

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: _____



Book: 1041 Page: 305-307
Total Fees: \$55.00

Receipt #: 65888

Pages Recorded: 3

Date Recorded: 9/10/2019 10:26:19 AM

\$55.00
Black Sand Resources
9232 W. Brandt Ave.
Littleton, CO 80123

Direct ✓
Index ✓
Compared ✓

248.8FORM 88 - (PRODUCER'S SPECIAL)
(PAID-UP)

63U (Rev. 1993)

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 20th day of August 2019
by and between Jon W. Stubbs and Patricia L. Stubbs

whose mailing address is 1046 N. Georgie Derby, KS 67037 hereinafter called Lessor (whether one or more),
and Black Sand Resources, LLC 9232 W. Brandt Ave. Littleton CO 80123 hereinafter called Lessee.

Lessor, in consideration of One and more Dollars (\$ 1.00+) in hand paid,
receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and other respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Cowley State of Kansas Described as follows to wit:

Township 33 South-Range 6 East
Section 25: E/2SW/4

XXX Township XXX Range XXX and containing 80 acres, more or less and all accretions thereto

Subject to the provisions herein contained, this lease shall remain in force for a term of Three (3) years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said land is pooled.

In consideration of the premises the said lessee covenants and agrees:

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.

This lease may be maintained during the primary term hereof without further payment or drilling operations. If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed within the term of years first mentioned.

If 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 the said lessor only in the proportion which lessor's interest bears to the whole and undivided fee.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operation thereon, except water from the wells of lessor.

When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of lessor.

Lessee shall pay for damages caused by lessee's operations to growing crops on said land.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

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 their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. 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.

Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

Lessor hereby warrants and agrees to defend the title to the lands herein described, 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 above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment 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 oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

SEE ADDENDUM ATTACHED HERETO AND MADE A PART HEREOF

IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.

Witnesses:

Jon W. Stubbs

Jon W. Stubbs

X

Patricia L. Stubbs

Patricia L. Stubbs

X



EXHIBIT "A"

Attached to and made a part of that certain oil and gas lease dated, August 20, 2019, by and between Jon W. Stubbs and Patricia L. Stubbs, husband and wife, as Lessor, and Black Sand Resources, LLC, as Lessee.

Township 33 South-Range 6 East
Section 25: E/2SW/4

1. It is understood and agreed that the Lessee when constructing or preparing the well site and any pits shall construct the same in such a manner that the top soil is removed separate from the sub soils so that the top soil and the sub soils will not be mixed when the well site is restored and/or pits are filled. When restoring the well site or pits to its prior condition, Lessee shall use sub soils first and the top soil last so that the well site and pits will be returned to or near its original condition as possible. The well site and pits will be constructed, restored and filled in compliance with state regulations.
2. All pits shall be filled and leveled within (90) days from the date that such pits have dried sufficiently to allow filling and leveling, subject to rain or other acts of God. Lessee, its agents, licensees or assigns shall keep the land of the Lessors in a tidy condition and shall not allow any debris, junk or other materials not immediately necessary for its operation to accumulate about the location or the lands of the Lessor. At the conclusion of any drilling or reworking operations, the lands of the Lessors shall be restored as nearly as practical to the condition just prior to such operations except such portion thereof as are required for the continued use in the event of production. Following the conclusion of production, all of Lessors land used by the Lessee and its operation shall be restored as nearly as practical to the condition existing on such land at the commencement of Lessee's operations thereof.
3. Lessee shall place any tanks, lease roads, pipe lines (to be buried a minimum of three (3) feet), and any other appurtenances necessitated by its operations on the lands so as to minimize interference with Lessor's use of the property including the operations and movement of any irrigation equipment or the irrigation system, water wells, water pipe lines and underground electrical lines used for the operation of the said irrigation system. Lessee shall consult with Lessor as to the location of well access roads. Roadways shall be kept and maintained at Lessee's cost, in good condition and in such manner that will protect Lessor's abutting land from erosion resulting from water washing over or along the roadway and preclude the damming of water flow over the surface of the Lessor's land by reason of the existence of the roadway. Lessee shall not allow any noxious or unsightly weeds or grasses to grow or accumulate on or along the location, tank batteries, access roads or any other parcel of ground used in Lessee's operations.
4. Upon the abandonment of any well(s) drilled on the leases premises during the term of this lease. Lessee shall plug such well(s) in accordance with all applicable statutes, rules or regulations.
5. Lessee shall use all reasonable care and precaution so as to not in any way damage or contaminate any ponds or other fresh water supplies located on the premises.
6. In the event Lessee's operations require a breach of Surface Owners fencing, appropriate cattle guards and gates shall be installed and maintained at Lessee's expense and become the property of the Surface Owner upon abandonment by Lessee.
7. Lessee shall fence all pits, tank batteries, drilling locations or other operations wherever cattle operations are present.
8. If at the end of the primary term, this lease is not otherwise continued in force under the provisions hereof, this lease shall expire, unless Lessee on or before the end of the primary term shall pay or tender to Lessor, the sum of **\$15.00** multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this lease; and subject to the other provisions of this lease, the primary term shall be extended for an additional term of **Three** years from the end of the primary term hereof. It is expressly understood that said option to extend may be exercised individually according to the above described tracts with no obligation by Lessee to exercise its option to extend on any other land or tracts.

