

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

**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.*

Form T-1

April 2019

Form must be Typed
Form must be Signed
All blanks must be Filled

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.: _____. Recommended action: _____

Date: _____

Authorized Signature

DISTRICT _____ EPR _____ PRODUCTION _____ UIC _____

KDOR Lease No.: _____

* Lease Name: _____ * Location: _____

A separate sheet may be attached if necessary.

* When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located.

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form KSONA-1

July 2021

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 (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: _____

ASSIGNMENT AND BILL OF SALE

STATE OF KANSAS

§

COUNTY OF NEOSHO

§

KNOW ALL MEN BY THESE PRESENTS:

§

For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and for the mutual covenants expressed herein and agreed to hereby, Derek Rhodes, whose address is 4990 Wisconsin Rd, Bronson, KS ("Assignor") has GRANTED, SOLD, ASSIGNED and CONVEYED, and does hereby GRANT, SELL, ASSIGN and CONVEY unto KEM Energy, Inc., whose address is 12651 Briar Forest DR, Suite 151A, Houston, TX, 77077 ("Assignee"), all of Assignor's right, title and interest in and to the oil properties described on Exhibit "A" attached hereto (the "Properties"), including, but not limited to, all leasehold interests, oil revenue interests, overriding royalty interests, royalty interests, production payments, and all other interests in oil production from the Properties, together with all the property and rights incident thereto, including, but not limited to, all rights in, to and under all operating agreements, pooling and unit agreements, farmout agreements, rights-of-way, licenses, water disposal agreements, electrical supply agreements, and crude oil purchase, transportation and processing agreements and any other contracts insofar as they relate to the Properties, as well as all interest in all personal property, equipment and wells located thereon or used or obtained in connection therewith, as well as all regulatory filings and correspondence, well records of a technical or operational nature, books, reports, files and title information in any way relating to the Properties, including, but not limited to, all title opinions and reports, division orders, division of interest listings, suspended interest listings, drilling and workover reports, stimulation reports, equipment records and inventories, well logs, production reports, fluid analyses, and any other engineering, geological and geophysical records and data in any way relating to the Properties.

The interests conveyed herein are subject to the terms and provisions of all valid and subsisting oil leases, operating agreements, unit agreements, pooling agreements, oil purchase agreements, and any other agreements and contracts to which the interests conveyed herein are subject as of the Effective Date set forth herein below.

THIS ASSIGNMENT AND BILL OF SALE IS MADE WITHOUT WARRANTY OF TITLE EITHER EXPRESS OR IMPLIED. THIS ASSIGNMENT AND BILL OF SALE, AS IT PERTAINS TO THE PERSONAL PROPERTY, EQUIPMENT AND WELLS HEREIN CONVEYED, IS MADE "AS IS", "WHERE IS" WITHOUT WARRANTY EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN ADDITION, ASSIGNOR DISCLAIMS ANY REPRESENTATION OR WARRANTY WITH RESPECT TO (a) THE PHYSICAL CONDITION OF THE PROPERTIES HEREIN CONVEYED, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, OR THE PRESENCE OR ABSENCE OF ANY POLLUTANT, HAZARDOUS WASTE OR HAZARDOUS SUBSTANCE ON OR ABOUT SAID PROPERTIES, (b) THE INCOME TO BE DERIVED FROM SAID PROPERTIES, OR (c) THE SUITABILITY OF SAID PROPERTIES FOR ANY AND ALL ACTIVITIES AND

USES WHICH ASSIGNEE MAY INTEND TO CONDUCT THEREON. ASSIGNEE HAS HAD THE OPPORTUNITY TO INSPECT THE PROPERTIES HEREIN CONVEYED AND IS RELYING SOLELY ON ITS OWN INSPECTIONS AND INVESTIGATIONS OF SAID PROPERTIES, IF ANY, AND IS WILLING TO UNDERTAKE THE RISKS AND OBLIGATIONS ASSUMED HEREUNDER.

BY ASSIGNEE'S ACCEPTANCE OF THIS ASSIGNMENT AND BILL OF SALE AND FOR FURTHER VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, ASSIGNEE, ITS HEIRS, SUCCESSORS AND ASSIGNS, DO HEREBY AGREE TO INDEMNIFY, DEFEND, AND HOLD HARMLESS ASSIGNOR, ITS OFFICERS, DIRECTORS, MEMBERS, AGENTS, REPRESENTATIVES, SUCCESSORS AND ASSIGNS, AGAINST ANY AND ALL LIABILITIES, CLAIMS, DEMANDS, CAUSES OF ACTION, PENALTIES, FINES, SETTLEMENTS, DAMAGES, RESPONSE, REMEDIAL OR INSPECTION COSTS AND ANY OTHER EXPENSES (INCLUDING, BUT NOT LIMITED TO ATTORNEYS' AND CONSULTANTS' FEES AND COURT COSTS) OF WHATEVER KIND OR NATURE (COLLECTIVELY "LOSSES"), WHICH ARE SUFFERED OR INCURRED AT ANY TIME, WHETHER ACCRUING BEFORE OR AFTER THE EFFECTIVE DATE SET FORTH HEREIN BELOW, RELATING TO OR ARISING FROM THE PROPERTIES AND INTERESTS CONVEYED HEREBY INCLUDING, BUT NOT LIMITED TO, ANY LOSSES RESULTING FROM ANY FAILURE TO PROPERLY PLUG AND ABANDON ANY WELLS ON THE PROPERTIES CONVEYED HEREBY AND ANY LOSSES CAUSED BY OR ARISING OUT OF ANY FEDERAL, STATE OR LOCAL LAWS, RULES, ORDERS AND REGULATIONS APPLICABLE TO ANY WASTE MATERIAL OR HAZARDOUS SUBSTANCES ON OR INCLUDED WITHIN THE PROPERTIES CONVEYED HEREBY, OR THE PRESENCE, DISPOSAL, RELEASE, OR THREATENED RELEASE OF ANY WASTE MATERIAL OR HAZARDOUS SUBSTANCES ON THE PROPERTIES CONVEYED HEREBY INTO THE ATMOSPHERE OR INTO OR UPON LAND OR ANY WATER COURSE OR BODY OF WATER, INCLUDING GROUNDWATER, WHETHER PAST, PRESENT, OR FUTURE.

