

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 _____

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Form KSONA-1

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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: _____

AGREEMENT FOR PURCHASE OF OIL AND GAS LEASE

THIS AGREEMENT is made and entered into this 17TH day of November, 2018, by and between BLUE TOP ENERGY LLC, hereinafter referred to as "Seller", and 36 OIL LLC, hereinafter referred to as "Purchaser".

FOR AND IN CONSIDERATION of the full and complete payment of the purchase price for the following described oil and gas lease, the mutual promises and agreements herein set forth, the parties agree as follows:

1. Seller agrees to sell and Purchaser agrees to purchase the Seller's entire working interest of the net revenue interest in and to the following described oil and gas leases, to-wit:

SARGENT LEASE (75% NRI):

An oil and gas lease dated April 22, 2003, from Henry M. and Theresa D. Jesseph, wife and husband, and Gary Bridges and Waunita F. Bridges husband and wife, as Lessors to Heat Can Oil, LLC., a Kansas corporation, as Lessee, recorded in Book of Miscellaneous at Pages in the office of the Register of Deeds of Wilson County, Kansas, covering the following described real estate: The West Half (W 1/2) of the Northeast Quarter (NE 1/4) Section Thirty-six (36), Township Twenty-seven (27) South, Range Sixteen (16) East and containing 80 acres more or less;

A. HAUSER LEASE (87.5% NRI):

Oil and Gas Lease dated March 23, 2008, from Alan L. Hauser and DeAnn Hauser, husband and wife, Ann E. Hauser, a single person, Donald E. Hauser and LuAnn Hauser, husband and wife, and David J. Hauser, a single person as lessors, to Great American Energy, Inc., as lessee, covering the said NE/4 of the SE/4 and the SE/4 of the NE/4 all in Section 13, Township 26S, Range 18E, Allen County, Kansas filed in the office of Register of Deeds for Allen County, Kansas in Book 2008 at page 0661;

G. HAUSER LEASE (87.5% NRI):

Oil and Gas Lease dated March 23, 2008, from Alan L. Hauser and DeAnn Hauser, husband and wife, Ann E. Hauser, a single person, Donald E. Hauser and LuAnn Hauser, husband and wife, and David J. Hauser, a single person as lessors, to Great American Energy, Inc., as lessee, covering the said SW/4 of the NW/4 and the W/2 of the SW/4 less a 20-acre parcel with house, all in Section 18, Township 26S, Range 19E, Allen County, Kansas filed in the office of Register of Deeds for Allen County, Kansas in Book 2008 at page 0661;

EDITH LARSON LEASE (81.25% NRI):

An oil and gas lease dated May 20, 1981, from Edith G. Larson as lessor, to Mainline USA, Inc. as lessee, covering said SE/4 of the SE/4 of Section 13,

Township 26S, Range 18 East, Allen County, Kansas, filed in the office of the Register of Deeds for Allen County, Kansas in Book M-101 at page 404.

3. The purchase price of the above described oil and gas lease shall be ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000.00) payable in full within SEVEN (7) days of signing of this agreement at closing, in addition to any unpaid and outstanding balance for services rendered in favor of Seller up and until the date of this agreement. Proceeds from oil sales up and until the date of closing shall belong to Seller.

4. Seller warrants title to the above described oil and gas lease, free and clear of any liens, charges or encumbrances. Seller does not warrant the condition of the lease which shall be sold, AS IS, in their present existing condition. The Purchaser acknowledges that it has had the opportunity to inspect the lease described herein and is purchasing the same without reliance upon any expressions or representations of the Seller.

5. It shall be Purchaser's responsibility and expense to conduct any title examination prior to closing if it deems necessary to identify marketable title to the above described lease. If Purchaser has objections to the title, it shall notify the Seller in writing who shall then cure said objections at Seller's expense. If marketable title cannot be obtained on this lease prior to closing, this agreement will become null and void.

6. This agreement shall be closed and possession delivered to Seller on November 1, 2018.

7. Purchaser shall have the right to all oil that is in storage tanks on date of closing and thereafter. Seller shall have the right to the entire oil check for the working interest from oil sold prior to date of closing. Seller shall have the electrical meter disconnected or assigned to the Purchaser prior to closing, and shall be responsible for the payment of electricity used prior to closing. Seller shall be responsible for all other expenses incurred on the lease up to date of closing and shall pay for all supplies and labor utilized on behalf of said oil and gas lease up to the date of closing that might form the basis of a mechanic's lien.

