

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 \_\_\_\_\_



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.*

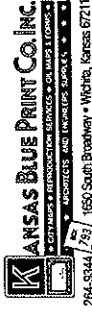
**Select one of the following:**

- 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: \_\_\_\_\_

**B OIL AND GAS LEASE**

AGREEMENT, Made and entered into January 16, 19 81, by and between:  
P. M. A., INC.  
1550 S. West St. Wichita, KS

Party of the first part, hereinafter called lessor (whether one or more) and  
Richard D. Smith Party of the second part, hereinafter called lessee.

ten and other considerations DOLLARS,  
WITNESSETH, That the said lessor, for and in consideration of \_\_\_\_\_  
cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of lessee to be paid,  
kept and performed, has granted, demised, leased and let unto said lessee, to have and to enjoy, unto said lessee, for the sole and only  
purpose of mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take  
care of said products, all that certain tract of land, "together with any reversionary rights therein;" situated in the County of Butler

State of Kansas, described as follows, to-wit:

The West Half (W/2) and the NorthHalf of the Northeast Quarter (N/2 NE/4), and  
the North Half of the South Half of the Northeast Quarter (N/2 S/2 NE/4); all  
in Section 31, Township 25 South, Range 4 East. The East Half of the Northeast  
Quarter of the Northeast Quarter (E/2 NE/4 NE/4) of Section 36, Township 25

South, Range 3 East. \_\_\_\_\_ acres more or less.

of Section XXXXXXXXXXXX Township XXXXXXXXXXXX Range XXXXXXXXXX and containing 460  
It is agreed that this lease shall remain in full force for a term of two (2) years from this date, and as long thereafter as oil or gas,  
or either of them, is produced from said land by the lessee, or the premises are being developed or operated.

In consideration of the premises the said lessee covenants and agrees:

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which he may connect his wells, the equal one-eighth (1/8) part of all oil produced  
and saved from the leased premises.

2nd. The lessee shall pay to lessor for gas produced from any oil well and used by the lessee for the manufacture of gasoline or any other product as  
royalty 1/8 of the market value of such gas at the mouth of the well; if said gas is sold by the lessee, then as royalty 1/8 of the proceeds of the sale thereof  
at the mouth of the well. The lessee shall pay lessor as royalty 1/8 of the proceeds from the sale of gas as such at the mouth of the well where gas only is  
found and where such gas is not sold or used, lessee shall pay or tender annually at the end of each yearly period during which such gas is not sold or used as  
royalty, an amount equal to the delay rental provided in the next succeeding paragraph hereof, and while said royalty is so paid or tendered this lease shall  
be held as a producing lease under the above term paragraph hereof; the lessor to have gas free of charge from any gas well on the leased premises for  
stoves and inside lights in the principal dwelling house on said land by making his own connections with the well, the use of such gas to be at the lessor's  
sole risk and expense.

If no well be commenced on said land on or before Jan. 16, 82, this lease shall terminate as to both parties, unless the lessee on  
or before that date shall pay or tender to the lessor, or to the lessor's credit in The First National Bank at  
Wichita, Kansas or its successors, which shall continue as the depository regardless of changes in the owner-

ship of said land, the sum of four hundred sixty and No/100

DOLLARS, which shall operate as a rental and cover  
the privilege of deferring the commencement of a well for twelve months from said date. In like manner and upon like payments or tenders the commence-  
ment of a well may be further deferred for like periods or the same number of months successively. All such payments or tenders of rental may be made  
by check or draft of lessee or any assignee thereof, mailed or delivered on or before the rental paying date either direct to lessor or assigns or to said de-  
pository bank. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the  
date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred.  
Lessee may at any time execute and deliver to Lessor, or place of record, a release or releases covering any portion or portions of the above described  
premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered, and thereafter the  
rentals payable hereunder shall be reduced in the proportion that the acreage covered hereon is reduced by said release or releases.

