline curves, graphical production curves and related matters, and geological and geophysical records, including transferable seismic, subsurface surveys, maps, and drawings (the "Records").

(The Leases, Wells, Contracts, and Records are collectively referred to herein as the "Assets.")

2. Purchase Price.

- a. Subject to the terms and conditions hereof, at Closing (as hereinafter defined), Buyer shall pay Seller as consideration for the Assets the total sum of \$800,000.00 (the "Purchase Price") by wire transfer or certified check; and
- b. Using the best information available prior to Closing, and subject to post-Closing adjustments as provided herein in Article 18, the Parties shall have accounted to one another for the proceeds from production as of the Effective Date and for taxes, costs, and expenses associated with the Assets as of the Effective Date, including, but not limited to, those provided for in any applicable operating agreement or other agreement(s) between the Parties; the intent being that Seller shall be responsible for all taxes, costs and expenses and be entitled to all proceeds of production and other revenues attributable to the Assets for periods prior to the Effective Date and Buyer shall be responsible for all taxes, costs and expenses and be entitled to all proceeds of production and other revenues attributable to the Assets for periods from and after the Effective Date.

3. Closing. If the conditions under Article 9 below ^{OK} are satisfied, the assignment contemplated hereby shall take place on or before May, 01, 2018, or on such earlier or later date as may be fixed by mutual agreement of the Parties (the "Closing"). If the conditions for Closing are not satisfied by the Closing date, or such subsequent date as may be mutually agreed upon, either Buyer or Seller may terminate this Agreement without any liability to the other, and neither Party shall have any further obligations hereunder to the other; provided, however, that the confidentiality obligations in Article 19 hereof shall survive such termination for a period of two years.

4. Effective Date. The effective date for the conveyance of the Assets as herein provided shall be as of 7:00 a.m. at the location of the Assets on the 1st day of May, 2018 (the "Effective Date"). ^{OK}

5. Assignment. The conveyance of the Assets shall be consummated using the form of Assignment and Bill of Sale attached hereto as **Exhibit B**, which assignment (the "**Assignment**") will be made subject to the terms of this Agreement. The warranty provision of such Assignment shall be in the form of a "special warranty," i.e., Seller shall warrant and agree to defend the title to its interest in and to the Assets against the lawful claims and demands of all persons claiming the same or any part thereof by, through, or under Seller, but not otherwise.
6. Due Diligence. Seller shall provide Buyer free access to the Assets and to all Records for examination of the environmental condition of and the title to the Assets and for inspection of Contracts and any other documents pertinent to the ownership or operation of the Assets.
7. Title and Environmental Examinations. On or before the fifteenth (15th) day from and after the date of this Agreement (the "**Review Period**"), Buyer shall conduct such examination of the title to the Leases and Wells, based upon the files and other data of Seller and the public records, as is deemed appropriate by Buyer, at its sole cost, risk and expense. Buyer shall also be granted during the Review Period physical access to the Leases and Wells for purposes of conducting a physical and/or environmental examination of the Leases and Wells. The purposes of such examinations shall be (i) to determine if Seller has Defensible Title (as hereinafter defined) to its interest in the Leases and Wells, and (ii) to satisfy Buyer as to the physical and environmental condition of the Leases and Wells. As used herein, the term "**Defensible Title**" shall mean, as to the Leases and Wells, such title, deducible of record in the county clerk and recorder's office where the Leases are situated, that, subject to and except for the permitted exceptions set forth on **Exhibit C** hereto, ("**Permitted Encumbrances**"): (i) entitles Seller to receive not less than the revenue interests for Wells shown on **Exhibit A** (such revenue interests are herein collectively called "**Revenue Interests**") of all oil, gas and associated liquid and gaseous hydrocarbons produced, saved and marketed from the Leases and Wells; (ii) obligates Seller to bear costs and expenses relating to the operation of the Wells in an amount not greater than the working interests for the Wells shown on **Exhibit A** (such working interests are herein collectively called "**Working Interests**"); and (iii) is free and clear of encumbrances, liens and defects. In the case of federal and certain state leases, if any, included in the Leases and Wells, such title may be in the nature of record title or operating rights. If at the end of the Review Period, Buyer is not satisfied, in the exercise of Buyer's sole discretion, with the results of its title and environmental due diligence, or Buyer discovers any material fact or condition which exists during the Review Period which is at variance with any of the representations and warranties of Seller contained in this Agreement, Buyer may terminate this Agreement through written notice delivered to Seller and neither Party shall have any liability to the other by reason of this Agreement following such termination. Should Buyer determine that Seller's net revenue interest in any Well is less than the interest represented for such property on **Exhibit A-Part II**, the Parties agree that the Purchase Price shall be proportionately

reduced based upon the value allocated to such Well on **Exhibit A-Part II** (the "**Allocated Values**")¹, to the extent of such net revenue interest shortfall.