9. The terms and provisions of this agreement shall extend to and become binding upon the heirs, executors, administrators and assigns of the respective parties hereto.

[Signature Page to Follow]

IN WITNESS WHEREOF, Seller and Purchaser have executed this agreement the day and year first above written.

SELLER:
BLUE TOP ENERGY LLC

By: David Kahn
David Kahn

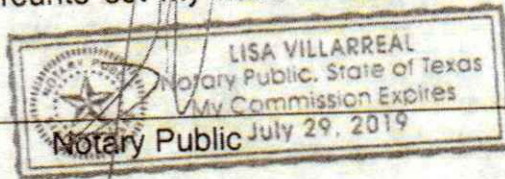
PURCHASER:
36 OIL LLC

By: Jonathan Freiden
Blue Star Energy LLC - Managing Member
Jonathan Freiden

STATE OF Texas, COUNTY OF Fr. Bend, SS: 574-21-7882

BE IT REMEMBERED, that on this 20th day of November 2018, before me, the undersigned, a Notary Public in and for the said county and state, came David Kahn on behalf of Blue Top Energy, LLC., to me personally known to be the same person who executed the foregoing instrument, and he duly acknowledged the execution of the same.

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



My appointment expires:

STATE OF _____, COUNTY OF _____, SS:

BE IT REMEMBERED, that on this _____ day of November, 2018 before me, the undersigned, a Notary Public in and for the said county and state, came Jonathan Freiden - 36 OIL LLC., to me personally known to be the same person who executed the foregoing instrument, and he duly acknowledged the execution of the same.

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

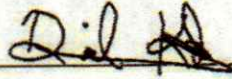
Notary Public

My appointment expires

contained herein has been provided to the undersigned Notaries by the parties subject to this assignment.

The effective date of this assignment is as of November 1, 2018 and applies to oil sales beginning November 1, 2018.

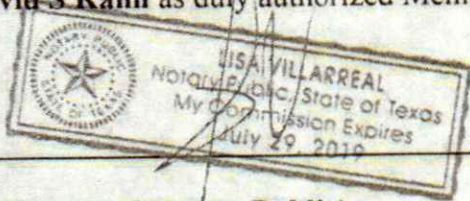
THUS DONE AND SIGNED in the presence of the undersigned and Notary Public on this 20th day of NOV, 2018



**David Kahn, Member,
Blue Top Energy LLC**

^{Texas DK}
STATE OF ~~KANSAS~~
COUNTY OF FR. BEND

This instrument was acknowledged before me on this 20 day of NOV, 2018 by **David S Kahn** as duly authorized Member of **Blue Top Energy, LLC**



(Signature of Notary Public)

NOTARY PUBLIC, STATE TX

Title (and Rank)

[My appointment expires: JULY 29¹⁹]

THUS DONE AND SIGNED in the presence of the undersigned and Notary Public on this _____ day of _____, 20____.

Assignee Initials DK
Assignor Initials T

Additional Surface Owner G. Sargeant Lease

Gary and Waunita Bridges

816 N. Steuben

Chanute, Kansas 66720



36 OIL LLC LEASE OPERATOR AGREEMENT

This OPERATOR AGREEMENT is made as of **December 4th, 2018** by and between the undersigned ENTITIES.


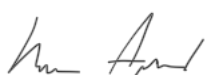
1. 36 Oil LLC Asset Owner

The undersigned hereby form a Limited Liability Company in, and in accordance with the laws of the State of Wyoming. The Company was formed by the filing of its Articles of Organization with the appropriate agency in the State of Wyoming in November of 2018.

2. Designated Operator of 36 Oil LLC Assets

The name the company is 36 OIL LLC formed as a Wyoming Registered LLC in NOVEMBER of 2018. The designated operator of the 36 Oil LLC ASSETS will be ACE ENERGY LLC a Kansas registered Oil and Gas Operator with a VALID LICENSE to operate oil leases in Kansas. 36 OIL LLC will be responsible for payment of ALL DIRECT OPERATING expenses.

36 Oil LLC reserves the right to change oil operators with a 30 day notice of the desire to change.

Company Name	Signature	Date
Ace Energy LLC		12/04/2018
36 Oil LLC		11/17/2018

ACE ENERGY LLC

30 South Gould Street Suite 7099
Phone: 307.278.7566 E-Mail: jfreiden@me.com