

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

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: \_\_\_\_\_

**OIL AND GAS LEASE**

THIS AGREEMENT is dated March 2 2020 and made by

Kenneth W. Richardson and D. Christine Richardson, husband and wife  
40597 W. 363rd St.  
Osawatomie, KS 66064

hereinafter called **Lessor** (whether one or more), and

JTC Oil, Inc.  
35790 Plum Creek Road  
Osawatomie, KS 66064

hereinafter called **Lessee** (whether one or more) as follows, **WITNESSETH:**

1. **Grant of Lease.** Lessor, for and in consideration of One Dollar, cash in hand paid, and other consideration, 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 exclusively unto said Lessee, for the purpose of conducting geological, geophysical, seismic and other exploratory work to evaluate and determine feasibility of development for production of oil and/or gas, and for the purpose of mining and operating for oil and gas, and laying pipe lines, building tanks, and placing other equipment thereon to produce, save and take care of said products, the following land situated in MIAMI COUNTY, KANSAS, described as follows:

Beginning at the Northwest (NW) corner of the Southeast Quarter (SE/4) of Section Twenty-three (23), Township Eighteen (18) South, Range Twenty-one (21) East of the 6<sup>th</sup> P.M., in Miami County, Kansas; thence South 89° 16' 07" East 986.30 feet, thence South 0° 00' 08" West 1323.81 feet to the South line of the North Half of said Southeast Quarter (N/2 SE/4); thence North 89° 24' 05" West 986.30 feet to the Southwest corner of the North Half of said Southeast Quarter (N/2 SE/4), thence 0° 00' 08" East 1320.24 feet to the point of beginning; subject to the West 30.0 feet and the North 30.0 feet thereof used for county road purposes;

containing for purposes hereof 30 acres, more or less.

2. **Primary Term.** This Lease shall remain in force for two (2) years from the date hereof (herein called the "primary term"), and as long thereafter as oil, gas, or any of the substances covered by this Lease are produced in paying quantities. At the end of one year after the expiration of the primary term, if this Lease is then in force, this Lease shall terminate as to all zones, formations or depths below the deepest formation or zone from which Lessee is then producing oil or gas in paying quantities.

3. **Royalties.** Lessee shall pay royalties to Lessor as follows:

- a. **Oil.** Lessee shall deliver to Lessor or to the credit of Lessor into the tank(s) or pipe line to which Lessee may connect its wells, as royalty, 14.5% of all oil (including but not limited to distillate and condensate) produced from the leased premises.
- b. **Gas.** Lessee shall pay to Lessor as royalty on all gas of whatsoever nature or kind, including but not limited to coalbed gas, shale gas or casinghead gas and their respective constituent elements or other gaseous substances produced from the leased premises and sold, 14.5% of the proceeds received by Lessee upon sale thereof to the first bona fide purchaser that is not an affiliate of or controlled by Lessee or the lease operator.
- c. **Casinghead Gas.** Lessee shall pay to Lessor as royalty on casinghead gas produced from any oil well on the leased premises and used by Lessee off the leased premises for any purpose or used on the leased premises by Lessee for purposes other than development and operations conducted thereon, 14.5% of the value thereof, computed at the prevailing market price paid for gas of similar character and quality.
- d. **Other Products.** Lessee shall pay to Lessor as royalty on all other products of oil and gas not otherwise referred to herein but covered by the terms of this Lease 14.5% of the proceeds paid by the purchaser upon the sale of.
- e. **Expenses.** Royalties shall be free of all costs of developing, drilling, producing, operating, storing, treating, marketing and otherwise mining for, lifting, saving and selling the substances covered by this Lease, typically referred to as operating expenses, and costs of treating or preparing such substances for sale, and without



adjustment or deduction for costs of dewatering, compression or other treatment or transportation to the buyer's pipeline or point of sale.

4. **Minimum Royalty.** If royalties paid or tendered to Lessor during a lease year after the first lease year in which production is obtained total less than a sum which is equal to \$35.00 times the number of acres covered by this Lease at the beginning of such lease year, Lessee shall pay Lessor, as a make-up royalty, the difference in full in cash within sixty (60) days after the end of such lease year. Such payment shall not be deemed to represent "production" for purposes of determining whether or not the lease is producing oil, gas or other covered substances "in paying quantities".