Should the first well drilled on the above described land be a dry hole, then, and in that event, if a second well is not commenced on said land within  
twelve months from the expiration of the last rental period for which rental has been paid, this lease shall terminate as to both parties, unless the lessee on  
or before the expiration of said twelve months shall resume the payment of rentals in the same amount and in the same order as herein before provided  
And it is agreed that upon the resumption of the payment of rentals, as above provided, that the last preceding paragraph hereof, governing the payment  
rentals and the effect thereof, shall continue in force just as though there had been no interruption in the rental payments.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals  
herein provided shall be paid the lessor only in the proportion which his interest bears to the whole and undivided fee. However, such rental shall be  
increased at the next succeeding rental anniversary after any reversion occurs to cover the interest so acquired.

Lessee shall have the right to use, free of cost, gas, oil, and water produced on said land for its operation thereon, except water from wells of lessor.

When requested by lessor, lessee shall bury his pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee shall pay for damages caused by its operations to growing crops on said land.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to  
completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in  
force with the like effect as if such well had been completed within the term of years herein first mentioned.

If the estate of either party hereto is transferred, and the privilege of transferring in whole or in part is expressly allowed, or if the rights hereunder  
of either party hereto are vested by descent or devise, the covenant hereof shall extend to and be binding on the heirs, devisees, executors, administrators,  
successors, or assigns, but no change in the ownership of said land or of any right hereunder shall be binding on the heirs, devisees, executors, administrators,  
furnished with the original or a certified copy thereof of any transfer by lessor or with a certified copy of the will of lessor, together with a transcript of  
the probate thereof or, in the event lessor dies intestate and his estate is being administered, with a transcript of the instrument assigning or in  
the event of the death of lessor and no administration being had on the estate, with an instrument assigning to lessee executed by lessor's heirs  
authorizing payment or deposit or tender for deposit to their credit as hereinbefore provided, at least thirty days before said rentals and royalties are  
payable or due, and it is hereby agreed in the event this lease shall be assigned to a party other than the party of the above described lands and the as-  
signee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such  
default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands upon which the said lessee or any assignee  
thereof shall make due payments of said rentals. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with  
respect to the assigned portion or portions arising subsequent to the date of assignment. If the leased premises are now or hereafter owned in severally  
or in separate tracts, the premises, nevertheless, may be developed and operated as an entirety, and the royalties shall be paid to each separate owner in  
the proportion that the acreage owned by him bears to the entire acreage. There shall be no obligation on the part of the lessee to offset wells on  
separate tracts into which the land covered by this lease may hereafter be divided by sale, devise, or otherwise, or to furnish separate measuring or re-  
cording tanks for the oil produced from such separate tracts.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to re-  
deem for lessor by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated  
to the rights of the holder thereof and may reimburse itself from any rental or royalties accruing hereunder.

The terms, covenants, and conditions hereof shall run with said land and herewith and shall be binding upon the parties hereto, their heirs, ad-  
ministrators, devisees, executors, successors and assigns; however, all express or implied covenants of this lease shall be subject to all Federal and State  
Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable for failure to comply  
therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

Lessee further agrees that if no well is commenced on or before January 16, 1982,

this lease shall terminate as to both parties. In the event of drilling operations,

Lessee agrees to return the surface of the land to its original contour as nearly as

is practicable.

Whereof witness our hands as of the day and year first above written

COMPARED

NUCLEAR

DATE

H.O.

RENTAL

(SEAL)

(SEAL)

(SEAL)

(SEAL)

(SEAL)

(SEAL)

By J. E. McArthur

MISC. BOOK 359 PAGE 47

ASSIGNMENT AND BILL OF SALE OF OIL AND GAS LEASE(S)

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, ALAN F. DAVIS AND CAROL A. DAVIS, TRUSTEES OF THE ALAN F. DAVIS LIVING TRUST DATED JUNE 5, 2007, RICHARD D. SMITH, TRUSTEE OF THE RICHARD D. SMITH REVOCABLE TRUST DATED MARCH 30, 2007, hereinafter referred to as "ASSIGNOR", for and in consideration of Ten Dollars (\$10.00), the receipt and sufficiency of which is hereby acknowledged, does hereby sell, assign, transfer and set over unto PALOMINO PETROLEUM, INC., hereinafter referred to as "ASSIGNEE, all of Assignors' working interest only in and to the Oil and Gas Lease(s) described in Exhibit "A", attached hereto and made a part hereof by reference, insofar as said lease(s) cover the land(s) described in Exhibit "A", together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith, whether or not located on the lease.

