

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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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: \_\_\_\_\_

SHERIFF'S ASSIGNMENT OF OIL AND GAS LEASES AND BILL OF SALE

WHEREAS, on the 31<sup>st</sup> day of July, 2020 at the Ness County, Kansas Courthouse, Ness City, Kansas, the Sheriff of Ness County, Kansas, after giving due and legal notice of the time and place of sale in accordance with K.S.A. 60-1003(c)(4) and K.S.A. 60-2410, and pursuant to the Order Directing Sale entered June 17, 2020 and Order Supplementing Order Directing Sale issued on July 10, 2020 by the District Court of Ness County, Kansas in proceedings before the District Court entitled *Watchous Enterprises, LLC, et al. v. Stewart Producers, Inc., et al.*, Case Nos. 2017 CV 16, 2018 CV 3 and 2018 CV 12, sold the following-described oil and gas leases with related property rights and interests to Palomino Petroleum, Inc., which sale was confirmed by the District Court by Order Authorizing and Allocating Additional Legal Fees and Expenses, and Confirming Sale issued in the above-referenced cases on August 17, 2020.

KNOW ALL MEN BY THESE PRESENTS: That,

I, Brandon Mitchell, the duly elected, qualified and acting Sheriff of Ness County, Kansas, in consideration of the Order Directing Sale, Order Supplementing Order Directing Sale and Order Authorizing and Allocating Additional Legal Fees and Expenses, and Confirming Sale issued in the proceedings indicated above, the bid by Palomino Petroleum, Inc. at public auction duly noticed and conducted, and by virtue of the authority vested by law in me, do hereby grant, bargain, sell, convey, transfer, assign and deliver unto Palomino Petroleum, Inc., 4924 SE 84<sup>th</sup> Street, Newton, Kansas 67114-8827, hereinafter referred to as Assignee, its successors and assigns, all right and title to the working interest formerly held by the parties to said actions in and to the following-described Oil and Gas Leases with the wells, pumps, tanks, pipelines, equipment thereon and property rights and interests appurtenant thereto or used and obtained in connection therewith:

Case No. 2017 CV 16

Oil and Gas Lease dated August 1, 2016 from Rachel Dinges, Trustee of the Rachel Dinges Trust and Trustee of the Joseph Dinges Trust, as lessor, to Stewart Producers, Inc., as lessee, covering the Southwest Quarter (SW/4) of Section 13, Township 18 South, Range 25 West, Ness County, Kansas, recorded in the office of the Register of Deeds, Ness County, Kansas in Book 387 at Page 325.

Case No. 2018 CV 3

Oil and Gas Lease dated September 15, 2017 from Cathryn E. Hoovler, Hart Eddy Gleason and Cathryn A. Gleason McClosky, Trustees under Trust Agreement dated August 23, 1982, Cathryn E. Hoovler, Settlor, as lessor, to Stewart Producers, Inc., as lessee, covering the North Half (N/2)

of Section 8, Township 18 South, Range 24 West, Ness County, Kansas, recorded in the office of the Register of Deeds, Ness County, Kansas in Book 394 at Page 692.

Oil and Gas Lease dated September 15, 2017 from Christopher Peddie, a married man dealing in his sole and separate property, as lessor, to Stewart Producers, Inc., as lessee, covering the North Half (N/2) of Section 8, Township 18 South, Range 24 West, Ness County, Kansas, recorded in the office of the Register of Deeds, Ness County, Kansas in Book 393 at Page 650.

Oil and Gas Lease dated September 15, 2017 from Daniel Peddie, a married man dealing in his sole and separate property, as lessor, to Stewart Producers, Inc., as lessee, covering the North Half (N/2) of Section 8, Township 18 South, Range 24 West, Ness County, Kansas, recorded in the office of the Register of Deeds, Ness County, Kansas in Book 393 at Page 647.

Case No. 2018 CV 12

Oil and Gas Lease dated August 1, 2016 from Rachel Dinges, Trustee of the Rachel Dinges Trust and Trustee of the Joseph Dinges Trust, as lessor, to Stewart Producers, Inc., as lessee, covering the Southeast Quarter (SE/4) of Section 13, Township 18 South, Range 25 West, Ness County, Kansas, recorded in the office of the Register of Deeds, Ness County, Kansas in Book 387 at Page 331.

Oil and Gas Lease dated August 1, 2016 from Rachel Dinges, Trustee of the Rachel Dinges Trust and Trustee of the Joseph Dinges Trust, as lessor, to Stewart Producers, Inc., as lessee, covering the Northeast Quarter (NE/4) of Section 13, Township 18 South, Range 25 West, Ness County, Kansas, recorded in the office of the Register of Deeds, Ness County, Kansas in Book 387 at Page 328.

Oil and Gas Lease dated August 1, 2016 from Rachel Dinges, Trustee of the Rachel Dinges Trust and Trustee of the Joseph Dinges Trust, as lessor, to Stewart Producers, Inc., as lessee, covering the Northwest Quarter (NW/4) of Section 13, Township 18 South, Range 25 West, Ness County, Kansas, recorded in the office of the Register of Deeds, Ness County, Kansas in Book 387 at Page 334.

Oil and Gas Lease dated February 1, 2017 from Rachel Dinges, Trustee of the Rachel Dinges Trust and Trustee of the Joseph Dinges Trust, as lessor, to Stewart Producers, Inc., as lessee, covering the Southeast Quarter (SE/4) , except two (2) acres described as: Beginning at the Southwest corner of the Southeast Quarter (SWc SE/4), thence East 20 rods, thence North 16 rods, thence West 20 rods, thence South 16 rods to the place of beginning, in Section 14, Township 18 South, Range 25 West, Ness County, Kansas, recorded in the office of the Register of Deeds, Ness County, Kansas in Book 390 at Page 478.

Unrecorded Salt Water Disposal Agreement dated July 1, 2020 from Rachel Dinges, Trustee of the Rachel Dinges Trust and Trustee of the Joseph Dinges Trust, to Stewart Producers, Inc., covering the Dinges Trust No. 2 well located 1800 feet from the South line and 1880 feet from

the East line (1800 ft. FSL & 1880 ft. FEL) of Section 13, Township 18 South, Range 25 West, Ness County, Kansas.

TO HAVE AND TO HOLD the above-described Oil and Gas Leases, with all and singular the rights, privileges and appurtenances thereto or in any wise belonging to the said Assignee, its successors and assigns, forever.

This Assignment of Oil and Gas Leases and Bill of Sale is executed this 9 day of September, 2020, to be effective as of August 1, 2020.

Brandon Mitchell

Brandon Mitchell, Sheriff

STATE OF KANSAS            )  
  ) SS.  
COUNTY OF NESS         )

Before me, the undersigned Notary Public within and for said County and State, on this 9 day of September, 2020, personally appeared Brandon Mitchell, Sheriff of Ness County, Kansas, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

My commission expires:

Kristi Schneider

Notary Public