5. **Lesser Interest.** If Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid to said Lessor only in the proportion which his interest bears to the whole and undivided fee. However, such rental shall be increased at the next succeeding rental anniversary after any reversion occurs to cover the interest so acquired.

6. **Entirety.** If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nevertheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on the part of Lessee to offset wells on separate tracts into which the land covered by this Lease may now or hereafter be divided by sale, devise, descent or otherwise, or to furnish separate receiving or measuring tanks or devices.

7. **Operations.** Lessee shall notify Lessor prior to commencement of seismic or drilling operations and shall notify its contractors and employees to consult with Lessor in respect to points of access to the leased premises. Lessor shall have the right to designate the location of new roadways upon the leased premises; provided, they shall be sufficient for the necessary operations of Lessee and provide Lessee with suitable ingress and egress to and from well locations, tanks and facilities, and access to adjacent public roadways, if any. All roads, well locations and facilities shall be kept free of litter, brush, debris, and weeds and shall at all times be well maintained. Lessee shall not use the main driveway of Lessor or Lessor's tenant for any purpose unless necessary by reason of emergency. Lessee shall not obstruct or impair the use of such main driveway by Lessor or Lessor's tenant or invitees. Whenever possible Lessee shall use existing access roads and maintain or improve such roads when necessary. Lessee agrees to consult with the farm tenant, if any, regarding planting and harvesting, and shall insofar as practical conduct operations in a manner to avoid disruption of planting and harvesting. No well, equipment, structure or roadway shall be located nearer than 330 feet from the house, barn or other buildings of Lessor, if any, now or hereafter located on the leased premises without the prior written consent of Lessor. Lessee shall promptly repair squeaking or offensively noisy equipment upon request of Lessor. Lessee shall bury its pipe lines and electric lines below plow depth or to a depth of 36 inches, whichever is greater. Lessee shall provide Lessor with maps showing the location of all wells and underground lines put on the leased premises. Lessor shall not be responsible or liable for any damages to pipelines, electrical lines or any fixtures, equipment or personal property of Lessor on the leased premises, or to Lessor's contractors, employees or invitees, unless caused by Lessor's gross negligence or willful acts. Any fences or other structures or improvements of Lessor damaged as a result of Lessee's operations shall be restored to prior condition at Lessee's expense. If livestock or farm animals are now or hereafter kept on the leased premises by Lessor or Lessor's tenant then, if requested by Lessor, Lessee shall at Lessee's expense construct suitable fencing around its wells and facilities, and gates at any fence cuts necessary for Lessee's operations. Such fencing shall be of sufficient design and materials to turn livestock away and protect livestock from injury by equipment or by ingestion of oil, saltwater or other substances toxic or harmful to animals. If requested by Lessor, Lessee will install and maintain at Lessee's expense cattle guards in the fence line of any permanent fencing, and will keep any gates of any temporary or permanent fencing closed when livestock are on the leased premises. Upon completion or abandonment of a well, Lessee shall reasonably restore the well site area, and fill and grade pits, as nearly as possible to the prior surface condition and contour, at Lessee's expense. Lessee shall pay Lessor or Lessor's tenant, if any, for damage caused by its operations including, but not limited to, damage to crops, foliage, and livestock on the leased premises. If the leased premises are subject to federal and/or state agricultural assistance programs, then Lessee shall be responsible for and pay any roll-back real estate taxes and/or any assessments related to Clean & Green, CRP, or CREP programs (including any interest and penalties thereon) which are assessed on the leased premises as a result of Lessee's oil and gas operations, but only insofar as such taxes and assessments are imposed on that portion of the surface of the leased premises actually disturbed by such oil and gas operations and not reclaimed. Lessee shall have an affirmative duty to promptly notify Lessor of any occurrence giving rise to compensable damage hereunder, and such duty shall be a material covenant of Lessee. Lessee shall indemnify and hold Lessor and Lessor's tenant, if any, harmless from any and all claims, cause of action, liens, and environmental liabilities arising by virtue of Lessee's operations on the leased premises and the conduct of Lessee's operator, contractors, employees and invitees. Lessee shall conduct all operations on the leased premises according to the standard required of a reasonable and prudent operator.

