

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 _____

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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 AND BILL OF SALE

For sufficient consideration, receipt of which is hereby acknowledged Pamela A. Cross, Trustee of the Pamela A. Cross Revocable Trust dated December 30, 2008, whose mailing address is 160 N. County Line Road, Wichita, KS 67230, hereinafter called "Assignor", does hereby sell, transfer, and assign to DBD Oil LLC, whose mailing address is P.O. Box 1135, Emporia, KS 66801, hereinafter called "Assignee", all of Assignor's right, title and interest in and to the oil and gas lease(s) described on Exhibit "A", attached hereto and made a part hereof. The lease(s) described on the attached Exhibit "A" and assigned hereby are hereinafter referred to as the "Assigned Premises".

For the same consideration recited above, Assignor does hereby grant, bargain, sell and convey unto Assignee all wells, including the wellbores, the casing and tubing therein, all downhole and wellhead equipment, and all leasehold equipment, structures and other personal property situated on the Assigned Premises described on Exhibit "A", but INsofar AND ONLY INsofar as same is(are) used solely and directly in connection with the Assigned Premises. Assignor expressly reserves to itself and its successors and assigns any and all such wells and other personal property which is(are) not situated on and used solely and directly in connection with the Assigned Premises, and is itemized on Exhibit "A".

Additionally, for the same consideration recited above, Assignor does hereby sell, transfer and assign to Assignee, all of Assignor's rights and obligations derived from or created by unitization, pooling or communitization agreements or units formed under or pursuant to orders of any governmental authority (exclusive, however, of any revenue interests derived from the unitization, pooling or communitization of royalty or

overriding royalty owned by Assignor) and any rights and obligations derived from or created by operating or joint operating agreements to the extent and only to the extent that such rights and obligations relate to the lands and depths described in Exhibit "A", and all contracts and contractual rights, obligations and interests including but not limited to unit agreements, farmout or farming agreements, operating agreements, production sales contracts, gas purchase contracts, processing contracts, gas balancing agreements, only insofar as such relate to the interests described in Exhibit "A".

Assignor hereby **EXCEPTS** and **RESERVES** unto itself, its successors and assigns, a proportionately reduced overriding royalty interest equal to 1/16th of all (0.0625) the oil, gas, products of oil and/or gas, and all other hydrocarbons produced, saved and sold from the leases described in Exhibit "A." Said overriding royalty interest shall be proportionately reduced to the extent (1) the Assigned Premises are pooled, spaced and/or unitized with other lands, (2) the interest assigned hereunder in the Assigned Premises represents less than one hundred percent (100.0%) of the leasehold covering said lands described therein and/or (3) the leasehold assigned hereunder covers less than one hundred percent (100.0%) of the mineral estate in said lands. Said overriding royalty interest shall be free of all development, production, and operating expense of any wells drilled on the Assigned Premises or lands pooled therewith except that it shall bear and pay its portion of all marketing, gathering, transportation, treating, dehydration and compression costs. Said overriding royalty interest shall bear and pay its portion of gross production taxes, pipeline taxes, and all other taxes assessed against the gross production subject to said overriding royalty interest. Said overriding royalty interest shall exist for the life of said Leases plus any

extensions or renewals thereof. For purposes hereof, "extension or renewal" includes, but is not limited to, any leasehold interest covering any portions of the lands described on Exhibit A acquired by or the benefit of Assignee within one (1) year following the termination, cancellation or surrender of any lease described on Exhibit A. However, this agreement does not create a joint venture or create a fiduciary relationship between the parties.

TO HAVE AND TO HOLD unto Assignee, the heirs, successors and assigns of Assignee, forever covenants with the Assignee, its heirs, successors or assigns, that the Assignor is the lawful owner of a 7/8ths working interest of 8/8ths gross production and has good title to the interest above assigned in and to said lease, estate, rights and property free and clear from all liens, encumbrances or adverse claims; that said lease is a valid and subsisting leases on the land above described, and all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force have been performed. That Assignor covenants to indemnify the Assignee from any loss due to any of the above conditions not being met.

THE WELL(S), EQUIPMENT AND OTHER PERSONAL PROPERTY COVERED HEREBY ARE USED AND ARE SOLD ON AN "AS IS, WHERE IS" BASIS WITH ALL FAULTS, IF ANY. ASSIGNOR SHALL HAVE NO LIABILITY TO ASSIGNEE FOR ANY CLAIMS, LOSS OR DAMAGE CAUSED OR ALLEGED TO BE CAUSED DIRECTLY OR INDIRECTLY, INCIDENTALLY OR CONSEQUENTIALLY, BY SAID WELL(S), EQUIPMENT OR PERSONAL PROPERTY, BY ANY INADEQUACY THEREOF OR THEREWITH, ARISING IN STRICT LIABILITY OR OTHERWISE, OR IN ANY WAY RELATED TO OR ARISING OUT OF THIS ASSIGNMENT AND BILL OF SALE.

