

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: \_\_\_\_\_

## OPERATING AGREEMENT

### WABAUNSEE COUNTY KANSAS LEASES

This Agreement is made by Glacier Petroleum, Inc., 825 Commercial St., P.O. Box 577, Emporia, KS 66801-0577, herein referred to as "Operator", and the signatory party or parties other than Operator, sometimes herein referred to individually as "Owner" and collectively as "Owners". If Operator also owns an undivided working interest in the lease(s) subject to this Agreement, then the collective term "Owners" also includes Operator within the context wherein such collective term is used.

Whereas, Owners collectively own all of the working interest in and to the oil and gas lease(s) described in Exhibit A attached hereto; and

Whereas, Owners have agreed to hire Operator to operate said lease(s) for them upon the terms hereinafter set forth;

Therefore, in consideration of the mutual promises and agreements herein contained and to be kept and performed by the parties hereto, Owners and Operator agree:

#### (A) DESIGNATION AND DUTIES OF OPERATOR

1. Operator shall be the exclusive operator of the lease(s) for and on behalf of each Owner, subject to the terms of this Agreement.
2. Operator shall conduct and direct and have full control of all operations on the lease(s), and shall conduct and perform its duties hereunder, or cause same to be conducted and performed, in a good and workmanlike manner, but shall have no liability to Owners for losses sustained or liabilities incurred except such as may result from gross negligence or willful misconduct. "Operations" includes drilling, completing and equipping wells, work preparatory thereto, installing lines, tanks, utilities, fixtures and equipment for producing, storing, treating and selling oil and/or gas, maintenance and repairs of fixtures, equipment and appliances, contracting for sale of oil and/or gas, and, in general, all activities which are by statute, regulation or customary practice the duty, obligation and responsibility of the party designated as the "operator" of the lease and/or wells thereon.
3. Operator shall have the right to purchase, acquire and dispose of equipment and materials; to hire employees or independent contractors necessary to conduct operations; and to obtain, purchase and contract for all services, utilities, and labor reasonable and necessary to conduct operations.
4. Operator shall conduct all operations in accordance with the terms of the lease(s) and with applicable laws and regulations, and make all necessary filings with, and obtain any necessary permits from, any regulatory agency having jurisdiction over lease operations.
5. Operator shall keep and maintain in force policies of insurance, containing usual and customary provisions, with insurance companies authorized to do business in the state where operations are conducted, as follows: (A) workers compensation insurance required by the laws of the applicable state for the protection of all employees of Operator engaged for all or part of the time in operations conducted hereunder; (B) public liability insurance with limits of not less than \$100,000.00 per person and \$300,000.00 per occurrence; and property damage liability with a limit of not less than \$100,000.00 per occurrence; and (C) such other insurance as Operator may deem to be necessary and proper in respect to the leased premises, equipment, fixtures and personal property located thereon.
6. Operator shall promptly pay all charges for services, labor, utilities and materials used and provided for lease operations and shall not suffer any lien against the lease(s) by reason of non-payment thereof; provided, however, that Operator's duty hereunder shall not exceed the extent of the funds actually paid to Operator by, or held for the credit of, Owners.
7. Operator shall render, for ad valorem tax purposes, the property being operated pursuant hereto, and shall pay or cause to be paid such taxes at the time and in the manner required by law. If Operator considers any tax assessment improper Operator may, at its discretion, protest within the time and manner as prescribed by law, and prosecute the protest to final determination, unless all parties agree to abandon the protest prior to final determination. During the pendency of administrative or judicial proceedings, Operator may elect to pay, under protest, all such taxes and any interest and penalty. When any such protested assessment shall have been finally determined, Operator shall pay the tax for the joint account, together with any interest and penalty accrued, and the total cost shall then be assessed against the Owners and charged to the operating account. Each party shall pay or cause to be paid all production, severance, excise, gathering and other taxes imposed upon or with respect to the production or handling of such party's share of oil and/or gas produced from the lease(s).

8. Operator shall, upon reasonable notice, permit Owners to inspect drilling reports, logs, core reports and other analyses and testing results obtained or furnished with respect to any wells drilled, deepened, reworked or plugged back under the terms of this Agreement; and shall retain and/or furnish cuttings and core samples for examination by Owners if requested.

