KOLAR Document ID: 1421349

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: | MUST be submitted with this form. |
|---|--|
| Oil Lease: No. of Oil Wells** | Effective Date of Transfer: |
| Gas Lease: No. of Gas Wells** | KS Dept of Revenue Lease No.: |
| Gas Gathering System: | · · |
| Saltwater Disposal Well - Permit No.: | |
| Spot Location: feet from N / feet from E / | Legal Description of Lease. |
| Enhanced Recovery Project Permit No.: | |
| Entire Project: Yes No | County: |
| Number of Injection Wells ** | Production Zone(s): |
| Field Name: | \ \frac{\frac}\fint}}}}{\frac}\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac}}}}}}}}{\frac}\frac{\frac{\frac{\frac{\frac}}}}}}}{\firan{\frac{\frac{\frac{\frac{\frac}}}}}{\frac{\f{ |
| ** Side Two Must Be Completed. | Injection Zone(s): |
| Surface Pit Permit No.: | feet from N / S Line of Section feet from E / W Line of Section ettling Haul-Off Workover Drilling |
| Past Operator's License No. | Contact Person: |
| Past Operator's Name & Address: | Phone: |
| | Date: |
| Title: | Signature: |
| New Operator's License No. | Contact Person: |
| New Operator's Name & Address: | Phone: |
| | Oil / Gas Purchaser: |
| | Date: |
| Title: | Signature: |
| | sfer of injection authorization, surface pit permit # has been sas Corporation Commission. This acknowledgment of transfer pertains to Kansas Corporation p interest in the above injection well(s) or pit permit. |
| is ack | nowledged as is acknowledged as |
| the new operator and may continue to inject fluids as a | authorized by the new operator of the above named lease containing the surface pit |
| Permit No.: Recommended action: | permitted by No.: |
| Date: | Date: |
| Authorized Signature | Authorized Signature |
| DISTRICT EPR | PRODUCTION UIC |

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Side Two

Must Be Filed For All Wells

| * Lease Name: | | | * Location: | | |
|---------------|------------------------------|---|--------------------------|-----------------------------------|--------------------------------------|
| Well No. | API No. (YR DRLD/PRE '67) | Footage from Secti (i.e. FSL = Feet from S | on Line | Type of Well (Oil/Gas/INJ/WSW) | Well Status (PROD/TA'D/Abandoned) |
| | | Circle FSL/FNL | <i>Circle</i> FEL/FWL | | |
| | · - | FSL/FNL | FEL/FWL | | |
| | | FSL/FNL | FEL/FWL | | |
| | | FSL/FNL | FEL/FWL | | |
| | | FSL/FNL | FEL/FWL | | |
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| | | I JL/FINL | LL/ VVL | | |

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.

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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 (C | athodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application) | | |
|--|--|--|--|
| OPERATOR: License # | Well Location: | | |
| Name: | SecTwpS. R East | | |
| Address 1: | County: | | |
| Address 2: | Lease Name: Well #: | | |
| City: State: Zip:+ | If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below: | | |
| Contact Person: Fax: () | | | |
| Email Address: | | | |
| Surface Owner Information: | | | |
| Name: | When filing a Form T-1 involving multiple surface owners, attach an additional | | |
| Address 1: | 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 | | |
| Address 2: | county, and in the real estate property tax records of the county treasurer. | | |
| City: State: Zip:+ | | | |
| the KCC with a plat showing the predicted locations of lease roads, tank | lic Protection Borehole Intent), you must supply the surface owners and batteries, pipelines, and electrical lines. The locations shown on the plat the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. | | |
| owner(s) of the land upon which the subject well is or will be lo | ct (House Bill 2032), I have provided the following to the surface cated: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form eing filed is a Form C-1 or Form CB-1, the plat(s) required by this ad email address. | | |
| KCC will be required to send this information to the surface own | eknowledge that, because I have not provided this information, the ner(s). To mitigate the additional cost of the KCC performing this of the surface owner by filling out the top section of this form and CC, which is enclosed with this form. | | |
| If choosing the second option, submit payment of the \$30.00 handling to form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 | fee with this form. If the fee is not received with this form, the KSONA-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: | | |

FARMOUT AGREEMENT

THIS FARMOUT AGREEMENT (this "Agreement"), dated July 16th, 2018 (the "Execution Date"), is by and between SNR KANSAS OPERATING, LLC, an Oklahoma limited liability company ("Farmee"), and MLT ENERGY, LLC, a Kansas limited liability company ("Farmor"). Farmee and Farmor are sometimes referred to herein collectively as the "Parties", and individually as a "Party".

