

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: _____

Date: _____

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 _____

KDOR Lease No.: _____

[illegible]

* 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.

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: _____

ASSIGNMENT OF OIL AND GAS LEASE AND BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, that KSMS Oil, LLC, Daylight Petroleum, LLC and Lakeshore Operating, LLC, hereinafter called "Assignor," for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does grant, bargain, sell convey, transfer, assign and deliver all of Assignor's right, title, working interest and overriding royalty interest unto Laymon Oil II, LLC, hereinafter called "Assignee," its successors and assigns, in and to the following oil and gas leases and personal property:

- (A) The Oil and Gas Leases described on Exhibit A and the leasehold estate and right, privileges and interests created by said leases subject to all the terms and conditions of said oil and gas lease and extensions thereof (collectively, the "Leases"); AND
- (B) All equipment, wells, structures and personal property, to include fixtures and improvements, currently located on the Leases described above in paragraph (A), and used in connection with oil and gas exploration, production, treatment, storage and marketing activities (collectively, the "Personal Property").

The Leases and Personal Property are collectively referred to as the "Assigned Property."

ASSIGNMENT TERMS:

1. **DISCLAIMER OF WARRANTY.** Assignor represents and warrants that the Assigned property is free and clear of all liens created by through and under Assignors. With the exception of this single express warranty, Assignor makes this Assignment without warranty of any kind. Assignee accepts the Assigned Property without warranty of any kind by Assignor. All express or implied warranties, specifically including the implied warranties of merchantability, and fitness for a particular purpose are hereby disclaimed.

2. **ASSUMPTION OF RESPONSIBILITY.** Assignors and Assignee do hereby stipulate and agree among themselves that all of the wells located upon the Leases are being assigned to Assignee and that no such wells have been abandoned by Assignors at the time of this Assignment. Assignee does hereby agree to accept all responsibility and liability for all of the Assigned Property from and after the date of this Assignment and shall indemnify and hold Assignors harmless from any, claim, damage, liability or responsibility for any of such wells or oil and gas equipment or the repair, restoration or remediation of the real property covered by the Leases from and after the date of this Assignment, whether or not such damage, event or liability accrued prior to the date of this assignment. Within 30 days after the effective date of this Assignment Assignee shall accept an assignment of operator responsibility for all wells located on

the Leases by form T-1 Transfer filed with the Conservation Division of the Kansas Corporation Commission.

3. TRANSFER OF RIGHTS. The Assigned Property shall include all right, title and interest which Assignor may have in and to the Leases, including but not limited to, leasehold interests, regulatory authorities and permits or licenses.

4. FURTHER ASSURANCES. The parties agree to execute, acknowledge and deliver such other and further instruments or documents, and to take such other and further actions as may be reasonably necessary to carry out the provisions of this Assignment.

5. EFFECTIVE DATE. This Conveyance shall be effective as of April 1, 2019, at 12:01 a.m., central standard time.

TO HAVE AND TO HOLD the above described property and easement with all and singular the rights, privileges, and appurtenances thereunto or in any wise belonging to the said Assignee herein, its successors, personal representatives, administrators, executors and assigns forever.

KSMS OIL, LLC

By: 
Borja Madrid, Manager

DAYLIGHT PETROLEUM, LLC

By: 
Borja Madrid, Managing Member

LAKESHORE OPERATING, LLC

By: _____
Wesley Ketcham, President

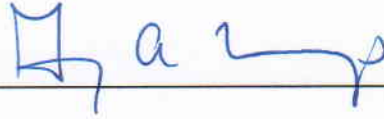
ACCEPTED BY:

LAYMON OIL II, LLC

By: _____

STATE OF NEW YORK, COUNTY OF NEW YORK, ss:

This instrument was acknowledged before me on the 29th day of March, 2019, by Borja Madrid, Manager of **KSMS OIL, LLC**, a Delaware limited liability company.



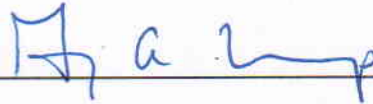
Notary Public

Appointment/Commission Expires: 01-22-2023

GREGORY A MOLENKAMP
NOTARY PUBLIC-STATE OF NEW YORK
No. 01MO6386356
Qualified in New York County
My Commission Expires 01-22-2023

STATE OF NEW YORK, COUNTY OF NEW YORK, ss:

This instrument was acknowledged before me on the 29th day of March, 2019, by Borja Madrid, Managing Member of **DAYLIGHT PETROLEUM, LLC**, a Delaware limited liability company.



Notary Public

Appointment/Commission Expires: 01-22-2023

GREGORY A MOLENKAMP
NOTARY PUBLIC-STATE OF NEW YORK
No. 01MO6386356
Qualified in New York County
My Commission Expires 01-22-2023

STATE OF _____, COUNTY OF _____, ss:

This instrument was acknowledged before me on the _____ day of _____, 2019, by Wesley Ketcham, President of **LAKESHORE OPERATING, LLC**, a Delaware limited liability company.