ASSIGNOR MAKES NO EXPRESS OR IMPLIED WARRANTIES OF ANY KIND, INCLUDING THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO SAID WELL(S), EQUIPMENT AND PERSONAL PROPERTY AND EXPRESSLY DISCLAIMS ANY WARRANTIES WITH RESPECT THERETO, excluding the warranty to title to the lease and equipment granted herein.

Assignee agrees to properly plug and abandon the well(s) assigned herein whenever such well(s) shall have served its intended purpose, all in accordance with the valid rules and regulations of the appropriate state or federal regulatory agency or agencies having jurisdiction, and Assignee agrees to indemnify and hold Assignor harmless from and against all losses, costs, claims and expenses arising out of or in any way connected with Assignee's failure to so perform. Further, Assignee agrees to indemnify and hold Assignor harmless from any and all surface or subsurface restoration, well abandonment or other similar obligations pertinent to the well(s) assigned herein which may arise out of any oil and gas lease, contract, permit or other agreement or laws or regulations affecting the lands upon which said wells are located. Assignee hereby agrees and acknowledges that it has had access to and the opportunity to inspect the Assigned Premises for all purposes, including without limitation, for the purposes of detecting the presence of hazardous substances, environmental hazards or naturally occurring radioactive material (NORM) and produced water contamination of the surface and/or subsurface and has satisfied itself as to their physical and environmental condition and further agrees to indemnify and hold Assignor harmless from any environmental condition existing on, in, or under, or resulting from any operations, whether past or present, of the Assigned Premises.

The Assignee agrees that it will pay, perform, and discharge all claims, costs, expenses, liabilities, and obligations, including royalty payment obligations, that are attributable to periods of time or arise after the Effective Date in relation to owning, developing, exploring, operating, and maintaining the Assigned Premises. The Assignee further agrees to defend, indemnify, and hold Assignor harmless from any such claims, costs, expenses, liabilities, and obligations of whatsoever kind arising from or relating to Assignee's ownership and operation of the Assigned Premises.

The Assignor agrees that it will pay, perform, and discharge all claims, costs, expenses, liabilities, and obligations, including royalty payment obligations, that are attributable to periods of time and arise prior to the Effective Date in relation to owning, developing, exploring, operating, and maintaining the Assigned Premises.

Oil remaining in the tanks above the pipeline connection on the Effective Date hereof shall be the property of Assignor. However, any and all oil remaining in upon the lease in any tank or line after the filing of this assignment with the Greenwood County Register of Deeds shall be the property of the Assignee. All gas produced and saved up to such Effective Date shall belong to Assignor. All gas produced and saved after such Effective Date shall belong to Assignee.

All ad valorem taxes, real property taxes, personal property taxes, and similar obligations ("property taxes") with respect to the tax period in which the Effective Date occurs shall be apportioned as of the Effective Date between Assignor and Assignee based upon the amount of the prior year's taxes. Assignor shall reimburse Assignee for its apportioned share of such property taxes as determined under this paragraph within thirty (30) days of receipt of Assignee's invoice therefor.

All taxes (other than income taxes) which are imposed on or with respect to the production of oil, natural gas or other hydrocarbons or minerals or the receipt of proceeds therefrom (including but not limited to severance, production, and excise) shall be apportioned between the parties based upon the respective shares of production taken by the parties. All such taxes which accrued prior to the Effective Date have been or will be properly paid or withheld by Assignor and all statements, returns, and documents pertinent thereto have been or will be properly filed on behalf of Assignor. Payment or withholding of all such taxes which accrue after the Effective Date and the filing of all statements, returns, and documents incident thereto shall be the responsibility of Assignee.

Assignee agrees that the purchase price provided for hereunder excludes any sales taxes or other taxes, if any, required to be paid in connection with the sale of property pursuant to this agreement. Assignee shall be liable for and bear all sales and use taxes, conveyance, transfer and recording fees and real estate transfer stamps or taxes, if any, imposed on any transfer of property pursuant to this agreement.

Assignee shall remove Assignor's name from the property within fifteen (15) working days after the Execution Date hereof. In the event Assignee fails to do so, Assignor's representatives shall have full access to the property for such purpose.

Assignee agrees to obtain any and all necessary permits, bonds, or other authorities, which may be necessary in order to operate the well(s) assigned herein, and agrees to indemnify and hold Assignor harmless from and against any and all losses, claims, damages or liability which may result directly or indirectly from Assignee's possession, ownership or operation of the said well(s) and related equipment assigned

herein on and from the Effective Date hereof. This provision is not to be construed to effect or modify the warranty to title and said warranty includes a right of way for egress and ingress.

