

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 \_\_\_\_\_



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 AND GAS LEASE

THIS AGREEMENT, entered into this 11-7-17 by and between Lynwood Gale Johnson & Elsie Jane Johnson, husband and wife, 1108 Sunset Drive, Mountain Grove, Missouri 65771-1235 hereinafter called Lessor, and Concorde Resources Corporation, P.O. Box 841, Eufaula, Oklahoma 74432 hereinafter called Lessee does witness:

1. That Lessor, for and in consideration of the sum of Ten and More Dollars (\$10.00) in hand paid and of the covenants and agreements hereinafter contained to be performed by the Lessee, has this day granted, leased and let and by these presents does hereby grant, lease, and let exclusively unto the Lessee the hereinafter described land, with any reversionary rights therein, and with the right to unitize this lease or any part thereof with other oil and gas leases as to all or any part of the lands covered thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata, and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of Logan, State of Kansas, and described as follows:

**Tract 1:** North Half (N/2) of Section Nineteen (19), Township Fifteen (15) South, Range Thirty-three (33) West of the Sixth Principal Meridian (6<sup>th</sup> P.M.) Logan County, Kansas.

2. This lease shall remain in force for a term of three (3) years, (called "primary term") and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is or can be produced.

3. The Lessee shall deliver to Lessor as royalty, free of cost, on the lease, or into the pipeline to which Lessee may connect its wells the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises, or at the Lessee's option may pay to the Lessor for such one-eighth (1/8th) royalty the market price at the wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipe line or into storage tanks.

4. The Lessee shall pay to the Lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the Lessee from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased. If such gas is not sold by the Lessee, Lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to one dollar per net mineral acre, and while said shut-in royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas.

5. This lease is a paid-up lease and may be maintained during the primary term without further payments or drilling operations.

6. In the event said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein then the royalties herein provided for shall be paid to said Lessor only in the proportion which his interest bears to the whole and undivided fee; however, in the event the title to any interest in said land should revert to Lessor, or his heirs, or his or their grantee, this lease shall cover such reversion.

7. The Lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the Lessor. When required by Lessor, the Lessee shall bury its pipelines below plough depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn on said premises without written consent of the Lessor. Lessee shall have the right at any time during, or after the expiration of the lease to remove all machinery, fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.

8. If the estate of either party hereto is assigned (and the privilege of assigning in whole or in part is expressly allowed), the covenants hereof shall extend to the heirs, devisees, executors, administrators, successors, and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to change the obligations or diminish the rights of Lessee, until it has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or certified copy of the proceedings showing appointment of an administrator of the estate of any deceased owner, whichever is appropriate together with all original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to Lessor of the full interest claimed, and all payments made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, devisee, or administrator, executor, of heir of Lessor.

9. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligations on the part of the Lessee to offset wells on separate tracts into which the land covered by the lease may now or hereafter be divided by sale, devisee, descent or otherwise, or to furnish separate measuring or receiving tanks.

10. Lessor hereby warrant and agrees to defend the title to the land herein described and agrees that the Lessee, at its option, may pay and discharge in whole or in part any taxes, mortgages or other liens existing, levied, or assessed on or against the above described lands and, in the event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty accruing hereunder.



1198

11. If after the expiration of the primary term, production of oil and gas should cease from any cause, this lease shall not terminate if Lessee commences additional drilling or reworking operations within one hundred-twenty (120) days thereafter, or if after the expiration of the primary term, oil or gas is not being produced on said land, but Lessee is then engaged in drilling or reworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the same well or any other well thereafter commenced with no cessation of more than one hundred-twenty (120) consecutive days, and if they result in production of oil or gas, this lease shall remain in effect so long thereafter as there is production of oil or gas under any provision of this lease.

12. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the Lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and determine, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

13. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If Lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended.

14. Lessee, at its option, is hereby given the right and power to pool or combine into one or more units the land covered by this lease, or any portion thereof, with other land covered by another lease, or leases when, in Lessee's judgement, it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 160 acres each in the event of a vertical oil well, or into a unit or units not exceeding 640 acres in the event of a horizontal oil well, or into a unit or units not exceeding 640 acres each in the event of a gas and/or condensate or distillate well, plus a tolerance of ten percent (10%) to conform to Governmental Survey quarter sections. Lessee shall execute in writing and file for record in the county in which the land is situated as instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units shall be treated for all purposes, except the payments of royalties on production from the pooled unit, as if it were included in this lease. If production is found on any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on any such unit shall be and constitute a well hereunder. In lieu of the royalties elsewhere herein specified Lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

15. It is understood and agreed that the above described Tracts shall constitute separate and individual leases according to the terms herein established. Production on any single Tract described above shall not hold any other Tract Lease by said production.

16. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said Lessor and Lessee.

*Lynwood Gale Johnson*

Lynwood Gale Johnson

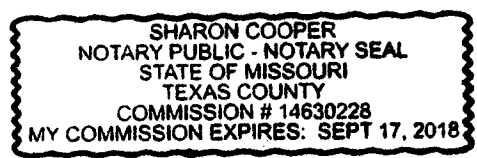
\_\_\_\_\_  
by \_\_\_\_\_  
as attorney-in-fact for Elsie Jane Johnson

Acknowledgments

State of ~~Kansas~~ Missouri  
County of ~~Logan~~ Texas

This instrument was acknowledged before me on Nov. 7, 2017, 2017 by Lynwood Gale Johnson.

Seal



*Sharon Cooper*  
Signature of Notarial Officer

My appointment expires: 9-17-18

Acknowledgments

State of Kansas  
County of \_\_\_\_\_

This instrument was acknowledged before me on \_\_\_\_\_, 2017 by \_\_\_\_\_  
as attorney-in-fact for Elsie Jane Johnson.

Seal

\_\_\_\_\_  
Signature of Notarial Officer

My appointment expires: \_\_\_\_\_

STATE OF KANSAS, LOGAN COUNTY  
This instrument was filed for record on  
December 11, 2017 3:55 PM and recorded in  
Book 186 of Page 128 - 133  
Fees: \$88.00 201701416



Indexed -  
Verified -

*Joyce L. Bosserman*  
Joyce L. Bosserman, Register of Deeds

ADDENDUM AND RIDER TO  
OIL AND GAS LEASE

ADDENDUM AND RIDER to a certain Oil and Gas Lease dated 11-7-17 between Lynwood Gale Johnson & Elsie Jane Johnson, husband and wife, 1108 Sunset Drive, Mountain Grove, Missouri 65771-1235 hereinafter referred to as Lessor, and Concorde Resources Corporation, P.O. Box 841, Eufaula, Oklahoma 74432, hereinafter referred to as Lessee. The above described Oil and Gas Lease and this addendum are with respect to the following real estate located in the County of Logan, State of Kansas, to wit:

**Tract 1:** North Half (N/2) of Section Nineteen (19), Township Fifteen (15) South, Range Thirty-three (33) West of the Sixth Principal Meridian (6<sup>th</sup> P.M.), Logan County, Kansas.

THIS ADDENDUM AND RIDER is part of the above described Oil and Gas Lease to the same extent as if the provisions hereof have originally been written in said Lease. In the event of conflict between the Lease provisions and the provisions of this Addendum and Rider, the provisions of this Addendum and Rider shall prevail.

1. With the exception of provision #14 of the Oil and Gas Lease, and notwithstanding any other provisions contained in this Lease, or any wording contained in this Lease (such as "the lands", "this Lease", or any similar terms) each of the separately designated tracts ("Tract") to this Lease shall be treated for all purposes as a separate and distinct Lease. All provisions contained in this Lease form and Addendum and Rider shall be applicable to each separate tract and construed as if a separate Lease agreement Addendum and Rider has been made and executed covering each separate tract.
2. The Lessee acknowledges that all or part of the land covered by the Lease and Addendum and Rider is or may later be enrolled in the Conservation Reserve Program (CRP) of the Commodity Credit Corporation (CCC), United States Department of Agriculture. As long as any land is in rolled in CRP, Lessee shall be obligated, at Lessee's expense to, reseed and establish native grass cover on the well site and the adjoining land in used in any operations allowed under the Oil and Gas Lease, Addendum and Rider, and to take all necessary precautions to prevent soil erosion resulting from any operations allowed under the Oil and Gas Lease, Addendum and Rider. Such work shall be performed in a good and workmanlike manner and in such a manner as may be required by the FSA under the terms of the CRP Contract. If any operations allowed under the Oil and Gas Lease, Addendum and Rider causes Lessor to lose any benefits of the CRP contract, including repayment of past CRP payments; or loss of future CRP payments, Lessee shall reimburse Lessor for such damages. Lessee agrees to hold Lessor harmless from penalties or liquidated damages assessed by the CRP as a result of Lessee's operations. The Lessee will be liable and will either pay the FSA or repay Lessor for any refund of cost sharing payments, annual rental payments, other payments or liquidated damages to the FSA, and Lessee will re-establish any disturbed cover as required by the FSA on the affected acres after the Lessee completes operations to the extent necessary to enable the Lessor to sign up the land in a subsequent sign up. The determination by the FSA shall be binding on all parties as to amounts to be paid or repaid and the restoration of the affected acres.
3. Should any alterations to the surface contours or terraces be caused by its operations, Lessee, or his assigns, shall restore surface contours to their former condition as nearly as is practical.
4. If a growing crop is located at the drill site location and if Lessor will be harvesting said crop within two weeks of the time Lessee expects to commence drilling operations, then Lessee agrees to delay the commencement of drilling operations until after such crop has been harvested, and if the Lease is within 60 days of expiration at such time then the primary term of the Oil and Gas Lease will be extended by the amount of time equal to the number of days Lessee is delayed in commencing drilling operations as a result of harvesting such crop.
5. In the event a dry hole is drilled on the above described Leased premises, Lessee or assigns shall, within 180 days, remove all debris from the drilling site and restore the surface of the ground to its original contour as nearly as is practical.
6. Upon abandonment of any well or wells on the above described land, Lessee or his assigns agree to restore said land as nearly as reasonably practical to its original condition within 180 days of said abandonment. Lessee or his assigns shall be responsible for and pay for all existing crops damaged as a result of the Lessee's operation.
7. Lessee or its assigns further agrees to notify Lessor prior to conducting any seismograph activity. Lessee shall be responsible for actual crop damages due to seismic activities. No seismograph vibration or sound equipment other than receivers shall be employed or used within 300 feet of any water well or windmill.
8. Lessee or its assigns further agree to confer with Lessor in regard to the route of ingress and egress on said premises for the route of all road locations, placement of tank batteries and other gathering and treating equipment including buried pipelines and agrees to comply with all requests of Lessor when reasonably practical concerning their location. There shall be no hard surfacing of any access roads and only the use of removeable road surfaces, such as sand and/or gravel, shall be used by Lessee as necessary to maintain all-weather/season access to wells.
9. Meter houses, separators, heater treaters, storage tanks and tank batteries must be constructed adjacent to the road right-of-way.

10. No right is granted to the Lessee to erect on any part of said premises any plant or facility for gasoline extraction or for the processing of gas or petroleum substances, except the normal and necessary heater treater and separator customarily used without prior consent of Lessor. Lessee has the right to build/erect any meter houses, separators, heater treaters, storage tanks, and/or any other typically necessary equipment for the purpose of producing and saving any oil and gas upon the above described premises. No storage tank facilities shall be built farther than 75 feet from such country road or roadway adjoining such property when practical.

11. Lessee agrees to pay Lessor the minimum sum of **\$2,000.00** for each well site on the premises, Lessee agrees that this payment covers only those damages usually incurred in the preparation, drilling, completion and producing of an oil and gas well. Lessee agrees to compensate Lessor for any extraordinary damages, including but not limited to damages to crops, pasture, fences, timber, livestock and personal property incurred in such activities. If Lessor and Lessee disagree on such damages, Lessee and Lessor agree to appoint an appraiser to review the damages to determine if they are extraordinary and whether additional compensation is due.

12. In the event of oil and gas production under this Lease, if the annual royalty due under the Lease terms is not equal to the sum of \$10.00 per acer per year, Lessee agrees to pay the additional sum due to equal said sum of \$10.00 per acer per year. Such sum shall be paid within thirty (30) days following the anniversary date of said Lease. If not paid this Lease shall terminate with respect to all parties, and in such event, Lessee agrees to file a written release of said Lease of record.

13. In the event there is no production in paying quantities found by any operations undertaken by Lessee and there is an abandonment of said Lease, Lessee shall fill all its pits, remove all structures and reasonably restore the premises to the condition existing at the time the Lease was executed as nearly a practical.

14. Lessor and his representatives, at his own risk, shall have access to any and all wells drilled upon the land, and shall at written request, be furnished with information pertaining to the drilling, testing and operation of such wells. In the event that gas is encountered in paying quantities, Lessor, upon written request, shall be furnished with the results of periodic G.P.M. tests taken from any gas wells located thereon.