8. **Site Damage.** Lessee shall pay Lessor minimum site damages of **\$500.00** per well site location, which shall be paid in advance of any work on the location. Such payment shall not be deemed to constitute liquidated damages for the site but, rather, is an agreed estimate of permanent damage sustained by Lessor or Lessor's tenant attributable to the loss of arable land around the well site.

9. **Completion.** If Lessee commences to drill a well, or commences reworking operations on an existing well, at any time while this Lease is in force, this Lease shall remain in force and its terms shall continue so long as such operations are diligently prosecuted and, if production results therefrom, then as long as production continues in paying quantities.

10. **Use of Water.** Lessee shall have the right to use, free of cost, gas oil and water produced from Lessee's wells on the leased premises for its operations thereon, however, such water may not be used by Lessee for any purpose off the leased premises without prior written authorization of Lessor. It is understood that Lessee may undertake to enhance production by secondary recovery techniques such as waterflood, and Lessee is authorized to use salt water from wells on the leased premises for such purpose. No well on the leased premises may be used for disposal of salt water produced from wells not located on the leased premises without the prior written consent of Lessor and without compensating Lessor for such use; provided, however, that this provision shall not prohibit Lessee's use of such off premises salt (or fresh) water for pressurized injection into wells on the leased premises in furtherance of Lessee's good faith secondary recovery (waterflood) operations, if any, on the leased premises. Lessor expressly reserves ownership and use of all fresh water from or on the leased premises, including but not limited to Lessor's wells, tanks, ponds and irrigation channels on or appurtenant to the leased premises.

11. **Use of Gas.** Out of any surplus not needed for operations hereunder, Lessor may have, free of charge, gas from any gas well on the leased premises for use in any dwelling on said land. Lessor's connection to the any such well shall be made by or under the supervision of Lessee and all costs of labor, equipment, material and parts shall be paid for by Lessor; provided, that Lessor shall have the benefit of any discounts available to Lessee for same. The use of such gas shall be at Lessor's sole risk and expense, without any warranty by Lessee for the availability, quality or quantity thereof. The taking and use of such surplus gas shall not give rise to or be used as a credit against any royalties payable to Lessor hereunder.

12. **Cessation of Production.** If, after the expiration of the primary term of this Lease, production on the leased premises ceases from any cause for a continuous period in excess of ninety (90) days, this Lease shall not terminate provided Lessee commences operations to drill a well, or to rework or recomplete an existing well, if any, within such ninety (90) days, and this Lease shall remain in force provided such operations are diligently prosecuted and, if production results therefrom, then as long as production continues in paying quantities. If this lease is forfeited, terminated cancelled or expires, Lessee shall within ninety (90) days thereafter execute and record a document releasing the lease of record, at no cost to Lessor. If Lessee fails or refuses to provide such release and an action is brought by Lessor in a court of competent jurisdiction to obtain a judicial decree or judgment of release then, if the Lessor is successful in such action, Lessor shall be entitled to judgment against Lessee for all of Lessor's costs and expenses of the action, including reasonable attorney fees.

13. **Breach.** In the event Lessor considers any act or omission of Lessee to constitute default of a provision or covenant- of this Lease, expressed or implied, Lessor shall notify Lessee thereof in writing specifying the particulars of such default. After receipt of such notice Lessee, if in default, Lessee shall promptly undertake such action as necessary to remediate or cure the same, and shall complete such remediation with due diligence and dispatch. If such matter falls under the jurisdiction of any regulatory agency such as the Kansas Corporation Commission (KCC) or Environmental Protection Agency (EPA), then Lessee shall comply with any applicable reporting and remediation requirements of such agency. In the event of a spill of oil, saltwater or toxic chemicals, Lessee shall immediately report same to Lessor and to the regulatory agency having jurisdiction thereof, and thereafter complete the cleanup and remediation thereof with due diligence and dispatch consistent with good leasehold practices prevailing in the area and the standard required of a reasonable and prudent operator. If Lessee fails to cure such default after notice as provided herein, then Lessor may bring an action at law or equity for damages, specific performance, cancellation or other relief as provided by law and, if Lessor prevails in such action, shall be entitled to judgment for costs and expenses of the action, including reasonable attorney fees.

