

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: \_\_\_\_\_

Signature: \_\_\_\_\_

New Operator's License No. \_\_\_\_\_

Contact Person: \_\_\_\_\_

New Operator's Name & Address: \_\_\_\_\_

Phone: \_\_\_\_\_

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

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 \_\_\_\_\_

Side Two

**Must Be Filed For All Wells**

KDOR Lease No.: \_\_\_\_\_

\* Lease Name: \_\_\_\_\_

\* Location: \_\_\_\_\_

Well No.	API No. (YR DRLD/PRE '67)	Footage from Section Line (i.e. FSL = Feet from South Line)		Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/TA'D/Abandoned)
		<i>Circle:</i> FSL/FNL	<i>Circle:</i> FEL/FWL		
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A separate sheet may be attached if necessary.

\* 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.

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: \_\_\_\_\_

## ASSIGNMENT AND BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned, **HERMAN L. LOEB LLC**, whose address is P.O. Box 838, Lawrenceville, IL 62439, (hereinafter called "Assignor"), for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby sell, assign, convey, transfer and set over unto **RED HILLS RESOURCES INC.**, whose address is P.O. Box 132, Englewood, KS 67840, (hereinafter called "Assignee"), all of Assignor's right, title and interest in and to the oil and gas leases (hereinafter called the "Leases") in Clark County, Kansas, described on Exhibit 'A', attached hereto and made a part hereof by this reference, together with all related properties, wells, equipment, fixtures and improvements located thereon (hereinafter, with the Leases, collectively called the "Assets"), and rights incident thereto or used or obtained in connection with the development thereof.

TO the extent of the interest assigned herein, (1) all the oil, gas and other minerals produced and saved prior to the Effective Date hereof, from or attributable to the Assets, and the proceeds therefrom, shall be owned by Assignor, (2) all of the oil, gas and other minerals produced and saved after the Effective Date hereof from or attributable to the Assets, and the proceeds therefrom, shall be owned by Assignee, (3) all of the costs and expenses incurred prior to the Effective Date in the development, operation and maintenance of the Assets, shall be borne and paid by Assignor, (4) all of the costs and expenses incurred after the Effective Date (including, without limitation, all ad valorem taxes for the current year production) in the development, operation and maintenance of the Assets, shall be borne and paid by Assignee, (5) Assignor shall be responsible for the payment of all royalties, overriding royalties, and co-working interest owner payments with respect to production from the Assets occurring prior to the Effective Date. (6) Assignee shall be responsible for payment of all royalties, overriding royalties, and co-working interest owner revenues with respect to production from the Assets occurring after the Effective Date.

Page 1 of 4

STATE OF KANSAS, CLARK COUNTY }  
This instrument was filed for Record on  
10/26/2020 at 3:20 PM and duly recorded  
Book 149 Page 256 Fees \$72.00

*Brenda Ketron*  
Brenda Ketron, Register Of Deeds



149-256

THIS Assignment and Bill of Sale is subject to the provisions of the Leases affecting the Assets assigned herein, the mesne assignments thereof, and any and all agreements, declarations, gas contracts, orders of governmental authority, easements, rights-of-way, licenses and other instruments or agreements relating to or affecting Assignor's interest in the aforesaid Assets as of the Effective Date.

FROM and after the Effective Date, Assignee shall assume all obligations and responsibilities under the Leases and for the interests herein assigned, and all legal and regulatory obligations and responsibilities with respect to operations of the Assets, and shall indemnify and hold Assignor, its affiliates, employees, directors and officers harmless from and against any and all claims, demands, causes of action, liabilities and losses arising out of or in connection with or resulting from or through Assignee's ownership of the assigned interests, including, but not limited to, the plugging and abandonment of the wells assigned herein, and any necessary environmental remediation, and Assignee accepts title subject to all agreements, declarations, restrictions, encumbrances, and clouds, if any, of record.

THIS ASSIGNMENT IS MADE BY ASSIGNOR AND IS ACCEPTED BY ASSIGNEE ON AN "AS IS" BASIS, WITHOUT WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OF QUANTITY, QUALITY, CONDITION, MERCHANTABILITY, FITNESS FOR PURPOSE, SAFETY OF EQUIPMENT, OR COVENANTS OF WARRANTY OF TITLE, OR COMPLIANCE WITH GOVERNMENTAL REGULATIONS RELATED THERETO OR OTHERWISE.

It is the intent of Assignor herein to assign and convey to Assignee, and Assignor does hereby assign and convey to Assignee, all right, title and interest owned by Assignor in and to the Leases described on Exhibit 'A', and units they are part of, as to all estates, depths, formations, and lands covered thereby, including all working interests, reversionary interests, production payments, contracts, and other rights, interests and properties of every kind and nature and description located in, on, unitized with, or otherwise associated with the Leases described on Exhibit 'A', even though the foregoing properties be incorrectly described herein or a description thereof or reference thereto be omitted herefrom.

IN WITNESS WHEREOF, the Assignor and Assignee have executed this Assignment and Bill of Sale the year and date set forth in the acknowledgments below, but is effective as of October 1, 2020 (the "Effective Date").

*[Signatures and Acknowledgments on Following Page]*

HERMAN L. LOEB LLC, an Illinois limited liability company

By: *Janette D. Loeb*  
Janette D. Loeb, as Manager

STATE OF ILLINOIS )  
 ) ss:  
COUNTY OF LAWRENCE )



This instrument was acknowledged before me on this 27 day of October, 2020, by Janette D. Loeb, Manager of HERMAN L. LOEB LLC, an Illinois limited liability company.

My appointment expires: 01-27-23

*Gen M Hedrick*  
Notary Public

RED HILLS RESOURCES INC.

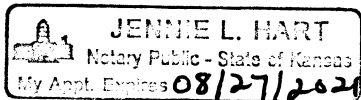
By: *James W McKinney*  
James W. McKinney, as President

STATE OF KANSAS )  
 ) ss:  
COUNTY OF Clark )

This instrument was acknowledged before me on this 26 day of October, 2020, by James W. McKinney, President of RED HILLS RESOURCES INC.

My appointment expires: 08/27/2021

*Jennie L. Hart*  
Notary Public



## EXHIBIT 'A'

Attached to and made a part of that certain Assignment and Bill of Sale effective October 1, 2020, by and between HERMAN L. LOEB LLC, as Assignor, and RED HILLS RESOURCES INC., as Assignee.

### J. W. ALEXANDER UNIT, CLARK COUNTY, KANSAS

#### Lease No. 1

Lessor: Maynard R. Frame, a single man and Quentin W. Frame, a single man  
Lessee: J. D. Long  
Date: September 16, 1950  
Recorded: Book 12, Page 131  
Description: INSOFAR and ONLY INSOFAR as the lease covers the West Half of the Southwest Quarter (W/2 SW/4) of Section 20, Township 34 South, Range 25 West, Clark County, Kansas.

#### Lease No. 2

Lessor: Lois A. Jackson, formerly Lois A. Ward & Wayne Jackson, wife & husband, et al.  
Lessee: Francis Krone  
Date: November 17, 1952  
Recorded: Book 16, Page 222  
Description: The East Half of the Southwest Quarter (E/2 SW/4) of Section 20, Township 34 South, Range 25 West, Clark County, Kansas.

#### Lease No. 3

Lessor: Edna E. Graves and J. M. Graves, her husband  
Lessee: J. D. Long  
Date: September 16, 1950  
Recorded: Book 12, Page 175  
Description: The Southeast Quarter (SE/4) of Section 20, Township 34 South, Range 25 West, Clark County, Kansas.

#### Lease No. 4

Lessor: Verlen Allen, a single man  
Lessee: J. D. Long  
Date: September 18, 1950  
Recorded: Book 12, Page 298  
Description: INSOFAR and ONLY INSOFAR as the lease covers the North Half (N/2) of Section 20, Township 34 South, Range 25 West, Clark County, Kansas.

[END OF EXHIBIT 'A']