## (B) DRILLING AND DEVELOPMENT

1. ~~The test well, initial well, or drilling or development program shall be conducted in accordance with the terms and conditions of the Participation Agreement, if any, executed by the parties or the APE (Authority for Expenditure) attached hereto. To the extent that the Participation Agreement contains provisions for drilling, completion, payment of expenses and designation of responsibilities and liabilities which are inconsistent with any provision of this Operating Agreement, then the Participation Agreement shall control and supersede such provisions herein; provided, however, that all other provisions hereof which are not inconsistent shall apply, Paragraph 1 intentionally stricken as not applicable.~~

2. Should any party hereto desire to drill any well on the lease(s), or to rework, deepen or plug back a dry hole drilled at the joint expense of all Owners or a well jointly owned by all Owners and not then producing in paying quantities, the party desiring to drill, rework, deepen or plug back such a well shall give all Owners and Operator written notice of the proposed operation, specifying the work to be performed, the location, proposed depth, objective formation and the estimated cost of the operation. The Owners receiving such a notice shall have thirty days after receipt of the notice within which to notify the party proposing the work whether they elect to participate in the cost of the proposed operation. If a drilling rig is on location, notice of a proposal to rework, plug back or drill deeper may be given by telephone and the response period shall be limited to forty-eight hours. Failure of an Owner receiving such notice to reply within the period above fixed shall constitute an election not to participate in the cost of the proposed operation. Any notice or response given by telephone shall be promptly confirmed in writing.

3. If less than all Owners approve any such proposed operation, the proposing party shall advise the consenting Owners of the total interest of the Owners approving such operation and its recommendation as to whether the consenting Owners should proceed with the operation as proposed. If the consenting Owners elect to proceed with such operation with less than full participation by all Owners, the entire cost and risk of conducting such development shall be borne by the consenting Owners. Upon commencement thereof the non-consenting Owners shall be deemed to have relinquished to the consenting Owners, and the consenting Owners shall own and be entitled to receive, pro-rata based upon the consenting Owners' fractional ownership, all of the non-consenting Owners' interest in such well and share of production therefrom until the net proceeds (gross proceeds less the operating expenses attributable to such well) shall equal 300% of the costs and expenses of the operation (including pre-drilling activities preparatory to such drilling).

4. During the period of time the consenting Owners are entitled to receive the non-consenting Owners' share of production, the consenting Owners shall be responsible, pro-rata, for the payment of all production, severance and other taxes attributable to such share. Consenting Owners shall keep the lease(s) free and clear of all liens and encumbrances of every kind created by or arising from the operations of the consenting Owners. If and when the consenting Owners recover from a non-consenting Owner's relinquished interest the amounts provided for above, the relinquished interests of such non-consenting Owner shall automatically revert to it and thereafter such non-consenting Owner shall own the same interest in such well, the material and equipment in or pertaining thereto, and the production therefrom, as such non-consenting Owner would have been entitled to had it participated therein; and such non-consenting Owner shall be charged with and pay its proportionate part of the further costs of the operation of such well in accordance with the terms of this Agreement.

5. Except for any well in which a non-consent operation has been conducted hereunder for which the consenting Owners have not been fully reimbursed as herein provided, any well which has been completed as a producer shall not be plugged and abandoned without the consent of all Owners. If all Owners do not agree to the abandonment of such well, those wishing to continue its operation shall tender to each of the other Owners its proportionate share of the value of the well's salvageable material and equipment, less the estimated cost of salvaging and plugging. Each abandoning Owner shall assign to the non-abandoning Owners, without warranty, express or implied, all of its interest in the well and related equipment, together with its interest in the lease(s) as to, but only as to, the interval or intervals of the formation or formations then open to production. Thereafter, the abandoning Owners shall have no further responsibility, liability, or interest in the operation of or production from the well in the interval or intervals then open; and the non-abandoning Owners shall indemnify and hold the abandoning Owners harmless from any further responsibility, obligation or payment with respect to such well.

6. It is understood that Operator shall have no liability for losses or damages resulting from any breach of express or implied lease conditions or covenants the performance of which has not been authorized by Owners following notice thereof by Operator. With respect to wells operated under the provisions of paragraphs 3 or 5 hereof, Operator shall operate the same for the Owners entitled to participate therein at the rates and charges contemplated in this Agreement, plus any additional costs and charges which may arise as the result of the separate ownership of the well.

7. With respect to any authorized well(s), Operator shall, unless undertaken on a turnkey basis, submit to the consenting Owners an AFE for the estimated total costs of drilling and completing, deepening or re-work. Owners shall pay to Operator, within fifteen (15) days after receipt thereof, the "dry hole" costs of the new well(s), or the total costs of deepening or re-working. If, in Operator's opinion, any of such new well(s) should be completed for production, Owners shall pay Operator, within fifteen (15) days after receipt of a statement therefor, the estimated completion costs. Upon completion, unless the drilling and/or completion was done on a turnkey basis, Operator shall reimburse Owners for any excess payment or submit a statement for the remaining balance of the actual costs and expenses. If the work is to be undertaken on a turnkey basis, then the consenting Owners shall remit payment to Operator upon the terms stated in the turnkey agreement.

8. Notwithstanding any other provision hereof, all Owners shall be deemed to have consented to any proposed operation which is required or necessary to satisfy conditions or covenants of the lease(s) necessary to keep same in effect or which is required or necessary to satisfy or discharge duties imposed by law or regulation.

### (C) OPERATIONS AND ACCOUNTING

1. A joint operating account shall be established and maintained by Operator for the purpose of receiving all payments for the credit of Owners and for the payment of expenses and charges attributable to the lease(s).

2. Operator shall account monthly to each Owner for such Owner's pro-rata receipts and disbursements in respect to the operating account; provided, however, that Operator is authorized to maintain an operating account balance of \$1,000.00 for anticipated expenses, and to include in the monthly billing statements to Owners a charge for the purpose of maintaining such balance.

3. Operator shall charge the operating account for all the reasonable and necessary costs and expenses of authorized operations conducted on the lease(s), including but not necessarily limited to contract services, labor, materials, equipment, insurance, lease rentals, delay rentals, shut-in royalties, damages and other payments required or necessary under the terms of the lease(s), taxes, legal expenses, and any other expenditures reasonably and properly incurred by Operator in the conduct of lease operations.

4. As compensation for its services and administrative, supervision and office expenses, Operator shall charge the joint account at the following rates: (a) drilling well rate [REDACTED] per day; (b) active well rate [REDACTED] per month per well. The charge for drilling wells shall begin on the date the well is spudded and terminate on the date the drilling rig, completion rig, or other units used in completion of the well is released, whichever is later, except that no charge shall be made during suspension of drilling or completion operations for fifteen or more consecutive calendar days. Charges for wells undergoing any type of workover or recompletion for a period of five or more consecutive work days shall be made at the drilling well rate. Such charges shall be applied for the period from date workover operations, with rig or other units used in workover, commence through date of rig or unit release, except that no charge shall be made during suspension of operations for fifteen or more consecutive calendar days. An active well either produced or injected into for any portion of the month shall be considered as a one-well charge for the entire month. An inactive gas well shut in because of overproduction or failure of purchaser to take the production shall be considered as a one-well charge providing the gas well is directly connected to a sales outlet. A one-well charge shall be made for the month in which plugging and abandonment operations are completed on any well. This one-well charge shall be made whether or not the well has produced except when the drilling well rate applies. The well rates shall be adjusted annually by multiplying the rate currently in use by the percentage increase or decrease in the average weekly earnings of Crude Petroleum and Gas Production Workers for the last calendar year compared to the calendar year preceding as shown by the index of average weekly earnings of Crude Petroleum and Gas Production Workers as published by the United States Department of Labor, Bureau of Labor Statistics. The overhead rates provided for in this paragraph may be amended from time to time by mutual agreement of the parties if, in practice, the rates are found to be insufficient or excessive.

5. Each Owner grants to Operator a lien upon his working interest oil and gas rights in the lease(s) and a security interest in his working interest share of oil and or gas when extracted and its interest in all equipment, to secure payment of its share of expenses and charges, together with interest thereon at the rate of fifteen (18%) per annum. Operator shall be entitled to exercise the rights and remedies available to a secured party under the Uniform Commercial Code. Operator shall have the right to collect from the purchaser the proceeds from the sale of Owner's share of oil and/or gas until the amount owed by such Owner, plus interest, has been paid. Any purchaser shall be entitled to rely upon Operator's written statement directing payment to Operator. If any Owner fails or is unable to pay its share of expenses within forty-five (45) days after rendition of a statement therefor by Operator, the non-defaulting Owners shall, upon demand by Operator, pay the unpaid amount in the proportion that the interest of each such Owner bears to the interest of all such Owners; and each Owner so paying its share of the unpaid amount shall, to obtain reimbursement thereof, be subrogated to the security rights herein described. The provisions hereof do not apply to royalty or overriding royalty interests, if any, owned by Owners in the lease(s) subject to this agreement or any other lease(s).

