

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
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Form KSONA-1

July 2014

Form Must Be Typed**Form must be Signed****All blanks must be Filled**

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: _____

RUNNING FOXES PETROLEUM INC.

January 22, 2020

Mr. Marc Vianello
REMCO Energy Corporation
5209 W 83rd Terrace
Prairie Village, KS 66207

RE: Letter Agreement for the Purchase and Sale of REMCO's assets in Leavenworth Co., Kansas

Gentlemen:

The following agreement is between Running Foxes Petroleum Inc. of 14550 East Easter Ave., Suite 200, Centennial, CO 80112 ("RFP") and REMCO Energy Corporation ("REMCO") of the 5209 W 83rd Terrace, Prairie Village, KS 66207 agrees to take a farm-out on REMCO's wells and leases in Section 13, T8S R21E, Leavenworth County, Kansas, under the following terms:

- 1) The purpose of this farmout agreement is for RFP to implement a waterflood of REMCO's leases described in Exhibits A and B (the "Leases"). The waterflood is to be comprised of any lawful means available to RFP to increase water injection into the hydrocarbon-bearing formation(s) of the Leases to a level not less than 200 barrels of water daily, as reported annually by RFP to the Kansas Corporation Commission on Form U3C.
- 2) REMCO agrees to assign to RFP a 100% working interest of an 82.5% net revenue interest in the leases and wells as outlined in Exhibits A and B (the Exhibits A and B Leases").
- 3) RFP and REMCO will enter into an agreeable Joint Operating Agreement, including Accounting Procedures, at closing (collective, the "JOA").
- 4) The Effective Date of the closing is February 1, 2020. REMCO will be responsible for its costs of the Leases incurred before the Effective Date. RFP will be responsible for its costs of the Leases incurred after January 31, 2020. Property taxes will be prorated as of the Effective Date.
- 5) RFP will act, and continue to act, as Operator according to the terms of the JOA.
- 6) REMCO will be assigned a 25% working interest on a 82.5% Net Revenue Interest as back-in after RFP recovers 100% of its out-of-pocket costs, excluding lease operating costs. All costs prior to REMCO's back-in shall be borne by RFP. After REMCO backs-in, it will bear 25% of the costs of operations, capital expenditures, and plugging costs according to the terms of the JOA.
- 7) RFP and REMCO agree that REMCO will receive an additional back-in 25% working interest in any lease that RFP acquires any part of which is within a one (1) mile radius of the RW Holland #1 well location (an "Area of Mutual Interest Lease") on the same terms as described in paragraph 5), including RFP's recovery of any third-party costs of lease acquisition. REMCO will not be required to provide any monies to receive the back-in working interest.
- 8) Additionally, REMCO will be given the first right of refusal to acquire a 25% working interest in any Area of Mutual Interest Lease on terms not less favorable than those offered to any other working interest owner, including RFP and its affiliates.
- 9) If RFP fails to meet the following performance thresholds with respect the Exhibits A and B Leases, then at sole REMCO's option, RFP will, at its own costs, reassign back to REMCO all of the Exhibits A and B Leases, including any wells or other facilities drilled, completed, or installed by RFP, without further claim thereon by RFP. Any additional leases obtained not in

GA 1/23/2020

14550 East Easter Ave., Ste 200

Centennial CO, 80112

MW
1/22/2020

(720) 889-0510

RUNNING FOXES PETROLEUM INC.

Exhibit A or B are excluded from reassignment but the RFP and REMCO Joint Operating Agreement and COPAS will remain in effect. Whereupon, RFP will be liable to the extent of its then working interest for the plugging or reclamation costs of any wells or other facilities existing on the Exhibits A and B Leases at the time of such reassignment, which obligation may be satisfied by RFP funding a sufficient amount of money in a mutually agreeable bank escrow account established for this purpose. Said aforementioned performance thresholds being:

- a. An average of 5 barrels of oil production per day ("BOPD") from the Exhibits A and B Leases during calendar year 2020, with not less than 1 BOPD average per lease.
 - b. An average of 10 BOPD from the Exhibits A and B Leases during calendar year 2021, with not less than 1 BOPD average per lease.
 - c. An average of 20 BOPD for three consecutive months from the Exhibits A and B Leases during calendar year 2022, with not less than 1 BOPD average per lease.
 - d. An average of 40 BOPD for three consecutive months during from the Exhibits A and B Leases during calendar year 2023, with not less than 1 BOPD average per lease.
 - e. If RFP achieves the 40 BOPD for three consecutive months during 2020 to 2023 than RFP will have achieved its performance requirements.
- 10) RFP will not grant any third party the right to place a lien on the Exhibits A and B Leases that is not subordinated to REMCO's paragraph 8) reassignment rights. This restriction will be a part of the lease assignments from REMCO to RFP, and will be recorded in the public record of Leavenworth County, Kansas.
- 11) All changes between the parties to this agreement shall be in writing;
- 12) This agreement is governed by the laws of the State of Kansas, with jurisdiction held by the Leavenworth County District Court, or the U.S. District Court for the District of Kansas in Kansas City, KS.

If acceptable please sign below and return one copy.

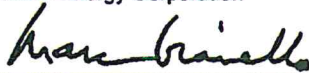
Sincerely,

Running Foxes Petroleum, Inc.


By Steven A. Tedesco, President

Agreed:

REMCO Energy Corporation


By Marc Vianello, President

RUNNING FOXES PETROLEUM INC.

EXHIBIT A

OIL AND GAS WELLS SUBJECT TO THIS AGREEMENT:

Lease Name	API Number	Sec	Twp	Rge	Dir	Q4	Q3	Q2	Q1	Oil Lease
H HEINTZELMAN	15-103-20264-0000	13	8	21	E		SE	SE	NE	122254
H HEINTZELMAN	15-103-20306-0000	13	8	21	E		NE	SE	NE	122254
H HEINTZELMAN	15-103-20905-0000	13	8	21	E		SW	SE	NE	122254
H HEINTZELMAN	15-103-20904-0001	13	8	21	E		NW	SE	NE	
HEINTZELMAN	15-103-21295-0000	13	8	21	E		SW	NE	NE	122254
R W HOLLAND	15-103-20438-0000	13	8	21	E		SE	SW	NE	122975
R W HOLLAND	15-103-21229-0000	13	8	21	E		NE	SW	NE	122975
R.W. HOLLAND	15-103-20263-0002	13	8	21	E		SW	SW	NE	
THEIS	15-103-20244-0001	13	8	21	E	N2	N2	N2	S2	121371
THEIS	15-103-20342-0000	13	8	21	E		NW	NW	SE	121371
THEIS	15-103-20343-0001	13	8	21	E		SE	NW	SE	
THEIS	15-103-20344-0001	13	8	21	E		NE	NW	SE	121371
THEIS	15-103-20354-0000	13	8	21	E	NE	SW	NW	SE	121371
THEIS	15-103-20416-0000	13	8	21	E		NW	SW	SE	121371
WRIGHT	15-103-20495-0000	13	8	21	E		SE	NW	NE	124795
WRIGHT	15-103-21206-0000	13	8	21	E		NE	NW	NE	124795

SE 1/23/2020

MJ 1/22/2020

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Centennial CO, 80112

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RUNNING FOXES PETROLEUM INC.

EXHIBIT B

LEASES SUBJECT TO THIS AGREEMENT:

Wright lease: tract in SW/4 of Section 12 T8S R21E, NW NE of Section 13 T8S R21E; and a tract in Section 13 T8S R21E, Leavenworth Co, Kansas;

This lease: W2 /SE; E/2 SW of Section 13 T8S R21E, Leavenworth Co., Kansas;

Heintzelman lease: E/2 NE of Section 13 T8S R21E, Leavenworth County, Kansas;

Holland lease: SW NE/4; E/2 SE NW/4 of Section 13 T8S R21E, Leavenworth County, Kansas

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1/23/2020

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HW
6/22/2020

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