

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 _____

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: _____

Received for record at 10:30 o'clock A. M
 State of Kansas) on 9 day May 2019, and recorded
 Rooks County) in Book 501 of Records at Page 185
 Register of Deeds Rosalee Sprick

**ASSIGNMENT OF OIL AND GAS LEASE
 AND BILL OF SALE**

KNOW ALL MEN BY THESE PRESENTS, that **PATTERSON ENERGY, LLC**, a Kansas limited liability company with an address of 1023 Reservation Road, Hays, KS 67601, 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, in equal proportions, unto **(1) PRODUCTION DRILLING, INC. and (2) THE PATRICK L. PATTERSON LIVING TRUST**, hereinafter called "Assignees" 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) The saltwater disposal wells, agreements, leases, right of ways and all other rights, and obligations of Assignor in and to the Agreements described on Exhibit B (collectively, the "Agreements"); AND
- (C) All of Assignor's interest in and to equipment and inventory associated with operating the Leases and saltwater disposal wells which are situated on the land covered by the Leases and saltwater disposal leases, including but not limited to wellheads, tanks, pumps, compressors, separators, heater treaters, heating elements, valves, fittings, equipment, machinery, fixtures, flowlines, pipelines, platforms, tubular goods, materials and supplies, and Assignor's interest in all buildings, vehicles, machines, and other related equipment exclusively used in the day to day operation of the Leases or saltwater disposal agreements (collectively, the "Personal Property").

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

ASSIGNMENT TERMS:

1. **WARRANTY.** Assignor warrants the title to the Assigned Property to be free and clear of all mortgages, liens and encumbrances of every nature whatsoever.

Received for record at _____ o'clock _____ M
State of Kansas) on _____ day _____ 20____ and recorded
Books County) in Book _____ of Records at Page _____

~~2. MERGER OF OVERRIDING ROYALTY.~~ If the interest assigned herein consists partly of overriding royalty interest and partly of working interest. It is the intention of the Parties that any overriding royalty interest in and to the Leases be merged back into the working interests and lose its status as an overriding royalty interest immediately upon the receipt of said interest by Assignees.

3. TRANSFER OF RIGHTS. To the extent transferable, Assignees are hereby granted the right of full substitution and subrogation in and to any and all rights and warranties which Assignor has or may have with respect to the Assigned Property conveyed herein of which Assignor has or may have against any and all preceding owners, vendors or warrantors. 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, contractual rights, regulatory authorities and permits or licenses, easements and rights-of-way used in connection with the operation of the Leases.

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 May 1, 2019, at 7:00 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 Assignees herein, its successors, personal representatives, administrators, executors and assigns forever.

PATTERSON ENERGY, LLC

By: [Signature]
Zach Patterson, President

STATE OF Kansas, COUNTY OF Ellis, ss:

This instrument was acknowledged before me on the 1st day of May, 2019, by Zach Patterson, President of Patterson Energy, LLC.

[Signature]
Tyler Turner Notary Public

Appointment/Commission Expires:
10/24/2020

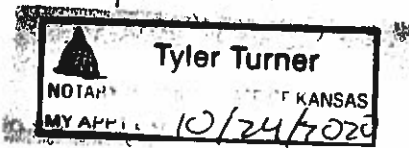


Exhibit "A" - Leases

ROOKS COUNTY, KANSAS

BALDWIN LEASE

Lessor: Larry Baldwin, et ux.
Lessee: Posse Energy, Ltd.
Date: January 1, 2012
Recorded: Book 429, Page 476
Description: T10S-R19W
Section 9: NW/4

ALLPHIN LEASE

Lessor: Allphin Family Trust #1
Lessee: Posse Energy, Ltd.
Date: August 7, 2008
Recorded: Book 389, Page 245
Description: T9S-R19W
Section 32: all of N/2 north of centerline of abandoned railroad ROW

STULL "A" LEASE

Lessor: Joel Stull, et ux.
Lessee: Posse Energy, Ltd.
Date: November 12, 2012
Recorded: Book 441, Page 523
Book 472, Page 551
Description: T9S-R19W
Section 8: S/2 SW/4

STULL "B" LEASE

Lessor: Joel Stull, et ux.
Lessee: Posse Energy, Ltd.
Date: November 12, 2012
Recorded: Book 441, Page 521
Book 472, Page 554
Description: T9S-R19W
Section 8: N/2 SW/4

Lessor: Lee Couture, et ux.
Lessee: Posse Energy, Ltd.
Date: November 12, 2012
Recorded: Book 438, Page 452
Book 472, Page 557
Description: T9S-R19W
Section 8: N/2 SW/4