6. In the event that the proceeds in the operating account balance are insufficient to pay and discharge all proper expenses within a monthly accounting period, Operator shall remit a statement to each Owner for his pro-rata share of the deficiency, and any

additional amount deemed necessary by Operator to meet the estimated expenses in the next succeeding period. Each Owner shall pay such statement within fifteen (15) days after receipt. Owners shall have the right to inspect, upon reasonable notice and at reasonable times, the books of account, ledgers, records and documents of Operator in respect to operations hereunder.

7. Subject to the provisions of paragraph 5, the liability of the Owners shall be several, not joint or collective. Each Owner shall be responsible only for its obligations, and shall be liable only for its proportionate share of the costs of developing and operating the lease(s). Accordingly, the liens and provisions for payment of a defaulting Owner's share as hereinabove provided are provided to secure only the debts of each severally. It is not the intention of the parties to create, nor shall this Agreement be construed as creating, a mining or other partnership or association, or to render the parties liable as partners.

8. Each Owner reserves the right to take in kind or separately dispose of its proportionate share of all oil and gas produced, exclusive of production used in lease operations; and shall execute such division orders and contracts as may be necessary for the sale of its interest in production and, except as provided at Section B, Paragraph 3, or at Paragraph 5 above, shall be entitled to receive payment directly from the purchaser thereof for his share of production. Notwithstanding the foregoing, each Owner hereby gives Operator the right, subject to revocation at will, but not the obligation, to purchase such production or sell it to others for the account of each Owner, only for such reasonable periods of time as are consistent with the minimum needs of the industry under the particular circumstances, but in no event for a period in excess of one year. Insofar as consistent with the provisions hereof, Operator shall have the right to market the oil and gas that may be produced from the lease(s); to collect and receive all money that may be due as a consequence of the sale of oil and/or gas; and to execute oil and/or gas purchase contracts on behalf of Owners.

9. Without the consent of all parties, Operator shall not undertake any single project reasonably estimated to require an expenditure in excess of \$10,000.00 except in connection with a well the drilling, reworking, deepening, completing, recompleting or plugging back of which has been previously authorized by or pursuant to this Agreement; provided, however, that in case of explosion, fire, flood, accident, casualty or other sudden emergency Operator may take such steps and incur such expenses as in its opinion are required to deal with the emergency to safeguard life and property but Operator, as promptly as possible, shall report the emergency to the other parties.

10. Operator may settle any single uninsured third party damage claim or suit arising from operations hereunder if the expenditure does not exceed \$5,000.00 and if the payment is in complete settlement of such claim or suit. If the amount required for the settlement exceeds the above amount, the Owner(s) shall assume and take over the further handling of the claim or suit, unless such authority is delegated to Operator. All costs and expenses of handling, settling, or otherwise discharging such claim or suit shall be at the joint expense of the parties participating in the operation from which the claim or suit arises. If a claim is made against any party or if any party is sued on account of any matter arising from operations hereunder over which such individual has no control because of the rights given Operator by this Agreement, such party shall immediately notify all other parties, and the claim or suit shall be treated as any other claim or suit involving operations hereunder.

#### **D. REMOVAL OR RESIGNATION OF OPERATOR**

The Operator may be removed if it fails or refuses to carry out its duties hereunder, or becomes insolvent, bankrupt or is placed in receivership. Such removal shall take effect thirty (30) days after written notice thereof to Operator, unless such removal is for willful violation of the terms of this Agreement, in which event such removal may be made effective upon receipt of written notice. The Operator may resign at any time effective thirty (30) days after giving written notice of resignation to Owners. In the event of removal or resignation of Operator, a successor Operator shall be selected by unanimous consent of the Owner(s).

#### **E. LEASE OWNERSHIP AND INTERESTS**

1. The lease(s) covered by this Agreement shall not be released or surrendered in whole or in part unless all parties consent thereto.

2. To the extent permitted by the laws of the state in which the lease is located, each party hereto owning an undivided interest in said lease waives any and all rights to partition and have set aside in severalty such party's undivided interest therein.