15. Lessee shall not be permitted to use any well drilled on the Leased premises as a salt water disposal well without the written consent of Lessor except to dispose of waters produced from well located on the land covered by the same Lease where the salt water disposal well is located.

16. All utility and flow lines shall be buried to a depth of forty-eight inches (48").

17. Lessee agrees that it will use its best efforts to obtain the best possible price for production under this Lease. In no event shall the price received by Lessor be less than, or more than, the price paid to the Lessee in the third-party transaction.

18. Subject to all applicable rules and regulations of the appropriate governmental authorities, this Lease contemplates the full prospecting and development of oil and gas of the land hereby Leased. Any decision by Lessee to offset producing wells located on adjacent lands is at the sole discretion of Lessee and will be based on sound economic and geological conditions. Lessee agrees to drill as many offset wells as may be necessary to prevent any undue drainage of oil or gas from the land included herein.

19. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder for a period of ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and only if Lessee fails to remedy the breach or default within such period.

20. Lessee agrees to use and appropriate only so much ground water from the Leased premises as is required for drilling operations on the Leased premises. Lessee shall not have the right to use ground water from the Leased premises for secondary recovery operations.

21. If this Lease is assigned any assignment of any interest in said Lease shall be placed of record, and the Lessee shall notify Lessor in writing of said assignment.

22. When livestock are located on the drill site premises, Lessee shall fence all slush pits and areas containing equipment, chemicals or other substances which may be harmful to livestock, and in the event of production, instal a cattle guard.

23. Following drilling operations, Lessee agrees to allow the slush pits to dry and then to carefully fill them and grade the surface of the land to a contour equivalent to that of the surrounding land.

24. The parties hereto agree that in the event either party incurs expenses in the enforcement of this Oil and Gas Lease, Addendum and Rider than the losing party will pay the expenses incurred by the party that prevails in the litigation.

25. Lessee or his assigns further agree to indemnify the Lessor against all liability, loss or damage to any person or property resulting or in any manner connected to the Oil and Gas Lease except if any such loss or damage is due to the negligence of Lessor or actions in any manner connected to Lessor.

26. Lessee shall pay Lessor \$5.00 per rod per year for any service road located on said land and \$300.00 per year for any well site on the Leased premises.

27. Lessee shall have two (2) years, herein called "shut-in" period, from the end of the primary term of this Lease to make a pipeline connection for the production and marketing of gas from a well that is capable of producing gas only and Lessee is unable to produce and market gas for lack of a pipeline connection. During the shut-in period Lessee shall pay Lessor shut-in royalty at the rate of \$5.00 per net mineral acre per year, which royalty shall be due, and payable on the anniversary date of this Lease. During the shut-in period, it shall be considered that gas is being produced in paying quantities so long as Lessee is paying shut-in royalty as herein provided. The shutting-in of a gas well for any reason under this Oil and Gas Lease shall likewise be limited to a period of two (2) years.

28. Subject to provision #11 of the Oil and Gas Lease, it is expressly agreed, notwithstanding anything to the contrary herein, that if the Lease be in force and effect for two (2) years after the expiration of the primary term, the Lease shall terminate as to the oil and Gas rights in all zones and formation 100' below the deepest depth drilled by Lessee on the Leased premises. Lessee shall execute a proper release and record the same in the County Records.

29. Lessee agrees to maintain well sites of other facilities reasonably free of weeds, but without the use of salt or chemical substances in such weed control.

30. Lessee agrees that at the time any excavation, drilling or grading is made, Lessee shall cause the top soil be placed separately from the subsoil and replaced into its original position relative to the subsoil, so that the ground will be restored to its original condition as nearly as possible upon completion of any drilling or exploration activities.

31. Any pipeline ditch across the premises shall be water packed when backfilled or other means will be used at Lessee's expense so as to restore the surface to its original condition and topography.

The terms of this Lease shall extend to and become binding upon the heirs, executors administrators and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the parties hereto have set their hands on the day and year first above written.

Lynwood Gale Johnson  
Lynwood Gale Johnson

\_\_\_\_\_  
by \_\_\_\_\_  
as attorney-in-fact for Elsie Jane Johnson



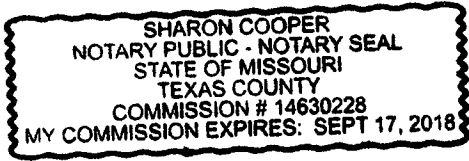
Acknowledgments

State of ~~Kansas~~ Missouri

County of Texas

This instrument was acknowledged before me on Nov 7, 2017, 2017 by Lynwood Gale Johnson.