Notary Public

Appointment/Commission Expires:

STATE OF KANSAS, COUNTY OF _____, ss:

This instrument was acknowledged before me on the _____ day of _____, 2019, by _____, Manager of **LAYMON OIL II, LLC**, a Kansas limited liability company.

Notary Public

Appointment/Commission Expires:

WILSON DUNNE LEASES

Dated: August 5, 1960
Recorded: Book 27, Page 58
Lessors: Dorothy W. Dunne and G. M. Dunne, her husband; Warren I. Wilson and Wanda Wilson, his wife; Howard Wilson and Harriet Wilson, his wife
Lessee: Ron A. Timroth
Description: The Southwest Quarter (SW/4) and the North Half of the Southeast Quarter (N/2 SE/4) of Section 1, Township 24, Range 16 East, Woodson County, Kansas.

Dated: August 5, 1960
Recorded: Book 27, Page 59
Lessors: Dorothy W. Dunne and G. M. Dunne, her husband; Warren I. Wilson and Wanda Wilson, his wife; Howard Wilson and Harriet Wilson, his wife
Lessee: Ron A. Timroth
Description: The Southwest Quarter (SW/4) and the North Half of the Southeast Quarter (N/2 SE/4) of Section 1, Township 24, Range 16 East, Woodson County, Kansas.

Dated: August 5, 1960
Recorded: Book 27, Page 60
Lessors: Dorothy W. Dunne and G. M. Dunne, her husband; Warren I. Wilson and Wanda Wilson, his wife; Howard Wilson and Harriet Wilson, his wife
Lessee: Ron A. Timroth
Description: The Southwest Quarter (SW/4) and the North Half of the Southeast Quarter (N/2 SE/4) of Section 1, Township 24, Range 16 East, Woodson County, Kansas.

LINK LEASE

Dated: November 1, 2002
Recorded: Book 84-Misc., Page 82
Lessors: T. L. McNett, single
Lessee: Laymon Oil II, LLC
Description: The West Half of the West Half (W/2 W/2), Section 12, Township 24S, Range 16E, Woodson County, Kansas, containing 160 acres more or less.



WOODSON COUNTY REGISTER OF DEEDS

Book: S99 Page: 297

Pages Recorded 3

Recording Fee: \$55.00

Date Recorded: 5/29/2019 4:00:01 PM

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~ Oil and Gas Lease ~

NOW ON this 2ND day of May, 2019, this Oil and Gas Lease Agreement is by and between KENNETH & REGINA LAYMON, LLC (hereinafter referred to as the "LESSOR") and LAYMON OIL II, LLC (hereinafter referred to as the "LESSEE").

FOR ONE DOLLAR AND OTHER GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is acknowledged, and the covenants and agreements hereinafter contained on the part of LESSEE to be paid, kept and performed, LESSOR has granted, demised, leased and let and by these presents does grant, demise, lease and let unto said LESSEE, for the sole and only purpose of developing and producing oil and gas, and laying pipe lines and tanks for such purposes, the following land situated in Woodson County, Kansas (hereinafter referred to as the 'land'):

The Southwest Quarter (SW/4), and the North Half of the Southeast Quarter (N/2 SE/4),
Section 1, Township 24, Range 16 East, Woodson County, Kansas.

This Lease shall remain in full force for a primary term of two (2) years from this date, and for as long thereafter as oil or gas, or either of them, is produced from the land by the LESSEE.

In consideration of the premises, LESSEE covenants and agrees:

- To deliver to the credit of LESSOR, free of cost, in the pipe line to which LESSEE may connect his wells, the equal one-eighth (1/8) part of all oil produced and saved from the land.
- To pay LESSOR for gas from each well where gas only is found the equal one-eighth (1/8) of the gross proceeds at the prevailing market rate, for all gas used off the premises, said payments to be made not less than quarterly, and LESSOR to have gas free of cost from any such well for all stoves and all inside lights in the principal dwelling house on the land during the same time by making his own connections with the well at his own risk and expense.
- To pay LESSOR for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline, one-eighth (1/8) of the proceeds at the prevailing market rate for the gas used, for the time during which such gas shall be used, said payments to be made not less than quarterly.

If LESSOR owns a less interest in the land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid to LESSOR only in the proportion which his interest bears to the whole and undivided fee, and the signing of this Lease shall be binding on each of the above named parties who sign, regardless of whether it is signed by any of the other parties.

LESSEE shall have the right to use, free of cost, gas, oil, and water produced from the land for its operation thereon, except water from any wells or ponds of LESSOR.

When requested by LESSOR, LESSEE shall bury pipe lines below plow depth.

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

LESSOR.

