

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 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: _____



Mail GF
Index GF
Proofed GF
Deeds to Copy GF
Numerical GF
Cross GF
Scanned GF
DC Book _____
Military Book _____
Plat Book _____

WELLBORE ASSIGNMENT, CONVEYANCE, BILL OF SALE, AND RELEASE

This Wellbore Assignment, Conveyance, Bill of Sale, and Release (the "Assignment") dated to be effective March 1, 2022 (the "Effective Date"), is from Trans Pacific Oil Corporation, the "Assignor", whose address is 100 S. Main, Suite 200, Wichita, Kansas 67202, to Palomino Petroleum, Inc., the "Assignee", whose address is 4924 SE 84th Street, Newton, Kansas, 67114.

Assignor desires to assign to Assignee all of its interests in and to the well and wellbore described below, together with the rights associated with the wellbore as specifically described below (collectively the "Assets", as that term is defined below).

The Assets do not include, and Assignor does not intend to assign or Assignee to receive any interest except as described below.

To accomplish the foregoing, Assignor and Assignee agree as follows:

ASSIGNMENT AND AGREEMENT

For and in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Assignor sells, assigns, transfers, delivers, and conveys to Assignee the following, all of which are collectively called the "Assets":

- a. The Demel #1 and associated cased wellbore located 1900' FNL and 880' FEL, Sec. 20-T16S-R12W, Barton County, Kansas, together with a 10 acre tract in square form surrounding the wellbore, collectively referred to in this Assignment as the "Well".
- b. The rights in and to the oil and gas leases described in Exhibit "A", insofar and only insofar as the leases cover the Well together with the leasehold rights as are necessary to operate, produce, maintain, repair, and plug and abandon the Well.

Assignor and Assignee further agree as follows:

- 1. Salt Water Disposal Well. It is mutually understood that Assignee may recomplete the Well as a salt water disposal well. In that event, Assignee agrees and covenants that it will procure a salt water disposal agreement from the subject landowner. The Assignee further agrees and covenants that under the terms of the salt water disposal agreement, Assignor shall have the right to dispose of an unlimited amount of saltwater produced from the Demel #3 Well (2310' FNL and 1923' FWL, Sec. 20-T16S-R12W, Barton County, Kansas) and the Demel Christians Unit A 1-20 (2445' FNL and 1239' FEL, Sec. 20-T16S-R12W, Barton County, Kansas) owned in whole or in part by Assignor free of any cost or expense whatsoever.
- 2. REAL PROPERTY WARRANTY. THIS ASSIGNMENT IS MADE AND ACCEPTED WITHOUT WARRANTIES OF ANY KIND, IMPLIED, EXPRESS OR STATUTORY INCLUDING WARRANTIES RELATING TO TITLE TO THE WELL.
- 3. GENERAL DISCLAIMER. ASSIGNOR MAKES NO WARRANTY OR REPRESENTATION, IMPLIED, EXPRESS OR STATUTORY, WITH RESPECT TO THE ACCURACY, COMPLETENESS, OR MATERIALITY OF THE INFORMATION, RECORDS, AND DATA NOW, PREVIOUSLY, OR LATER MADE AVAILABLE TO ASSIGNEE IN CONNECTION WITH THE WELL, INCLUDING WITHOUT LIMITATION, ANY DESCRIPTION OF THE WELL, QUALITY, OR QUANTITY OF PRODUCIBLE HYDROCARBONS, IF ANY, PRODUCTION RATES, DOWNHOLE CONDITION OF THE WELL AND WELLBORE, RECOMPLETION OPPORTUNITIES, DECLINE RATES, ALLOWABLES OR OTHER REGULATORY MATTERS, OR ANY OTHER MATTERS CONTAINED IN OR OMITTED FROM ANY OTHER MATERIAL FURNISHED BY ASSIGNOR TO ASSIGNEE. ANY AND ALL DATA, INFORMATION, AND MATERIAL FURNISHED BY ASSIGNOR IS PROVIDED AS A CONVENIENCE ONLY, AND ANY RELIANCE ON OR USE OF IT IS AT ASSIGNEE'S SOLE RISK.

4. PERSONAL PROPERTY DISCLAIMER. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO THE WELL AND EQUIPMENT: (a) ANY IMPLIED, EXPRESS OR STATUTORY WARRANTY OF MERCHANTABILITY; (b) ANY IMPLIED, EXPRESS OR STATUTORY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; AND, (c) ANY IMPLIED, EXPRESS OR STATUTORY WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASSIGNEE EXPRESSLY AGREES THAT THE WELL AND EQUIPMENT WILL BE ASSIGNED AND ACCEPTED "AS IS, WHERE IS AND WITH ALL FAULTS", AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR MAKES NO REPRESENTATIONS OR WARRANTIES, IMPLIED, EXPRESS OR STATUTORY, WITH RESPECT TO THE WELL, INCLUDING WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY, OR VOLUME, IF ANY, OF OIL, GAS, OR OTHER HYDROCARBONS PRODUCIBLE FROM THE WELL, THE DOWNHOLE CONDITION OF THE WELL, OR THE ENVIRONMENTAL CONDITION OF THE WELL.