Assignors hereby warrant and agree to defend the title, insofar and only insofar, as it pertains to Assignors' undivided interest to the lands herein described on the attached Exhibit "A".

The interests hereby assigned are subject to their proportionate share of any overriding royalty interest of record, if any, declaration of unitization, if any, and gas purchase contracts, if any.

All provisions of this Assignment shall be available to and binding upon the respective heirs, executors, administrators, successors and assigns of the Assignor and Assignee herein.

Executed this 12<sup>th</sup> day of February, to be effective as of March 1, 2019.

RICHARD D. SMITH REVOCABLE TRUST  
DATED MARCH 30, 2007

Richard D. Smith  
RICHARD D. SMITH, TRUSTEE

ALAN F. DAVIS LIVING TRUST  
DATED JUNE 5, 2007

Alan F. Davis  
ALAN F. DAVIS, TRUSTEE

Carol A. Davis  
CAROL A. DAVIS, TRUSTEE

STATE OF KANSAS

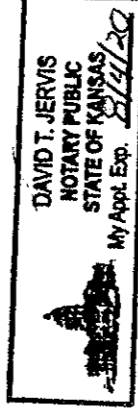
COUNTY OF SEDGWICK

12<sup>th</sup> BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 12<sup>th</sup> day of February, 2019, personally appeared, ALAN F. DAVIS AND CAROL A. DAVIS, TRUSTEES OF THE ALAN F. DAVIS LIVING TRUST DATED JUNE 5, 2007, RICHARD D. SMITH, TRUSTEE OF THE RICHARD D. SMITH REVOCABLE TRUST DATED MARCH 30, 2007, to me personally known to be the identical person(s) who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed 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.

My appointment Expires: 8/4/20

David T. Jervis  
Notary Public



## Exhibit A by Lease

Lease name	Dated	Between Lessor	And Lessee	Book	Page	Legal Description	County	State
Hinnen	8/3/1979	Maxine F. Hinnen, a widow	J. Fred Hambright	342	25	The Northwest Quarter of Sec. 25, Township 25South, Range 3 East	Butler	KS
PMA	1/16/1981	P M A, Inc.	Richard D. Smith	359	147	The West Half and North Half of the Northeast Quarter; the North Half of the South Half of the Northeast Quarter of Sec. 31, Township 25S, Range 4E. The East Half of the Northeast Quarter of the Northeast Quarter of Sec. 36, Township 25S, Range 3East	Butler	KS
Rock Creek	5/22/2007	Rock Creek, L.P.	Richard D. Smith	2009	2885	All in Section 19, Township 25 South, Range 4 East:  The South Half of the South Half of the Northwest Quarter (S/2 S/2 NW/4),  The Southwest Quarter (SW/4) lying North and East of the Whitewater River EXCEPT beginning at the Southeast Corner of the Southwest Quarter (SE/C SW/4), thence West 1,570 feet to the center line of the river, thence Northwesterly 400 feet, thence East 1,798.5 feet, thence South 330 feet to the point of beginning, and,  The West Half of the Southeast Quarter (W/2 SE/4) and the Southeast Quarter of the Southeast Quarter (SE/4 SE/4)	Butler	KS
Wilson B	8/6/1979	Lewis A. Wilson and Judy Diane Wilson, his wife; and Ora E. Wilson, a widow	J. Fred Hambright	341	329	The South Half (S/2) of Section 24, Township 25S, Range 3 East	Butler	KS