

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

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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, BILL OF SALE AND CONVEYANCE

STATE OF KANSAS )
) §
COUNTY OF PRATT )

KNOW ALL MEN BY THESE PRESENTS:

This Assignment, Bill of Sale and Conveyance (this "Assignment"), is made this 21st day of August, 2019 by and between Dropzone Investments, Inc. ("Assignor") to Lotus Operating Company, LLC ("Assignee"). This Assignment shall be effective as of 7:00 a.m. Central time on August 18, 2019 (the "Effective Time").

1. Assignment. Assignor for Ten Dollars (\$10.00) and other good and valuable consideration in hand paid by Assignee, the receipt and sufficiency of which consideration are hereby acknowledged, does hereby grant, bargain, sell, convey, assign, transfer, set over and deliver unto Assignee, subject to the terms and reservations herein, and without warranty of title except as expressly set forth herein, all of Assignor's rights, title, interests, and estates, whether present, contingent or reversionary, in and to all of the following (collectively the "Properties"):

(a) The leasehold and/or working interest in and to the oil, gas and mineral leases described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), which cover and relate to the lands described on Exhibit "A", or lands pooled or unitized therewith (the "Lands"), together with the leasehold estates created thereby, including all carried interests, farmout or farmin rights, options, subleases, and all other interests that Assignor has in and to the Leases, Lands and Wells (as defined below), whether now owned or hereafter acquired excepting and reserving overriding royalty interest and non-participating (leased) fee mineral interest of public record as of the Effective Time in and to all oil, gas, casinghead gas, or other hydrocarbons produced, saved and marketed from the Leases;

(b) All oil wells and gas wells, water injection wells and other injection or disposal wells, temporarily abandoned wells, plugged and abandoned wells, and all other wells of every nature and kind located on or attributable to the Leases and/or Lands, including, but not limited to, all of the wells described on Exhibit "B" attached hereto and made a part hereof (collectively the "Wells");

(c) All of the contracts, agreements and instruments by which the Properties are bound, or that relate to or are otherwise applicable to the Properties, or any of them, or the production of Hydrocarbons (defined below) in association therewith, including all operating agreements, unitization, pooling and communitization agreements, declarations and orders, joint venture agreements, farm-in and farm-out agreements, exploration agreements, participation agreements, exchange agreements, transportation or gathering agreements, agreements for the sale and purchase of oil, gas or casinghead gas, processing agreements, and equipment leases, and all presently existing pooling agreements and statutorily, judicially or administratively created drilling, spacing, proration and/or production units, whether recorded or unrecorded, which relate to the Leases and Lands, and all of Assignor's interest in and to the Properties covered or units created thereby which are attributable to the Leases and/or Lands;

(d) All oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons and products refined therefrom, together with all minerals produced in association with these substances (collectively called "Hydrocarbons") in and under and which may be produced and saved from or attributable to the leasehold and/or working interests in and to the Leases and/or Lands or any interests pooled or unitized therewith from and after the Effective Time;

(e) All surface and subsurface easements, rights-of-way, servitudes, use agreements, usage rights, licenses, leases, water rights (including water withdrawal, storage, discharge, treatment, injection and disposal rights), and rights of ingress and egress and similar rights and interests pertaining to, situated on or used in connection with the Properties; and all permits, licenses, registrations, consents, orders, approvals, variances, exemptions, waivers, franchises, rights and other authorizations issued by any governmental agency pertaining to or used in connection with the Properties (collectively, the "Rights of Way");

(f) All surface and subsurface personal property, equipment, machinery, fixtures, movable and immovable property and improvements on or appurtenant to the Properties, or used or obtained in connection with the operation of the Properties or with the production, treatment, sale or disposal of Hydrocarbons or water produced therefrom or attributable thereto, including without limitation, pipelines, disposal systems, water wells, gathering systems, injection facilities, saltwater disposal facilities, pumping units and engines, buildings, flow lines and compression facilities appurtenant to or located upon the Leases and/or Lands or lands pooled therewith (collectively, the "Equipment"); and



Register of Deeds Pratt County, Kansas
Sherry L. Wenrich
Book: 485 Page: 305-308
Receipt #: 29726 Total Fees: \$72.00
Pages Recorded: 4
Date Recorded: 9/6/2019 10:20:28 AM

(g) All of the original files, records and data directly relating to items described in subsections (a) through and including (f) above, including, without limitation, title records (including abstracts of title, title opinions, and title curative documents); contracts; correspondence; geological, geophysical and seismic records (but only to the extent assignable without the payment of a fee or with a fee if Assignee agrees to pay); accounting records; and, operations and production files and copies of any other files, records and data relating or pertaining to the Properties.

**TO HAVE AND TO HOLD** all and singular such Properties together with all rights, titles, interests, estates, remedies, powers and privileges thereunto appertaining unto Assignee and Assignee's successors and assigns forever; subject to the following terms and conditions:

2. Representations and Warranty. This Assignment, Bill of Sale and Conveyance is executed without any warranty of title, either express or implied, without any express or implied warranty or representation as to the merchantability of any of the wells and appurtenances or its fitness for any purpose, and without any other express or implied warranty or representation whatsoever. It is understood and agreed that "ASSIGNEE" has inspected or has sufficient opportunity to inspect the assigned interests and is satisfied as to its physical and environmental condition, both surface and subsurface, and that "ASSIGNEE" accepts all of the same in "AS IS", "WHERE IS" condition. In addition, "ASSIGNOR" makes no warranty or representation, express or implied, as to the accuracy or completeness of any data, information or materials heretofore or hereafter furnished "ASSIGNEE" in connection with the interests, or as to the quality or quantity of hydrocarbon reserves (if any) attributable to the interests or the ability of the interests to produce hydrocarbons, any and all such data, information and other materials furnished by "ASSIGNOR" is provided to "ASSIGNEE" as a convenience and any reliance on or use of the same shall be at "ASSIGNEE'S" sole risk. Assignor warrants and defends that said interest is free and clear of all liens and encumbrances of any kind.

3. No Third Party Beneficiary. The references herein to contracts, agreements, burdens, encumbrances and other matters shall not be deemed to ratify or create any rights in third parties or merge with, modify or limit the rights of Assignor or Assignee, as between themselves. It is the intent of Assignor and Assignee that this Assignment shall not be construed as a third party beneficiary contract.

4. Further Assurances. In addition to this Assignment, Assignor shall execute, acknowledge, and deliver to Assignee, in a timely manner and without further consideration, any documents or instruments that Assignee may reasonably require, including, without limitation, further assignments or conveyances required by any state or federal authority, deeds and consents to further evidence the assignment and conveyance of the Properties by Assignor to Assignee.

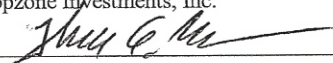
5. Severability. The invalidity of anyone or more provisions of this Assignment shall not affect the validity of this Assignment as a whole, and in case of any such invalidity, this Assignment shall be construed as if the invalid provision had not been included herein.

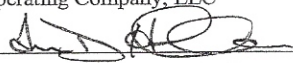
6. Governing Law. This Assignment shall be governed by and construed under the laws of the State of Kansas, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

7. Counterparts. This Assignment may be executed in any number of counterparts, and by different parties in separate counterparts, and each counterpart hereof shall be deemed to be an original instrument, but all such counterparts shall constitute but one instrument. A copy or facsimile of a signed copy of this Assignment shall have the same force and effects as a signed original of this Assignment.

This Assignment shall bind and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

IN WITNESS WHEREOF, the undersigned have executed this Assignment on the date and year first above written, to be effective for all purposes as of the Effective Time.

**ASSIGNOR:**  
Dropzone Investments, Inc.  
By   
Name Thomas E. Garner  
Title Authorized officer

**ASSIGNEE:**  
Lotus Operating Company, LLC  
By   
Name Timothy D. Hellman  
Title President

Attached to and made a part of that certain Assignment, Bill of Sale and Conveyance by and between Dropzone Investments Inc, Assignor and Lotus Operating Company, LLC, Assignee, made effective August 18, 2019.

“SELLER’S ACKNOWLEDGEMENT”

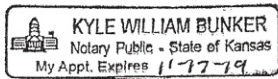
STATE OF KANSAS )  
 ) §  
COUNTY OF PRATT )

Before me, the undersigned authority, on this day personally appeared Thomas F. Garner as Authorized officer of Dropzone Investments, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same and for the purpose and consideration therein expressed, as the act of such company and in the capacity therein stated.

I have set my hand and official seal this 3rd day of September, 2019.

My Commission Expires:

Kyle William Bunker  
Notary Public



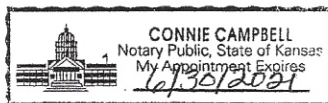
“BUYER’S ACKNOWLEDGEMENT”

STATE OF KANSAS )  
 ) §  
COUNTY OF SEDGWICK )

The foregoing instrument was acknowledged before me this 5th day of September, 2019 by Timothy D. Hellman, Managing Member of Lotus Operating Company, LLC.

My Commission Expires:

Connie Campbell  
Notary Public



Attached to and made a part of that certain Assignment, Bill of Sale and Conveyance by and between Dropzone Investments Inc, Assignor and Lotus Operating Company, LLC, Assignee, made effective August 18, 2019.

**Exhibit 'A'**

Lease: Binger

Date: October 24, 1977  
Lessor: Edwin H. Binger, et al  
Lessee: Pan Western Petroleum, Inc.  
Description: Southwest Quarter (SW/4) Section 23-T26S-R14W, Pratt County, Kansas  
Recorded: Book 142, Page 169

Lease: Petrowsky

Date: July 18, 1977  
Lessor: Edwin H. Petrowsky and Doris Petrowsky  
Lessee: Pan Western Petroleum, Inc.  
Description: Northwest Quarter (NW/4) Section 23-T26S-R14W, Pratt County, Kansas  
Recorded: Book 142, Page 162