

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: _____

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

This Assignment, Bill of Sale and Conveyance (this "Assignment") effective September 1, 2021 ("Effective Date"), is made by BLUE STEM OIL & GAS, LLC; WILLIAM P. BRADY; BUFFALO CREEK OIL & GAS LLC; LEON O. BUTNER TRUST; CAROTHERS BROTHERS; EUGENE H. CAROTHERS; KENNETH R. CAROTHERS; TODD M. CONNELL; JORDAN AND EMMA DISKIN; FANNING TWO ENTERPRISES, L.L.C.; THREE TREES, LLC; FOLEY OIL & GAS CO.; GREGORY J. GLEASON; ALAN GOERING; DON GRABER; SHERRI L. FRANKLIN-GUY REV TRUST; DAVID AND SARA HAYES; DICK HESS FAMILY TRUST #2; JETT RINK, LLC; ART J. MARTORI, JR.; MID AMERICA CRUDE OIL, INC.; MOHICAN PETROLEUM INC.; NMSA ENERGY LLC; NOLAN PROPERTIES INC.; OAK CREEK OIL & GAS LLC; OIL PRODUCERS, INC. OF KANSAS; PLIMENIK ESTABLISHMENT; DONALD D. SBARRA REVOCABLE TRUST; STINN-KERR INVESTMENTS LLC; SWANEE JOHNSON LLC; THOMAS ENERGY, INC.; TRUE GRIT ENERGY, INC; TURKEY BEARD PETROLEUM, INC.; TERRY UNRUH, hereinafter called "Assignors", with a mailing address of "in care of" Oil Producers, Inc. of Kansas, 1710 Waterfront Parkway, Wichita, Kansas 67206, to ELM III, LLC, hereinafter called "Assignee", with a mailing address of 1249 E. 33rd Edmond, OK. 73013.

For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignors do hereby GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, SET OVER AND DELIVER unto Assignee, subject to the terms and reservations hereof, all of Assignors' right and title of working interest only in and to the following (the "Properties"):

- (1) All the Oil and Gas Leases described on Exhibit "A" attached hereto and made a part hereof, as extended or amended and the lands covered thereby (the "Leases");
- (2) All working interests, net revenue interests, farm out or farm in rights, working or carried interests, operating rights, and other rights of every nature in and to the Leases;
- (3) All presently existing unitization and pooling agreements and statutorily, judicially, or administratively created drilling, spacing and/or production units, whether recorded or unrecorded, which relate to the Leases, and all of Assignors' interest in and to the Properties covered or units created thereby which are attributable to the Leases;
- (4) All presently existing and valid oil, casing head gas and gas sales, operating, farm out, pooling, purchase, exchange and processing contracts and agreements, partnership and joint venture agreements and any other contracts, agreements and instruments which pertain to the Leases or any interests pooled or unitized therewith;
- (5) All oil and gas and associated hydrocarbons produced from the Leases or any interests pooled or unitized therewith from and after the Effective Date;
- (6) All easements, permits, licenses, servitudes, rights of way, pipelines, power lines, telephone and telegraph lines, communications facilities, gas gathering systems and

- (7) all other rights and appurtenances situated on or used in connection with the Leases or any interest pooled or unitized therewith;
- (8) All rights, obligations, liabilities, and responsibilities as to gas imbalances, if any, attributable to the Properties as of the Effective Date;
- (9) All tangible personal property, equipment, fixtures and improvements, including, but not by way of limitation, all oil and gas wells, injection wells, salt water, disposal facilities, well heads, casing, tubing, pumps, motors, gauges, valves, heaters, treaters, gathering lines, flow lines, gas lines, gas processing and compression facilities, water lines, vessels, tanks, boilers, separators, fixtures, platforms, machinery, tools, treating equipment, compressors and other equipment, pipelines, gas gathering systems, power lines, telephone and telegraph lines, transportation and communication facilities, and other appurtenances situated upon the lands covered by the Leases or any land or lands pooled or unitized therewith or used or obtained in connection with the production, treating, storing, transportation or marketing of oil, gas and other hydrocarbons or minerals therefrom.

Without limiting the express provisions hereof, Assignee specifically agrees that Assignors are conveying the equipment on an "as is, where is, with all faults" basis and without representation or warranty, either express, implied at common law, by statute or otherwise, or statutory, all of which Assignors hereby disclaim, relating to title, transferability, fitness for any particular purpose, merchantability, design or quality, compliance with specifications or conditions regarding operation, freedom from patent or trademark infringement, absence of latent defects or any other matter whatsoever. The provisions of this section have been negotiated by Assignee and Assignors after due consideration and are intended to be a complete exclusion and negation of any representations or warranties of Assignors, either express, implied, or statutory, with respect to the equipment or Leases that may arise pursuant to any law now or hereafter in effect or otherwise, except as expressly set forth herein.

It is the intent of Assignors to convey and this Assignment hereby conveys to Assignee, subject to the reservations and conditions herein contained, all of Assignors' right and title of, and working interest only, from and after the Effective Date, in and to the Properties, regardless of the omission of any Lease or Leases, errors in description, any incorrect or misspelled names or any transcribed or incorrect recording references.

TO HAVE AND TO HOLD all and singular such Properties together with all rights, titles, interests, estates, remedies, powers, and privileges thereunto appertaining unto Assignee and Assignee's successors and assigns forever;

Assignors do hereby bind itself, their heirs, successors, and assigns, to warrant and forever defend all and singular title to the Properties unto Assignee, Assignee's successors, and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by through or under Assignors, but not otherwise. Assignors convey the Properties free and clear of any outstanding mortgage, deed of trust, lien, or encumbrance.

Assignors also hereby grant and transfer to Assignee, its successors, and assigns, to the extent so transferable, the benefit of, and the right to enforce, the covenants and warranties, if any, which Assignors are entitled to enforce with respect to Assignors' predecessors in title to the Properties.

Assignors retain liability and shall be responsible for, and shall defend, indemnify, and hold Assignee harmless from all claims arising, or due based on acts, omissions, events, or damage to or destruction of property that occurred prior to the Effective Date with respect to the Properties. Assignee hereby assumes and shall be responsible for and comply with all duties and obligations, express or implied, arising on or after the Effective Date with respect to the Properties, including plugging and abandoning any wells on the Properties at such time as it may be required by law, at Assignee's sole risk and expense, and in accordance with all local, state, and federal laws, rules, and regulations. Assignee shall defend, indemnify, and hold Assignors harmless from any and all claims arising, or due based on acts, omissions, events, or damage to or destruction of property

occurring on or after the Effective Date with respect to the Properties, including any claims made against or costs sought to be imposed on Assignors related to plugging requirements of wells located on the Properties.

This Assignment shall bind and inure to the benefit of Assignors and Assignee and their respective successors and assigns.

This Agreement may be executed by Assignors and Assignee in any number of counterparts, each of which shall be deemed an original instrument, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF the undersigned have executed this instrument this 10 day of September, 2021.

ASSIGNEE:

ELM III LLC


Ed L. Markwell III, President

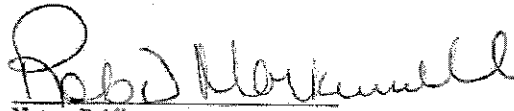
Corporate or Trust Acknowledgment

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

Before me, the undersigned, a Notary Public, in and for said county and State, on this 10 day of September, 2021 personally appeared Ed L. Markwell III, to me known to be the identical person who executed the within foregoing instrument, as President of ELM III LLC, and acknowledged to me that he executed the same as his free and voluntary act and deed, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my official seal the day and year first above written.

My commission expires:
July 30, 2023


Notary Public

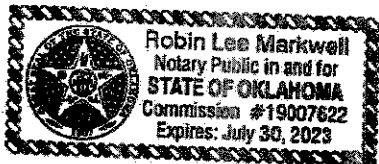


EXHIBIT 'A'
ATTACHED TO THAT CERTAIN ASSIGNMENT
BETWEEN OIL PRODUCERS, INC. OF KANSAS, ETALS
AND ELM III, LLC, DATED SEPTEMBER 1, 2021
BARBER COUNTY, KANSAS

Harbaugh – Garten #1 WBO

Oil and Gas Lease dated October 29, 1998, between Betty Garten and Bill Garten, a/k/a Bill F. Garten, her husband, lessors and J. Fred Hambright, Inc., lessee, covering the Southeast Quarter (SE/4) of Section 33, Township 33 South, Range 11 West, Barber County, Kansas and recorded in Book 280, Page 79 of the records of said county.

Oil and Gas Lease dated October 29, 1998, between Jacob Harbaugh a/k/a Jacob G. Harbaugh and Barbara J. Harbaugh, his wife, lessors and J. Fred Hambright, Inc., lessee, covering the Southeast Quarter (SE/4) of Section 33, Township 33 South, Range 11 West, Barber County, Kansas and recorded in Book 280, Page 81 of the records of said county.

Oil and Gas Lease dated October 29, 1998, between Albert Harbaugh, a/k/a Albert H. Harbaugh and Helen Harbaugh, a/k/a Helen J. Harbaugh, his wife, lessors and J. Fred Hambright, Inc., lessee, covering the Southeast Quarter (SE/4) of Section 33, Township 33 South, Range 11 West, Barber County, Kansas and recorded in Book 280, Page 77 of the records of said county.

Oil and Gas Lease dated October 30, 1998, between J. C. Harbaugh and Beulah Harbaugh, Co-Trustees of The J. C. Harbaugh Revocable Trust, dated November 4, 1994, lessor and J. Fred Hambright, Inc., lessee, covering the Southeast Quarter (SE/4) of Section 33, Township 33 South, Range 11 West, Barber County, Kansas and recorded in Book 280, Page 45 of the records of said county.

Harbaugh #1 WBO

Oil and Gas Lease dated May 8, 2000, from Albert H. Harbaugh and Helen J. Harbaugh, his wife, Lessors, to Thomas Energy, Inc., Lessee, recorded in Book 284 at Page 223, insofar and only insofar as said lease covers the Southwest Quarter (SW/4); and the West Half of the Southeast Quarter (W/2 SE/4) of Section Twenty-eight (28), Township Thirty-three (33) South, Range Eleven (11) West of the 6th P.M., Barber County, Kansas.

Molz

Oil and Gas Lease dated March 21, 1996, between Elma Trenary, Fae E. Lyon and Billy D. Lyon, her husband, lessors and Martin Oil Producers, Inc., lessee, covering the East Half of the Northwest Quarter (E/2 NW/4) and the West Half of the Northeast Quarter (W/2 NE/4) of Section 25, Township 34 South, Range 12 West, Barber County, Kansas, and containing 160 acres, more or less, recorded in Book 273, Page 169, of the records of said County.