RECITALS

- A. Farmor has the right to explore for, develop and produce oil, gas and/or other liquid and gaseous hydrocarbons ("Hydrocarbons") in Cowley County, Kansas, pursuant to certain leases, which leases are more specifically described on Exhibit A attached hereto and made a part hereof (collectively, the "Leases", and the lands subject to such Leases, the "Farmout Lands"). The Leases shall also include any additional rights to explore for, develop and produce Hydrocarbons acquired by Farmor during the term of this Agreement within the area identified on the map attached hereto as Exhibit B (and the Farmout Lands shall also include all lands subject to such additional Leases and all lands pooled or unitized therewith).
- B. Farmor desires to farmout to Farmee, and Farmee desires to farmin from Farmor, Farmor's interests in and to the Leases at all depths, all in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the premises, the terms and provisions set forth herein, the mutual benefits to be derived from the performance thereof and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Parties agree as follows:

- 1. <u>Certain Definitions</u>. Capitalized terms used herein shall have the meanings set forth in this Section 1, unless the context otherwise requires.
 - "Affiliate" means, with respect to any Party, a person or entity that, directly or indirectly, controls, is controlled by, or is under common control with such Party, with "control" in such context meaning the ability to direct the management or policies of a person or entity through ownership of voting shares or other securities, pursuant to a written agreement, or otherwise.
 - "Completion" means, with respect to a Farmout Well, setting casing in the wellbore of such Farmout Well and equipping such Farmout Well for production.
 - "Drilling Unit" means, with respect to any Farmout Well, the greater of the maximum spacing unit for such Farmout Well prescribed by applicable law or the forty (40) acre tract on which such Farmout Well is drilled.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized representatives as of the date first written above.

FARMOR:

MLT ENERGY, LLC

Name Troy Phillips_

Title: Member

Name: Joe Craig

Title: Member_

FARMEE:

SNR KANSAS OPERATING, LLC

Jack McClendon,

\$89.00 Biddle Brothers, LLC 8539 202nd Rd Winfield, Ks 67156 Filed at Request of Filer

OIL AND GAS LEASE

THIS AGREEMENT, entered into this 1st day of February 2018, between Roger D. Bolander, 18511 151st Rd, Winfield, KS 67156; Michael Shane and Melissa Sue Henderson, 15776 182nd Rd, Winfield, KS 67156, hereinafter called Lessor(s), and MLT Energy, LLC, 112 SW 7th Street, Suite 3C, Topeka, KS 66603, hereinafter called lessee, does witness:

1. That Lessor(s), for and in consideration of the sum of Ten and More Dollar (\$10.00) in hand paid and the covenants and agreements hereinafter contained to be performed by the lessee, has this day granted, leased, and let and by these presents does herby grant, lease, and let exclusively unto the lessee the hereinafter (described land, with any reversionary rights therein, and with the right to unitize this lease or any part thereof with other oil and gas leases as to all or any part of the lands covered thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including bore drilling and the drilling mining and operating for producing and saving the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors and all other gases found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata, and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of Cowley, State of Kansas, and described as follows:

S33-T32S-R05E, PT SE1/4: BEG @ NW COR SE1/4, S381, E2001.2, N348, E TO CO RD, N 33, W TO POB, CONTAINING 17.8 ACRES

S33-T32S-R05E, W1/2-SE1/4 EXC N381 & EXC BEG S/W COR, E531, N327, W266, N331, W265, S TO POB & EXC BEG SE COR, W19 0, N368.55, W106.08, N1921.8, CONTAINING 50.6 ACRES

- 2. This lease shall remain in force for a term of 1 year (called "primary term") and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease can be produced at economic conditions. If lease cannot be operated at economic conditions, Lessee will notify Lessor(s) of economic hurdles encountered and negotiate fair and reasonable methods to extend this lease.
- 3. The lessee shall deliver to Lessor(s) as royalty, free of cost, on the lease, or into the pipe line to which lessee may connect its wells the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or at the lessee's option may pay to the Lessor(s) for such one-eighth (1/8) royalty the market price at the wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipe line or into storage tanks. Michael Shane and Melissa Sue Henderson shall be entitled to their proportionate share of this one-eighth (1/8) royalty at 73.9766% and Roger D. Bolander shall be entitled to his proportionate share of this one-eighth (1/8) royalty as 26.0234% for the combined leasehold.
- 4. The lessee shall pay to the Lessor(s), as a royalty, one-eighth (1/8) of the proceeds received by the lessee from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased. If such gas is not sold by the lessee, lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to one dollar per net mineral acre, and while shut in said royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas. Michael Shane and Melissa Sue Henderson shall be entitled to their proportionate share of this one-eighth (1/8) royalty at 73.9766% and Roger D. Bolander shall be entitled to his proportionate share of this one-eighth (1/8) royalty as 26.0234% for the combined leasehold.

000386

Cowley County, KS Register of Deeds Toni A. Long

Book: 1012 Page: 433-437

Date Recorded: 2/2/2018 10:30:27 AM

Receipt #: 61182 Pages Recorded: 5

Total Fees: \$89.00

Compared_

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