

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: _____

Date: _____

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 _____

KDOR Lease No.: _____

[illegible]

* When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located.

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CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: ☐ **C-1** (Intent) ☐ **CB-1** (Cathodic Protection Borehole Intent) ☐ **T-1** (Transfer) ☐ **CP-1** (Plugging Application)

OPERATOR: License # _____

Name: _____

Address 1: _____

Address 2: _____

City: _____ State: _____ Zip: _____ + _____

Contact Person: _____

Phone: (_____) _____ Fax: (_____) _____

Email Address: _____

Well Location:

____ - ____ - ____ Sec. ____ Twp. ____ S. R. ____ ☐ East ☐ West

County: _____

Lease Name: _____ Well #: _____

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: _____

Address 1: _____

Address 2: _____

City: _____ State: _____ Zip: _____ + _____

When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

- ☐ I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- ☐ I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I must provide the name and address of the surface owner by filling out the top section of this form and that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: _____ Signature of Operator or Agent: _____ Title: _____

**ASSIGNMENT OF OIL AND GAS LEASES,
AND BILL OF SALE**

RICHARD D. SMITH, TRUSTEE OF THE RICHARD D. SMITH REVOCABLE TRUST DATED MARCH 30, 2007 ("Assignor"), for and in consideration of Ten Dollars (\$10.00), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby sell, assign, transfer and set over unto DARRAH OIL COMPANY, L.L.C., DARRAH MINERALS AND MINING, LLC, and SAAZ, LLC (collectively referred to as "Assignees"), Assignees' successors and assigns, **an undivided one-eighth (1/8th) working interest** in and to the Oil and Gas Leases ("Leases") described in Exhibit "A", attached hereto and made a part hereof by reference, in the following fractional shares:

DARRAH OIL COMPANY, LLC.....	2/20
DARRAH MINERALS AND MINING, LLC.....	5/20
SAAZ, LLC.....	13/20

together with the rights incident thereto and the personal property situated thereon, appurtenant thereto, or used or obtained in connection therewith, whether or not located on the lease, including an undivided 1/8th interest in and to:

- a) Assignor's interest, if any, in the oil and/or gas, injection, disposal, and water source wells ("Wells") described on Exhibit "B," attached hereto and made a part hereof by this reference, but excluding any wells situated on the lands covered by the Leases and not described on Exhibit "B";
- b) The equipment, machinery, fixtures and other real, personal, and mixed property ("Equipment") situated on the Leases, or otherwise appurtenant to or currently used or held for use in connection with the ownership or operation of the Leases or Wells, including, without limitation, well equipment, casing, rods, tanks, boilers, buildings, tubing, pumps, motors, fixtures, machinery, inventory, separators, dehydrators, compressors, treaters, power lines, field processing facilities, flowlines, gathering lines, transmission lines and all other pipelines (the "Equipment");
- c) Assignor's interest, if any, in all permits, servitudes, easements, rights-of-way, orders, assignments, gas purchase and sale contracts, oil purchase and sale agreements, farmin and farmout agreements, transportation and marketing agreements, operating agreements, unit agreements, declarations of units, processing agreements, options, facilities or equipment leases, surface use agreements, warranties, and other contracts, agreements and rights used, or held for use, in connection with the ownership or operation of the Leases, Wells, or Equipment, or with the production or treatment of hydrocarbons from, or attributable to, the Leases or Wells ("Contracts");
- d) The unsold oil in storage produced from the Leases and Wells ("Stored Oil"); and
- e) Assignor's interest, if any, in all of the files, records, information and data pertaining to the Leases, Wells, Equipment or Contracts in Sellers' possession ("Records"), including, without limitation, title records, abstracts, title opinions, title certificates, production records, severance tax records, reservoir and well information, drill stem tests, well logs, bond logs, casing pressure and mechanical integrity tests, geologic and geophysical data, including 3D-seismic data and interpretations, and all other information relating in any way to the ownership or operation of the foregoing Assets, but exclusive of (i) any such records, data or other information where the transfer of same is prohibited by third party agreements or applicable law, as to which Sellers are unable to secure a waiver; (ii) the work product of Sellers' legal counsel, excluding title opinions; (iii) records relating to the sale and Closing under this Agreement.

TO HAVE AND TO HOLD the interests and properties herein assigned and conveyed by Assignors to Assignee, and the successors and assigns of Assignee, according to the terms and conditions of said oil and gas leases and together with all and singular tenements, hereditaments, and appurtenances thereunto belonging, or in anywise appertaining.

Warranty. Assignor hereby warrants and agrees to defend the title, insofar and only insofar, as it pertains to Assignor's undivided working interest in the Leases.

Instruments of Records. The interests hereby assigned are subject to their proportionate share of any overriding royalty interest of record, if any, declaration of unitization, if any, and gas purchase contracts, if any.

Preferential Right of First Purchase. Assignor is retaining working interests in the Leases. Assignor's retained working interests in such leases are subject to a Preferential Right to Purchase in favor of Assignees as set out in that certain Working Interest Purchase Agreement effective as of March 1, 2020, between Assignor and Assignees.

Binding. All provisions of this Assignment shall be available to and binding upon the respective heirs, executors, administrators, successors and assigns of the Assignor and Assignee herein.

Signed as of the date of the acknowledgment below, but effective as of **March 1, 2020**.

RICHARD D. SMITH REVOCABLE TRUST
DATED MARCH 30, 2007

By: *Richard D. Smith*
RICHARD D. SMITH, TRUSTEE

STATE OF KANSAS)
) ss.
COUNTY OF SEDGWICK)

This instrument was acknowledged before on this 2nd day of March, 2020, by RICHARD D. SMITH, TRUSTEE OF THE RICHARD D. SMITH TRUST DATED MARCH 30, 2007, on behalf of said Trust.

My appointment Expires: 8/4/20

David T. Jervis
Notary Public



Exhibit A by Lease

Lease name	Dated	Between Lessor	And Lessee	Book	Page	Legal Description	County	State
Chesney	7/26/1974	E. Roy Chesney, aka Edwin Roy Chesney and Ruth M. Chesney, his wife; Dianne Dennis Parks and Terry Everett Parks, her husband; Michael Edwin Dennis and Deanna L. Chipman Dennis, his wife	Richard D. Smith	311	596	The West Half (W/2) of Section 3, Township 24 South, Range 5 East	Butler	KS
Church	8/30/1973	W. K. Weber - Trustee for the Burns Methodist Church land under Last Will and Testament of I. N. Smith, Deceased Lessor	Richard D. Smith	310	237	The Northeast Quarter of Sec. 14 and the North Half of Sec. 13, all in Township 23 South, Range 5 East	Butler	KS
Church	5/2/1973	W. K. Weber - Trustee for the Burns Methodist Church land under Last Will and Testament of I. N. Smith, Deceased Lessor	Richard D. Smith	310	231	The Southeast Quarter of Sec. 13, Township 23 South, Range 5 East	Butler	KS
Claassen	4/30/1973	Carl J. Claassen and Elise Claassen, his wife	Penguin Petroleum, Inc.	310	227	The Southeast Quarter in Sec. 14, and the Northeast Quarter in Sec. 23, all in Township 23S, Range 5 East	Butler	KS