14. **Abandoned Wells.** Before abandoning a gas well, Lessee shall notify Lessor of the intention to abandon and, if requested by Lessor, provide Lessor with the available logs and well data. Lessor shall then have the right for a period of thirty (30) days to purchase the well by paying Lessee the fair salvage value of the casing, tubing, pipe and other equipment in and on the well. If Lessor exercises such right to buy the well, Lessee shall then be released from any further liabilities or obligations in respect to such well, including the obligation to plug it at any time, which obligation shall in that event be entirely upon Lessor. Other than any such gas well(s) so purchased by Lessor, all abandoned wells on the leased premises (including any existing wells on the leased premises on the date of this Lease) shall be timely plugged by Lessee as required by applicable laws and regulations.

15. **Removal of Equipment.** Lessee shall have the right at any time during, or within six (6) months after the expiration of, the term of this Lease to remove all of Lessee's property, equipment, machinery, fixtures, and other structures placed on said premises, including the right to draw and remove casing. Any property of Lessee which is not removed within six (6) months after the expiration or termination of this Lease shall be deemed abandoned and may be disposed of by Lessor in any manner Lessor deems convenient, without notice to Lessee, without obligation or duty of any kind to Lessee for the manner or reasonableness of such disposition, and without obligation or duty to Lessee to account for such property or proceeds thereof.

16. **Force Majeure.** Lessee shall not be liable in damages, forfeiture or termination, on account of breach of covenant, express or implied, or failure of any condition necessary to keep the lease in force, which results from *force majeure*; and

the obligations of Lessee, other than for the payment of money such as rentals and royalties shall be suspended if and while drilling or other operations are delayed or interrupted by *force majeure*. *Force majeure* includes Act of God, tornado, flood, blowout, breach of contract by drillers, subsurface conditions which prevent normal operations or which would result in material damages or waste, or other *bona fide* cause beyond the reasonable control of Lessee when considered against whether such action would be taken by a reasonable and prudent operator under the same circumstances. Lessee shall have a reasonable time after the removal or cessation of *force majeure* within which to commence or resume performance under the Lease. If *force majeure* occurs during the primary term, the time such *force majeure* exists shall be added to the primary term, the duration of such extension to be set forth in writing and signed by the parties. If at any time Lessee contends that operations are or will be suspended because of *force majeure*, Lessee shall within thirty (30) days after the occurrence of *force majeure* notify Lessor in writing thereof, which notice shall describe the nature and cause of *force majeure*, the facts that Lessee contends establish *force majeure*, the date that operations were or will be suspended as a result thereof, the duration of time Lessee expects *force majeure* will continue to prevent operations, and the steps that Lessee has undertaken or will undertake to resume operations.

17. **Regulations.** All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules or regulations of all governmental agencies administering the same, and this Lease shall not be terminated wholly or partially nor shall Lessee be liable for failure to comply with any of the express or implied provisions hereof if such failure is the result of compliance with any such laws, orders, rules or regulations except orders issued by reason of Lessee's violation(s) of applicable laws, orders, rules or regulations.

18. **Assignment.** The rights of either party hereunder may be assigned in whole or in part subject to the terms hereof, and the provisions hereof shall extend to their heirs, devisees, executors, administrators, successors and assigns. No change or division in ownership of the land, minerals or royalties shall enlarge the obligations or diminish the rights of Lessee. No change of ownership in the land, minerals, royalties under this Lease shall be binding on Lessee until it has been furnished with a true copy of the document of conveyance or will of a deceased owner or order of the probate court, or true copy of the order showing the appointment of an administrator or executor for the estate of a deceased owner, whichever is appropriate. Prior to making any assignment of this Lease, in whole or in part, that would result in a change of the operator authorized by the Kansas Corporation Commission (KCC) to operate, and take responsibility for, any or all of the wells operated on the leased premises, Lessee shall give written notice thereof to Lessor at least thirty (30) days prior to such assignment. Such written notice shall include the name, contact information, and KCC operator license number of the proposed new operator, and shall also identify the date(s) and reason(s) of any administrative proceedings undertaken against such operator by the KCC or Environmental Protection Agency (EPA) within the past ten (10) years, and further identify name(s) of any other business entity under which the principal owner(s) of such new operator have conducted business during such time, as well as the name(s) of such principal owner(s). A principal owner for purposes hereof is any person and/or entity owning 25% or more of the equitable interest in such proposed new operator and other business entity or entities. No assignment, release or surrender of this Lessee, in whole or in part, shall operate to release or discharge Lessee from the payment of any damages or the performance of any duties due or accrued as of the effective date thereof. No assignment by Lessee of any interest under this Lease shall operate to release or discharge Lessee from any of the obligations and duties of lessee with respect to the interest assigned, nor arising from any act or omission of any assignee, subsequent to the effective date of such assignment, unless such assignment is approved in writing by Lessor.

