

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

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		
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____
_____	_____	_____ FSL/FNL	_____ FEL/FWL	_____	_____

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: _____

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("Agreement") is made and entered into effective the 1st day of April, 2020, by and among **Rodney Brown d/b/a M.J.T. Oil Company; Ward D. Craig d/b/a Craig Oil Company; Ward D. Craig and Crystal J. Craig, husband and wife; Todd Alan Templeton a/k/a Alan Templeton; and Kaylee A. Karst**, hereinafter collectively referred to as "SELLERS", and **Webco Oil Company, Inc.**, hereinafter referred to as "PURCHASER."

RECITALS

WHEREAS, on the terms and conditions provided in this Agreement, Sellers desire to sell and Purchaser desires to purchase Sellers' interest in certain Oil and Gas Leases Operating Agreements and operating rights in and to properties hereinafter more particularly set forth:

NOW, THEREFORE, for good and valuable consideration and for the mutual covenants contained herein, Sellers and Purchaser agree as follows:

ARTICLE 1. SALE AND PURCHASE

1.1 Effective Time: The effective time and date of the purchase and sale contemplated hereby shall be April 1, 2020, at 7:00 AM, at the site of the respective Subject Properties (The "Effective Time").

1.2 Sale and Purchase: Subject to the terms and conditions herein contained, at Closing and as of the Effective Time, Sellers shall sell, assign, transfer and convey to Purchaser, and Purchaser shall purchase and receive, the following described assets (the "Assets"):

- (a) Sellers' working and net revenue interest represented to be 75% working interest (.75000 W.I.) and 62.53125 % net revenue interest (.62531250 N.R.I.) in and to the following Oil and Gas Lease:

Oil and Gas Lease dated April 6, 1993, from Nick M. Weber and Viola D. Weber, Lessors, to Pelican Hill Oil and Gas, Lessee, recorded in Book 531, Page 10, Register of Deeds Office, Barton County, Kansas, insofar as said lease covers the East Half of the Northeast Quarter (E/2 NE/4) of Section Sixteen (16), Township Sixteen (16) South, Range Twelve (12) West, containing 80 acres, more or less, Barton County, Kansas,

Together with the rights incident thereto and personal property thereon, appurtenant thereto, or used or obtained in connection therewith

- (b) All of Sellers' right to operate said oil and gas lease

ARTICLE 2. CONSIDERATION

2.1 Consideration: As consideration for this Agreement and the transfer of the assets at Closing, Purchaser shall pay to Sellers the total sum of Thirty Thousand and no/100 Dollars (\$30,000.00), (the purchase price).

2.2 Manner of Payment: At Closing, Purchaser shall pay the purchase price by certified funds or wire transfer of immediately available funds and according to Sellers' written instructions delivered to Purchaser before Closing. Sellers agree that purchase price will be made to Craig Ward d/b/a Craig Oil Company, who shall disburse to remaining sellers their share of the purchase price.

ARTICLE 3. TITLE

3.1 Definition of Acceptable Title: As used herein, the term acceptable title shall mean as to the assets, such right, title and interest that: a) entitles the purchaser as sellers' successor-in-title to receive not less than the net revenue interest set forth of all oil, gas and associated liquid, gaseous hydrocarbons produced, saved and marketed from the Lease interest; b) obligates Purchaser as Sellers' successor-in-title to bear costs and expenses related to the maintenance, development and operation of all wells located on the respective Lease, in an amount not greater than the working interest set forth; and: c) said interests are free and clear of all liens, mortgages and claims.

3.2 Notification of Defects: Purchaser shall notify Sellers within 5 days prior to closing of any defects in Sellers' title. Sellers shall have the option to cure any such defect or terminate this agreement.

ARTICLE 4. OPERATING RIGHTS

4.1 Operating rights: Sellers agree to transfer, pursuant to administrative regulatory requirements, operating rights as to the Oil and Gas Lease. Sellers will prepare the appropriate T-1 and all other forms necessary to effect transfer of operations as of effective date and deliver the same to Purchaser at closing.

ARTICLE 5. ASSIGNMENTS

5.1 Assignments: Seller shall prepare assignments and conveyances of Sellers' interest in and to the assets and submit said assignments to Purchaser prior to closing in such form as is acceptable to Sellers and Purchaser.

ARTICLE 6. TAXES

6.1 Taxes: Taxes shall be pro-rated to April 1, 2020, with Sellers being responsible for three-twelfths (3/12ths) of the ad valorem taxes chargeable against the assets based upon the 2019 taxes (\$_____). Purchaser shall be responsible for payment of nine-

twelfths (9/12ths) of the 2020 taxes. Purchaser shall be entitled to all oil above the pipeline connection in the tank battery attributable to Sellers' interest. The interest of the Sellers shall be subject to Sellers' payment of all expenses related to Sellers' interest in and to the Oil and Gas Lease incurred through March 31, 2020.

ARTICLE 7. LEASE AND LAND FILES AVAILABLE FOR INSPECTION PRIOR TO CLOSING

7.1 Lease and Land Files Available for Inspection Prior to Closing: Sellers' file incident to leasehold ownership and operations incident to the Leases being purchased shall transfer to Purchaser at closing. Said files shall be delivered to purchaser at closing.

ARTICLE 8. OPERATIONS

8.1 Operations: Sellers shall continue operating the operated leases to date of closing in compliance with applicable laws, ordinances, rules, regulations and orders and in prudent, good and workmanlike manner, maintain insurance now in force with respect to the properties and pay or cause to be paid all costs and expenses in connection therewith. In the event of any unforeseen mechanical event occurring on a lease, Purchaser shall be notified by Sellers of such event, and Sellers and Purchaser will mutually determine how to proceed.

EXECUTED the day and year first above set forth.

This Agreement may be executed in multiple counterparts, each so executed shall be deemed an original for all purposes.

SELLERS

PURCHASER

Rodney Brown
RODNEY BROWN D/B/A M.J.T. OIL COMPANY

WEBCO, OIL COMPANY, INC.

Ward D. Craig
WARD D. CRAIG D/B/A CRAIG OIL COMPANY

Wehco Oil Co., Inc.
By *N.R. Weber - Pres.*

Ward D. Craig
WARD D. CRAIG

Crystal Craig
CRYSTAL J. CRAIG

Todd Alan Templeton *Alan Templeton*
TODD ALAN TEMPLETON A/K/A ALAN TEMPLETON

Kaylee A. Karst
KAYLEE A. KARST