

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form T-1  
April 2019  
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: \_\_\_\_\_

New Operator's Email: \_\_\_\_\_

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

\_\_\_\_\_ is acknowledged as the new operator of the above named lease containing the surface pit

Permit No.: \_\_\_\_\_. Recommended action: \_\_\_\_\_

permitted by No.: \_\_\_\_\_.

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Authorized Signature

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 Leases/ Acquisition Agreement

Agreement to be made effective on **October 6th, 2020**, between **Pioneer Resources Inc. (the Operator and hereinafter referred to as Seller** on behalf of all Working Interest Investors as discussed with and agreed to by these Investors for these assets ("Assets")):

**McKenna Lease located T9S-R21W-S30 in Graham County, Kansas with KDOR number 136777 hereinafter referred to as McKenna;**

**and Bunker Lease located T12S-R22W-S24 in Trego County, Kansas with KDOR number 124718 hereinafter referred to as Bunker;**

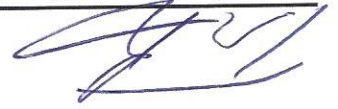
**and New Age Oil, LLC (hereinafter referred to as Buyer).**

Seller is hereby selling and Buyer is hereby purchasing the following assets ("Assets") of Seller at the price, terms, and conditions hereinafter set forth:

1. All assets and Oil production on the Oil Leases listed above in Kansas (with assumption of location correctness by both parties) to be purchased by Buyer from Seller, and all rights, titles, property, overrides and working interest in the leases to be purchased by Buyer from Seller, Seller to have all liens against the leases 100% released before closing date,
2. Seller to pay for all sales commissions that may be related to this sale,
3. Seller to have all KCC requests completed and current, and fines/fees paid,
4. Seller to assume all issues, concerns, and liabilities for these leases prior to the closing date,
5. Seller to assume all issues, concerns, and liabilities for these leases occurring after the closing date, Seller testifies there are no current issues, concerns, liabilities and/or lawsuits or litigation currently active pertaining to the assets at hand,
7. Seller will assist in obtaining legal and proper signatures on Affidavits of Non-production documents if need arises,
8. **Buyer to purchase aforementioned items from the Seller as described and in its entirety for \$6,000, paid to Seller on closing date,**
9. Seller confirms no additional ORRI has been obtained on either lease by seller in the past 6 months, if so, seller agrees to revoke this ORRI,
10. Seller to retrieve signed assignments from 100% of Working Interest ownership parties,
11. Seller is also the operator. Seller to properly file "Transfer of Operator - TI" forms to Buyer and Buyer will become the operator of the leases effective on **October 1<sup>st</sup>, 2020**,
12. Seller to continue to operate the leases in a normal manner until closing,
13. Seller to transfer over to Buyer all documentation related to the leases upon execution of this agreement including 3D information, at closing, Buyer assumes ownership of these documents,
14. Seller to pay first half taxes due in December 2020, Buyer to pay for second half taxes due in May 2021,
15. Closing date set for **October 6th, 2020** provided all conditions are met as described above, a mutual location will be chosen by Buyer and Seller,

The lawful invalidity or unenforceability of any condition of this Agreement shall not affect the other conditions hereof and this Agreement shall be construed in all respects as if such invalid or unenforceable condition were omitted, unless it pertains to lease validity. This Agreement shall insure to the benefit of and be binding upon the parties named herein as the Seller and the Buyer. This Agreement shall be executed and in force on **October 1<sup>st</sup>, 2020**, and any controversy arising pertaining to this Agreement shall be settled with both parties consent or through normal law practices. This Agreement shall be construed under the laws of the State of Kansas and Ellis County. In Witness Whereof the parties hereto set their hands and seals the day and year first above written. CONSENTED AND AGREED TO:

Authorized Buyer Signature



Title

Owner

Date

10/6/2020

Address

1563 Ridge Rd Hays, KS 67601

Authorized Seller Signature



Title

President

Date

10.6.2020

Address

80 Windmill Dr

Phillipsburg, KS

67661

# INSPECTION REPORT

Case# \_\_\_\_\_

<input type="checkbox"/>	Complaint
<input type="checkbox"/>	New Situation
<input checked="" type="checkbox"/>	Response to request
<input type="checkbox"/>	Follow-up

**Date of Inspection:** 10/13/2020

**Operator:** Pioneer Resources Inc.

**License:** 32016

**Address:** 80 Windmill Dr.

**Location:** SW/4 24-12-22W

**City/St:** Phillipsburg, KS 67661-7125

**Lease:** Bunker

**Phone:** (785) 543-5556

**County:** Trego

**Reason for investigation:** EPR requested T-1 inspection

**Problem:** Inactive lease no CP-111 on file

## Findings:

- Lease inspection found the lease to be inactive. KGS shows last production sold was 7/2019. While in process of inspection Midwest Energy was on lease trying to figure out where to put power pole and meter. Operator had apparently informed Midwest Energy that well was being plugged and requested the meter be removed some time back. So lease has not had power to operate. There are not CP-111 on file and RBDMS list the Bunker 2 as producing. The lease contains a tank battery that has signage that meets the KAR 82-3-126 requirements. There is also a salt water tank that sets approx. 150' north of the tank battery and sets up on a stand approx. 3.5' off the ground with an injection pump. This tank has no sign to delineate who the tank belongs to. The closest SWD appears to be the Nixon in the NW/4 23-12-22W. So assuming since the Bunker is the only active lease in the section that the saltwater tank belongs to it and needs signage to meet the KAR 82-3-126 requirements. The lease contains only one producible well the Bunker #2 which is inactive due to the lease does not have electrical power to operate at this time.
- **Bunker 2** – API# 15-195-21662-00-00 – GPS: 38.99261, -99.71661 – 2286' NSL & 3199' WEL – SW NE NE SW 24-12-22W(Inactive, no CP-111 on file)
- **Bunker Tank Battery** – GPS: 38.99277, -99.72330 – 2529' NSL & 5101' WEL – NW NW NW SW 24-12-22W
- **Salt Water Tank** – GPS: 38.99322, -99.72327 – 2692' NSL & 5096' WEL – SW SW SW NW 24-12-22W(No sign as per KAR 82-3-126)

**Photos:** Yes

## Action /recommendations:

- Salt water tank needs verified and if belongs to the lease needs sign meeting KAR 82-3-126 requirements. The Bunker #2 needs at a minimum be listed as inactive till well is returned to service.

M Shane Jones  
(Agent)

\_\_\_\_\_  
(Signature)

cc: file

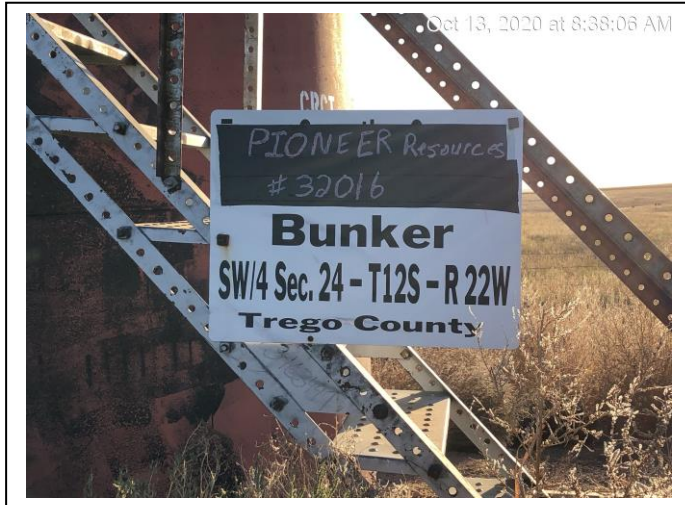


Date: 10/13/2020

Company: Pioneer Resources Inc. # 32016

Lease: Bunker

Legal: SW/4 24-12-22W



**Bunker Tank Battery Sign**

SW 24-12-22W

Pioneer Resources Inc. # 32016



**Bunker Tank Battery**

GPS: 38.99277, -99.72330

2529' NSL & 5101' WEL

NW NW NW SW 24-12-22W



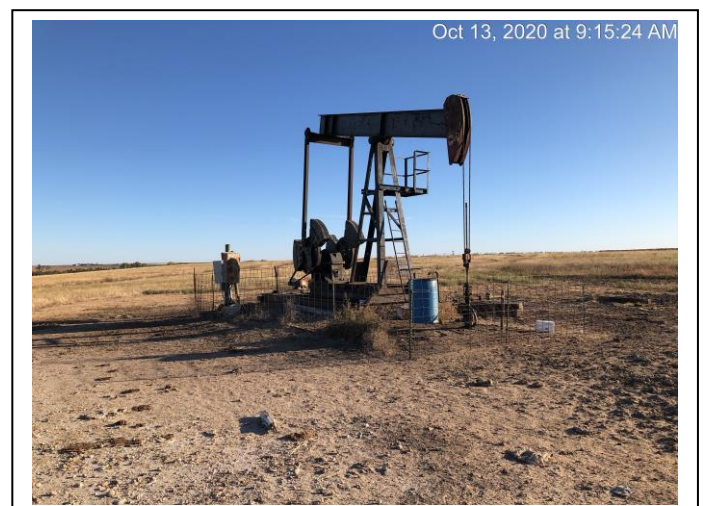
**Salt Water Tank**

GPS: 38.99322, -99.72327

2692' NSL & 5096' WEL

SW SW SW NW 24-12-22W

(No sign as per KAR 82-3-126)



**Bunker 2 – API# 15-195-21662-00-00**

GPS: 38.99261, -99.71661

2286' NSL & 3199' WEL

SW NE NE SW 24-12-22W

(Inactive, no CP-111 on file)