

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: _____

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 _____

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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, BILL OF SALE AND CONVEYANCE

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, DONALD L. BUTLER and DONNIE C. ANDES, hereinafter called ASSIGNORS, for an in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, do hereby sell, assign, transfer, set over and convey unto ELM III, LLC, an Oklahoma Limited Liability Corporation, whose mailing address is 1249 East 33rd Edmond OK 73013 hereinafter called the ASSIGNEE, all right, title and interest in and to all oil, gas or other substances produced, saved and marketed as a Working Interest, free and clear, under the provisions of the following oil and gas lease in, to wit:

A certain oil and gas lease dated August 19, 1980, by and between Brothers Dairy Inc. to Raymond M. Potter as Lessee, said lease being recorded in Book 225, Page 59 insofar as said Lease covers the following described land in Cowley County, State of Kansas:

All lands south of AT&SF Railroad in the Northeast Quarter (NE/4), the North Half of the Southeast Quarter (N/2 SE/4) and the Southeast Quarter of the Southeast Quarter (SE/4 SE/4) of Section 36, Township 31 South, Range 5 East, and Lots 3 and 4, also described as West Half of the Southwest Quarter (W/2 SW/4) and the Northeast Quarter of the Southwest Quarter (NE/4 SW/4) of Section 31, Township 31 South, Range 6 East in Cowley County Kansas.

This assignment includes all wells (whether producing, non-producing, shut-in or abandoned), including without limitation the Brothers #1 (API #15-035-22858) and Brothers #2 (API #15-035-00832-0001), all disposal and injection wells, permits, salt water disposal agreements, lead lines, disposal lines or other pipelines, tanks, compressors, separators, pumps and pumping units, casing, tubing, rods and all other equipment and personal property located on the lands covered thereby and used in the development and operation of the Lease.

It is the intent of Assignors to assign and convey to Assignee, and Assignors do hereby assign and convey to Assignee, all right, title and interest owned by Assignors in and to the Lease, as to all estates, depths and formations and all Personal Property, Surface Rights and Contract Rights located thereon and appurtenant and incident to the operation thereof, even though any of the forgoing properties be incorrectly described herein, subject to the terms of the Lease, all existing overriding royalty interests and other similar interests carved out of the leasehold estate.

Assignee shall be responsible for all obligations, costs and liabilities of any nature associated with the plugging and abandonment of any and all wells (whether producing, non-producing, shut-in or abandoned) located on the Lease or lands covered thereby and Assignee hereby releases Assignors from any and all responsibility, obligatory costs and liabilities associated with the same.

This Assignment and Conveyance is made without any warranty, whether express or implied, but with full substitution and subrogation of Assignee in and to all covenants and warranties by others heretofore given or made in respect of the interests or property assigned hereunder. To the extent required by applicable law to be operative, Assignors are conveying the Lease WITHOUT REPRESENTATION OR

WARRANTY, EITHER EXPRESSED OR IMPLIED AT COMMON LAW, BY STATUTE, OR OTHERWISE (ALL OF WHICH ASSIGNORS HEREBY DISCLAIM), RELATING TO (i) TITLE, (ii) OPERATING CONDITION, (iii) MERCHANTABILITY, DESIGN OR QUALITY, (iv) FITNESS FOR ANY PARTICULAR PURPOSE, OR (v) ANY OTHER MATTER WHATSOEVER, IT BEING UNDERSTOOD THAT ASSIGNORS ARE ASSIGNING AND CONVEYING TO ASSIGNEE, AND ASSIGNEE IS ACCEPTING, THE LEASE "AS IS," "WHERE IS," "WITH ALL FAULTS," AND IN THEIR PRESENT CONDITION AND STATE OF REPAIR, AND ASSIGNEE IS ASSUMING ALL RISK WITH RESPECT TO THE LEASE, INCLUDING, WITHOUT LIMITATION, ALL RISK ASSOCIATED WITH THE PHYSICAL, OPERATING, REGULATORY COMPLIANCE, SAFETY OR ENVIRONMENTAL CONDITION OF THE LEASE, INCLUDING THE PLUGGING AND ABANDONMENT OF ALL WELLS LOCATED UPON THE LEASE.

IN WITNESS WHEREOF, the undersigned Assignors and Assignee have caused this Assignment and Bill of Sale to be executed on the 19th day of June, 2018, but effective as of 7:00 a.m. CDT on May 1, 2018.

ASSIGNORS:

Donald L. Butler
DONALD L. BUTLER

STATE OF KANSAS, COUNTY OF COWLEY, ss:

On the 19th day of June, 2018, before me a Notary Public within and for said County and State, personally came DONALD L. BUTLER, personally known by me to be the same person who executed the above and foregoing instrument of writing and such person who duly acknowledged the execution of the same.

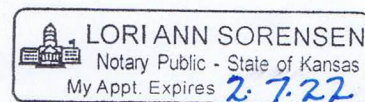
IN WITNESS WHEREOF, I have hereunto subscribed my hand and affixed my official seal the day and year last above written.

NOTARY PUBLIC: Lori Ann Sorenson

My appointment expires: 2.7.22

Seal:

Donnie C. Andes
DONNIE C. ANDES



STATE OF KANSAS, COUNTY OF COWLEY, ss:

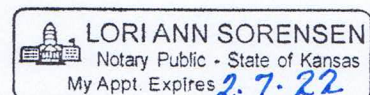
On the 19th day of June, 2018, before me a Notary Public within and for said County and State, personally came DONNIE C. ANDES, personally known by me to be the same person who executed the above and foregoing instrument of writing and such person who duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto subscribed my hand and affixed my official seal the day and year last above written.

NOTARY PUBLIC: Lori Ann Sorenson

My appointment expires: 2.7.22

Seal:



ASSIGNEE:

ELM III, LLC

By: Edward L. Markwell III

Name: Edward L. Markwell, III

Title: President

STATE OF Oklahoma, COUNTY OF Cowley, ss:

This instrument was acknowledged before me on the ____ day of June, 2018, by Edward L. Markwell, III, as President for and on behalf of ELM III, LLC, an Oklahoma Limited Liability Corporation.

NOTARY PUBLIC: Christie A. Lee

My appointment expires: 11/19/2018

Seal:

