

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: \_\_\_\_\_

Title: \_\_\_\_\_

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

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 AND GAS LEASE

THIS AGREEMENT, made and entered into this 15<sup>th</sup> day of February 2019 by and between Todd W. Durham and Cynthia M. Durham, Trustees, or their successors in trust, under the Todd W. and Cynthia M. Durham Living Trust, dated January 10, 2017, and any amendments thereto, hereinafter called Lessor, and SEK Energy Operating, LLC, hereinafter called Lessee, does witness:

1. That the said Lessor, for and in consideration of TEN OR MORE DOLLARS cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of Lessee to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let exclusively unto Lessee, for the sole and only purposes of investigating, exploring by geophysical and other means, drilling, producing, saving, taking, owning, gathering, transporting, storing, handling, processing, treating, and marketing; oil and liquid hydrocarbons (including, but not limited to, distillates and condensates) and all gases (including, but not limited to, casing head gas, methane gases from coals and shales, helium and all other constituents and substances produced therewith) and; to the extent reasonably necessary or convenient to enable Lessee to carry out said purposes, including the dewatering for production of any gases, the right of constructing, operating and maintaining pipelines, flowlines, gathering lines, compressors, tank batteries, electric lines, roadways, metering facilities and equipment, facilities for the injection of water, other fluids and gaseous substances into subsurface strata, and other facilities, structures, and equipment required by Lessee for said purposes; all of the following described land, together with any reversionary rights and after acquired interest therein, situated in the County of Wilson, State of Kansas described as follows, to wit:

The SW/4 SE/4 of Section 27, Township 27 South, Range 15 East.

less and except the wellsite of any abandoned well(s) existing on this land on the date of this lease that is not claimed by Lessee, and containing 40 acres, more or less (herein called Leased Premises).

2. This lease shall remain in full force for a term of one (1) year from this date, and as long thereafter as oil or gas, or either of them, is produced from the Leased Premises, or the Leased Premises are being developed or operated, or are otherwise perpetuated as provided herein.

3. In consideration of these premises Lessee covenants and agrees:

- (a) To deliver to the credit of Lessor, as royalty, fifteen percent (15%) of the oil produced and saved from the Leased Premises, said payments to be made monthly.
- (b) To pay Lessor, as royalty, for gas of whatsoever nature or kind (with all of its constituents) produced and sold (whether to an affiliate or otherwise) or used off the Leased Premises or used on the Leased Premises by Lessee for any purpose other than the development or operation thereof or used in the manufacture of any products therefrom, fifteen percent (15%) of the proceeds at the wellhead at the prevailing market rate, said payments to be made monthly.
- (c) To bury all pipelines associated with this lease below normal plow depth when requested by Lessor.
- (d) To pay for damages caused by Lessee's operations to the Leased Premises.
- (e) To avoid drilling a well closer than 300 feet to the house(s) now existing on said premises.
- (f) To provide availability for Lessor's free use of gas for domestic purposes only in the principal dwelling located on the Leased Premises from a gas well on the Leased Premises by Lessor making his own connections with the well at his expense, all in a manner approved by Lessee, with the use of such gas at the sole risk and expense of Lessor. Lessor, including Lessor's users of such gas for domestic purposes, shall save, hold harmless, defend and indemnify Lessee from any claim asserted against Lessee arising out of or in connection with Lessor's use of such gas, and for any act or omission by Lessee related to the use of such gas.

4. This is a paid up lease. In consideration of the cash down payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. All of Lessee's operations shall be conducted at the sole cost, risk and expense of Lessee, and Lessee agrees to indemnify, defend and hold Lessor harmless from any and all claims, liens, demands, judgments and liabilities of whatsoever nature arising out of Lessee's operations. At all times during the term of this lease, Lessee shall carry and require all contractors performing work under this lease to carry insurance to protect all relevant parties from loss or liability in accordance with amounts and coverages normally carried by prudent operators in similar operations in the area.

5. If, at the expiration of the primary term of this lease, there is no well on the Leased Premises which is capable of producing oil or gas in paying quantities, but Lessee is then engaged in drilling or reworking operations, then this lease shall continue in force so long after the primary term as drilling or reworking operations are being conducted on said land and drilling or reworking operations shall be considered to be conducted if not more than one-hundred-eighty (180) consecutive days shall lapse between the completion or abandonment of a well and the beginning of operations for the drilling or reworking of the well or another well whether such completion or abandonment occurred during or after the primary term.

6. If, after the expiration of the primary term, at any time, or from time to time, there is no production from Lessee's well(s), and there is no well on the Leased Premises which is capable of producing oil or gas in paying quantities and there are no drilling or reworking operations being conducted on the Leased Premises, this lease shall continue in effect if, within 180 days from the date of cessation of production or drilling or reworking operations, Lessee restores the capability of a well to produce in paying quantities, or if Lessee has commenced additional drilling or reworking operations or other operations designed to restore production, and this lease shall remain in force during the prosecution of such operations and, if production results therefrom, then this lease shall remain in force as long as such production continues.

7. If said Lessor owns a less interest in the Leased Premises than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid to the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

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 its heirs, executors, administrators, successors or assigns. However, no change in or division of the ownership of the right to receive royalties, delay rentals or other payment to Lessors hereunder, whether such change is by assignment, partition or otherwise, shall operate to increase or enlarge the obligation or to diminish the rights of Lessee hereunder. No change in the ownership of the land or assignment of royalties shall be binding on Lessee until after Lessee has been furnished with a written transfer or deed or a true copy thereof. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission on the part of any other leasehold owner. In case Lessee assigns this lease, in whole or in part, Lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

OIL AND GAS LEASE

9. Lessee may at any time and from time to time surrender this lease as to all or any part of the Leased Premises by delivering or mailing a release thereof to Lessor, or by placing a release of record in the proper county, and thereafter Lessee shall be relieved of all obligations accruing hereunder as to the portion of the Leased Premises so surrendered. This lease shall continue in full force and effect as to all of the Leased Premises not surrendered. Lessee shall have the right to use, free of cost, gas, oil and water produced on the Leased Premises for Lessee's operations thereon, except water from wells of Lessor, or from ponds of Lessor without Lessor's consent. Lessee shall have the right at any time to remove all equipment and fixtures placed on the Leased Premises, including the right to draw and remove casing.

10. In the event the Lessor, at any time, considers that operations are not being conducted in compliance with this lease or that Lessee is otherwise in breach of, or default on any term of this lease, either express or implied, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee shall have 60 days after receipt of such notice in which to commence any operations or other activities that are then legally necessary to comply with the requirements hereof. No default of Lessee with respect to any well or part of the Leased Premises shall impair Lessee's rights as to any other well or part of the Leased Premises.

11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and producing of wells, and the price of oil, gas and other substances covered hereby. When drilling, reworking, producing or other operations are prevented or delayed by such laws, rules, regulations or orders, or by operation of force majeure, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and if such prevention or delay shall occur during the primary term the period of such prevention or delay shall be added to the primary term hereof. If any such prevention or delay should commence after the primary term hereof, Lessee shall have a period of 120 days after the termination of such period of prevention or delay within which to commence or resume drilling, producing or other operations hereunder, and this lease shall remain in force during such period and thereafter in accordance with the other provisions of this lease. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, producing or other operations are so prevented, delayed or interrupted.

12. Lessor hereby grants and warrants to the Lessee all of the rights granted to the Lessee under this lease and warrants that Lessor has merchantable title to the Leased Premises, subject to mortgages and easements of record, and that Lessor has full and exclusive right to lease the same. Lessor further warrants and agrees to defend the title to the Leased Premises and agrees that the Lessee shall have the right at any time to redeem for Lessor by payment, any mortgages, taxes or other liens on the Leased Premises, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof. Lessee may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty, shut-in royalty, or rentals accruing hereunder.

13. This lease shall be effective as to each Lessor on execution hereof as to its interest and shall be binding on those signing, regardless of whether it is signed by any other Lessor party. This lease shall at all times and in all respects be subject to valid orders, rules, and regulations of any duly constituted authority having jurisdiction of the subject matter hereof. This instrument contains the entire agreement of the parties and it may not be changed or modified except by subsequent written agreement signed by both parties.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

LESSOR

Todd W. and Cynthia M. Durham Living Trust, dated January 10, 2017, and any amendments thereto

*Todd W. Durham*  
Todd W. Durham, Trustee

*Cynthia M. Durham*  
Cynthia M. Durham, Trustee

LESSEE

SEK Energy Operating, LLC

*Douglas L. Lamb*  
Douglas L. Lamb, Manager



Wilson County Register of Deeds  
Book: 403 Page: 467  
Receipt #: 31960 Total Fees: \$38.00  
Pages Recorded: 2 HTF: \$2.00  
Clerk Tech: \$1.00  
Rod Tech: \$4.00  
Treas Tech: \$1.00  
Date Recorded: 2/19/2019 8:47:20 AM

*Cornie O'Neil* *RECORDED*

ORIGINAL COMPARED WITH RECORD

STATE OF KANSAS, COUNTY OF WILSON

This instrument was acknowledged before me on the 15<sup>th</sup> day of February, 2019 by Todd W. Durham and Cynthia M. Durham as Trustees under the Todd W. and Cynthia M. Durham Living Trust, dated January 10, 2017.

My commission expires: 8-11-2020

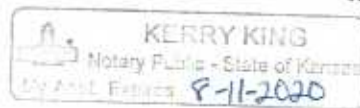


*Kerry King*  
Kerry King Notary Public

STATE OF KANSAS, COUNTY OF WILSON

This instrument was acknowledged before me on the 15<sup>th</sup> day of February, 2019 by Douglas L. Lamb as Manager of SEK Energy Operating, LLC.

My commission expires: 8-11-2020



*Kerry King*  
Kerry King Notary Public