

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: _____

Signature: _____

New Operator's License No. _____

Contact Person: _____

New Operator's Name & Address: _____

Phone: _____

New Operator's Email: _____

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 2021

Form Must Be Typed

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**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 (see Chapter 55 of the Kansas Statutes Annotated), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I must provide the name and address of the surface owner by filling out the top section of this form and that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: _____ Signature of Operator or Agent: _____ Title: _____

Purchase and Sales Agreement

4/14/2022

Kathie Sandlin
Sandlin Oil Corporation
621 17th St. Ste 2055
Denver, CO 80293-2001

Mrs. Sandlin:

This letter is to put into writing an offer whereby Trans Pacific Oil Corporation, (Purchaser) offers to purchase from Sandlin Oil Corporation, as operator, and on behalf of certain other parties (Seller and/or Sellers) the working interests and net revenue interests in the Properties as described on attached Exhibit "A," under the below listed terms and conditions.

If the following terms and conditions are agreeable, please so indicate by executing this Purchase and Sales Agreement (Agreement) in the space provided on the last page of said Agreement and returning the same to Purchaser by the close of business on April 15, 2022.

1. Purchase Price. Purchaser agrees to pay Sellers \$230,000 (Two Hundred and Thirty Thousand Dollars, Purchase Price) for the working interests and net revenue interests in and to the Properties on attached Exhibit "A", including, without limitation, working interests, seismic data (in all forms) on the assigned acreage, lease and well files of all types on the assigned acreage, well data of all types on the purchased properties, right-of-ways, easements, rights in unit agreements, spacing or pooling orders, title opinions, joint operating agreements, and any other related agreements, all surface and down-hole equipment, gathering systems, fixtures, and other personal property used or obtained in connection therewith. At closing, Purchaser shall pay Sellers the Purchase Price, as adjusted below.
2. Effective Date. The effective date of this Agreement shall be at 7:00 A.M., May 1, 2022 ("Effective Date"). Sellers shall be entitled to receive all proceeds for production occurring before the Effective Date, and Purchaser shall be entitled to all proceeds for production occurring after the Effective Date. ~~All oil in the stock tanks above the draw-down point as calculated using the last sale from each perspective tank at 7 A.M., on April 1, 2022, shall remain the property of the Sellers and shall be credited to the Sellers at closing using Kansas Common, March, 2022, EDQ posting for National Cooperative Refinery Association plus Sellers' bonus. Seller's pumper will sell all oil in the tanks at the Effective Date so no saleable oil attributable to Seller will remain in the tanks after that date. All costs and expenses incurred for operations in any way attributable to the Properties before the Effective Date~~ *OR*
KDS

Closing Date will be paid by Sellers. All costs and expenses incurred for operations in any way attributable to the Properties on Exhibit "A" after this ~~Effective Date~~ Closing Date will be paid by Purchaser. ~~Any invoices paid by Sellers for operations after the Effective Date will be reimbursed by Purchaser at closing.~~

Kels

3. Property Tax. Ad valorem property taxes for 2022 will be paid 4/12th by Seller and 8/12th by Purchaser based on 2021 tax amounts paid. Seller shall immediately inform the Treasurer's office in the effected counties of this change of ownership upon closing of this sale. Sellers warrant that all property taxes for previous years have been paid.
4. Assignment. Upon closing and payment in full, Sellers will deliver to Purchaser, fully executed assignments, in the format to be provided by Purchaser, reflecting the interests as defined on Exhibit "A." Purchaser shall prepare and deliver assignments to Sellers prior to closing for execution.
5. Indemnification. Prior to the closing date, Sellers shall have full responsibility for the Properties and shall protect, defend, indemnify all losses, claims, demands, suits, causes of action and sanctions of every kind known or unknown, including reasonable attorney's fees and court costs, arising from the operation of, or in any way pertaining to the Properties. After the closing date, Purchaser shall have full responsibility for the Properties and shall protect Sellers as described above. The terms of this paragraph shall survive the closing of this transaction.
6. Operations. Purchaser shall assume operations of the Properties at closing and Sellers will deliver to Purchaser, executed T-1 forms as required by the Kansas Corporation Commission, citing Purchaser as operator.
7. Closing Date. Purchase Price (subject to adjustments described herein) will be paid in cash at closing which shall occur on or before May 2, 2022.
8. Due Diligence. This Agreement is subject to due diligence by Purchaser. Purchaser agrees to have this process completed by April 22, 2022.
9. Title. This Agreement shall be subject to title verification by Purchaser prior to closing. Purchaser agrees to have their title verification completed by April 22, 2022, giving the Sellers the opportunity to cure title by May 2, 2022. In the event that Sellers are unable to cure title to the Properties to Purchaser's complete satisfaction by closing date, Purchaser may elect to terminate this Agreement or accept the title that Purchaser is satisfied with and renegotiate the Purchase Price to reflect the reduced value of the Properties.

All costs and liability associated with the due diligence activities shall be borne solely by Purchaser. Due diligence shall include, but not be limited to, the following:

A. Inspection and verification by Purchaser that all saltwater disposal systems, gathering systems, injection wells, and other facilities are in compliance with State and Federal regulations. Purchaser shall have, in the event of non-compliance that could affect the value of any Property, the option of either terminating this Agreement, or assuming responsibility for bringing the systems into compliance and renegotiating the Purchase Price to reflect the reduced value of each such Property due to such non-compliance.

B. Inspection and verification of environmental compliance. Should any liability be determined, that could affect the value of any Property, Purchaser shall have the option of either terminating this Agreement, or assuming responsibility for bringing each such Property into compliance and renegotiating the Purchase Price to reflect the reduced value of the Property.

C. Inspection and/or verification of production, equipment, costs, and facilities. This due diligence would include site inspections, file examination, contract review, production tests, financial audits and any other procedures deemed necessary by Purchaser. Should there be any difference in any property, production, facilities, costs, or equipment from the representations provided to Purchaser, Purchaser shall have the option of either terminating the Agreement or negotiating the Purchase Price to reflect the change in value.

10. Miscellaneous:

A. Prior Agreements. Purchaser requires, and Seller agrees, that any agreements currently in place between Seller and any other party that pertain in any way to the Properties, which are not of record, shall be provided to Purchaser within five (5) business days after the execution of this Agreement for review. Purchaser shall then have five (5) business days to notify Seller of any action required by Purchaser to address and/or remediate any issues found within said agreements. Such agreements shall include, but not be limited to, any written contracts, AMI agreements, stipulations, interest back-ins or any other written or verbal agreement. At Purchasers request, Seller agrees to terminate any agreements affecting the working and/or the net revenue interests as represented on Exhibit "A."

B. Seller. Sellers have all requisite power and authority to own and sell the Properties, to carry on its business as presently conducted, to execute,

deliver, and perform this Agreement and each other document executed or to be executed by Sellers in connection with the transactions contemplated herein. The execution, delivery, and performance by Sellers of this Agreement and each other document executed or to be executed by Sellers in connection with the transaction and the consummation by it of the transaction have been duly authorized by all necessary parties.

C. Operations Prior to Closing. From the date of execution hereof to the closing, Sellers will maintain the Properties in a manner consistent with past practices. Sellers agree to maintain the insurance now in effect with respect to the Properties through the date of closing. From the date of execution of this Agreement to the closing date, Sellers shall pay its proportionate shares of all Property expenses incurred in connection with the ownership or operations of the Properties. Sellers will timely notify Purchaser of proposed activities and major capital expenditures that could reasonably be expected to cost in excess of \$10,000 per activity net to Sellers' interests conducted on the Properties and will keep Purchaser timely informed of all material developments affecting any of the Properties. Without the prior written consent of Purchaser, Sellers shall not:

1. Enter into any new agreements or commitments with respect to the Properties which extend beyond the closing.
2. Commit to or incur any expenditure in excess of \$10,000 (net to Sellers' interest) with respect to any part of the Properties, except in case of an emergency.
3. Abandon any well or release (or permit to terminate) or modify or reduce its rights under all or any portion of any of the leases.
4. Enter into any agreement or instrument for the sale, treatment, or transportation of production from the Properties (except for sales agreements terminable on no more than 30 days' notice).
5. Encumber, sell, or otherwise dispose of any of the Properties, other than personal property that is replaced by equivalent property or consumed in the normal operation of the Properties; and
6. Except where necessary in the event of an emergency regarding Seller's interest in the Properties, propose (i) the drilling of any additional wells, (ii) the deepening, plugging back or reworking of any well, (iii) the conducting of any other operations which require consent under the applicable operating agreement, or (iv) the conducting of any other operations other than the normal operation of the existing wells on the Properties.

D. Litigation. Sellers have not received a written claim or written demand notice that has not been resolved that would adversely affect any of the Properties. There are no actions, suits, ongoing governmental investigations, written governmental inquiries or proceedings pending or, threatened against any Sellers or any of the Properties.

E. Judgments. There are no unsatisfied judgments or injunctions issued by a court of competent jurisdiction or other governmental agency outstanding against Sellers that would be reasonably expected to materially interfere with the operation of any of the Properties, or materially affect the value of any of the Properties.

F. Governing Law. This Agreement and this transaction and any arbitration or dispute resolution conducted pursuant hereto shall be construed in accordance with, and governed by, the laws of the State of Kansas.

G. Entire Agreement. This Agreement constitutes the entire understanding among the parties, their respective members, shareholders, officers, directors, and employees with respect to the subject matter hereof, superseding all written or oral negotiations and discussions, and prior agreements and understandings relating to such subject matter. Each Exhibit attached to this Agreement is incorporated into the Agreement.

H. Agreement Assignability. Unless otherwise provided herein, these terms and conditions will be binding on, and inure to the benefit of Purchaser and Sellers and their respective heirs, representatives, successors, and assigns.

ATTEST:

Agreed and accepted this 21st
day of April, 2022

Linda J. Brown
Secretary - Treasurer

Kathie D. Sandler
President

ATTEST:

Agreed and accepted this 22nd
day of April, 2022.

Alex H. 409

C. D. 3
Trans Pacific Oil Corporation

Exhibit "A"

Lease

Location

WI

NRI

Jones

**NW/4 Section 13-T10S-R18W
Rooks County, KS**

100%

82.5%