Assignee hereby assumes and agrees to comply with all obligations and covenants, express or implied, imposed upon the lessee in the oil and gas lease(s) assigned hereby or contained in any intermediate assignments thereof insofar as concerns the Assigned Premises (including, but not limited to, the proper payment of all royalties, overriding royalties or other burdens on production from the Assigned Premises), and agrees to indemnify and save harmless Assignor from any risk, liability or expenses of whatsoever kind arising from Assignee's operations on the Assigned Premises or operations of said wells after the Effective Date.

This assignment is made subject to the terms, express and implied, of the oil and gas leases and other agreements referenced on the Exhibit "A" as well as any and all other agreements to which the Assigned Premises are subject.

By executing this Assignment and Bill of Sale, Assignee acknowledges that Assignee is able to bear the economic risk of any oil and gas investment Assignee is obligated to or might choose to make in the Assigned Premises and that Assignee is capable of evaluating the merits and risks of investments in the Assigned Premises. Assignee also represents that Assignee is making the investment in the Assigned Premises for Assignee's own account and not with a view to the distribution or sale thereof, and that Assignee is acting solely for Assignee's own account in evaluating the Assigned Premises.

This Assignment and Bill of Sale shall bind and inure to the benefit of the heirs, successors and assigns of the parties hereto.

This instrument is executed on the respective dates indicated in the acknowledgements of the signatory parties hereto (the last of such dates being herein referred to as the "Execution Date"), but shall be effective for all purposes as of _____ 2020, at _____ .m. in the time zone in which the Assigned Premises are located (herein referred to as the "Effective Date").

[Name of Seller]

By: Pamela A Cross

Name: Pamela A. Cross, Trustee of the
Pamela A. Cross Revocable Trust dated
December 30, 2008

Title:

"ASSIGNOR"

[NAME OF BUYER]

By: Paul E Dean

Name: DBD Oil LLC
Title: Paul E. Dean, Manager

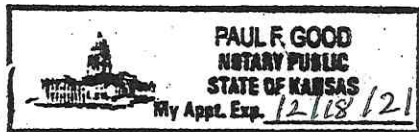
"ASSIGNEE"

ACKNOWLEDGEMENTS

STATE OF KANSAS)
)ss:
COUNTY OF BUTLER

On this 29th day of May 2020, before me, the undersigned, a Notary Public in and for the county and state aforesaid, personally appeared Pamela A. Cross, known to me to be the identical person whose name is subscribed to the foregoing instrument and acknowledged to me that he, being fully authorized to do so, executed and delivered the same this date as Pamela A. Cross, Trustee of the Pamela A. Cross Revocable Trust dated December 30, 2008, as the act and deed of said corporation, for the purposes and considerations, and in the capacity therein stated.

Given under my hand and seal the day and year last above written.



[Handwritten Signature]

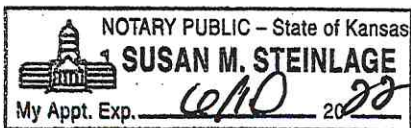
Notary Public

My Appointment Expires:

STATE OF Kansas)
)ss:
COUNTY OF Lyon

On this 2nd day of June 2020, before me, the undersigned, a Notary Public in and for the county and state aforesaid, personally appeared Paul E. Dean, known to me to be the identical person whose name is subscribed to the foregoing instrument and acknowledged to me that he, being fully authorized to do so, executed and delivered the same this date as Paul E. Dean of DBD Oil LLC, as the act and deed of said corporation, for the purposes and considerations, and in the capacity therein stated.

Given under my hand and seal the day and year last above written.



[Handwritten Signature]

Notary Public

My Appointment Expires:
[Handwritten Signature]

EXHIBIT "A"

PROPERTY NAME:

LEASE DATE: April 12, 2000

RECORDING DATA: Book 47 Leases, Page 51

LESSOR: Karl B. Jackson, Roscoe G. Jackson II, and Laura Jackson Clearie
and Andrew F. Clearie IV, her husband

LESSEE: D.E. Exploration, Inc.

DESCRIPTION: said lease covers the following described land in Greenwood
County, State of Kansas: Section 5, Township 22 South, Range 10 East, and
containing 640 acres, more or less,

Personal Property included with the assignment of the above referenced lease:

Together with the rights incident thereto and the personal property thereon, appurtenant
thereto, or use or obtained in connection therewith. That the personal property includes
but is not limited to 8 pumping unit, 7 electric motors, 7 electric control panels with said
pumping units, 3 stock tanks, 2 gun barrels, metal shed with centrifuge pump and
injection pump and 2 fiber glass saltwater tanks.