

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: _____

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS THAT, the undersigned, VAL Energy, Inc., and its assigns, whose mailing address is 125 N. Market, Suite 1110, Wichita, Kansas 67202 (herein called "Seller") for and in consideration of Ten Dollars (\$10.00), and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, do hereby grant bargain, sell, and deliver, subject to the terms and conditions set out below, unto Allam Production Inc, whose mailing address is P.O. Box 2325, Hutchinson, Kansas 67543 (herein called "Buyer"), the following:

All of Seller's right, title and interest in and to the wellbore and casing associated therewith on the Brakebill 2 located in Section 17, Township 26 South, Range 4 West and the Hilger 1 Wellbore located in Section 17, Township 26 South, Range 4 West, Reno County, Kansas, which said wellbores are hereinafter collectively referred to as the "Wells"; with the understanding and agreement that the well sites will be the responsibility of the "Buyer" and "Buyer" agrees to plug the wellbores and backfill, level and restore any surface alterations upon abandonment.

Buyer, in consideration of the mutual benefits to be derived hereunder by its acceptance hereof, understands and agrees to the following terms and conditions:

Buyer hereby agrees that it has inspected the Wells sold and purchased herein and that it accepts the same in their present condition. Buyer hereby agrees to hold Seller harmless and hereby indemnifies Seller from any and all costs, expenses, loss or liability, claims and suits, including reasonable attorney fees, arising out of or in any way connected with Buyer's use, maintenance, ownership, plugging, abandonment, and salvage of the wellbores from and after the effective date hereof.

Buyer hereby agrees to assume all responsibility for the Wells, plugging requirements or exceptions thereto, including bonding requirements, in and on said Wells, from and after the effective date of this Bill of Sale. Buyer agrees to comply with all laws, ordinances, rules and regulations, federal, state and municipal, with respect to the abandonment of the Wells sold herein.

THIS SALE AND PURCHASE IS MADE WITH THE EXPRESS UNDERSTANDING THAT THERE IS NO EXPRESS OR IMPLIED WARRANTY THAT THE WELLS SHALL BE MERCHANTABLE, NOR ANY EXPRESS OR IMPLIED WARRANTY THAT THE WELLS SHALL BE FIT FOR ANY PARTICULAR PURPOSE. BUYER ACKNOWLEDGES THAT IT IS NOT RELYING ON SELLER'S SKILL OR JUDGEMENT TO SELECT OR FURNISH WELLS SUITABLE FOR ANY PARTICULAR PURPOSE AND THAT THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF. THE WELLS SOLD HEREIN HAVE BEEN PURCHASED BY BUYER "AS IS", "WHERE IS" AND "WITH ALL FAULTS" AND BUYER ACKNOWLEDGES THAT NO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, CONDITION OR SAFETY OF THE WELLS, OR COMPLIANCE WITH REGULATORY AND ENVIRONMENTAL REQUIREMENTS OR OTHERWISE SHALL BE IMPLIED BY THIS SALE AND PURCHASE. Buyer has inspected the Wells and premises, and satisfied itself as to their physical and environmental condition both surface and subsurface, and Buyer shall accept the Wells in its "AS IS, WHERE IS" condition and state of repair and with all faults and defects, including, but not limited to, the presence of naturally occurring radioactive material (NORM).

If this sale and purchase is ever determined to be taxable, Buyer agrees to be solely responsible for any and all sales taxes, penalties or interest due and Buyer shall remit such to the proper authority.

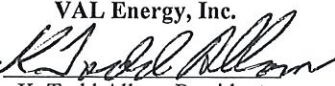
TO HAVE AND TO HOLD unto said Buyer, its successors and assigns, the herein listed Wells and equipment, in accordance with the terms, covenants and conditions as set out herein, without warranty, either express or implied, except the warranties, covenants and agreements specifically set forth herein.

This Bill of Sale shall be effective on and from 12:01 a.m. August 1, 2018.

IN WITNESS WHEREOF, this Bill of Sale is executed this 15th day of October, 2018.

"SELLER"

"BUYER"

VAL Energy, Inc.
By: 
K. Todd Allam, President

Allam Production Inc
BY: 
William Robert Allam, President