

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	_____	_____
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_____	_____	_____ 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  
OIL & GAS CONSERVATION DIVISION

Form KSONA-1

July 2014

Form Must Be Typed

Form must be Signed

All blanks must be Filled

**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: \_\_\_\_\_

## **ADDITIONAL SURFACE OWNERS**

David and Sandra Zink  
1400 Truman  
Great Bend, KS 67530

**ASSIGNMENT AND BILL OF SALE**

STATE OF KANSAS                           §  
    §  
 COUNTY OF RICE                         §        KNOW ALL MEN BY THESE PRESENTS:

THIS ASSIGNMENT AND BILL OF SALE (“*Assignment*”), dated as of August 1, 2018, and made effective as of the Effective Time, is by and between SAMUEL GARY JR. & ASSOCIATES, INC., a Colorado Corporation, whose address is 1515 Wynkoop Street, Suite 700, Denver, Colorado 80202 (“*Assignor*”), and RJM Oil Company., Inc., whose address is P.O. Box 256, Claflin, KS 67525 (“*Assignee*”). Assignor and Assignee may be referred to individually as a “*Party*” or collectively as the “*Parties*.”

For and in consideration of One Hundred Dollars (\$100), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor does hereby SELL, ASSIGN, TRANSFER, CONVEY AND SET OVER unto the Assignee all of Assignor’s right, title and interest, whether present, contingent, or reversionary, in and to the following described assets (the “*Assets*”):

1.       the undivided working interests and attributable net revenue interests owned by Assignor in and to the oil and gas leasehold estates described in **Exhibit A** (collectively, the “*Leases*”), and the oil, gas, gas liquids and all other hydrocarbons and non-hydrocarbons (collectively, the “*Hydrocarbons*”) attributable to or produced from the Leases and the lands covered thereby or the lands pooled, unitized, or communitized therewith (collectively, the “*Lands*”), all fee surface and mineral interests in the Lands, if any, and all contract rights and interests associated with the Leases, Hydrocarbons, and Lands including all other right, title and interest of Assignor in and to the Leases, Hydrocarbons, and Lands;

2.       the undivided working interests and attributable net revenue interests owned by the Assignor in and to the oil, gas, water, monitoring, disposal and injection wells located on the Leases and Lands whether producing, operating, permanently abandoned, shut-in or temporarily abandoned, including the wells described in **Exhibit B** (collectively, the “*Wells*”), and the facilities associated or used in connection with the Wells, including production units, flow lines and compression facilities, and all real property, tangible personal property, equipment, fixtures, improvements, permits, rights-of-way, easements and other rights to use the surface used or held for use in connection with the exploration, drilling for, production, gathering, treatment, handling, processing, storing, transporting, sale, or disposal of Hydrocarbons or water produced from the properties and interests described in paragraphs 1. and 2. above, and all equipment installed, or in the process of being installed, (collectively, the “*Property*”) on the Assets;

3.       all royalty agreements, assignments, joint and other operating agreements, joint exploration agreements and other contracts, agreements and rights used, or held for use, in connection with the ownership or operation of the Assets, (collectively, the “*Contracts*”);

4.       all records and files in Assignor’s possession directly related to the Assets (collectively, the “*Records*”) including, without limitation: (i) leases, assignments, contracts, rights-of-way, surveys, maps, plats, correspondence, and other documents and instruments; (ii) division of interest, suspended funds data, and accounting records (excluding Assignor’s state and federal income tax information); (iii) severance, production and property tax records; (iv) well files, logs, operating and maintenance records; (v) geological and engineering data and reports; (vi) 3-D maps and cutout covering the SE/4 of Sec 34-18-10. The Records specifically exclude the Excluded Assets described below.

Notwithstanding anything to the contrary, Assignor hereby expressly LESS AND EXCEPTS and excludes from the Assets and from this Assignment, the following (the “*Excluded Assets*”):

- a)       any accounts payable or receivable accruing before the Effective Time;
- b)       any documents related to the process of selling the Assets;

- c) all corporate, financial, income tax, and legal (other than title) records of Assignor that relate to Assignor's business generally;
- d) all Hydrocarbons from or attributable to the Assets with respect to all periods prior to the Effective Time, and all net proceeds attributable thereto;
- e) the undivided working interests and attributable net revenue interests owned by the Assignor in and to the oil, gas, water, monitoring, disposal and injection wells located on the Leases and Lands previously plugged;
- f) all claims for refunds of Assignors' Taxes or other costs or expenses borne by Assignor or Assignor's predecessor's in interest and title attributable to periods prior to the Effective Time;
- g) all documents and instruments of Assignor or any Assignor's Affiliates that are (1) subject to legal privilege (such as the attorney-client privilege or work product doctrine) other than title opinions, or un-Affiliated third-person contractual restrictions on disclosure or transfer, (2) personnel information, (3) income tax information, other than with respect to tax partnerships covering the Assets, and (4) records relating to the sale of the Assets, including proposals, and information relating to litigation and claims retained by Assignor received from and records of negotiations with third persons and economic analyses associated therewith;
- h) Assignor's bonds, permits and licenses or other permits, licenses or authorizations used in the conduct of Assignor's business generally;
- i) any refunds due Assignor by a third party attributable to the Assets with respect to any period of time prior to the Effective Time;
- j) the files, records and data maintained by Assignor and relating to the interests described in paragraphs a) through e); and
- k) all rights, claims, and causes of action (including warranty and similar claims, indemnity claims, and defenses) whether arising before, on, or after the Effective Time to the extent such rights, claims, and causes of action relate to any of the Excluded Assets.

TO HAVE AND TO HOLD the Assets unto Assignee, its successors and assigns, forever, subject to the following terms and conditions:

1. Effective Time. The purchase and sale of the Assets shall be effective as of August 1, 2018, at 7:00 a.m. Central Time ("Effective Time") (also referred to herein as "**Effective Date**").

2. Subrogation. To the extent permitted by law, Assignee shall be and is subrogated to Assignor's rights in and to all representations, warranties and covenants heretofore given or made by Assignor's predecessors in title with respect to Assignor's title to the Assets. Assignor hereby grants and transfers to Assignee, its successors and assigns, to the extent so transferable and permitted by Law, Assignor's benefit of and right to enforce the covenants, representations and warranties, if any, which such Assignor is entitled to enforce with respect to the Assets.

3. Warranty. This Assignment is made WITHOUT WARRANTY OF TITLE, EXPRESS OR IMPLIED, EXCEPT that Assignor will warrant title against all persons claiming by, through and under Assignors own acts but not otherwise.

4. Disclaimer. Notwithstanding anything to the contrary, the Wells and the Equipment are assigned hereunder AS IS, WHERE IS, WITH ALL FAULTS AND WITHOUT RECOURSE. EXCEPT AS OTHERWISE SET FORTH IN THIS ASSIGNMENT. ASSIGNOR HEREBY EXPRESSLY DISCLAIMS AND NEGATES ANY REPRESENTATION, COVENANT OR WARRANTY, EXPRESS OR IMPLIED, AT COMMON LAW, BY STATUTE OR OTHERWISE, RELATING TO THE CONDITION OF THE ASSETS INCLUDING (i) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE; (ii) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS; (iii) ANY RIGHTS OF

ASSIGNEE UNDER APPLICABLE STATUTES TO CLAIM DIMINUTION OF CONSIDERATION OR RETURN OF THE PURCHASE PRICE; (iv) ANY CLAIM BY ASSIGNEE FOR DAMAGES BECAUSE OF DEFECTS OR OTHER VICES, WHETHER KNOWN OR UNKNOWN; (v) ANY IMPLIED OR EXPRESS WARRANTY OF FREEDOM FROM PATENT OR TRADEMARK INFRINGEMENT OR INFRINGEMENT OF ANY OTHER INTELLECTUAL PROPERTY RIGHT; (vi) ANY IMPLIED OR EXPRESS WARRANTY REGARDING ENVIRONMENTAL LAWS, THE RELEASE OF MATERIALS INTO THE ENVIRONMENT INCLUDING, WITHOUT LIMITATION, NATURALLY OCCURRING RADIOACTIVE MATERIAL ("NORM") OR ASBESTOS, OR PROTECTION OF THE ENVIRONMENT OR HEALTH; OR (vii) ANY IMPLIED OR EXPRESS WARRANTY REGARDING TITLE TO ANY OF THE PROPERTIES, EXCEPT AS OTHERWISE SET FORTH IN PARAGRAPH 3 ABOVE. IT IS THE EXPRESS INTENTION OF ASSIGNEE AND ASSIGNOR THAT, EXCEPT AS OTHERWISE SET FORTH IN THIS ASSIGNMENT, THE PROPERTIES ARE BEING CONVEYED TO ASSIGNEE "AS IS, WHERE IS" WITH ALL FAULTS, AND IN THEIR PRESENT CONDITION AND STATE OF REPAIR. ASSIGNEE REPRESENTS TO ASSIGNOR THAT AS OF CLOSING, ASSIGNEE WILL HAVE BEEN GIVEN THE OPPORTUNITY TO MAKE OR CAUSE TO BE MADE AND SHALL HAVE MADE SUCH INSPECTIONS AS ASSIGNEE DEEMS NECESSARY OR APPROPRIATE. Any covenants or warranties implied by statute or law for the use of the words "sell," "assign," "transfer," "convey," or other words of grant are hereby expressly waived and disclaimed by the Parties hereto. Assignor and Assignee hereby agree that, to the extent required by applicable law, the disclaimers contained in this Assignment are "conspicuous" for the purposes of such applicable law, rule, regulation or order.

5. Additional Disclaimer - EXCEPT AS OTHERWISE SET FORTH IN THIS ASSIGNMENT, ASSIGNOR HEREBY EXPRESSLY NEGATES AND DISCLAIMS, AND ASSIGNEE HEREBY WAIVES AND ACKNOWLEDGES THAT ASSIGNOR HAS NOT MADE ANY WARRANTY, REPRESENTATION, OR COVENANT, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OR MATERIALITY OF ANY FILES, RECORDS, DATA, INFORMATION, OR MATERIALS (WRITTEN OR ORAL) HERETOFORE OR HEREAFTER FURNISHED TO ASSIGNEE IN CONNECTION WITH THE ASSETS, OR AS TO THE QUALITY OR QUANTITY OF HYDROCARBON RESERVES (IF ANY) ATTRIBUTABLE TO THE ASSETS OR THE ABILITY OF THE ASSETS TO PRODUCE HYDROCARBONS. ANY AND ALL SUCH FILES, RECORDS, DATA, INFORMATION, AND OTHER MATERIALS FURNISHED BY ASSIGNOR ARE PROVIDED TO ASSIGNEE AS A CONVENIENCE AND ANY RELIANCE ON OR USE OF THE SAME WILL BE AT ASSIGNEE'S SOLE RISK.

6. Further Assurances. Upon request by Assignee hereafter, Assignor agrees to execute, acknowledge and deliver to Assignee, so long as authorized by applicable law to do so, any additional conveyances, instruments, notices, division orders, transfer orders, authorizations, agencies, consents, documents requested by purchasers of productions, agencies of the government or other parties and to do any other acts and things which may be necessary to effectuate the purposes of this Assignment.

7. Environmental Representations. Assignor represents to Assignee that, to the best of Assignor's knowledge:

- a. Assignor has not entered into any order, writ, decree, judgment, license, permit, variance, waiver, certificate, or other directives of any kind with any governmental authority based on any prior violations of environmental laws that relate to the future use of any of the Assets or that require any remediation;
- b. the Assets have been operated in compliance in all material respects with applicable environmental laws and all licenses, permits, variances, waivers, and certificates from any governmental authority;
- c. Assignor has not received any written notice of any claims, demands, suits, investigations, requests for information, orders, or proceedings pending or threatened under environmental law against any Assignor with respect to the Assets or their ownership or operation thereof, which remains unresolved;

d. there has been no release of any hazardous substances from the Assets that could reasonably be expected to result in a material liability, losses, or remediation obligation under environmental laws; and

e. Except as permitted under applicable laws (including environmental laws), Assignor has not disposed of any hazardous substances generated on the Assets, or used on the Assets, at sites off of the Assets.

8. Assumption. Upon execution and delivery of this Assignment, Assignee hereby assumes and agrees to pay, perform and discharge all duties, obligations, risks and liabilities arising in connection with or related to the Assets pursuant to the terms and conditions of the Leases, and the Assigned Contracts, and shall assume and be responsible for and comply with all duties and obligations of Assignor, express or implied, with respect to the interests conveyed herein, including, without limitation, those arising under or by virtue of any lease, contract, agreement, document, permit, applicable statute or rule, regulation or order of any governmental authority, specifically including without limitation, any governmental request or requirement to plug and abandon any well of whatsoever type, status or classification, or take any clean-up or other action with respect to the Property and (ii) defend, indemnify and hold Assignor harmless from any and all claims arising in connection therewith in accordance with Paragraph 8 of this Assignment from and after the Effective Date.

9. Indemnity. Upon execution and delivery of this Assignment, Assignee shall assume all responsibility for the Assets and agrees and covenants to protect, defend, release, indemnify and save Assignor, its shareholders, directors, officers, employees, agents, successors and assigns harmless from and against any and all costs (including court costs and attorney fees), claims, demands judgments, causes of action and other liability of whatever kind arising out of or incident to all environmental issues arising in relation to said Property, in addition to the plugging, abandonment and location restoration of the Properties regardless of whether that cost, claim, demand, judgment, cause of action or other liability occurred before or after the Effective Date.

a. Acceptance of Environmental Condition UPON CLOSING, ASSIGNEE AGREES TO ACCEPT THE ENVIRONMENTAL CONDITION OF THE PROPERTIES, INCLUDING, BUT NOT LIMITED TO COSTS TO CLEAN UP OR REMEDIATE; AND ASSIGNEE HEREBY AGREES TO RELEASE ASSIGNOR FROM ANY AND ALL LIABILITY AND RESPONSIBILITY THEREFORE AND AGREES TO INDEMNIFY, DEFEND, AND HOLD ASSIGNOR HARMLESS FROM ANY AND ALL CLAIMS, CAUSES OF ACTION, FINES, EXPENSES, COSTS, LOSSES, AND LIABILITIES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEY'S FEES AND COSTS) IN CONNECTION WITH THE ENVIRONMENTAL CONDITION OR ANY FAILURE TO PROPERLY REMEDIATE THE CONDITION OF THE PROPERTIES BY ASSIGNOR OR THE OPERATOR OF THE PROPERTIES. ASSIGNEE ACKNOWLEDGES AND AFFIRMS THAT THE PROPERTIES HAVE BEEN UTILIZED FOR THE PURPOSE OF EXPLORATION, PRODUCTION, AND DEVELOPMENT OF OIL AND GAS, AND THAT, AT CLOSING, THE PROPERTIES WILL BE ACQUIRED IN THEIR "AS IS, WHERE IS" ENVIRONMENTAL CONDITION. ASSIGNEE HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF THE PHYSICAL AND ENVIRONMENTAL CONDITION OF THE PROPERTIES, TO THE EXTENT ASSIGNEE DEEMS NECESSARY OR APPROPRIATE.

b. NORM – Assignee acknowledges that the Properties have been used for exploration, development and production of oil, gas, and water and that there may be petroleum, produced water, wastes, or other materials located on, under, or associated with the Properties. Equipment and sites included in the Properties may contain NORM. NORM may affix or attach itself to the inside of wells, materials, and equipment as scale, or in other forms; the wells, materials, and equipment located on or included in the Properties may contain NORM and other wastes or hazardous substances/materials; and NORM containing material and other wastes or hazardous substances/materials may have been buried, come in contact with the soil, or



otherwise been disposed of on or around the Properties. Special procedures may be required for the remediation, removal, transportation, or disposal of wastes, asbestos, hazardous substances/materials, including hydrogen sulfide gas, and NORM from the Properties. From and after the Closing, Assignee will assume a proportionate working interest share of all responsibilities for the control, storage, handling, transporting and disposing of or discharge of all materials, substances and wastes from the Properties (including produced water, hydrogen sulfide gas, drilling fluids, NORM and other wastes), whether present before or after Closing, in a safe and prudent manner and in accordance with all applicable environmental laws;

- c. Indemnification by Assignee – Assignee shall defend, indemnify and hold Assignor harmless from any and all claims in favor of any person for personal injury, death or damage to Assets or for any other claims arising directly or indirectly from, or incident to the use, occupation, operation or maintenance of any of the interests conveyed herein, from and after the Effective Date hereof.
- d. Assignee will further indemnify, defend, and hold Assignor, its shareholders, directors, officers, employees, agents, successors, and assigns harmless from and against any and all other claims, demands, suits, causes of action, judgments, losses, damages, liabilities, fines, penalties, and costs (including but not limited to attorney fees and costs of litigation) relating to or affecting the Properties or the Assets from and after the Effective Date of this Assignment.

10. Settlement Statement. Assignor shall be responsible for all expenses billed to the joint account prior to the Effective Date and Assignee shall be responsible for all expenses incurred from and after the Effective Date. Assignor shall be entitled to proceeds from production prior to the Effective Date, and Assignee shall be entitled to proceeds from production from and after the Effective Date.

Assignor will present to Assignee a Final Settlement Statement one business day (1) prior to closing identifying. All adjustments to the purchase price will be based on the best information then available using reasonable and good faith estimates.

11. Governmental Forms. Assignor or Assignee may execute separate governmental form assignments of the Assets on officially approved forms, in sufficient counterparts to satisfy applicable statutory and regulatory requirements. Those assignments shall be deemed to contain all of the exceptions, reservations, warranties, rights, titles, power and privileges set forth herein as fully as though they were set forth in each such assignment. The interests conveyed by such separate assignments are the same, and not in addition to, the Assets conveyed herein.

12. Descriptions and Omissions. It is the intent of Assignor to convey and this Assignment hereby conveys to Assignee subject to the reservations and conditions herein contained, all of Assignor's right, title and interest on the Effective Date hereof in and to the Assets, regardless of the omission of any lease or leases, errors in description, any incorrect or misspelled names or any transcribed or incorrect recording references.

13. Successors and Assigns. The provisions hereof shall be covenants running with the land and shall inure to the benefit of and be binding upon Assignor and Assignee, and their respective successors and assigns.

14. Governing Law. To the extent permitted by applicable law, this Assignment and the transactions contemplated hereby shall be construed in accordance with, and governed by, the laws of the State of Kansas without reference to the conflict of laws principles thereof that would require the application of the laws of another jurisdiction.

15. Exhibits. All exhibits attached hereto are hereby made 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 are to the appropriate records of the counties in which the Assets are located.

*[Signature and acknowledgement page follows.]*

IN WITNESS WHEREOF, the Assignor and Assignee hereby execute this Assignment and Bill of Sale as of the dates indicated below, but made effective as of the Effective Time.

**ASSIGNOR:**

SAMUEL GARY JR. &  
ASSOCIATES, INC.



\_\_\_\_\_  
Samuel Gary Jr., President

**WITNESSES:**

Molly C. Grendson  
Miller

**ASSIGNEE:**

RJM Oil Company, INC.

**WITNESSES:**

Robin McCarty  
Paul Miller



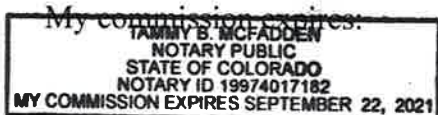
\_\_\_\_\_  
William J. Miller, Authorized Officer

**ACKNOWLEDGMENTS**

STATE OF COLORADO §  
  §  
COUNTY OF Denver §

This instrument was acknowledged before me on this 31<sup>st</sup> day of July, 2018, by Samuel Gary Jr., as President of Samuel Gary Jr. & Associates, Inc., a Colorado Corporation, on behalf of said company.

Tammy B. McFadden  
Notary Public in and for the State of Colorado



(SEAL)

STATE OF KANSAS §  
  §  
COUNTY OF Barton §

This instrument was acknowledged before me on this 2 day of Aug, 2018, by William J. Miller, as Authorized Officer of RJM Oil Company, Inc., on behalf of said company.

Bonnie Jeffrey  
Notary Public in and for the State of Kansas

My commission expires:



(SEAL)

**Exhibit A**

To that certain Assignment and Bill of Sale Agreement dated effective August 1, 2018 by and between Samuel Gary Jr. & Associates, Inc. ("Assignor") and RJM Oil Company, Inc. ("Assignee").  
Rice County, KS

Lease No.	Tract	Lessor	Lessee	County	Lease Date	Twn	Rng	Sec	Legal Description	Book	Page	Gross Acres	Net Acres	Lease NRI	Property
KS1454A	1	DAVID A ZINK ET UX	SAMUEL GARY JR. &	RICE	11/21/2005	18S	10W	34	SE	141	964	160.0000	160.0000	0.8025	ZINK 1-34
KS1454B	1	DENNIS ZINK ET UX	SAMUEL GARY JR. & ASSOCIATES, INC.	RICE	11/21/2005	18S	10W	34	SE	141	961	160.0000	160.0000	0.8025 0.8125	ZINK 2-34 ZINK 3-34

**Exhibit B**

To that certain Assignment and Bill of Sale Agreement dated effective August 1, 2018 by and between Samuel Gary Jr. & Associates, Inc. (“Assignor”) and RJM Oil Company Inc. (“Assignee”).

Rice County, KS

<b>Well Name</b>	<b>County</b>	<b>State</b>	<b>API Number</b>	<b>TWP</b>	<b>RNG</b>	<b>SEC</b>	<b>Description</b>	<b>WI</b>	<b>NRI</b>
ZINK 1-34	Rice	KS	15-159-22503-0000	18S	10W	34	S2 S2 SE	100.00%	80.250%
ZINK 2-34	Rice	KS	15-159-22530-0000	18S	10W	34	N2 S2 SE	100.00%	80.250%
ZINK 3-34	Rice	KS	15-159-22537-0000	18S	10W	34	SE NW SE SE	100.00%	81.250%