Seal



Sharon Cooper  
Signature of Notarial Officer

Notary  
Title and Rank

My appointment expires: 9-17-2018

Acknowledgments

State of Kansas

County of \_\_\_\_\_

This instrument was acknowledged before me on \_\_\_\_\_, 2017 by \_\_\_\_\_ as attorney-in-fact for Elsie Jane Johnson.

Seal

\_\_\_\_\_  
Signature of Notarial Officer

\_\_\_\_\_  
Title and Rank

My appointment expires: \_\_\_\_\_

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, CONCORDE RESOURCES CORPORATION, 111 S. MAIN ST., EUFAULA, OK 74432 (hereinafter called Assignor), for and in consideration of the sum of Ten Dollars (\$10.00) cash in hand paid, and for other good and valuable consideration, the receipt whereof is hereby acknowledged, does hereby sell, assign, convey, transfer and set over, without warranty of any kind, express or implied, to each of those named below (the "Assignees"), the undivided leasehold interest set opposite Assignee's name, in and to the oil and gas lease(s) described in Exhibit "A", attached hereto and incorporated herein by reference ("subject leases"). The leasehold interests assigned are as follows:

<u>ASSIGNEE</u>	<u>INTEREST ASSIGNED</u>
COBALT ENERGY, LLC PO BOX 8037 WICHITA, KS 67208	1.00000 (100.00%) WI / 0.80000 (80.00%) NRI

This assignment of leasehold interests made above is subject to and shall bear its proportionate share of the following:

1. All existing lease burdens with an effective date as of the same effective date of this Assignment that exist of record title, (including, without limitation, the landowner's royalty) specified in the subject lease(s).
2. The terms and conditions of the subject lease(s), and any assignments of overriding royalty interest of record.
3. All grants and agreements made between the parties which relate to or arise out of the oil and gas lease(s) so assigned, including, but not limited to the following:
  - A. All terms and provision contained in that certain non-recorded Purchase and Sale Agreement, dated effective December 1, 2020, between Cobalt Energy, LLC and Concorde Resources Corporation.

This assignment is made without any warranty of title or any other warranty, express or implied.

To have and to hold unto the assignee, subject to the exceptions, reservations and provisions hereinabove stated, described or incorporated by reference herein. By acceptance of the interest herein assigned, the parties agree to and are bound by said terms and conditions, exceptions and provisions. This assignment is binding upon the parties hereto, their successors and assigns.

EXECUTED this 28 day of December, 2020; but EFFECTIVE as of the 1<sup>st</sup> day of December, 2020.

ASSIGNOR  
CONCORDE RESOURCES CORPORATION

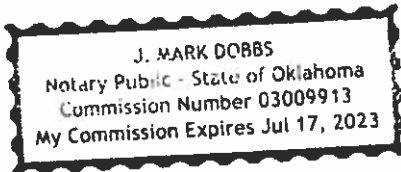
  
Gary Moores, President

STATE OF OKLAHOMA  
COUNTY OF McIntosh

This instrument was acknowledged, subscribed, and sworn to by Gary Moores, President of Concorde Resources Corporation on 12-28, 2020.

  
J. Mark Dobbs, Notary Public  
Printed name of Notary Public

My Commission Expires: 7-17-2023



**EXHIBIT "A"**

Assignment of Oil and Gas Leases

Concorde Resources Corporation to Cobalt Energy, LLC

**Well:** McDaniel #1A-19

**Date:** November 7, 2017

**Lessor:** Lynwood Gale Johnson and Elsie Jane Johnson, husband and wife

**Lessee:** Concorde Resources Corporation

**Legal:** N/2 of Section 19-T155-R33W, Logan County, KS

**Recording:** Bk 186, Pg 128

**Date:** September 6, 2018

**Lessor:** Terry L. McDaniel and Pamela K. McDaniel, his wife

**Lessee:** Concorde Resources Corporation

**Legal:** A 16.03 acre tract in the S/2 of Section 18-T155-R33W Logan County, Kansas.

**Recording:** Bk 188, Pg 576

**Well:** McDaniel #1-1

**Date:** April 4, 2018

**Lessor:** David McDaniel

**Lessee:** Concorde Resources Corporation

**Legal:** ALL of Section 1-T155-R34W, Logan County, KS

**Recording:** Bk 187, Pg 136-146

End of Exhibit "A"