3. If any party should hereafter create an overriding royalty, production payment or other burden payable out of production attributable to its working interest, or if such burden existed prior to this Agreement and is not set forth in Exhibit A, or was not disclosed in writing to all other parties prior to the execution of this Agreement by all parties, or is not a jointly acknowledged and accepted obligation of all parties; and, if the burdened party is required under this Agreement to assign or relinquish to any other party or parties all or a portion of its working interest and/or the production attributable thereto, said other party or parties shall receive said assignment and/or production free and clear of said burden and the burdened party shall indemnify and save said other party or parties harmless from any and all claims and demands for payment asserted by any owner of such burdening interest.

4. Should any Owner desire to dispose of (whether by sale, gift, or other transfer or assignment, but not including the grant of a mortgage or security interest to a bona fide lender for value) all or any part of his interest in the lease(s) or production therefrom to any party who is not then an Owner and a party to this Agreement, he shall promptly give written notice to all co-Owner(s), with full information concerning the proposed disposition, which shall include the name and address of the proposed transferee, the purchase price or other terms of transfer, and all other terms of the offer. The co-Owner(s) shall then have the exclusive prior right, for a period of thirty (30) days after receipt of the notice, to acquire on the same terms and conditions the interest, which the Owner proposes to transfer. Further, no disposition shall operate to discharge the Owner making such disposition from any duty, liability or obligation under this Agreement, unless such disposition and release from liability are expressly consented to in writing by Operator. The interest conveyed by virtue of any such disposition shall remain subject to the provisions of this Agreement, and all provisions hereof shall be binding upon the assignee thereof.

5. Unless Operator has heretofore warranted to Owners the validity of the lease(s) and title thereto, Owners agree to indemnify and hold Operator harmless from any and all claims, demands, damages, actions and causes of action by any person arising from or incidental to invalidity of the lease(s), or defect in or loss of title thereto.

#### F. INTERNAL REVENUE CODE ELECTION

This Agreement is not intended to create, and shall not be construed to create, a relationship of partnership or an association for profit between or among the parties hereto. If, for federal income tax purposes, this Agreement and the operations hereunder are regarded as a partnership, each party hereby affected elects to be excluded from the application of all of the provisions of Subchapter "K", Chapter 1, Subtitle "A", of the Internal Revenue Code of 1954, and any amendments thereto, as permitted and authorized by Section 761 of the Code and regulations promulgated thereunder. In making the foregoing election, each such party states and represents that the income derived by such party from operations hereunder can be adequately determined without the computation of partnership taxable income.

#### G. MISCELLANEOUS

1. This Agreement, and all matters pertaining hereto, shall be interpreted, governed and determined under the laws of the State of Kansas. The parties irrevocably consent that jurisdiction of any and all matters arising hereunder shall rest exclusively in a District Court of the State of Kansas. This Agreement shall be subject to the conservation laws of the state in which operations are conducted and to the rules, regulations and orders of any duly constituted regulatory body of said state; and to all other federal, state and local laws, ordinances, rules, regulations and orders. Owners agree to release Operator from any and all losses, damages, injuries, claims and causes of action arising out of, incident to or resulting directly or indirectly from Operator's interpretation or application of such laws, rules, regulations, orders and ordinances to the extent such interpretation was made in good faith.

2. This Agreement shall remain in force so long as the lease(s) subject hereto remain(s) in force, whether by production, extension, renewal or otherwise, unless terminated as provided herein. It is agreed, however, that the termination of this Agreement shall not relieve any party hereto from any liability which has accrued or attached prior to the date of such termination.

3. All notices authorized or required between the parties and required by any of the provisions of this Agreement, unless otherwise specifically provided, shall be given in writing by mail or telegram, postage or charges prepaid, or by telex or telecopier and addressed to the parties to whom the notice is given at the addresses given in the counterpart signature page. Notice given under any provision hereof shall be deemed given only when received by the party to whom such notice is directed, or such party's authorized agent or representative; and the time for such party to give any notice in response thereto shall run from the date the originating notice is received. Each party shall have the right to change its address at any time, and from time to time, by giving written notice thereof to all other parties.

4. This Agreement supersedes any and all prior agreements, written or otherwise, made by the parties or any of them in respect to the drilling, development and operation of the lease(s), except for the Participation Agreement, if any, executed by the parties. This Agreement shall bind, and inure to the benefit of, the parties hereto and their respective successors, assigns, heirs and legal representatives.

5. Execution of this Agreement is evidenced by signature of the parties to a counterpart signature page, to be attached to each party's copy hereof.

6. THE FOLLOWING ATTACHMENTS ARE INCORPORATED HEREIN:

- EXHIBIT A  
 EXHIBIT B



- COUNTERPART SIGNATURE PAGE
- PARTICIPATION AGREEMENT
- AFE
- OTHER:

THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK

FLORENCE LEASE

Dated: October 17, 1984  
 Recorded: Book Record 35, Page 81  
 Lessors: George E. Florence and Alice E. Florence, his wife  
 Lessee: Evan G. Lassen  
 Description: Township 14 South, Range 10 East  
 Section 28: Lots 3, 4 and 6 of the Northwest Quarter, Wabaunsee  
 County, Kansas.

HESS LEASE

Dated: December 5, 1996  
 Recorded: Record 82, Page 149  
 Lessors: Oliver J. Hess and Virginia E. Hess, Oliver J. Hess, Trustee of the  
 Oliver J. Hess Trust dated July 14, 1992 and Virginia E. Hess,  
 Trustee of the Virginia E. Hess Trust dated July 14, 1992  
 Lessee: Wilbur C. Bradley  
 Description: Township 13-South, Range 10-East  
 Section 22: N/2;  
 Also all that part of the South Half of Section 22, described as  
 follows: Beginning at a point on the East line of said Section 22, 9  
 chains and 10 links North of the Southeast corner thereof, thence  
 South 76 degrees West 4 chains and 64 links, thence North 69  
 degrees West, 1 chain and 53 links, thence South 77 degrees West  
 3 chains and 8 links, thence North 59 degrees West 7 chains and 50  
 links, thence North 79 degrees 30 minutes West, 9 chains and 96  
 links, thence South 60 degrees and 30 minutes West 12 chains and  
 6 links, thence North 57 degrees 30 minutes West 2 chains and 49  
 links, thence North 83 degrees and 30 minutes West 9 chains and  
 76 links, thence North 7 degrees 15 minutes West 6 chains and 71  
 links, thence North 68 degrees 15 minutes West 7 chains and 41  
 links, thence South 71 degrees West 2 chains and 41 links, thence  
 North 59 degrees 15 minutes West 6 chains and 17 links, thence  
 North parallel with the West line of said Section 22, 20 chains and  
 43 links to North line of South Half of said Section 22, thence East  
 along said North line 20 chains and 77 links, thence South 33  
 degrees 30 minutes East, 9 chains and 27 links, thence South 81  
 degrees 30 minutes East 7 chains and 94 links, thence South 70  
 degrees East 7 chains and 13 links, thence North 64 degrees East  
 30 minutes East 7 chains and 92 links, thence North 82 degrees East  
 6 chains and 54 links, thence South 62 degrees East 2 chains and  
 24 links, thence South 79 degrees East 7 chains and 2 links, to East  
 line of said Section 22, thence South along said East line 23 chains  
 and 4 links to the place of beginning;  
 also beginning at the Northwest corner of the Southwest Quarter of  
 Section 22, thence South of section line a distance of 9.62 chains,

thence running South 72 degrees 36 minutes East a distance of .90 chains, thence running South 54 degrees 30 minutes East a distance of 16 chains, thence South 59 degrees 15 minutes East a distance of 2.56 chains, thence North on a line parallel to the West line of said Section 22, a distance of 20.43 chains to North line of said Southwest Quarter, thence West a distance of 16.09 chains to place of beginning,  
all in Wabaunsee County, Kansas.

OLSEN LEASE

Dated: June 16, 1978  
Recorded: Book Record 14, Page 26  
Lessors: Wm. J. Olsen and Helena Olsen, his wife  
Lessee: D. J. Mabry  
Description: The East Half (E/2) of Section 20, Township 14 South, Range 10 East, Wabaunsee County, Kansas.

ROLLF LEASE

Dated: June 1, 1987  
Recorded: Book Record 44, Page 271  
Lessors: Harold J. Rollf and Erma C. Rollf, husband and wife  
Lessee: Jack R. Berentz  
Description: The Southwest Quarter (SW/4) of Section 21, Township 14 South, Range 10 East, Wabaunsee County, Kansas.

EXHIBIT 'B'

- 1) Right of Way Grant dated December 16, 1996 from Sue Ann Preston and Paul R. Preston, her husband, Grantors, to J. Fred Hambright, Grantee, covering:

Township 13 South, Range 10 West

Section 14: W/2 SW/4 lying West of Highway 99

Section 23: W/2 NW/4 lying West of Highway 99

and recorded in Book 82, Page 159 in the office of the Register of Deeds of Wabaunsee County, Kansas.

- 2) Right of Way Grant dated December 16, 1996, from Robert L. Stuewe and Shirley A. Stuewe, husband and wife, Grantors, to J. Fred Hambright, Grantee, covering:

Township 13 South, Range 10 West

Section 14: W/2 NW/4 lying West of Highway 99

and recorded in Book 82, Page 160 in the office of the Register of Deeds of Wabaunsee County, Kansas.

- 3) Salt Water Disposal Agreement dated November 15, 1996, between Edwin A. Stuewe, a single person, Lessor, and Glacier Petroleum Company, Lessee covering:

The West Half of the Southwest Quarter of Section 11, Township 13 South, Range 10 East, Wabaunsee County, Kansas.

**COUNTERPART SIGNATURE PAGE**

The undersigned agree to all of the terms of the WABAUNSEE COUNTY KANSAS Operating Agreement, and hereby join in and execute the same by authorizing this counterpart signature page to be attached to each party's copy of said Agreement.

**OWNER:**

Print or type name(s): Coal Creek Energy, LLC

Mail Address: 14208 Nieman Road

Overland Park, KS 66061

SSN or TIN: 364564228

Phone Number: (913) 804-5870

Working Interest %: .5000 Net Revenue: .4375

Date: 1-1-20 Signature: 

Date: \_\_\_\_\_ Signature: \_\_\_\_\_

If individual co-owners, both must sign above.  
If a corporation, print the name of the officer signing on behalf of the corporation:

John A. Loeffelbein Title: Manager

Incorporated in the State of: Kansas

**OPERATOR:**

Glacier Petroleum, Inc.  
825 Commercial St.  
P.O. Box 577  
Emporia, KS 66801-0577  
620-342-1148

By: \_\_\_\_\_

Date: \_\_\_\_\_

J. C. Hawes, President

**COUNTERPART SIGNATURE PAGE**

The undersigned agree to all of the terms of the WABAUNSEE COUNTY KANSAS Operating Agreement, and hereby join in and execute the same by authorizing this counterpart signature page to be attached to each party's copy of said Agreement.

**OWNER:**

Print or type name(s): Global Equity Funding LLC

Mail Address: 13901 Conser Apt. 1607

Overland Park, KS 66223

SSN or TIN: 20-5391983

Phone Number: 913 206 2261

Working Interest %: .5000 Net Revenue: .4375

Date: 1/01/2020 Signature: Harvey M. Burstein

Date: \_\_\_\_\_ Signature: \_\_\_\_\_

If individual co-owners, both must sign above.  
If a corporation, print the name of the officer signing on behalf of the corporation:

Harvey M Burstein Title: Manager

Incorporated in the State of: Nevada

**OPERATOR:**

Glacier Petroleum, Inc.  
825 Commercial St.  
P.O. Box 577  
Emporia, KS 66801-0577  
620-342-1148

By: \_\_\_\_\_

Date: \_\_\_\_\_

J. C. Hawes, President

**COUNTERPART SIGNATURE PAGE**

The undersigned agree to all of the terms of the WABAUNSEE COUNTY KANSAS Operating Agreement, and hereby join in and execute the same by authorizing this counterpart signature page to be attached to each party's copy of said Agreement.

**OWNER:**

Print or type name(s): Global Equity Funding LLC

Mail Address: 13901 Conser Apt. 1607

Overland Park, KS 66223

SSN or TIN: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Working Interest %: .5000 Net Revenue: .4375

Date: \_\_\_\_\_ Signature: \_\_\_\_\_

Date: \_\_\_\_\_ Signature: \_\_\_\_\_


If individual co-owners, both must sign above.  
If a corporation, print the name of the officer signing on behalf of the corporation:

Harvey M Burstein Title: Manager

Incorporated in the State of: Nevada

**OPERATOR:**

**Glacier Petroleum, Inc.**  
825 Commercial St.  
P.O. Box 577  
Emporia, KS 66801-0577  
620-342-1148

By: 

J. C. Hawes, President

Date: 2/15/2020