

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 _____

Side Two

Must Be Filed For All Wells

KDOR Lease No.: _____

* Lease Name: _____ * Location: _____

Well No.	API No. (YR DRDL/PRE '67)	Footage from Section Line (i.e. FSL = Feet from South Line)		Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/TA'D/Abandoned)
_____	_____	Circle FSL/FNL	Circle FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____

A separate sheet may be attached if necessary
* When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located.

KANSAS CORPORATION COMMISSION
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Form KSONA-1

July 2014

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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, CONVEYANCE, AND BILL OF SALE

This ASSIGNMENT, CONVEYANCE, AND BILL OF SALE (“Assignment”) is executed this 1st day of June, 2018, by ZU, LLC (“Assignor”), to DIXON ENERGY, INC. (“Assignee”). Assignor and Assignee each may be referred to in this Assignment individually as “Party” and collectively as the “Parties.”

BACKGROUND

Assignor owns an interest in certain oil and gas leases and wells described on Exhibit “A” hereto (the “Leases”). Assignor has agreed to sell, assign, convey, transfer, and deliver all of its right, title, and interest in the Leases and the Assets (as defined below) to Assignee, effective June 1, 2018 (the “Effective Date”), and Assignee has agreed to purchase and acquire the interest of Assignor in the Leases and Assets, all as more fully described below.

NOW, THEREFORE, in consideration of the foregoing promises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE I

GRANTING AND RESERVATION CLAUSES; HABENDUM CLAUSE

1.1. Grant. For Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which each Party hereby acknowledges, Assignor has granted, transferred, bargained, sold, conveyed, and assigned, and does hereby grant, transfer, bargain, sell, convey, and assign to Assignee, for all purposes effective June 1, 2018, all of Assignor’s interest in and to the following (collectively, the “Assets”).

(a) All of Assignor’s right, title and interest in and to the properties referenced on Exhibit A attached hereto, including, without limitation, oil, gas, and other mineral leasehold interests (each a “Lease”, and collectively the “Leases”); the wells, equipment and facilities located on and used in connection with the Leases, including, but not limited to, pumps, well equipment (surface and subsurface), saltwater disposal wells, lines and facilities, sulfur recovery facilities, gas plants, compressors, compressor stations, dehydration facilities, treating facilities, pipeline gathering lines, pool lines, transportation lines (including long lines and laterals), valves, meters, separators, tanks, tank batteries and other fixtures; oil, condensate, natural gas, natural gas liquids produced on or after the Effective Date; and all Contracts concerning the Leases including, but not limited to, unit agreements, pooling agreements, areas of mutual interest, farmout agreements, farmin agreements, saltwater disposal agreements, water injection agreements, line well injection agreements, road use agreements, drilling contracts, operating agreements, well service contracts, production sales contracts (including any spot sales contracts), any other sales contracts, and any resale contracts, gas balancing agreements, storage or warehouse agreements, supplier contracts, service contracts, construction agreements, division orders and transfer orders, all surface use agreements, easements, rights-of-way, licenses, authorizations, permits and similar rights applicable to, or used, in connection with any of the Leases, including operating rights;

(b) all of Assignor's right, title and interest in all unitization and pooling agreements in effect with respect to the Leases and the units created thereby that accrue or are attributable to the interests of Assignor in the Leases;

(c) all of Assignor's right, title and interest in and to all of the surface agreements or surface leases, easement agreements and right-of-way agreements existing at the Effective Time (collectively the "Rights-of-Way");

(d) copies of all (i) land and title records (including abstracts of title, title opinions and title curative documents); (ii) contract files; (iii) correspondence; (iv) operations, environmental, production, accounting and property tax records; and (v) production facility and well records and data (including logs and cores), in each case, to the extent concerning the Leases (the "Records"); and

(e) to the extent assignable, all of Seller's rights, title and interest in and to all rights, claims and causes of action to the extent, and only to the extent, that such rights, claims and causes of action are associated with the Assets as of the Effective Time.

1.2. Reservation from Conveyance.

(a) Assignor excludes Assignor's accounting records and other software, except Assignor agree to provide accounting records related to any royalty held in suspense on the Leases described on Exhibit A and further agrees to allow Assignee, upon reasonable notice and during normal business hours, to inspect Assignor's accounting records on the Leases if deemed necessary by Assignee.

1.3. Habendum. TO HAVE AND TO HOLD, subject to the terms, exceptions, and other provisions herein stated, the Leases and Assets unto Assignee and its successors and assigns forever.

1.4. Representations and Warranties. This Assignment is made WITHOUT ANY WARRANTY OF TITLE BY ASSIGNOR. ALL ASSETS ARE SOLD "AS IS, WHERE IS" WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED.

1.5. Obligation to Plug Wells. Assignee shall assume full responsibility for the plugging of any and all wells that are located on the Leases. Assignee agrees to indemnify and hold harmless Assignor with respect to the same, including all expenses, attorneys' fees, and regulatory expenses related to the obligation to plug such wells.

1.6 Ad Valorem Taxes. Assignor and Assignee agree that any and all ad valorem taxes for the tax year payable in December 2018 for Assignor's interest in the Leases shall be paid by each Party pro rata as of the Effective Date.

1.7 Effective Date and Operations after Effective Date. The Effective Date of the Assignment shall be June 1, 2018. Assignee shall assume all costs and expenses relative to the Leases that are incurred from and after the Effective Date.

1.8 Assumption of Lease Obligations. Assignee shall assume the responsibility for making future royalty payments to the lessors of the Leases for all oil and gas produced from the Leases and all other obligations arising under the Leases from and after the Effective Date.