5. PHYSICAL AND ENVIRONMENTAL CONDITIONS. ASSIGNEE HAS INSPECTED THE WELL FOR ALL PURPOSES AND HAS SATISFIED ITSELF AS TO ITS PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE, AND ACCEPTS SAME IN ITS PRESENT CONDITION.

6. Assignee's Assumption of Liabilities and Obligations. Assignee specifically assumes and agrees to pay, perform, fulfill, and discharge all obligations, liabilities, costs, damages, and claims related directly or indirectly to the following: (i) all leasehold obligations related to the Assets, including the payment of all shut-in royalties, royalties, overriding royalties and other leasehold burden and all ad valorem and other taxes attributable to or arising from ownership or operation of the Assets after the Effective Date; (ii) all claims, costs, expenses, liabilities, and obligations accruing or relating to the owning, operating and/or maintaining of the Assets after the Effective Date; (iii) the accounting and payment of proceeds of production from the Well to royalty owners and working interest owners after the Effective Date; (iv) all obligations arising under agreements covering or relating to the Assets after the Effective Date; (v) all obligations and liability attributable to or resulting from pollution or contamination of soil, groundwater, or air, and any other contamination of or adverse effect on the environment; (vi) the noncompliance with applicable land use, permitting, surface disturbance, licensing, or notification requirements; and, (vii) violation of any federal, state, or local environmental laws, rules or regulations, all referred to as the "Assumed Liabilities and Obligations". The Assumed Liabilities and Obligations include, without limitation: (a) all future plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Well and equipment; (b) the necessary and proper capping and burying of all associated flowlines associated with the Well; and, (c) removal of any structures and equipment associated with the Well.

7. Indemnification and Release. Assignee agrees to indemnify, hold harmless and defend Assignor from and against and release Assignor from, all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action, or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, liability based on strict liability or condition of the Well, attributable to or arising out of : (i) the Assumed Liabilities and Obligations; and/or (ii) Assignee's acts or omissions.

8. Transfer Taxes and Recording Fees. Assignee shall bear and pay: (i) all state or local government sales, documentation, transfer or similar taxes incident to or caused by the transfer of the Assets to Assignee; and, (ii) all filing, recording or registration fees for this Assignment.

9. Change of Operator Form. Assignor and Assignee shall execute the necessary governmental change of operator form of the Assets to satisfy applicable statutory and regulatory requirements.

10. Successors and Assigns. This Assignment and all of the terms, provisions, covenants, obligations and indemnities it contains shall be binding on and inure to the benefit of and be enforceable by the Assignor, Assignee, and their respective successors and assigns and shall be deemed to be covenants running with the land and the oil and gas lease.

This Assignment is executed by Assignor and Assignee as of the date of their signatures below, but shall be deemed effective for all purpose as of the Effective Date stated above.

TRANS PACIFIC OIL CORPORATION

[Signature]
Alan D. Banta, President

6/6/22
Date

PALOMINO PETROLEUM, INC.

By: [Signature]
Print: Klee Robert Watchous
Title: President

6/13/22
Date

ACKNOWLEDGMENTS

STATE OF KANSAS)
) SS
COUNTY OF SEDGWICK)

This instrument was acknowledged before me this 13th day of June, 2022, by Alan D. Banta, President of Trans Pacific Oil Corporation.

My Commission Expires: 9-14-22



[Signature]
Notary Public

STATE OF KANSAS)
) SS
COUNTY OF Harvey)

This instrument was acknowledged before me this 13th day of June, 2022, by Klee Robert Watchous, President of Palomino Petroleum, Inc.

My Commission Expires: 4-7-25



[Signature]
Notary Public

EXHIBIT "A"

OIL AND GAS LEASES

Description:

The Northeast Quarter (NE/4) of Sec. 20-T16S-R12W, Barton County, Kansas INSO FAR and ONLY INSO FAR AS THE LEASES BELOW PERTAIN TO THE 10 acres surrounding the Demel #1 Wellbore.

Date:	April 10, 2000
Recorded:	Book 587, Page 776 Extensions recorded Book 599, Page 401; Book 605, Page 426; Book 611, Page 431 and Book 612, Page 6028
Lessor:	Robert F. Demel and Rosemary J. Demel, his wife
Lessee:	Trich Production, Inc.
Date:	March 17, 2001
Recorded:	Book 593, Page 265 Extensions recorded in Book 611, Page 960 and Book 612, Page 8010
Lessor:	Sharon Krueger Doonan and William Doonan, her husband
Lessee:	Trich Production, Inc.
Date:	March 17, 2001
Recorded:	Book 593, Page 333 Extensions recorded in Book 611, Page 959 and Book 612, Page 6317
Lessor:	Ronald Jas. Krueger, a single man
Lessee:	Trich Production, Inc.
Date:	August 1, 2005
Recorded:	Book 612, Page 9268
Lessor:	Wesley Wayne Iseminger and Jean E. Iseminger, his wife
Lessee:	J. Fred Hambright, Inc.
Date:	August 1, 2005
Recorded:	Book 612, Page 9912
Lessor:	Sandra R. Schlumbohm, as Attorney-in-fact for Claris C. Williams, a widow
Lessee:	J. Fred Hambright, Inc.