

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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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: _____

ASSIGNMENT, CONVEYANCE AND BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, LASSO HOLDING LLC, whose address is P.O. Box 465, Chase, KS 67524 (hereinafter called "Assignor"), for and in consideration of the sum of One Hundred Dollars (\$100.00) and other good and valuable consideration, the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer and set over unto KELSO OIL AND GAS INC whose address is 1119 South Main, P.O. Box 209, Chase, Kansas 67524-0209 (hereinafter called "Assignee"), as of the Effective Time, thirteen and one-third percent (13.33333333%) gross working interest of Assignor's right, title and interest in and to the following (all of which are called the "Assets"):

1. The oil and gas leases specifically described in Exhibit "A" (collectively, the "Leases"), together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith, including but not limited to the property, estates and rights described in paragraphs 2 through 4 below, and any and all right, title and interest in and to the oil, gas and all other hydrocarbons and other minerals, of whatever nature, in, on or under the lands covered by the Leases (the "Lands") and other hydrocarbons and products, whether liquid or gaseous, produced in association therewith ("Hydrocarbons") in, on or under the Leases and Lands and lands pooled or unitized therewith;

2. The oil and gas wells located on the Leases and Lands, or lands pooled or unitized therewith, including without limitation, the oil and gas wells specifically described in Exhibit "A", whether producing or non-producing and whether fully or properly described or not, (the "Wells"), all injection and disposal wells on the Leases or Lands, and all of the personal property, fixtures, improvements, permits, licenses, approvals, servitudes, rights-of-way and easements, surface leases and other surface rights (including, but not limited to, any wells, tanks, boilers, buildings, injection facilities, salt water disposal facilities, compression facilities, gathering systems, other appurtenances and facilities) located on or used in connection with or otherwise related to the exploration for or production, gathering, treatment, processing, storing, sale or disposal of Hydrocarbons or water produced from the Land and Leases.

3. The rights, to the extent transferable, in and to all existing and effective unitization and pooling agreements, declarations and orders, and the properties covered and the units created thereby, as well as all oil, gas, liquids, condensate, casinghead gas and natural gas sales, purchase, exchange, gathering, transportation and processing contracts, operating agreements, balancing agreements, joint venture agreements, partnership agreements, farmout agreements and other contracts, agreements and instruments to the extent that they relate to or affect any of Assignor's properties and interests described in Paragraphs 1 and 2 or the production of Hydrocarbons, if any, attributable to said properties and interests.

4. The files, records, data and information relating to the items described in Paragraphs 1 through 3, maintained by Assignor (the "Records"), but excluding the following: (i) all of Assignor's internal appraisals and interpretive data related to the Leases, Lands and Wells, (ii) all information and data under contractual restrictions on assignment, and (iii) all information subject to a privilege or confidentiality agreement.

5. Assignee shall assume its proportionate share of all costs and liabilities associated with the plugging and abandonment of any wells located on the premises. Plugging and abandonment shall be performed in accordance with the rules and regulations of any governmental governing body asserting jurisdiction over the lands on which said wells are located.

6. As to the Assignor's right, title, and interest in his proportionate share to all personal property and equipment located on the lands, Assignor makes no expressed or implied warranties or representations as to the quality, merchantability or fitness for Assignee's intended use, whatsoever. Assignee accepts said personal property and equipment conveyed hereby "as is", "where is", "with all faults", and in present condition and state of repair.

This assignment is made subject to all applicable operating agreements, contracts, dedications and agreements as well as its proportionate share of overriding royalty interests of record, if any.

To have and to hold unto the Assignee the interest as herein conveyed in the Land and Leases, subject to the terms and conditions of said leases.

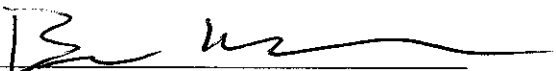
And for the same consideration, the Assignor covenants with the Assignee, its successors and assigns: That the Assignor is the lawful owner of and has good title to the interest above assigned in and to said Lands, Leases, and other property, estates and rights conveyed hereunder. That said leases are valid and subsisting leases on the land above described in Exhibit "A" attached hereto, and all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force have been duly performed.