FURTHERMORE, AS PARTIAL CONSIDERATION FOR THE RIGHTS AND INTERESTS HEREIN CONVEYED BY ASSIGNOR, ASSIGNEE SPECIFICALLY HEREBY FORGIVES AND ASSUMES ANY AND ALL DEBTS, OBLIGATIONS, AND LIABILITIES OF ASSIGNOR, OF WHATEVER KIND OR NATURE WHATSOEVER, INVOLVING OR RELATING TO THE PROPERTIES AND INTERESTS CONVEYED HEREBY, AND SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS ASSIGNOR, ITS OFFICERS, DIRECTORS, MEMBERS, AGENTS, REPRESENTATIVES, SUCCESSORS AND ASSIGNS, AGAINST ANY AND ALL CLAIMS, SUITS, DEBTS, OBLIGATIONS, OR OTHER LIABILITIES, SPECIFICALLY INCLUDING, BUT NOT LIMITED TO, ATTORNEYS' FEES AND COURT COSTS, RELATING TO OR ARISING IN ANY MANNER FROM THE PROPERTIES AND INTERESTS CONVEYED HEREBY.

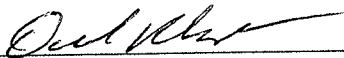
This Assignment and Bill of Sale shall be effective as of the 1st day of May 2022 (the "Effective Date") whereby Assignee is entitled to the conveyed interests in and to all of the oil and associated hydrocarbons produced on and after the Effective Date, and shall be

responsible for all expenses accruing on and after the Effective Date as to the interests conveyed hereby. Notwithstanding the above, all ad valorem taxes and other property taxes attributable to the interests conveyed hereby for the current calendar year shall be the sole responsibility of Assignee. Assignee represents to Assignor that Assignee has taken into account the liability for the current year's ad valorem taxes and property taxes in determining the consideration paid herein.

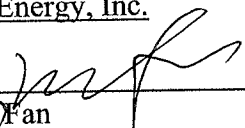
The interests herein conveyed shall be binding upon and inure to the benefit of Assignor and Assignee and their respective heirs, successors and assigns.

Executed, agreed, and accepted on the dates of the acknowledgments below, but effective for all purposes as of the Effective Date designated herein above.

ASSIGNOR

By: 
 Derek Rhodes
 Title: Owner
 Date: 4/13/22

ASSIGNEE:
KEM Energy, Inc.


 Wei (Frank Fan
 CEO
 Date: 04/18/2022

STATE OF Kansas §
 COUNTY OF Allen §

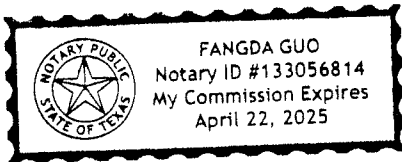
This instrument was acknowledged before me this 13 day of April, 2022,
 by Derek Rhodes.



Deborah A. Taiclet
 Notary Public, State of ~~TEXAS~~ KANSAS

STATE OF TEXAS §
 COUNTY OF Harris §

This instrument was acknowledged before me this 18 day of April, 2022,
 by Wei Fan.



C. F. Guo
 Notary Public, State of Texas

EXHIBIT "A"

Derek Rhodes, hereinafter called Assignor (whether one or more) for and in consideration of Ten Dollars (\$10.00) and other valuable consideration, the receipt and sufficiency whereof are acknowledged, do hereby sell, assign, transfer and set over unto:

KEM Energy, Inc., hereinafter called Assignee (whether one or more), all of Assignor's rights, titles and interests in and to the oil lease dated November 20, 2012, from: Mary Lee Wellington to:

Michael E. Brown and Garret M. Brown, d/b/a MSG Resources, Inc., recorded in book 468, page, 258 insofar as said lease covers the following described land in Neosho County, state of Kansas:

**North Half (N/2) of the Southeast Quarter (SE/4), Section 22, Township 28
South, Range 19 East of the 6th P.M., Neosho County, Kansas.**

End of Exhibit "A"



STATE OF KANSAS, NEOSHO COUNTY, SS
KATHY MILNER, REGISTER OF DEEDS

Book: 568 Page: 722

Receipt #: 1027046

Recording Fee: \$89.00

Pages Recorded: 5

Kathy Milner

Date Recorded: 5/5/2022 1:45:10 PM