LESSEE shall pay for damages caused by its operations to timber, crops and pastures on the land.

LESSEE shall have the right at any time to remove all machinery and fixtures placed on the land, 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 hereof, 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 is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, trustees, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on LESSEE until after LESSEE has been furnished with a written transfer or assignment or a true copy thereof; and it is hereby agreed in the event this Lease shall be assigned as to a part of the land and the assignee 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.

If the land is now or hereafter owned in severalty or in separate tracts, the land, 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 lease area. 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 receiving tanks for the oil or gas produced from such separate tracts.

LESSOR hereby warrants and agrees to defend title to the land, and agrees that LESSEE shall have the right at any time to redeem for LESSOR by payment, any mortgages, taxes or other liens on the land, in the event of default of payment by LESSOR, and be subrogated to the rights of the holder thereof.

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 in damages, 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.

Other terms:


IN WITNESS WHEREOF, the parties have hereunto set their hand effective the date first above written.

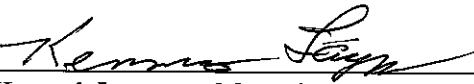
LESSOR -

KENNETH & REGINA LAYMON, LLC

LESSEE -

LAYMON OIL II, LLC

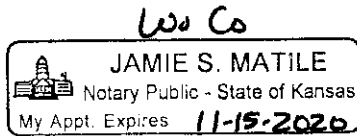
by 
Kenneth Laymon, Managing Member

by 
Kenneth Laymon, Managing Member

STATE OF KANSAS, COUNTY OF Woodson, ss:

BE IT REMEMBERED that on this 29th day of May 2019, before me, the undersigned, a notary public in and for the County and State aforesaid, came KENNETH LAYMON, managing member of KENNETH & REGINA LAYMON, LLC, a Kansas limited liability company, who is personally known to me to be the same person who executed the within instrument of writing on behalf of said company, and such person duly acknowledged the execution of the same to be the act and deed of said company.

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



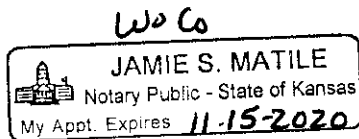
Jamie S Matile
Notary Public

My term expires:

STATE OF KANSAS, COUNTY OF Woodson, ss:

BE IT REMEMBERED that on this 29th day of May 2019, before me, the undersigned, a notary public in and for the County and State aforesaid, came KENNETH LAYMON, member of LAYMON OIL II, LLC, a Kansas limited liability company, who is personally known to me to be the same person who executed the within instrument of writing on behalf of said company, and such person duly acknowledged the execution of the same to be the act and deed of said company.

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



Jamie S Matile
Notary Public

My term expires:



WOODSON COUNTY REGISTER OF DEEDS

Book: S99 Page: 295

Pages Recorded: 2

Recording Fee: \$38.00

Date Recorded: 5/29/2019 4:00:00 PM

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Release of Oil & Gas Leases

STATE OF KANSAS, COUNTY OF WOODSON, ss:

LAYMON OIL II, LLC, owner of the hereinafter described oil and gas leases dated August 5, 1960, does hereby release these leases on the following described land:

The Southwest Quarter (SW/4), and the North Half of the Southeast Quarter (N/2 SE/4), Section 1, Township 24, Range 16 East, Woodson County, Kansas.

Lease Number 1:

Dated: August 5, 1960
Recorded: Book 27, Page 58
Lessors: Howard Wilson, et al.; Dorothy W. Dunne and G. M. Dunne, her husband; Warren I. Wilson and Wanda Wilson, his wife; Howard Wilson and Harriet Wilson, his wife
Lessee: Ron A. Timroth

Lease Number 2:

Dated: August 5, 1960
Recorded: Book 27, Page 59
Lessors: Dorothy W. Dunne, et al.; Dorothy W. Dunne and G. M. Dunne, her husband; Warren I. Wilson and Wanda Wilson, his wife; Howard Wilson and Harriet Wilson, his wife
Lessee: Ron A. Timroth

Lease Number 3:

Dated: August 5, 1960

Recorded: Book 27, Page 60

Lessors: Warren I. Wilson, et al.; Dorothy W. Dunne and G. M. Dunne, her husband;
Warren I. Wilson and Wanda Wilson, his wife; Howard Wilson and Harriet
Wilson, his wife

Lessee: Ron A. Timroth

Said oil and gas leases have been replaced by a new oil and gas lease from the current owner of said land.

DATED this 1ST day of May, 2019.

Laymon Oil II, LLC

by Kenneth W. Laymon
Kenneth W. Laymon
Manager/Member

Acknowledged before me, the undersigned notary public, this 29th day of May, 2019 by Kenneth W. Laymon, manager/member of Laymon Oil II, LLC for and on behalf of said company.

Jamie S Matile
Notary Public

my appointment expires:

