

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: _____

Title: _____

Signature: _____

Oil / Gas Purchaser: _____

Date: _____

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 _____
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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

Form 88-(Producers) 1-43 B Date Recorded: 10/7/2019 10:37:05 AM

Receipt #: 06121
Pages Recorded: 5

Total Fees: \$89.00

\$89.00 CEC Operations, LLC P.O. Box 631 Winfield, KS 67156



AGREEMENT, Made and entered into September 25, 2019, by and between Jason P. Brewer and Julie A. Gray, Party of the first part, hereinafter called Lessor (whether one or more) and Crown Energy Consultants, LLC, Party of the second part, hereinafter called Lessee.

WITNESSETH: That the said Lessor, for and in consideration of One (\$1.00), Dollar, cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of Lessee to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let unto said Lessee, for the sole and only purpose of mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land, "together with any reversionary rights therein", situated in the County of Cowley, State of Kansas, described as follows, to-wit:

Section 5, Township 34 South, Range 4 East (5-34-4); Lot One (1) and Lot Two (2) and the South Half of the Northeast Quarter (S/2 NE/4) and the East Half of the Southeast Quarter (E/2 SE/4) containing 234.71 acres, more or less, Cowley County, Kansas; Less and Except:

Tract #1 (Lampson Tract) - that part of the Northeast Quarter beginning East 517.58 feet from the Northwest corner of the Quarter Section to the point of beginning; thence South 276 feet to a point; thence East 203 feet to a point; thence North 276 feet to a point; thence West 203 feet to point of beginning, containing 1.20 acres.

And
Tract #2 (Gray Tract) - that part of the Northeast Quarter beginning West 1,540 feet and South 560 feet from the Northeast corner of the Quarter Section to the point of beginning; thence East 400 feet to a point; thence South 300 feet to a point; thence West 400 feet to a point; thence North 300 feet to point of beginning, containing 2.80 acres.

It is agreed that this lease shall remain in full force for a term of Five (5) months from this date, and as long thereafter as oil or gas, or either of them, is produced from said land by the Lessee, or the premises are being developed or operated.

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

1. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect his wells, the equal three-sixteenths (3/16th) part of all oil produced and saved from the leased premises.
2. To pay Lessee for gas from each well where gas only is found the equal three-sixteenths (3/16) of the gross proceeds at the prevailing market rate, (but, as to gas sold by Lessee, in no event more than three-sixteenths (3/16) of the proceeds received by Lessee from such sales), for all gas used off the premises, said payments to be made after Lessee receives payment and Lessor to have gas free of cost from any such well for all stoves and all inside lights in the principal dwelling house on said land during the same time by making his own connections with the well at his own risk and expense, so long as there is excess gas beyond the quantity needed to run motors to produce oil from wells..

3. To pay Lessor for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline, three-sixteenths (3/16) of the proceeds at the prevailing market rate, (but, as to gas sold by Lessee, in no event more than three-sixteenths (3/16) of the proceeds received by Lessee from such sales), for the gas used, for the time during which such gas shall be used, said payments to be made after Lessee receives payment.

If no well be commenced on said land or production obtained from an existing well on or before February 15, 2020, this lease shall terminate as to both parties, unless the Lessee on or before that date shall pay or tender to the Lessor, or to the lessor's credit in RCB Bank at Arkansas City, Kansas or it's successors, which shall continue as the depository regardless of changes in the ownership of said land, the sum of Three hundred Dollars (\$300.00) per net mineral acre, which shall operate as a rental and cover the privilege of deferring the commencement of a well or obtaining production from an existing well for thirty-six months from said date. Payment or tenders of rental may be made by check or draft of Lessee or any assignee thereof, mailed or delivered on or before the rental paying date either direct to Lessor or assigns or to said depository bank.

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

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

When requested by Lessor, Lessee shall bury his pipe lines below plow depth.

quantities, this lease shall continue and be in force with the like effect as if such well had been completed with the term of years herein first mentioned.

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 of rentals or royalties and it is hereby agreed in the event this lease shall be assigned as to a part or as to parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part of parts of said lands upon which the said Lessee or any assignee thereof shall make due payment of said rentals.

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 may reimburse itself from any rental or royalties accruing hereunder.

Whereof witness our hands as of the day and year first above written.

Crown Energy Consultants, LLC

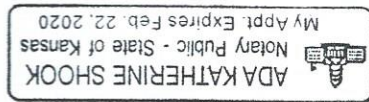
by Bruce W. Satterthwaite

Managing Member

Jason P. Brewer

Julie A. Gray

STATE OF KANSAS, COUNTY OF COWLEY, ss:

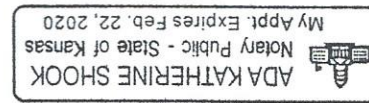


The foregoing instrument was acknowledged before me this 25th day of September, 2019, by Jason P. Brewer and Julie A. Gray.

NOTARY PUBLIC: ADA KATHERINE SHOOK
My appointment expires: 02-22-2020

STATE OF KANSAS, COUNTY OF COWLEY, ss:

The foregoing instrument was acknowledged before me this 25th day of September, 2019, by Bruce W. Satterthwaite, Managing Member of Crown Energy Consultants, LLC.



NOTARY PUBLIC: ADA KATHERINE SHOOK
My appointment expires: 02-22-2020

ADA KATHERINE SHOOK

Attached hereto and made a part of that certain Oil and Gas Lease dated the 25 day of September, 2019 by and between Jason P. Brewer and Julie A. Gray, as Lessor and Crown Energy Consultants, LLC, as Lessee.

Covering the following described property in Section 5, Township 34 South, Range 4 East (5-34-4); Lot One (1) and Lot Two (2) and the South Half of the Northeast Quarter (S/2 NE/4) and the East Half of the Southeast Quarter (E/2 SE/4) containing 234.71 acres, more or less, **Cowley County, Kansas; Less and Except:**
Tract #1 (Lampson Tract) – that part of the Northeast Quarter beginning East 517.58 feet from the Northwest corner of the Quarter Section to the point of beginning; thence South 276 feet to a point; thence East 203 feet to a point; thence West 203 feet to point of beginning, containing 1.20 acres.
And
Tract #2 (Gray Tract) – that part of the Northeast Quarter beginning West 1,540 feet and South 560 feet from the Northeast corner of the Quarter Section to the point of beginning; thence East 400 feet to a point; thence South 300 feet to a point; thence West 400 feet to a point; thence North 300 feet to point of beginning, containing 2.80 acres.

OTHER PROVISIONS: Notwithstanding anything to the contrary contained in this lease, it is agreed as follows:

The following provisions are part of this Oil and Gas Lease and if there be conflict between these provisions and any of the foregoing provisions, then the following provisions shall apply and take precedence:

1. Lessee and Lessor shall mutually agree upon any well site locations, access road locations and tank battery locations, which consent shall not be unreasonably withheld. Any such locations shall take into consideration the least interference with the repair, maintenance and cultivation along and around terraces and waterways.
2. Access roads shall not exceed 20 feet in width and shall not be graveled without the prior written consent of the Lessor. If written consent is given, the Lessor shall have the right to specify the type and size of gravel to be used.
3. All tanks and well sites in pasture land shall be securely fenced sufficient to keep all livestock out.
4. Cessation of Production. Any cessation of production in paying quantities for a period greater than 90 days, shall be deemed a permanent cessation and this lease shall terminate. Production, for purposes of this lease, shall require the sale and transport of oil from the leasehold premises. Paying quantities, for purposes of this lease, shall require the sale and transport of no less than 90 BBL of oil per any 90-day period. Should Lessee determine that a permanent cessation has occurred, he may, at his discretion, opt to pay Lessors pursuant to the Delay Rentals provision of this Exhibit. Should there be a permanent cessation of production without the payment of delay rentals, this lease shall terminate pursuant to its terms without the requirement of an executed release from Lessee.
5. Lessee agrees to maintain any well site, storage tank location or other areas used in its lease operations reasonably free of weeds. Lessee may use chemical substances in such weed control as approved by Lessor.
6. Lessee shall not store any equipment, materials or supplies other than those being used on the leased premises. Lessee shall not allow trash or other debris from Lessee's operations to accumulate on the leased premises.
7. Upon cessation of production from any well, it shall be promptly plugged in accordance with Corporation Commission regulations and the surface of the land shall be restored as near as practical to its natural former condition.
8. Lessee agrees this lease contains no rights to use fresh or sweet water from, on or under the leased premises. Lessee agrees it will not pollute or contaminate any fresh water as a result of its operations. If surplus water is available, in opinion of Lessor, Lessee shall have the option of taking water for One Thousand Five Hundred (\$1,500.00) Dollars per well drilled.

- 9. Without the prior written consent of the Lessor, Lessee agrees that it shall not have the right to transport salt water or other deleterious substances onto this leased property and that Lessee has no right of disposal of deleterious substances except those produced upon the property subject to this lease.
- 10. Lessor agrees to permit disposal of off-site salt water upon the premises provided Lessee pays Lessor One Thousand Dollars per month for disposal fees for the first 12,500 barrels on the premises in a calendar month and Twelve Dollars (\$12.00) per 100 barrels disposed thereafter. The disposal well shall be equipped with a gauge or metering device to measure salt water disposal.
- 11. Upon the expiration of the primary term, this lease may not be held solely by the operation of a disposal well on the leased premises.
- 12. No drilling operations shall commence until Lessor has been paid Five Thousand Dollars (\$5,000.00), as advance payment for surface damages (including crop damages), a well site of 2.5 acres or less, an access road from the property boundary to the well approximately 20 feet in width, and any pipeline or flow line required to transport gas from such well. Said Five Thousand Dollars (\$5,000.00) shall be paid for each well drilled upon the premises. This payment shall not foreclose Lessor from recovering additional damages if Lessee uses more of Lessor's acreage than described above.
- 13. That this lease may be pooled with adjoining leases only upon the written consent and discretion of the Lessor.
- 14. The Lessee agrees to provide the Lessor advance notice of anticipated drilling or reworking activity and to coordinate the same with the Lessor so as to cause the least interference with hunting activities and the harvesting of crops.
- 15. Lessee agrees that within ninety (90) days of termination of drilling operations on subject lands, Lessee will cause its operator to pump out any pits and remove the contents from the premises and restore the premises not required for production to as near original condition as practical, weather permitting; and upon plugging and abandonment of the well within ninety (90) days of plugging and abandonment to restore the premises to as near original as practical, weather permitting. Any personal property not removed from the leased premises within said periods shall be deemed abandoned and title thereto vested in the Lessor.
- 16. In the event rock is brought to the surface during the burying of any pipelines, such rock shall be removed and disposed of on the leased premises as the Lessor shall specify.
- 17. Whenever necessary in this lease and addendum and where the context requires, the singular term and the related pronoun shall include the plural, the masculine and the feminine. Whenever the term "Lessor" or the term "Lessee" is used in this lease and addendum, such terms refer to the successors and assigns of said parties as well.
- 18. Clean-up from prior Lessee - Lessee agrees to clean up the leasehold premises from the previous Lessee. This clean-up shall include: Removal of damaged fence panels, pipe, fiberglass, unburied poly pipe, sucker rod and oil-field equipment that remains unused for production. Lessee will further haul in top soil West of the leasehold road to replenish that soil damaged from a salt water/oil spill in July 2016. Lessee will fill in open pits and plug any non-producing wells and restore the surface to pre-production condition.
- 19. Lessor's royalty share of any oil produced from the leased premises shall be calculated at the mouth of the well and shall bear no proportionate costs in gathering, transporting and marketing of oil.
- 20. Delay Rentals. If no well be commenced and production obtained on said land on or before the expiration of the primary lease term, this lease shall terminate as to both parties, unless the Lessee on or before that date shall pay or tender to Lessor Three Hundred (\$300.00) Dollars per acre which sum shall operate as a rental and cover the privilege of deferring the

- 9. Without the prior written consent of the Lessor, Lessee agrees that it shall not have the right to transport salt water or other deleterious substances onto this leased property and that Lessee has no right of disposal of deleterious substances except those produced upon the property subject to this lease.
- 10. Lessor agrees to permit disposal of off-site salt water upon the premises provided Lessee pays Lessor One Thousand Dollars per month for disposal fees for the first 12,500 barrels on the premises in a calendar month and Twelve Dollars (\$12.00) per 100 barrels disposed thereafter. The disposal well shall be equipped with a gauge or metering device to measure salt water disposal.
- 11. Upon the expiration of the primary term, this lease may not be held solely by the operation of a disposal well on the leased premises.
- 12. No drilling operations shall commence until Lessor has been paid Five Thousand Dollars (\$5,000.00), as advance payment for surface damages (including crop damages), a well site of 2.5 acres or less, an access road from the property boundary to the well approximately 20 feet in width, and any pipeline or flow line required to transport gas from such well. Said Five Thousand Dollars (\$5,000.00) shall be paid for each well drilled upon the premises. This payment shall not foreclose Lessor from recovering additional damages if Lessee uses more of Lessor's acreage than described above.
- 13. That this lease may be pooled with adjoining leases only upon the written consent and discretion of the Lessor.
- 14. The Lessee agrees to provide the Lessor advance notice of anticipated drilling or reworking activity and to coordinate the same with the Lessor so as to cause the least interference with hunting activities and the harvesting of crops.
- 15. Lessee agrees that within ninety (90) days of termination of drilling operations on subject lands, Lessee will cause its operator to pump out any pits and remove the contents from the premises and restore the premises not required for production to as near original condition as practical, weather permitting; and upon plugging and abandoning of the well within ninety (90) days of plugging and abandonment to restore the premises to as near original as practical, weather permitting. Any personal property not removed from the leased premises within said periods shall be deemed abandoned and title thereto vested in the Lessor.
- 16. In the event rock is brought to the surface during the burying of any pipelines, such rock shall be removed and disposed of on the leased premises as the Lessor shall specify.
- 17. Whenever necessary in this lease and addendum and where the context requires, the singular term and the related pronoun shall include the plural, the masculine and the feminine. Whenever the term "Lessor" or the term "Lessee" is used in this lease and addendum, such terms refer to the successors and assigns of said parties as well.
- 18. Clean-up from prior Lessee - Lessee agrees to clean up the leasehold premises from the previous Lessee. This clean-up shall include: Removal of damaged fence panels, pipe, fiberglass, unburied poly pipe, sucker rod and oil-field equipment that remains unused for production. Lessee will further haul in top soil West of the leasehold road to replenish that soil damaged from a salt water/oil spill in July 2016. Lessee will fill in open pits and plug any non-producing wells and restore the surface to pre-production condition.
- 19. Lessor's royalty share of any oil produced from the leased premises shall be calculated at the mouth of the well and shall bear no proportionate costs in gathering, transporting and marketing of oil.
- 20. Delay Rentals. If no well be commenced and production obtained on said land on or before the expiration of the primary lease term, this lease shall terminate as to both parties, unless the Lessee on or before that date shall pay or tender to Lessor Three Hundred (\$300.00) Dollars per acre which sum shall operate as a rental and cover the privilege of deferring the

commencement of a well for 36 months from said date. Whether Lessee is permitted to extend this lease at the conclusion of the 36 months obtained by payment of the delay rentals shall be at the sole option of Lessor.

20. Lessee shall exercise reasonable care to ensure trees are not damaged upon the premises.

21. Lessee agrees that the primary purpose of this lease is the exploration and mining of oil and gas and that this lease does not entitle Lessee to use the leased premises for storage purposes. Lessee shall not use the premises for storage of oil field equipment not actively being used for the production of oil and gas upon the premises.

22. No wells shall be drilled nearer than 300 feet of any barn, structure, or pond without the express written consent of Lessor.

23. Lease Bonus. Lessor waives lease bonus provided production is obtained within the five (5) month primary lease term.

24. Lessor agrees to permit a seismic survey across Lessor's lands upon payment of damages of Ten (\$10.00) per net mineral acre held by this lease.

25. Lessee shall be required to use tanks in the place of pits and any lines shall be buried at least 30 inches deep if through tillable acreage and at least 12 inches deep in pasture acreage.

26. 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 and the obligation and responsibility for plugging all wells drilled.

27. Lessor is unaware of any defects of title or claims against the above-described lands. Should a search of title reveal title defects or claims, Lessee may, at Lessee's option, cure said defects in or claims against title at Lessee's option and expense. Lessor shall not be responsible for these costs or attorney fees.

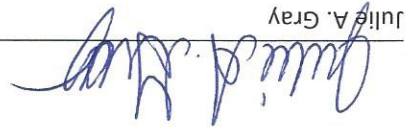
28. Covenant to Develop Lease – Lessee expressly covenants to develop this lease by establishing production within the five (5) month base term of this and by obtaining production from a second well (either oil or gas) by December 1, 2020. This lease shall be subject to a continuing covenant to explore and develop thereafter under a reasonable and prudent operator standard.

29. This lease shall be effective upon execution of all parties having an interest in the leased minerals.

30. The terms and conditions herein shall be considered covenants running with the land covered by this lease and shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto.

31. In the event of conflict or ambiguity, the terms of this Exhibit "A" shall take precedence over the conflicting portions of the printed lease form.

Jason P. Brewer



Julie A. Gray

Bruce W. Satterthwaite, Managing Member



Crown Energy Consultants, LLC