

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 _____

Side Two

Must Be Filed For All Wells

KDOR Lease No.: _____

* Lease Name: _____

* Location: _____

Well No.	API No. (YR DRDL/PRE '67)	Footage from Section Line (i.e. FSL = Feet from South Line)		Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/TA'D/Abandoned)
_____	_____	Circle FSL/FNL	Circle FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____
_____	_____	FSL/FNL	FEL/FWL	_____	_____

A separate sheet may be attached if necessary

* 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
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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: _____

Reorder No.
09-115PO Box 730
Wichita KS, 67201-0733
1-888-4K3BLUE
1-316-264-3044 Wichita
1-316-264-5100 fax
www.dep.com • dep@dep.com

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 18th day of March, 2003

by and between James O. Palmer, M.D. and Peggy A. Palmer, co-trustees of the James and Peggy Palmer Revocable Trust, a revocable inter vivos trust existing under a certain trust agreement heretofore executed on September 10, 1993

whose mailing address is 4816 E. 108th St., Tulsa, OK 74137

and Richard D. Smith

hereinafter called Lessor (whether one or more),

hereinafter called Lessee:

Lessor, in consideration of one and other considerations Dollars (\$ \$1.00) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Chase State of Kansas

The Southeast Quarter (SE/4) of Section 9 and the West Half of the Southwest Quarter (W/2 SW/4) of

In Section 10, Township 20S, Range 7E, and containing 240 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of one (1) years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said land is pooled.

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 lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8) at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.

This lease may be maintained during the primary term hereof without further payment or drilling operations. 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 like effect as if such well had been completed within the term of years first mentioned.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the said lessor only in the proportion which lessor's interest bears to the whole and undivided fee.

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

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

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

Lessee shall pay for damages caused by lessee's 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 estate of either party hereto 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, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. 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.

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.

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.

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 redeem for lessor, by payment of 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 the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

Lessee agrees to consult Lessor in regard as to routes of ingress and egress.

Lessee agrees that in the event of drilling operations, the first well drilled on the premises must be on the Southeast Quarter of said Section 9.

Lessee further agrees that in the event of drilling operations, the surface of the land will be returned to it's original contour as nearly as is practicable.

IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.

Peggy A. Palmer

Peggy A. Palmer, Trustee

James O. Palmer

James O. Palmer, M.D., Trustee

S.S. # 413-02-9693

Exhibit A by Lease

Lease name	Dated	Between Lessor	And Lessee	Book	Page	Legal Description	County	State
Palmer Gas	3/18/2003	James O. Palmer, M.D. and Peggy A. Palmer, co-trustees of the James and Peggy Palmer Revocable Trust, dated September 10, 1993	Richard D. Smith	L-140	370	The Southeast Quarter (SE/4) of Section 9 and the West Half of the Southwest Quarter (W/2 SW/4) of Section 10, Township 20 South, Range 7 East.	Chase	KS

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

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, RICHARD D. SMITH, TRUSTEE OF THE RICHARD D. SMITH REVOCABLE TRUST U/T/A DATED MARCH 30, 2007, ALAN F. DAVIS AND CAROL A. DAVIS, TRUSTEES OF THE ALAN F. DAVIS LIVING TRUST U/T/A DATED JUNE 5, 2007, DAVID T. JERVIS, TRUSTEE OF THE DAVID T. JERVIS REVOCABLE TRUST U/T/A DATED JUNE 26, 1997 AND JOHN M. WASHBURN, 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 3K GAS PRODUCERS, LLC, hereinafter referred to as "ASSIGNEE, all of Assignor's 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 including any Declarations of Pooling and Consolidation of record attributed to said lease(s) 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 13th day of June, 2019 to be effective as of July 1, 2019.

RICHARD D. SMITH REVOCABLE TRUST
U/T/A DATED MARCH 30, 2006

Richard D. Smith

RICHARD D. SMITH, TRUSTEE

John M. Washburn
JOHN M. WASHBURN

ALAN F. DAVIS LIVING TRUST
U/T/A DATED JUNE 5, 2007

Alan F. Davis
ALAN F. DAVIS, TRUSTEE

Carol A. Davis
CAROL A. DAVIS, TRUSTEE

DAVID T. JERVIS REVOCABLE TRUST
U/T/A DATED JUNE 26, 1997

David T. Jervis
DAVID T. JERVIS, TRUSTEE

STATE OF KANSAS
COUNTY OF SEDGWICK

13th BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this day of June, 2019, personally appeared, RICHARD D. SMITH, TRUSTEE OF THE RICHARD D. SMITH REVOCABLE TRUST U/T/A DATED MARCH 30, 2007, ALAN F. DAVIS AND CAROL A. DAVIS, TRUSTEES OF THE ALAN F. DAVIS LIVING TRUST U/T/A DATED JUNE 5, 2007, DAVID T. JERVIS, TRUSTEE OF THE DAVID T. JERVIS REVOCABLE TRUST U/T/A JUNE 26, 1997 AND JOHN M.

WASHBURN, 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:



Vickie Larison
Notary Public