This Assignment shall be effective as of 5:00pm February 1, 2019 (the "Effective Time").

EXECUTED this 25th day of January, 2019.

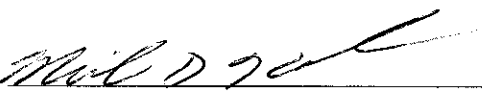
"ASSIGNOR"

LASSO HOLDING LLC
PO Box 465 – 1125 South Main
Chase, Kansas 67524

By: 
Printed: Bruce D. Kelso
Title: Manager
Date: January 25, 2019

"ASSIGNEE"

KELSO OIL AND GAS INC
P.O. Box 209 – 119 South Main
Chase, Kansas 67524-0209

By: 
Printed: Mike D. Kelso
Title: President
Date: January 25, 2019

STATE OF KANSAS)
)
COUNTY OF RICE) ss:

BE IT REMEMBERED that on this 25th day of January, 2019, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Bruce D. Kelso, Manager of Lasso Holding LLC, a limited liability company of the State of Kansas, to me personally known to be such officer and to be the same person who executed as such officer the foregoing instrument of writing on behalf of said limited liability company, and acknowledged the execution of the same for himself and for said limited liability company 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.



Notary Public

My appointment expires:



STATE OF KANSAS)
)
COUNTY OF RICE) ss:

BE IT REMEMBERED that on this 31st day of January, 2019, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Mike D. Kelso, President of Kelso Oil and Gas, Inc., a corporation of the State of Kansas, to me personally known to be such officer and to be the same person who executed as such officer the foregoing instrument of writing on behalf of said corporation, and 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.



Notary Public

My appointment expires:



EXHIBIT "A"

Attached to and made a part of that Assignment from LASSO HOLDING LLC, as Assignor, to KELSO OIL AND GAS INC, as Assignee, dated effective as of the Effective Time.

WELL

ASSOCIATED WELL NAME	STATE	COUNTY	WORKING INTEREST BEING ASSIGNED
HARLOW 3119 #1-28H	KS	COMANCHE	0.13333333

LEASES

LESSOR: Alton D. Unruh Trust under Trust Agreement dated February 5, 2001
 LESSEE: Lasso Holding LLC
 DATE: May 13, 2016
 RECORDED: BOOK 133, PAGE 594
 DESCRIPTION: West Half (W/2) Section 28 Township 31 South Range 19 West

LESSOR: Virginia F. Unruh Trust under Trust Agreement dated February 5, 2001
 LESSEE: Lasso Holding LLC
 DATE: May 13, 2016
 RECORDED: BOOK 133, PAGE 602
 DESCRIPTION: West Half (W/2) Section 28 Township 31 South Range 19 West

LESSOR: Donald Koehn and Shana Koehn, husband and wife
 LESSEE: Lasso Holding LLC
 DATE: May 13, 2016 (2015)
 RECORDED: BOOK 133, PAGE 875
 DESCRIPTION: North East Quarter (NE/4) Section 28 Township 31 South Range 19 West
 Half royalty interest in the 160 gross acres more or less

LESSOR: Linda Hart, a widow
 LESSEE: Lasso Holding LLC
 DATE: May 13, 2016
 RECORDED: BOOK 133, PAGE 928
 DESCRIPTION: North East Quarter (NE/4) Section 28 Township 31 South Range 19 West
 Half royalty interest in the 160 gross acres more or less

LESSOR: Judith A. Kerstetter Trust of 2002
 LESSEE: Lasso Holding LLC
 DATE: May 13, 2016
 RECORDED: BOOK 133, PAGE 994
 DESCRIPTION: South East Quarter (SE/4) Section 28 Township 31 South Range 19 West
 160 gross acres more or less