19. **Prior Leases.** Lessee's right of entry and/or possession under this Lease is subject to the right, title and interest, if any, of the lessee under any *valid and subsisting* prior lease. Lessor shall not execute any instrument or agreement that would extend the term of any such prior lease or modify the terms thereof or excuse or waive any obligation, condition or covenant, expressed or implied, thereof, nor accept additional rentals or renew or extend any such prior lease in the event it is no longer in force or shall hereafter expire or be terminated, cancelled or forfeited.

20. **Title.** Lessee shall be entitled to conduct such title examination as Lessee deems necessary prior to commencing operations on the leased premises. Lessor represents and warrants that Lessor is the lawful owner of, and has good title to, said land, subject only to liens, mortgages, encumbrances, easements, rights of way, and restrictions of record. In the event Lessee discovers or asserts that there are defects in title that would materially impair the rights and privileges granted to Lessee under this Lease, then Lessor agrees to cooperate and assist Lessee in curing such defect(s) insofar as reasonably necessary; provided, however, that the costs and expenses thereof shall be borne solely by Lessee. Notwithstanding the foregoing, Lessee shall have the right to redeem for Lessor by payment any mortgages, taxes or other liens on the leased premises in the event of Lessor's default in the payment thereof, and be subrogated to the rights of the holder thereof.

21. **Additional Provisions.** (a) Lessor shall have, and is hereby granted by Lessee, a lien and security interest on all equipment, fixtures and personal property placed on the leased premises by Lessee as security for the performance of Lessee's duties and obligations herein and to satisfy any losses or damages suffered by Lessor as a result of Lessee's operations. Notwithstanding any right of removal otherwise provided upon the expiration or termination of this Lease, Lessee shall have no right of reentry upon the leased premises to remove such equipment, fixtures and personal property unless and until Lessee has satisfied Lessee's duties and obligations for plugging abandoned wells and restoration of leased premises as provided herein and paid for all damages caused by its operations as provided herein. This provision shall not

limit any other remedies that Lessor may have at law or equity. (b) Oil and/or gas has previously been discovered and there are existing wells on the leased premises. Insofar as there may be existing production equipment, fixtures and tanks, if any, Lessee may use the same at Lessee's sole risk and expense in Lessee's operations hereunder; and Lessee may undertake to repair and/or rework any existing well(s) at Lessee's sole risk and expense. Any ad valorem taxes levied on such equipment, fixtures and/or tanks shall be paid by Lessee. Lessee shall not sell, dispose of or remove any of such equipment, fixtures or tanks from the leased premises without the express written consent of Lessor. Production obtained by Lessee during the Primary Term from an existing well shall have the same effect as if Lessee had drilled a well and obtained production from it during the Primary Term.

This Lease is made effective the date first shown above, notwithstanding the date of execution, delivery, acknowledgment or recording.

**LESSORS**

Kenneth W. Richardson  
Kenneth W. Richardson

D. Christine Richardson  
D. Christine Richardson

**LESSEE**

JTC Oil, Inc.

[Signature]

by: Tom Cain, President

**ACKNOWLEDGEMENTS**

STATE OF KANSAS, COUNTY OF miami, ss:

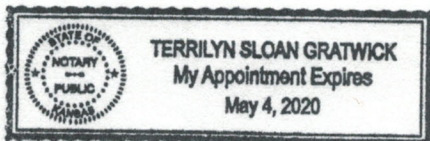
This instrument was acknowledged before me on 3/2/20 by Kenneth W. Richardson and D. Christine Richardson, husband and wife.



[Signature]  
Notary Public  
Appointment Expires: 5/4/20

STATE OF KANSAS, COUNTY OF miami, ss:

This instrument was acknowledged before me on 3/2/20 by Tom Cain, President of JTC Oil, Inc., a Kansas corporation, on behalf of the corporation.



[Signature]  
Notary Public  
Appointment Expires: