

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: _____

OIL AND GAS LEASE



Reorder No. 09-115



316-264-9344 • P.O. Box 793 • Wichita, KS 67201-0793

AGREEMENT. Made and entered into the 24th day of April, 1999

by and between Monte E. Lawrenz and Debra Lawrenz, his wife

11089 NW Springcreek Road
Medicine Lodge, Kansas 67104

whose mailing address is hereinafter called Lessor (whether one or more).

and F.G. Holl Company, L.L.C., P.O. Box 780167, Wichita, Kansas 67278-0167

hereinafter called Lessee:

Lessor, in consideration of One and More Dollars (\$1.00 & More) 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, 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 Barber, State of Kansas described as follows, to-wit:

Township 30 South, Range 13 West
Section 9: E/2SE/4
Section 10: W/2SW/4

In Section Township Range and containing 160 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of Three (3) 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 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 pay Lessor \$1500.00 surface damages, in advance, prior to commencement of drilling operations for each well on the leased premises.

Upon completion of drilling operations, Lessee agrees to backfill all pits when dry, restore the surface to its original condition as near as practicable, and repair any terraces damaged by its operations.

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

Witnesses:

SS# 515-58-2279

[Signature]

[Signature]
Monte E. Lawrenz

[Signature]
Debra Lawrenz

STATE OF Kansas COUNTY OF Barber ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
The foregoing instrument was acknowledged before me this April day of 1999,
by Monte E. Lawrenz and Debra Lawrenz, his wife ~~XXX~~

My commission expires 4-23-00

Dalene Dohm
Notary Public



STATE OF _____ COUNTY OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
The foregoing instrument was acknowledged before me this _____ day of _____, 19____,
by _____ and _____

My commission expires _____ Notary Public

STATE OF _____ COUNTY OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
The foregoing instrument was acknowledged before me this _____ day of _____, 19____,
by _____ and _____

My commission expires _____ Notary Public

STATE OF _____ COUNTY OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
The foregoing instrument was acknowledged before me this _____ day of _____, 19____,
by _____ and _____

My commission expires _____ Notary Public

No. _____
OIL AND GAS LEASE
FROM _____
TO _____
Date _____, 19____
Section _____ Twp. _____ Rge. _____
No. of Acres _____ Term _____ County _____
STATE OF Kansas
County Barber
This instrument was filed for record on the 18
day of May, 1999,
at 9:58 o'clock A..M., and duly recorded
in Book 281 Page 271 of
the records of this office.
By Betty Swayden Register of Deeds.
#800
When recorded, return to _____



ORIGINAL COMPARED WITH RECORD

STATE OF _____ COUNTY OF _____ ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)
The foregoing instrument was acknowledged before me this _____ day of _____, 19____,
by _____ of _____ a _____
corporation, on behalf of the corporation.

My commission expires _____ Notary Public

State of Kansas, Barber Co., SS
This instrument was filed for record on
the 1 day of October
2019 at 4:11 o'clock P. M., and
duly recorded in book 369 on page 187
Brittany Subyden
Register of Deeds
Fees \$157.00

OIL AND GAS LEASE
(Paid Up)

AGREEMENT, Made and entered into this 1 day of October, 2019, and effective October 1, 2019, by and between **MONTE E. LAWRENZ and DEBRA J. LAWRENZ**, husband and wife,, party of the first part, hereinafter called lessor (whether one or more) and **INDIAN OIL CO., INC., a Kansas Corporation**, party of the second part, hereinafter called Lessee.

WITNESSETH: That lessor, for and in consideration of Ten (\$10.00) and More Dollars, cash in hand paid, receipt of which is hereby acknowledged and of the royalties herein provided and of the covenants and agreements hereinafter contained to be performed on the part of the lessee, has granted, demised, leased and let and by these presents does grant, demise, lease and let exclusively unto lessee, the herein described land with any reversionary rights therein for the purpose of exploring by geological, geophysical, seismic and other methods, drilling, mining and operating for oil (including but not limited to distillate and condensate), gas (including casinghead gas and all other constituents and all other gases) and the exclusive right of injecting water, brine and other substances into the subsurface strata and for laying pipe lines, constructing roads, electric lines and building tanks and structures thereon, necessary or convenient for the economical operation of said land alone or conjointly with lands unitized or pooled therewith to produce, save, treat, take care of, process, store and transport said products, all that certain tract of land, situated in the County of Barber, State of Kansas, described as follows, to-wit:

The East Half of the Southeast Quarter (E/2 SE/4) of Section 9, Township 30 South, Range 13 West AND the West Half of the Southwest Quarter (W/2 SW/4) of Section 10, Township 30 South, Range 13 West of the 6th P.M.

and containing 160 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of three (3) year from date (herein called primary term) and as long thereafter as oil or gas, or either of them, is produced from said land or land with which said land is pooled or unitized by the lessee

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

(a). To deliver in-kind to lessor, at the well, or to the credit of lessor into the pipeline or storage tank to which the well may be connected, the 1/8th part of all oil (including condensate) produced and saved from the leased premises, but in no event more than 1/8th of the actual amount received by lessee. In lieu thereof, lessee shall have the option, at any time, to sell lessor's oil, in which case lessor's royalty shall be based on lessee's gross proceeds at the lease, or to purchase lessor's oil for the fair market value of such oil at the lease. In any event, lessor's interest shall be free of all costs of production, but shall bear its proportionate part of severance, ad valorem and similar taxes.

(b). To pay lessor for gas (including casinghead gas, all gaseous substances, and all constituents thereof) produced and sold from the leased premises, 1/8th part of the gross proceeds at the lease from the sale of such gas, after deducting lessor's proportionate part of severance and other similar taxes; lessor's interest to be free of all costs of production, but in no event more than 1/8th of the actual amount received by lessee. If, after the primary term of this lease gas from any well or wells on the premises capable of producing gas in commercial quantities is not sold or used off the premises or in the manufacture of gas for a period of two (2) years or more, during which time there is no other production from the leased premises, then lessee may pay or tender as royalty for such annual period a sum of five dollar (\$ 5.00) per net acre within ninety (90) days after the end of such annual period and if such payment is made it will be considered that gas is being produced for purposes of perpetuating the lease beyond it primary term.

2. 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, as to any or all horizons, and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the portion surrendered.

3. 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 or commence reworking operations on an existing well within the term of this lease or any extension thereof, or on acreage pooled therewith, the lessee shall have the right to drill such well to completion or complete reworking operations 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 the years first mentioned.

4. Lessee shall have the right, but not the obligation, to unitize all or any part of the Leased Premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this Lease, either before or after the

commencement of production, whenever in Lessee's judgment it is necessary or advisable to do so in order to prudently develop or operate the Leased Premises, so as to promote the conservation of such minerals in and under said land. Any gas unit for a vertical well created pursuant to the lease shall be limited to 160 acres and any oil unit for a vertical well shall be limited to 40 acres; provided, any 40 acre vertical oil unit created with property covered by this lease and adjoining any contiguous property not covered by this lease shall contain at least 20 acres of Lessor's property covered by this lease and any 160 acre vertical gas unit created with property covered by this lease and adjoining any contiguous property not covered by this lease shall contain at least 80 acres of Lessor's property covered by this lease. The unit formed by such unitizing for a horizontal oil or gas well shall not exceed 640 acres, plus a maximum acreage tolerance of 10%. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by laws, the rules, and regulations of the Kansas Corporation commission in effect at the time production begins at the initial well. In exercising its rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the Leased Premises shall be treated as if it were production, drilling or reworking operations on the Leased Premises, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit. Unitizing hereunder shall not constitute a cross-conveyance of interests.

5. 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 shall be paid to the lessor only in the proportion which their interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, reasonable amounts of gas and oil produced on said land for its operations thereon.

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

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

9. Lessee shall pay for all damages caused by its operations on said land.

10. 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.

11. If the estate of either party hereto is assigned, 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. However, no change or division in ownership of the land or royalties shall enlarge the obligations or diminish the rights of Lessee. No change in the ownership of the land 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 the assignment.

12. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules and 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 such failure is the result of any such Law, Order, Rule or Regulation.

13. This lease shall be effective as to each lessor on execution hereof as to their interest and shall be binding on those signing, notwithstanding some of the lessors above named may not join in the execution hereof. The word "Lessor" as used in this lease means the party or parties who execute this lease as Lessor, although not named above.

14. Lessee may at any time and from time to time surrender this lease as to any part or parts of the leased premises by delivering or mailing a release thereof to lessor, or by placing a release of record in the proper County.

15. 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 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 hereof.

16. Lessee hereby agrees to pay for any and all damages occasioned by its operations hereunder, including crop damage caused by pipelines installed on or removed from the premises. Lessee shall pay Lessor a reasonable amount, which includes crop damages, for each drill site location on the leased premises. Upon completion of Lessee's operations on each well, Lessee agrees to restore the premises to as nearly as practical the same condition they were in prior to the commencement of operations hereunder. All trash and debris shall be removed before the surface of the premises is restored.

EXHIBIT

EXHIBIT to Oil and Gas Lease dated October 1, 2019, and effective October 1, 2019, between **MONTE LAWRENZ and DEBBIE LAWRENZ**, husband and wife, as Lessor, and **INDIAN OIL COMPANY, INC.**, as Lessee.

This Exhibit is hereby made a part of that certain oil and gas lease identified above by date and parties to the same extent as if the provisions hereof had originally been written in the Lease, and this Exhibit and the Lease cover the following described real property in Barber County, Kansas:

The East Half of the Southeast Quarter (E/2 SE/4) of Section 9, Township 30 South, Range 13 West AND the West Half of the Southwest Quarter (W/2 SW/4) of Section 10, Township 30 South, Range 13 West of the 6th P.M.

and containing 160 acres, more or less.

1. ROYALTY

1.1. **Royalty.** It is agreed between Lessor and Lessee that, notwithstanding any language herein to the contrary, all oil, gas or other proceeds accruing to the Lessor under this lease or by state law shall be without deduction, directly or indirectly, for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting and marketing the oil, gas and other products produced to transform the products into marketable form; however, any such costs which result in enhancing the value of the marketable oil, gas or other products to receive a better price may be deducted from Lessor's share of production, so long as they are based on Lessee's actual cost of such enhancement. However, in no event will either the Lessor or the Lessee receive a better price than the other party.

2. DAMAGES

2.1. **Payment.** Lessee shall pay Lessor for all loss of crops, grasses, damages to the land and all other damages of whatever kind or nature caused by its operations. Lessee agrees to use its best efforts to reasonably restore the surface to its original contour as nearly as practicable. Should any wells be drilled, roadways be established, structures be erected, or any other use of the leased premises cause damage to lands enrolled in the Conservation Reserve Program (CRP), any repayments of cost-shares, annual payments, interest, and liquidated damages, will be promptly reimbursed to the Lessor by the Lessee, under the direction of the governing Farm Service Agency. Lessee

agrees to pay \$2,500.00 as minimum damages for any new vertical drillsite location and \$5,000.00 as minimum damages for any new horizontal well location prior to the commencement of drilling operations. All other payments, if any, shall be due and payable within 90 days of damage, should additional damage occur.

2.2. **Indemnification.** Lessee shall indemnify Lessor against and hold Lessor harmless from any claims, damages, attorney fees, actions or causes of action arising from or in any way related to Lessee's operations on the Premises or under the Lease or to any acts or omissions of Lessee or Lessee's agents, invitees, licensees, employees, contractors, subcontractors, independent contractors, officers or representatives.

3. SURFACE USE AGREEMENTS

3.1. **Seismic.** By signing the Lease and this Exhibit, Lessor is not granting Lessee the right to conduct seismic exploration on the Premises. Any seismic exploration must be covered by a separate written agreement, which must provide for paying additional compensation to Lessor for such seismic exploration, and which must be signed by Lessor prior to any seismic exploration of the Premises. Lessee shall remain responsible to restore the premises and pay any additional actual damages caused by the seismic activity. Lessee shall not use any heavy equipment on the property when the soil is wet or soft. If rutting or soil compaction occurs due to Lessee's activities, Lessee shall alleviate these conditions by filling ruts and/or ripping compacted areas.

3.2. **Road.** In the event that Lessee uses any existing roads on the Premises, Lessee shall maintain such roads.

Prior to the construction of any road, Lessee shall consult with Lessor as to the placement thereof, and Lessee shall utilize its best efforts to minimize interference with Lessor's agricultural operations. Roads shall be routed along existing field boundaries where feasible, to avoid fragmenting fields. Culverts or other means shall be used to avoid water retention in terrace channels or waterways. Roads bisecting an existing field shall be constructed with minimal ditches or other obstructions, so as to allow farm machinery (planters, sprayers, and harvesters) to cross the road, reducing the need for additional turns. There shall be no oil or hard surfacing of any access road, drill/well site or installation site, without prior written consent of Lessor.

3.3. **Lines.** Lessee agrees to pay minimum surface damages of \$20.00 per rod all lines except lead lines (those lines carrying produced fluids and gases from the wellhead to the tank battery), payable in advance of commencement of a line, as a deposit toward damages to the Premises caused by Lessee's construction thereof. In the event damages are greater than the minimum deposit paid, Lessee shall settle for the

excess damages within 90 days after completion of the line. "Lines" are defined as oil and gas pipelines and electric and communications lines. There shall be no overhead/aerial electric or communications lines placed over the Premises by Lessee, without prior written consent of Lessor.

All Lines and other subterranean structures shall be buried to a minimum depth of 48 inches. Nothing herein shall be interpreted as prohibiting Lessor's construction of fences, structures, irrigation water lines, gas pipelines or ditches alongside any pipeline or well of the Lessee, so long as the same do not interfere with Lessee's operations.

Lessor and Lessee shall agree in writing on the location of all Lines, prior to the construction thereof. The right to bury Lines extends only to lines required for drilling operations on and carrying production from the Premises, and not to common carrier lines. For purposes of this Exhibit, a Line laid to gather gas production from adjoining land owned by Lessor shall not be considered a common carrier line.

3.4. Water. Lessee shall not use water from any pond, stream, well or rural or city water service on the Premises, without prior written consent of Lessor and without compensating Lessor for the use thereof.

3.5. Fencing. If Lessor places cattle or other livestock on the Premises, Lessee shall fence all pits and equipment, and install such cattle guards and gates as are necessary to protect and contain such livestock. Lessee shall keep gates locked at all times and furnish Lessor with keys. Lessee shall maintain and promptly repair its fences, cattle guards and gates in a workmanlike manner. Cattle guards and gates shall become the property of Lessor upon termination of the Lease.

3.6. Site Maintenance. Lessee shall maintain any drill/well site, equipment site, road or any other area used in its lease operations free of weeds and trash. Lessee shall not use salt or waste water, salt or long-life chemical substances in weed control.

3.7. Salt Water Disposal. The installation of any salt water disposal equipment shall be subject to prior written approval of Lessor. Lessee shall not use any well drilled on the Premises as a salt water disposal well without prior written consent of Lessor and without compensating Lessor for the use thereof. The terms of this paragraph do not apply to the disposal of salt water produced from wells located on lands covered by this lease. Any salt water disposal equipment or well on the Premises shall comply with all statutes, orders, rules and regulations of the Kansas Corporation Commission and Kansas Department of Health and Environment.

3.8. Irrigation. If the lands covered hereby are irrigated by the use of an overhead sprinkler system, presently in operation or installed hereafter, Lessee's operation and equipment shall be installed and conducted in such a manner as to not

interfere with Lessor's farming or irrigation operations on said land. Lessee's operations and equipment for production will be placed on this land at places, or at such height and level, which will permit the irrigation sprinklers to normally operate on this land. If the property is irrigated, during growing season Lessee shall conduct no drilling, completion or rework operations except such activities necessitated by emergency on the property without written consent of the Lessor which consent shall not be unreasonably withheld. No pits will be dug in the sprinkler wheel tracks.

IF THE IRRIGATION IS INSTALLED AFTER THE DRILLING OF A WELL SUBJECT TO THIS LEASE, COSTS ASSOCIATED WITH RE-EQUIPPING THE WELL OR MOVING LINES, TANKS, OR OTHER ASSOCIATED EQUIPMENT SHALL BE BORNE BY LESSOR.

4. TERMINATION

4.1. **Definition.** "Automatically terminate" or "automatically terminates" is defined as the immediate rescission and cancellation of the Lease, so that upon an event of automatic termination, Lessee's rights under the Lease and/or to the leasehold shall be immediately rescinded and canceled, without the adjudication of such rescission and cancellation by any court or governmental agency.

4.2. **Shut-In Royalty.** Notwithstanding anything in the lease form to the contrary, the shut-in gas well royalty clause shall not have the effect of extending the term of this lease for a period in excess of two (2) years consecutive after the expiration of the primary term. The shut-in royalty payment shall be \$5.00 per acre. If Lessee fails to pay shut-in payment, the lease will automatically terminate.

4.3 Intentionally left blank.

4.4. **Pugh Clause.** Five (5) years following the expiration of the primary term of this lease or the expiration of any extension or renewal of the primary term (including without limitation those contained in any continuous development provisions of the Lease), whichever occurs last, in the event a portion or portions of the leased premises is pooled with other land so as to form a pooled unit or units, this lease will automatically terminate as to all land not included in such unit or units unless held by other production. This lease may be maintained in force as to any land covered hereby and included in such unit or units in any manner provided for herein. Upon the occurrence of any such partial termination of this lease, Lessee shall have and expressly reserves, an easement, on, over, through and under all released tracts as shall be reasonably necessary for rights of ingress and egress, in order to enable the exploration and/or production of oil, gas and/or other minerals in and from any depths and lands retained by Lessee under this lease and Lessee shall not be required to relocate any

pipelines or equipment used in connection with production of oil or gas from the leased premises.

4.5. **Unitization.** If any unit created pursuant to Section 4 of the lease contains less than all of the property covered by this lease, then this lease shall terminate five (5) years past the end of the primary term as to all such property not included in a producing gas or oil unit unless held by actual production from a well on the property covered by this lease but outside the unit.

5. MISCELLANEOUS

5.1. **Conflict With Lease.** In the event of conflict between the Lease provisions and the Exhibit provisions, the Exhibit provisions shall control.

5.2. **Law and Interpretation.** All provisions of the Lease shall be subject to applicable federal and state laws, statutes, orders, rules and regulations. No provision in the Lease or the Exhibit is to be interpreted for or against any party because that party or that party's legal representative drafted the provision.

5.3. **Binding Effect.** This Exhibit and Lease and all its terms, conditions and stipulations shall extend to and be binding on all the heirs, devisees, legatees, grantees, executors, administrators, trustees, personal representatives, successors and assigns of Lessor and Lessee; provided, neither Lessee nor any successor or assign of Lessee shall be relieved from any obligation hereunder without the written consent of Lessor to any assignment made by Lessee.

5.4. **Context of Terms.** Whenever necessary in this Lease and Exhibit and where the context requires, the singular term and the related pronoun shall include the plural, the masculine and the feminine. Whenever the term "Lessors" or the term "Lessee" is used in this Lease and Exhibit, such terms shall also refer to the successors and assigns of said parties as well.

5.5. **Rights Reserved by Lessor.** Notwithstanding anything in the Lease or this Exhibit to the contrary, Lessee is leasing the property subject to tenant's rights and all mortgages, easements, reservations, exceptions, rights of way, covenants, conditions and encumbrances which are of record. Lessee expressly acknowledges that the "exclusivity" expressed in the granting clause of the Lease relates solely to the rights granted in the lease to Lessee to explore, develop, and operate the property for the production of oil and gas and their constituents. Lessee recognizes and acknowledges that Lessor expressly reserves use of the property for Lessor's purposes including, but

not limited to, the granting of surface or subsurface rights to others by transactions including, but not limited to, leases, licenses, easements, rights of way, and locations for surface facilities to third parties ("Future Rights") so long as the granting and use thereof does not unreasonably conflict with the exclusive right of Lessee to use the property for oil and gas purposes or otherwise unreasonably interfere with the authorized exclusive activities of the Lessee. Lessee expressly agrees that it will cooperate with the Lessor and owners and holders of any such Future Rights in the exercise of such rights but Lessee shall have the right to be held harmless by any Future Rights holder from necessary out-of-pocket costs and expenses incurred in connection with such cooperation. In no event will Lessor be liable to Lessee for Lessor's use of the property or because of the granting of such Future Rights to others.

5.6. **Arbitration.** In the event of a dispute between Lessor and Lessee arising out of this oil and gas lease which is not mutually resolved, the parties shall submit the dispute to binding arbitration pursuant to the Uniform Arbitration Act of Kansas, K.S.A. 5-401 *et seq.* To initiate arbitration, either party shall notify the other in writing of the specific issues in dispute and the parties shall then have twenty (20) days to mutually agree on an arbitrator. If the parties are unable to agree on an arbitrator, the arbitrator shall be selected by the Judge of the District Court of Pratt County, Kansas, upon written application of the parties. The arbitration hearing will take place at Pratt, Kansas. The arbitration award or decision shall be binding on the parties. This Agreement is governed by and shall be interpreted in accordance of the laws of the State of Kansas and any claim or cause of action against Lessee brought by Lessor or vice versa must be brought in the District Court of Pratt County, Kansas. If Lessor prevails on any claim against Lessee, through arbitration Lessee shall be liable to Lessor for the payment of all Lessor's costs and expenses, including attorney fees.

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS THAT:

WHEREAS, F.G Holl Company, L.L.C. at 9431 E. Central, Ste 100, Wichita KS 67206, is the Operator (“Operator” herein) of the following oil and gas lease (“Lease”):

Lease Name: **LAWRENZ-10**
Dated: 04/24/1999
Lessors: Monte E. Lawrenz and Debra Lawrenz, his wife;
Lessee: F. G. Holl Company, LLC
Leased Premises: Sec. 10-30S-13W: W/2 SW/4;
Sec. 09-30S-13W: E/2 SE/4; all in Barber County, KS;
Recorded: Book 281, Page 271, Register of Deeds Barber County, KS

WHEREAS, this Lease has expired due to non-development thereupon, and to non-production therefrom; **WHEREAS, Indian Oil Co. Inc., at 2563 SE US HWY 160, Medicine Lodge, KS,** hereinafter called “Purchaser” desires to buy all existing equipment in place and other tangible property thereupon, including but not limited to the well bore, casing and tubing; **NOW THEREFORE,** the undersigned parties hereto (“Parties”), enter into this Agreement (“Agreement”) which shall be as follows:

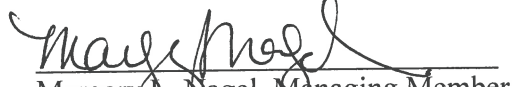
1. For and in consideration of **Purchase Price** [REDACTED] as negotiated and agreed upon between **Purchaser** and **Operator** with reference to 100% Working Interest value in the above Lease, the receipt of which is hereby acknowledged, **Operator** does hereby sell and transfer unto **Purchaser** all of the Lease equipment located on said lease together with all other tangible property thereupon, including but not limited to the well bore, casing and tubing, but without any warranty of title or condition, express or implied.
2. **Purchaser** assumes all liability with respect to the property transferred from the effective date hereof, including all surface remediation.
3. **Purchaser** agrees to pay **Operator** by cashier’s check, at closing, the **Purchase Price** as to 100% working interest.
4. In addition, **Purchaser** agrees to reimburse **Seller** for, and assume ¼ share of Ad Valorem Taxes due for the tax year of 2019 by adding respective amount to the amount payable to **Seller** in the form of cashier’s check; or by paying said amount by a separate check, at closing. If said amount is not known as of the closing date, 2018 tax figure should be used instead. **Seller** shall be responsible for 100% actual 2019 Ad Valorem Tax and pay the same to County Treasurer.
5. Time is of the essence for the purpose of this **Agreement**. Upon closing, which shall be attempted to take place on or before October 3, 2019, **Operator** and **Purchaser** shall immediately file the Operator Transfer form with KCC to transfer operations on all of **Operator**’s wells subject to the above **Leases**. **Purchaser** shall execute this **Agreement** upon acceptance, and **Operator** shall place his signature at closing, at which time this Bill of Sale shall be binding upon both **Parties**.
6. This **Agreement** represents the final understanding between the **Parties**, which supersedes all previous agreements, verbal or written, pertaining to the matter hereof. shall be binding upon said **Parties**, their successors, assigns and legal representatives.

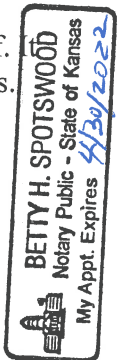
DATED this 3rd day of October 2019, but effective October 1, 2019.

INDIAN OIL CO., INC.


Anthony Farrar, President

F. G. HOLL COMPANY, LLC


Margery L. Nagel, Managing Member



State of KANSAS County of SEDGWICK

This instrument was acknowledged before me this 3rd day of October, 2019 by ANTHONY FARRAR, President of INDIAN OIL CO., INC.

My Commission Expires: 4/30/2022 Notary Public: Betty H. Spotswood 

State of KANSAS County of SEDGWICK

This instrument was acknowledged before me this 3rd day of October, 2019 by MARGERY L. NAGEL, Managing Member of F. G. HOLL COMPANY, LLC

My Commission Expires: 4/30/2022 Notary Public: Betty H. Spotswood 

Lawrenz-10
IP/bs