8. Representations and Warranties. Seller represents and warrants that as of the date hereof and as of the date of Closing:
- a. Seller is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Kansas, and this Agreement and any documents or instruments delivered by Seller at Closing shall constitute legal, valid and binding obligations of Seller, enforceable in accordance with their terms;
 - b. Seller owns Defensible Title to its interest in the Wells and Leases, and Seller owns no more than the Working Interests and no less than the net Revenue Interests set forth on **Exhibit A-Part II**;
 - c. Seller's interest in the Assets is not subject to any contracts, operating agreements, sales agreements, or other agreements materially affecting the Assets, except those which are listed and identified on **Exhibit C** hereto;
 - d. The terms and conditions of the Leases, Contracts, and other agreements relative to the Leases are usual and customary in the industry;
 - e. Seller is not in material breach of any of the terms or conditions of the Leases, Contracts, or other agreements affecting the Assets;
 - f. Except as set forth on **Exhibit D** hereto, Seller's interest in the Assets is free and clear of all past or present litigation, claims, liens, mortgages, borrowings, tax partnerships, or encumbrances of whatsoever kind or nature;
 - g. Prior to Closing, Seller shall secure all consents to assign required to convey the Assets to Buyer and shall obtain waivers of all preferential rights to purchase, if any;
 - h. Seller has not entered into any arrangement under which Buyer will be obligated, by virtue of a prepayment arrangement, take-or-pay arrangement, gas balancing agreement, production payment or other arrangement to deliver hydrocarbons from the Assets at some future time without then or thereafter receiving full payment therefor, or to make payment at some future time for hydrocarbons already produced and sold;
 - i. Seller's interest in the Leases and Wells is subject to no gas imbalances as of the Effective Date;

¹ We have assumed that 100% of the value of the transaction will be allocated to the Wells. If Buyer intends to also allocate value to the leasehold for future production, we will modify these provisions to allow for allocated values on well basis and a net acre basis.

- j. Seller has not paid, incurred or otherwise committed from and after the Effective Date to any expenditures in excess of \$5,000, net to the interest of Seller, for any single operation, with respect to the drilling, completion, recompletion or rework of any Well on the Leases and no such expenditures are, to the best of Seller's information and belief, pending and unapproved; and
- k. To the best of Seller's information and belief, Seller is not in violation of, nor do Seller's operations violate in any material respect, any statute, law, rule or regulation or any judgment, order, writ, injunction or decree of any governmental entity pertaining to the Assets which would have a material adverse effect on the Assets taken as a whole; and
- l. The Assets have been operated in material compliance with all applicable environmental laws, Seller has received no notice from any regulatory agency or third party alleging violations of environmental laws and to the best of Seller's information and belief, there have been no spills of salt water or other wastes on the Assets that would give rise to any adverse environmental condition as of the Execution Date.

9. Buyer's Conditions. All obligations of Buyer under this Agreement are, at its election, subject to the fulfillment, prior to or at the Closing, of each of the following conditions:

- a. All representations and warranties of Seller contained in this Agreement shall be true and correct as of the Closing and Seller shall have performed and satisfied all covenants and fulfilled all conditions required by this Agreement at or prior to the Closing;
- b. Buyer shall not have terminated this Agreement based upon its due diligence pursuant to Article 7 above;
- c. All necessary permissions, approvals and consents shall be in full force and effect; and
- d. Since the Effective Date, there shall have been no material adverse changes affecting the Assets, other than (i) depletion through normal production within authorized allowables in accordance with normal and expected production decline curves, (ii) depreciation of equipment through ordinary wear and tear, (iii) other transactions permitted under this Agreement or approved in writing by Buyer, and (iv) general industry-wide changes in prices in hydrocarbons.