Signed For Identification:

X:

Jon W. Stubbs

Jon W. Stubbs

X:

Patricia L. Stubbs

Patricia L. Stubbs

\$38.00 Env
VAL Energy, Inc
125 N. Market, Ste 1110
Wichita, KS 67202

Cowley County, KS
Register of Deeds
Toni A. Long

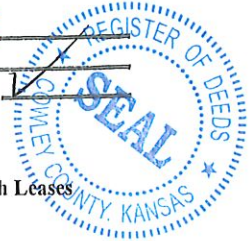
Book: 1085 Page: 808-809

Receipt #: 72308
Pages Recorded: 2

Total Fees: \$38.00

Date Recorded: 9/3/2021 9:53:24 AM

Direct
Index
Compared



Dexter South Leases

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned,

Black Sands Resources, LLC

as Assignor, for good and valuable consideration, the receipt whereof is hereby acknowledged, does hereby sell, assign, convey, transfer, set over, and assign unto,

VAL Energy, Inc.

as Assignee, all right, title and interest of Assignor in and to the Oil and Gas Leases more fully described on Exhibit A, attached hereto and made a part hereof, together with the rights incident thereto and the personal property located thereon, appurtenant thereto, or used or obtained in connection therewith covering lands situated in Cowley County, Kansas, subject to any overriding royalty interests that may appear of record.

This assignment is made without covenants of warranty, either express or implied.

IN WITNESS WHEREOF, the undersigned Assignor has caused this instrument to be executed this 27th day of August, 2021, but to be effective as of October 31, 2019.

Black Sands Resources, LLC

By: *Lee Shobe*
Lee Shobe, President

ACKNOWLEDGEMENT

State of COLORADO {
{ss:
County of JEFFERSON {

The foregoing instrument was acknowledged before me this 27th day of August, 2021 by Lee Shobe, President of Black Sands Resources, LLC, for the uses and purposes therein set forth.

My Appointment Expires: 07/25/2022

Jozsef Rebek II
Jozsef Rebek II Notary Public

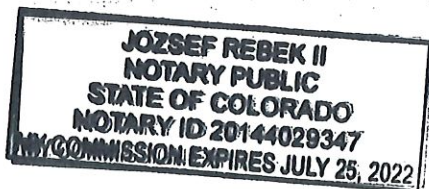


EXHIBIT A1. Finley Lease:

Date: September 24, 2019
Lessor: Rex O. Finley and Nancy L. Finley, Trustees of the
Rex O. Finley and Nancy L. Finley Trust
Lessee: Black Sand Resources, LLC
Description: S/2 SE/4 Section 25, Township 33 South, Range 6 East, Cowley County, Kansas
Recorded: Office of Register of Deeds, Cowley County, Kansas Book 1042 Page 250

2. Stubbs Lease:

Date: August 20, 2019
Lessor: Jon W. Stubbs and Patricia L. Stubbs, his wife
Lessee: Black Sand Resources, LLC
Description: E/2 SW/4 Section 25, Township 33 South, Range 6 East, Cowley County, Kansas
Recorded: Office of Register of Deeds, Cowley County, Kansas Book 1041 Page 305

3. Arneson Ranch Lease:

Date: October 12, 2019
Lessor: Arneson Ranch, Inc.
Lessee: Black Sand Resources, LLC
Description: NE/4 and E/2 SW/4 and NW/4 SE/4 and Nineteen (19) acres more or less (19 ac. mol) in SE/4 more particularly described on the Oil and Gas Lease, all Section 36, Township 33 South, Range 6 East, Cowley County, Kansas
Recorded: Office of Register of Deeds, Cowley County, Kansas Book 1046 Page 171