STULL LEASE

Lessor: Dorothy Virginia Stull
Lessee: Posse Energy, Ltd.
Date: November 7, 2011
Recorded: Book 429, Page 220
Description: T9S-R19W
Section 17: NW/4

HUSTED "B" LEASE

Lessor: Nora Hammerschmidt, et al.
Lessee: Posse Energy, Ltd.
Date: July 29, 2005
Recorded: Book 349, Page 584
Description: T10S-R19W
Section 11: W/2

Lessor: Elda Lovin
Lessee: Posse Energy, Ltd.
Date: August 3, 2005
Recorded: Book 351, Page 582
Description: T10S-R19W
Section 11: W/2

Lessor: Patricia Anne Boule, et vir.
Lessee: Posse Energy, Ltd.
Date: August 3, 2005
Recorded: Book 354, Page 275
Description: T10S-R19W
Section 11: W/2

Lessor: Doris Stromberger
Lessee: Posse Energy, Ltd.
Date: January 17, 2006
Recorded: Book 356, Page 195
Description: T10S-R19W
Section 11: W/2

Lessor: Ralph A. Glenn
Lessee: Posse Energy, Ltd.
Date: January 17, 2006
Recorded: Book 356, Page 197
Description: T10S-R19W
Section 11: W/2

Lessor: Harold L. Glenn
Lessee: Posse Energy, Ltd.
Date: January 17, 2006
Recorded: Book 356, Page 199
Description: T10S-R19W
Section 11: W/2

Lessor: Lois G. Latman
Lessee: Posse Energy, Ltd.
Date: January 17, 2006
Recorded: Book 356, Page 201
Description: T10S-R19W
Section 11: W/2

Lessor: Judith C. Gage
Lessee: Posse Energy, Ltd.
Date: August 3, 2005
Recorded: Book 356, Page 165
Description: T10S-R19W
Section 11: W/2

HAMMERSCHMIDT LEASE

Lessor: Ernest J. Hammerschmidt, et ux.
Lessee: Posse Energy, Ltd.
Date: June 1, 2012
Recorded: Book 434, Page 227
Book 472, Page 548
Description: T10S-R19W
Section 9: SE/4

Exhibit "B" - Agreements

1. Salt Water Disposal Agreement dated October 31, 2016, between Woodway Oil & Gas KS-I, LLC and Habit Petroleum, LLC. SWD well located in Township 10 South, Range 19 West, Section 11: NW/SE/SW, Rooks County, Kansas ("Husted SWD").
2. Salt Water Disposal Agreement effective May 1, 2014, recorded July 9, 2014, in Book 459, Page 343, Rooks County, Kansas, between Joel Stull and Debbie Stull and Continental Operating Company, covering the SW/4 of Section 8, T9S-R19W, Rooks County, Kansas.
3. Salt Water Disposal Agreement recorded in Book 441, Page 518, between Larry Baldwin and Continental Operation Company covering the Northwest Quarter of Section 9, Township 10, Range 19, Rooks County, Kansas.

09 9.11.13

INSPECTION REPORT

Case# _____

<input type="checkbox"/>	Complaint
<input type="checkbox"/>	New Situation
<input checked="" type="checkbox"/>	Response to request
<input type="checkbox"/>	Follow-up

Date of Inspection: June 25, 2019

Operator: Production Drilling Inc.

License: 5386

Address: 1023 Reservation Rd.

Location: SW/4 8-9S-19W

City/St: Hays, Ks. 67601

Lease: Stull A

Phone: (785)-625-1189

County: Rooks

Reason for investigation: Transfer of Operator

Problem: None

Findings:

- **June 25, 2019: Tank Battery has proper identification.** (GPS LOC: LAT. 39.27793, LONG. 099.47195.).
- **Stull A1 API# 15-163-20210-0001**, located SE NE SW SW/4 8-9-19W Rooks County Kansas is currently producing. (GPS LOC: LAT. 39.28012, LONG. 099.47128 Footages 857' F.S.L. & 4233' F.E.L.).
- **Stull A2 API# 15-163-20152-0001**, located NW SE SW/4 8-9-19W Rooks County Kansas is currently TA'd **(TA#4-005,458)**. (GPS LOC: LAT. 39.28050, LONG. 099.46912 Footages 978' F.S.L. & 3623' F.E.L.).

Photos: No

Action /recommendations:

- No further action by the Commission is warranted at this time.

Pat Bedore E.C.R.S.

(agent)

Pat Bedore

(signature)

cc: file