ARTICLE II MISCELLANEOUS

2.1. Assumption of Other Obligations. Assignee hereby assumes, as of the Effective Date set forth above, Assignee's proportionate share of the costs, obligations, and liabilities of Assignor with respect to the Leases.

2.2. Disclaimer. The Parties agree that to the extent required to be operative, the following disclaimers of certain warranties contained in this paragraph are "conspicuous" disclaimers for the purposes of any applicable law, rule, or order, to wit: **EXCEPT AS SET FORTH HEREIN, THIS ASSIGNMENT IS MADE AND ACCEPTED UPON THE UNDERSTANDING AND AGREEMENT THAT ASSIGNOR'S INTEREST IN THE PROPERTY CONVEYED HEREBY IS SOLD AND ASSIGNED AND ACCEPTED BY ASSIGNEE AS IS, WHERE IS, IN ITS CURRENT CONDITION, WITHOUT ANY WARRANTIES WHATSOEVER, EXPRESS, IMPLIED, OR STATUTORY, OF MARKETABILITY, QUALITY, CONDITION, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR USE, ALL OF WHICH WARRANTIES ARE EXPRESSLY DISCLAIMED.**

2.3. Further Assurances. The Parties agree to take all such further actions and to execute, acknowledge, and deliver all such further documents as are necessary or useful to effectively convey, transfer to, or vest in Assignee Assignor's interest in the Assets or enable Assignee to realize upon or otherwise enjoy any of the Assets or to carry into effect the intent and purposes of this Assignment.

2.4. Successors and Assigns. The provisions of this Assignment shall bind and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

2.5. GOVERNING LAW. THIS ASSIGNMENT AND THE LEGAL RELATIONS BETWEEN ASSIGNOR AND ASSIGNEE HEREUNDER SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF KANSAS, EXCLUDING ANY CONFLICTS OF LAW RULE OR PRINCIPLE THAT MIGHT REFER CONSTRUCTION OF SUCH PROVISIONS TO THE LAWS OF ANOTHER JURISDICTION.

2.6. Exhibits. All exhibits attached hereto are hereby made a part hereof and incorporated herein by this reference. References in such exhibits to instruments on file in the public records are notice of such instruments for all purposes. Unless provided otherwise, all recording

references in such exhibits and schedules are to the appropriate records of the counties in which the Assets are located.

2.7. Captions. The captions and article and section numbers in this Assignment are for convenience only and shall not be considered a part of or affect the construction or interpretation of any provision of this Assignment.

2.8. Counterparts. This Assignment may be executed in one or more originals for recording in multiple counties, but all of which together shall constitute one and the same instrument. The Exhibits may be redacted for filing in each county, such that the exhibit filed in any county will describe only those properties in that county. Other Exhibits may also be redacted for recording purposes. A complete copy of this Assignment, with all Exhibits, is in the possession of both Assignee and Assignor.

This Assignment is executed and delivered on the date set forth above, to be effective for all purposes as of the 1st day of June ~~2017~~ (the "Effective Date").

2018

ASSIGNOR:

ZU, LLC

By:  Managing Partner
Greg J. Whitehair, Managing Partner

Date: 6/13/2018

ASSIGNEE:

DIXON ENERGY, INC.

By:  President
Micheal W. Dixon, President

Date: 6-13-18

[ACKNOWLEDGMENTS ON FOLLOWING PAGES]

ACKNOWLEDGMENTS

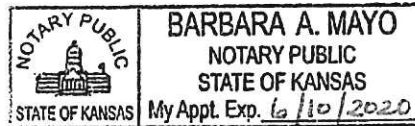
STATE OF Kansas }
COUNTY OF Ellis } ss.

Be it remembered that on this 13th day of June, 2018, before me, the undersigned, a Notary Public, duly commissioned, in and for the county and state aforesaid, came Greg J. Whitehair, Managing Partner of ZU, LLC, a corporation of the State of Kansas, personally known to me to be such officer, and to be the same person who executed as such officer the foregoing instrument of writing in behalf of said corporation, and he duly acknowledged the execution of the same for himself and for said corporation for the uses and purposes therein set forth.

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

My Commission Expires June 10, 2020 Barbara A Mayo
Notary Public

STATE OF Kansas }
COUNTY OF BARTON } ss.
Sedgwick }



Be it remembered that on this 13th day of June, 2018, before me, the undersigned, a Notary Public, duly commissioned, in and for the county and state aforesaid, came Micheal W. Dixon, president of Dixon Energy, Inc., a corporation of the State of Kansas, personally known to me to be such officer, and to be the same person who executed as such officer the foregoing instrument of writing in behalf of said corporation, and he duly acknowledged the execution of the same for himself and for said corporation for the uses and purposes therein set forth.

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

My Commission Expires 10-7-2020 Vicki L. Sheets
Notary Public

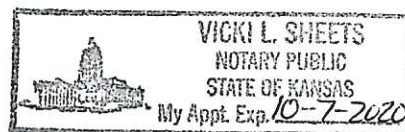


EXHIBIT "A"

Attached and made part of that Assignment, Conveyance, and Bill of Sale dated June __, 2018, Effective June 1, 2018 by and between Dixon Energy, Inc. as Assignee and ZU, LLC, as Assignor

The following lands located in Stafford County, Kansas

WELL NAME:	Wendelberg #1 Wendelberg #2 Wendelberg #3
LEASE DATE:	July 30, 1982
LESSOR:	Norma R. Wendelburg, a single person, a/k/a Norma Wendelburg
LESSEE:	STX Resources, Inc.
RECORDED:	Book 48, Page301
DESCRIPTION:	<u>Township 23 South – Range 11 West</u> Section 19: NE/4