10. INDEMNITIES.

- a. **SELLER'S INDEMNIFICATION.** SELLER AGREES TO DEFEND, INDEMNIFY AND HOLD BUYER HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, LOSSES, DAMAGES, LIABILITIES, JUDGMENTS, CAUSES OF ACTION, COSTS OR EXPENSES, INCLUDING,

WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND OTHER COSTS INCURRED IN DEFENSE OF ANY SUCH CLAIM (COLLECTIVELY A CLAIM), ARISING OUT OF OR RELATING TO (A) THE BREACH OF ANY REPRESENTATION, WARRANTY, OR COVENANT OF BUYER CONTAINED IN THIS AGREEMENT, OR (B) SELLER'S OWNERSHIP OF THE ASSETS PRIOR TO CLOSING, IF SUCH CLAIM IS BASED UPON OR RELATING TO (I) THE VIOLATION BY BUYER OF ANY LAW OR REGULATION OR THE TERMS OF ANY AGREEMENT BINDING UPON SELLER; (II) CLAIMS OF SELLER'S CO-OWNERS, JOINT VENTURERS, OR OTHER PARTICIPANTS; (III) ANY IMPROPER PAYMENT OF TAXES BY SELLER; OR (IV) ANY IMPROPER PAYMENT OF ROYALTIES BY SELLER, EXCEPT IN EACH CASE FOR THOSE CLAIMS ARISING OUT OF BUYER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

b. BUYER'S INDEMNIFICATION. BUYER AGREES TO DEFEND, INDEMNIFY AND HOLD SELLER HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO (A) THE BREACH OF ANY REPRESENTATION, WARRANTY, OR COVENANT OF BUYER CONTAINED IN THIS AGREEMENT, OR (B) BUYER'S OWNERSHIP, OPERATION, OR ADMINISTRATION OF THE ASSETS AFTER THE CLOSING DATE, IF SUCH CLAIM IS BASED UPON OR RELATING TO (I) THE VIOLATION BY BUYER OF ANY LAW OR REGULATION OR THE TERMS OF ANY AGREEMENT BINDING UPON BUYER; (II) CLAIMS OF BUYER'S CO-OWNERS, JOINT VENTURERS AND OTHER PARTICIPANTS; (III) CLAIMS ARISING OUT OF ANY IMPROPER PAYMENT OF TAXES BY BUYER; OR (IV) ANY IMPROPER PAYMENT OF ROYALTIES BY BUYER, EXCEPT IN EACH CASE FOR THOSE CLAIMS ARISING OUT OF SELLER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

c. Notification of Claims. As soon as reasonably practical after obtaining knowledge of thereof, the indemnified Party shall notify the indemnifying Party of any claim which the indemnified Party has determined has given or could give rise to a demand for indemnification under this Article. Such notice shall specify the agreement, representation or warranty with respect to which the claim is made, the facts giving rise to the claim and the alleged basis for the claim, and the amount (to the extent then determinable) of liability for which indemnity is asserted. In the event any action, suit or proceeding is brought with respect to which a Party may be liable under this Article, the defense of the claim (including all settlement negotiations and arbitration, trial, appeal, or other proceeding) shall be at the discretion of and conducted by the indemnifying Party. If an indemnified Party shall settle any such claim without the written consent of the indemnifying Party (which consent shall not be unreasonably withheld), the right of the indemnified Party to make any demand against the indemnifying Party on account of such settlement shall be deemed

conclusively denied. An indemnified Party shall have the right to be represented by its own counsel at its own expense in any such action, suit or proceeding, and if an indemnified Party is named as the defendant in any action, suit or proceeding, it shall be entitled to have its own counsel and defend such claim with respect to itself at its own expense. Subject to the foregoing provisions, neither Party shall, without the other Party's written consent, settle, compromise, or confess judgment for any claim nor permit judgment by default in any lawsuit or other legal action if such action would create or attach liability or obligation to the other Party. The Parties agree to make available to each other, and to their respective counsel and accountants, all information and documents reasonably available to them which relate to any action, suit or proceeding, and the Parties agree to render to each other such assistance as they may reasonably require of each other in order to ensure the proper and adequate defense of any such action, suit or proceeding.

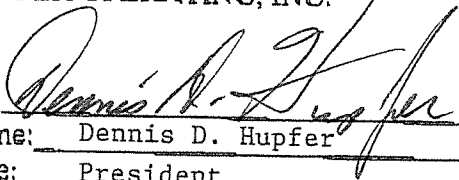
11. Warranty of Real Assets. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN AND IN THE ASSIGNMENT, THE ASSIGNMENT OF THE LEASES HEREUNDER SHALL BE GRANTED AND ACCEPTED WITHOUT WARRANTY OF TITLE OF ANY KIND, EITHER EXPRESS OR IMPLIED, AND SELLER SPECIFICALLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Notwithstanding the foregoing, Seller shall grant and transfer to Buyer the benefit of and the right to enforce the covenants and warranties, if any, which Seller is entitled to enforce with respect to the Leases and Wells against any predecessors in title.
12. Warranty of Personal Assets and Fixtures. THE CONVEYANCE OF PERSONAL PROPERTY AND FIXTURES HEREUNDER SHALL BE MADE ON AN AS IS, WHERE IS BASIS, WITH ALL FAULTS AND DEFECTS, AND WITH NO WARRANTY OF ANY KIND WHATSOEVER, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
13. Cooperation. Buyer and Seller shall execute and deliver such other instruments and documents and take such other and further actions as may be reasonably necessary to evidence and effectuate the transaction contemplated by this Agreement.
14. Assignment. This Agreement or any part hereof may not be assigned by either Party without the prior written consent of the other Party; provided, however, upon notice to the other Party, either Party shall have the right to assign all or part of its rights (but none of its obligations) under this Agreement in order to qualify the transfer of the Assets as a like-kind exchange for federal tax purposes. Subject to the foregoing, this Agreement is binding upon the Parties and their respective successors and assigns.
15. Compliance with Express Negligence Test. THE PARTIES AGREE THAT EXCEPT AS EXPRESSLY SET FORTH HEREIN, THE OBLIGATIONS OF THE INDEMNIFYING PARTY TO INDEMNIFY THE INDEMNIFIED PARTY SHALL BE WITHOUT REGARD TO THE NEGLIGENCE OR STRICT LIABILITY OF THE INDEMNIFIED PARTY,

WHETHER THE NEGLIGENCE OR STRICT LIABILITY IS ACTIVE, PASSIVE, JOINT, CONCURRENT, OR SOLE.

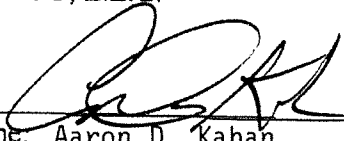
16. Governing Law; Limitation of Liability. This Agreement, and the rights and obligations of the Parties hereunder, shall be governed by and construed in accordance with the laws of the State of Oklahoma, except in such cases in which the situs of the Assets must control. Neither Party shall be liable to the other hereunder for any special, indirect, incidental, or consequential damages (including without limitation, punitive damages, lost profits, loss of business opportunity, or interruption of service), arising or in any way relating to this Agreement, irrespective of whether claims or actions for such damages are based upon contract, warranty, tort (including negligence, whether ordinary, gross, sole, contributory, or otherwise), fault of the other Party, strict liability, or any other remedy at law or in equity.
17. Entire Agreement. This Agreement constitutes the entire agreement between Seller and Buyer with respect to the subject matter hereof, superseding all prior statements, representation, discussions, agreements and understandings, written or verbal, relating to such subject matter.
18. Post-Closing Adjustments. A post-closing adjustment statement (the "**Post-Closing Statement**") based on actual income and expenses vis-à-vis the Effective Date shall be prepared and delivered by Buyer to Seller within ninety (90) days after the Closing, proposing further adjustments to the Purchase Price based on the information then available. Seller shall be given access to and shall be entitled to review and audit the Buyer's records pertaining to the computation of amounts claimed in such Post-Closing Statement. Within thirty (30) days after receipt of the Post-Closing Statement, the Parties hereto will use their best efforts to agree upon the proposed adjustments and Seller or Buyer, as the case may be, shall pay to the other such sums as may be agreed to be due. Additional adjustments shall be made from time to time as required to settle accounts between the Parties.
19. Confidentiality. Buyer and Seller agree to keep the terms of this Agreement confidential and Seller agrees not to discuss with any outside party, any specific details about the production, Leases, Wells, Contracts, sales price, geologic or geophysical data or other information pertaining to the Assets which is not already public information.
20. Survival of Warranties, Representations and Covenants. All representations and warranties contained in the Agreement shall survive the Closing and continue with respect to claims made on or before two (2) years following the Closing Date. The covenants, indemnities, (except as to expired representation and warranties) and agreements contained in the Agreement shall survive the Closing and continue in accordance with their respective terms.

IN EVIDENCE OF THEIR AGREEMENT, and intending to be legally bound, the duly authorized representative of each of the respective Parties has signed this Agreement, effective as of the date first written above, in multiple original counterparts.

HUPFER OPERATING, INC.

By: 
Name: Dennis D. Hupfer
Title: President

KIORCO, L.L.C.

By: 
Name: Aaron D. Kahan
Title: Partner

DEAN E. BRITTING LIVING TRUST

By: _____
Name: Dean E. Britting
Title: Trustee

DKD, INC.

By: N/A
Name: _____
Title: _____

DEAN E. BRITTING TRUST

By: _____
Name: Dean E. Britting
Title: Trustee

DENNIS T. PFANNENSTIEL

By: _____

HOWARD A. AGAN AND VIRGINIA R.
AGAN REVOCBLE LIVING TRUST

By: _____
Name: Howard A. Agan
Title: Trustee

By: _____
Name: Virginia R. Agan
Title: Trustee

EXHIBIT A - PART I

Leases

Lease Name:	DeWerff
Date:	October 3, 1997
Lessor:	Harvey DeWerff and Doris DeWerff, Co-Trustees of the Harvey DeWerff Living Trust dated June 10, 1991
Lessee:	Hupfer Operating, Inc.
Recorded:	Book 131, Page 369
Land:	N/2 NW/4 of Section 33-19S-10W, Rice County, Kansas

Lease Name:	Ringwald
Date:	September 11, 1981
Lessor:	Reinder Carl Ringwald and Edna Claudine Ringwald
Lessee:	Hupfer Oil & Gas
Recorded:	Book 92, Page 461
Land:	NE/4 of Section 32-19S-10W, Rice County, Kansas

Lease Name:	Ringwald "A"
Date:	February 2, 1999
Lessor:	Ethel F. Ringwald, Cross Reach Farms, L.P., Michel J. Ringwald and Linda S. Ringwald
Lessee:	Hupfer Operating, Inc.
Recorded:	Book 132, Page 675
Land:	SE/4 of Section 32-19S-10W, Rice County, Kansas

Lease Name:	Ringwald "B"
Date:	March 1, 2000
Lessor:	Cross Reach Farms, L.L.P.; Michel J. Ringwald and Linda Ringwald
Lessee:	Hupfer Operating, Inc.
Recorded:	Book 133, Page 443
Land:	NW/4 of Section 5-20S-10W, Rice County, Kansas

Lease Name:	Silica
Date:	March 15, 2000
Lessor:	Stanley Ringwald and Thelma Ringwald
Lessee:	Hupfer Operating, Inc.
Recorded:	Book 133, Page 555
Land:	SW/4 of Section 32-19S-10W, Rice County, Kansas

Lease Name:	Cross Reach Farms
Date:	January 20, 2002
Lessor:	Cross Reach Farms, L.P.
Lessee:	Hupfer Operating, Inc.
Recorded:	Book 124, Page 297
Land:	NW/4 of Section 32-19S-10W, Rice County, Kansas

Lease Name:	Drews
Date:	October 3, 1931
Lessor:	Henry and Mary Drew
Lessee:	J.H. Tatlock
Recorded:	Book 35, Page 459
Land:	SW/4 of Section 5-20S-10W, Rice County, Kansas

Lease Name:	Heine
Date:	January 5, 2003
Lessor:	Alvin W. Heine and Frances J. Heine
Lessee:	Hupfer Operating, Inc.
Recorded:	Book 135, Page 707
Land:	S/2 SW/4 of Section 28-19S-10W, Rice County, Kansas

End of Exhibit A – Part I

EXHIBIT A - PART II

Wells

**(together with Represented Working Interests,
Net Revenue Interest and Allocated Values)**

Well	API	STR	County	Working Interest	Net Revenue Interest	Allocated Value
Cross Reach Farms 3	15-159-21671-00001	32-19S-10W	Rice	100%	.8400000	
Cross Reach Farms 4	15-159-22699-00001	32-19S-10W	Rice	100%	.8400000	
Dewerff Owwo 1	15-159-21403-00001	33-19S-10W	Rice	100%	.8400000	
Drews 7	15-159-04576-00000	5-20S-10W	Rice	100%	.8400000	
Heine 1	15-159-22422-00000	28-19S-10W	Rice	100%	.8400000	
Heine 2	15-159-22590-00000	28-19S-10W	Rice	100%	.8400000	
Heine 3	15-159-22791-00000	28-19S-10W	Rice	100%	.8400000	
Ringwald 3	15-159-21470-00001	32-19S-10W	Rice	100%	.8203125	
Ringwald 7	15-159-22373-00000	32-19S-10W	Rice	100%	.8203125	
Ringwald 8	15-159-22381-00000	32-19S-10W	Rice	100%	.8203125	
Ringwald A 1	15-159-02501-00000	32-19S-10W	Rice	100%	.8400000	
Ringwald A 4	15-159-22372-00000	32-19S-10W	Rice	100%	.8400000	
Ringwald A 5	15-159-22380-00000	32-19S-10W	Rice	100%	.8400000	
Ringwald B SWD 1	15-159-20956-00001	5-20S-10W	Rice	100%	N/A	
Ringwald Twin 3	15-159-22056-00000	32-19S-10W	Rice	100%	.8400000	
Silica 1	15-159-22387-00000	32-19S-10W	Rice	100%	.8400000	
Silica 2	15-159-22408-00000	32-19S-10W	Rice	100%	.8400000	

End of Exhibit A – Part II

Hupfer

EXHIBIT B

Document #: 201800890

STATE OF KANSAS

COUNTY OF RICE

Form of Assignment

This Instrument was filed on: 5/9/2018

At: 12:55:00 PM and duly recorded in

Book: Oil & Gas 163 Page: 579

Fees: \$208

Rice Co., Register of Deeds

CR

RETURN TO:

Kahan & Associates, Inc.
6846 S. Canton Ave.
Suite 600
Tulsa, Oklahoma 74136

Rhonda Hut

ASSIGNMENT, CONVEYANCE AND BILL OF SALE

Hupfer Operating, Inc., a Kansas corporation, with offices at 13007 W. 54th Ter., Shawnee, Kansas 66216; Dean E. Britting, Trustee of the Dean E. Britting Living Trust, 13735 Pinnacle, Wichita, Kansas 67230; Dean E. Britting, Trustee of the Dean E. Britting Trust, Same as above, Kansas; Dennis T. Pfennerstiel, 1362 SW Bent Pine Cove, Port St Lucie, FL. 34986; Howard A. Agan and Virginia R. Agan, Trustees of the Howard A. Agan and Virginia R. Agan Revocable Living Trust, P.O. Box 103, Milo, IA. 50166; and DKD, Inc., N/A, Kansas; (hereinafter collectively called "Assignor"), for Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, SET OVER and DELIVER unto Kiorco, L.L.C., an Oklahoma limited liability company (herein called "Assignee"), as of the Effective Date (hereinafter defined), all of Assignor's right, title and interest in and to the following:

(a) The oil, gas and mineral leases listed and described on Exhibit A, attached hereto and made a part hereof, along with the surface rights, easements, licenses, permits, rights of way, and similar rights and interests owned or exercised by Assignor in connection with such leases (hereinafter call the "Leases");

(b) The wells and production equipment located on the Leases, listed and described on Exhibit B, including, but not limited to, wellhead equipment, downhole equipment, casing, tubing, pumping units, transportation and gathering lines, compressors, pumps, tanks, meters, and all other tangible personal assets and equipment located on, pertaining to, or used or to be used in connection with the production of oil or gas from the Leases (the "Wells");

(c) To the extent assignable, all gas and oil purchase and sale contracts, farmin or farmout agreements, operating agreements, unit agreements, processing agreements, joint venture agreements, pooling agreements, transportation agreements, and all other agreements

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which are owned by Assignor, in whole or in part, which affect the ownership or operation of the Leases or the Wells (the "Contracts"); and

(d) All of Assignor's files, records, and other data, whether written or electronic, relating to the Leases, the Wells, or the Contracts, including, but not limited to, lease records, including title records, title opinions, and correspondence, Well files, including production records, electric logs, core data, pressure data, decline curves, graphical production curves and related matters, and geological and geophysical records, including transferable seismic, subsurface surveys, maps, and drawings.

The interests described in paragraphs (a) through (d) above are hereinafter collectively called the "Subject Interests."

TO HAVE AND TO HOLD the Subject Interests unto Assignee, its successors and assigns, forever.

This Assignment, Conveyance and Bill of Sale ("Assignment") is made with warranty of title by, through and under Assignor, but not otherwise. Assignor hereby grants and transfers to Assignee, to the extent transferable, the right of full substitution and subrogation to, the benefits of, and the right to enforce, all covenants and warranties which Assignor is entitled to enforce with respect to the Properties.

Assignor and Assignee agree that, to the extent required by applicable law to be operative, the disclaimers of certain warranties contained in this paragraph are "conspicuous" disclaimers for the purposes of any applicable law, rule or order. WITHOUT LIMITATION OF THE GENERALITY OF THE PRECEDING SENTENCE, ASSIGNOR HEREBY EXPRESSLY DISCLAIMS AND NEGATES, AS TO THOSE PORTIONS OF THE SUBJECT INTERESTS CONSTITUTING PERSONAL PROPERTY, ANY REPRESENTATION OR WARRANTY, EXPRESS, IMPLIED, AT COMMON LAW, BY STATUTE, OR OTHERWISE RELATING TO THE CONDITION OF THE SUBJECT INTERESTS (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS).

ASSIGNOR MAKES NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS AS TO THE QUALITY, MERCHANTABILITY, OR FITNESS OF THE SUBJECT INTERESTS FOR ASSIGNEE'S INTENDED USE OR FOR ANY USE WHATSOEVER AND ASSIGNEE ACCEPTS THE SUBJECT INTERESTS "AS IS, WHERE IS AND SUBJECT TO ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR.

Assignee assumes and becomes obligated to pay, perform, or otherwise discharge all liabilities and obligations of Assignor with respect to the Subject Interests arising on or after the Effective Date, including, but not limited to the obligation to properly plug and abandon the Wells, in accordance with Laws and the terms of the applicable Leases (or applicable expired oil

and gas leases) including water wells associated with the Wells, any inactive Wells or wells and any undrilled locations on the Leases.

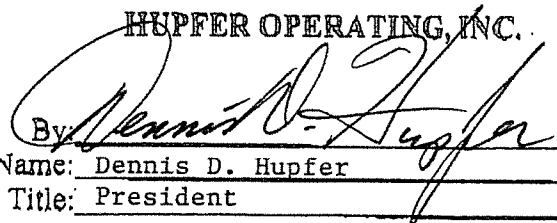
This Assignment is expressly made and accepted subject to the terms and conditions of the Leases, all rules and regulations applicable to the Subject Interests promulgated by governmental agencies and all contracts relating to the purchase or sale of production therefrom, to all operating agreements, permits, rights of way, licenses, easements, options, orders and any other agreements or contracts comprising or attributable to and affecting the Subject Interests and to all reservations, exceptions, limitations or other burdens applicable thereto and which are valid, subsisting, enforceable and of record and of which Assignee has actual or constructive notice.

Assignor agrees to execute such further assurances as may be reasonably requested or required to allow Assignee full use and enjoyment of the Subject Interests conveyed by this Assignment.

✓ IN WITNESS WHEREOF, this Assignment has been executed and delivered on April 09, 2018, effective as to runs of oil and deliveries of gas, and for all other purposes as of 7:00 a.m. local time at the locations of the Subject Interests on the 1st day of May, 2018 (the "Effective Date"). DDH

ASSIGNOR:

HUPFER OPERATING, INC.

By: 
Name: Dennis D. Hupfer
Title: President

DEAN E. BRITTING LIVING TRUST

By: _____
Name: Dean E. Britting
Title: Trustee

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DEAN E. BRITTING TRUST

By: _____
Name: Dean E. Britting
Title: Trustee

DENNIS T. PFANNENSTIEL

By: _____

HOWARD A. AGAN AND VIRGINIA R. AGAN REVOCABLE LIVING TRUST

By: _____
Name: Howard A. Agan
Title: Trustee

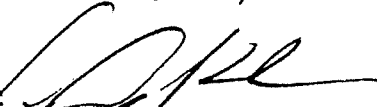
By: _____
Name: Virginia R. Agan
Title: Trustee

DKD, INC.

By: N/A
Name: _____
Title: _____

ASSIGNEE:

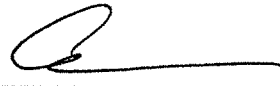
KIORCO, L.L.C.

By: 
Name: Aaron D. Kahan
Title: Partner

STATE OF Kansas)
) ss.
COUNTY OF Johnson)

✓09 Before me, the undersigned, a Notary Public, in and for said County and State, on this day of April, 2018, personally appeared Dennis D. Hupfer, to me known to be the identical person who subscribed the name of Hupfer Operating, Inc. to the foregoing instrument as its President, and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

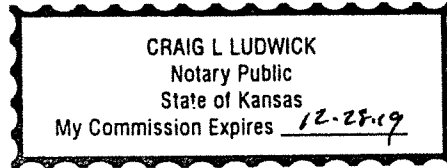
Given under my hand and seal of office the day and year last above written.



Notary Public

My Commission Expires:

12-28-19



STATE OF Kansas)
) ss.
COUNTY OF Sedgwick)

Before me, the undersigned, a Notary Public, in and for said County and State, on this day of April, 2018, personally appeared Dean E. Britting, Trustee of the Dean E. Britting Living Trust, to me known to be the identical person who subscribed the foregoing instrument, and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such Trust, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

Notary Public

My Commission Expires:

STATE OF Kansas)
) ss.
COUNTY OF Sedgwick)

Before me, the undersigned, a Notary Public, in and for said County and State, on this _____ day of April, 2018, personally appeared Dean E. Britting, Trustee of the Dean E. Britting Trust, to me known to be the identical person who subscribed the foregoing instrument, and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such Trust, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

Notary Public

My Commission Expires:

STATE OF Florida)
) ss.
COUNTY OF St. Lucie)

Before me, the undersigned, a Notary Public, in and for said County and State, on this _____ day of April, 2018, personally appeared Dennis T. Pfennenstiel, to me known to be the identical person who subscribed the foregoing instrument, and acknowledged to me that he executed the same as his free and voluntary act for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

Notary Public

My Commission Expires:

STATE OF Iowa)
) ss.
COUNTY OF Warren)

Before me, the undersigned, a Notary Public, in and for said County and State, on this _____ day of April, 2018, personally appeared Howard & Virginia Agan Trustee of the Howard A. Agan and Virginia R. Agan Revocable Living Trust, to me known to be the identical person who subscribed the foregoing instrument, and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such Trust, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

Notary Public

My Commission Expires:

STATE OF _____)
) ss.
COUNTY OF _____)

Before me, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 2018, personally appeared _____, to me known to be the identical person who subscribed the name of DKD, Inc. to the foregoing instrument as its _____, and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

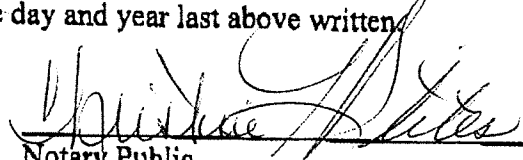
Notary Public

My Commission Expires:

STATE OF OKLAHOMA)
) ss.
COUNTY OF Tulsa)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 1st day of May, 2018, personally appeared Aaron D. Kahan, to me known to be the identical person who subscribed the name of Kiorco, L.L.C. to the foregoing instrument as its Partner, and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such limited liability company, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.


Notary Public

My Commission Expires:

30 April 2020



EXHIBIT C

Permitted Encumbrances

The term "Permitted Encumbrances," as used herein, shall mean:

(1) lessors' royalties, overriding royalties, and division orders and sales contracts covering oil, gas balancing, rights to recoupment, unitization and pooling designations and agreements, reversionary interest and similar burdens if the net cumulative effects of such burdens does not operate to reduce the revenue interests of any of the Interests to less than the Revenue Interests set forth therefor in Exhibit A;

(2) preferential rights to purchase and required third-party consents to assignments and similar agreements with respect to which (i) waivers or consents are obtained from the appropriate parties, (ii) the appropriate time period for asserting such rights has expired without an exercise of such rights, (iii) arrangements can be made by Buyer and Sellers to allow Buyer to receive substantially the same economic benefits as if all such waivers and consents had been obtained, (iv) such consent need not be obtained prior to an assignment, or (v) failure to obtain such consent will not have a material adverse effect on the value of the affected Interest to Buyer;

(3) liens for taxes or assessments not yet due or not yet delinquent or, if delinquent, that are being contested in good faith in the normal course of business and for which appropriate reserves are being maintained (and, with respect to taxes or assessments attributable to periods before the Effective Time, for which Buyer is furnished satisfactory assurance that such taxes or assessments will be paid if finally determined to be due);

(4) all rights to consent by, required notices to, filings with, or other actions by governmental or entities in connection with the sale or conveyance of oil and gas leases or interests therein if the same are customarily obtained subsequent to such sale or conveyance;

(5) rights of reassignment providing for reassignment elections prior to relinquishment;

(6) easements, rights of way, servitudes, permits, surface leases and other rights in respect of surface operations, pipelines, grazing, logging, canals, ditches, reservoirs or the like; and easements for streets, alleys, highways, pipelines, telephone lines, power lines, railways and other easements and rights of way, on, over or in respect of any of the Interests to the extent that all of the foregoing do not have a material adverse effect on the value of the affected Interests to Buyer;

(7) all other liens, charges encumbrances, contracts, agreements, instruments, obligations, defects and irregularities affecting the Interests (including, without limitation, liens of operators relating to obligations not yet due or pursuant to which Sellers are not in default)

that are not such as to interfere materially with the operation, value or use of the affected Interests;

(8) other matters that Buyer has waived pursuant to the terms of this Agreement;

(9) liens to be released at Closing;

(10) the terms and conditions of all agreements, orders, instruments, documents and other matters expressly described in or referred to in the Exhibits hereto;

(11) rights reserved to or vested in any municipality or governmental statutory or public authority to control or regulate any of the Interests in any manner, and all applicable laws, rules and orders of governmental and authorities.

EXHIBIT D

Seller's Disclosures

**(Pending Litigation/Mortgages
and Other Encumbrances)**