

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: _____

ASSIGNMENT AND BILL OF SALE

STATE OF KANSAS)
) ss. KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF RENO)

WHEREAS, the undersigned, H & B Petroleum, Corporation, a Kansas corporation ("**Grantor**"), owns certain undivided interests in and to the Assets (as defined below);

WHEREAS, Patterson Energy, LLC, Kansas limited liability company ("**Grantee**", and, together with Grantor, the "**Parties**"); desires to purchase the Assets from Grantor; and

WHEREAS, pursuant to that certain Purchase and Sale Agreement by and among Grantor and Grantee dated as of July 1, 2022, (the "**Purchase Agreement**") Grantor has agreed to assign to Grantee all of its right, title, and interest in and to the Assets as set forth in this Assignment and Bill of Sale (the "**Assignment**").

ASSIGNMENT

Section 1 Assignment. NOW THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, Grantor hereby GRANTS, BARGAINS, SELLS, AND CONVEYS, and by these presents has GRANTED, BARGAINED, SOLD, AND CONVEYED unto Grantee all right, title, and interest of Grantor in and to the following (collectively the "**Assets**"):

(A) The Darrel Lease. 100.00% Working Interest (.8750000 N.R.I.) Oil and gas lease dated September 25, 1946, between Darrel R. Hinkhouse and Freda Hinkhouse, his wife, Lessors, and Gulf Oil Corporation, Lessee, recorded in OGL Book 21, Pages 321-322, in the Office of the Register of Deeds, Rooks County, Kansas, insofar as said lease covers the West Half (W/2) of Section Thirty-Four (34), Township Nine (9) South, Range Twenty (20) West, Rooks County, Kansas, *less and except* the Union Pacific Right of Way; with

Grantor hereby reserving unto itself, its successors and its assigns a five percent (5.00%) overriding royalty interest in and to the above described lease; and

(B) One Hundred Percent (100%) of Seller's working and net revenue interests in the above-described oil and gas lease (including any renewals, extensions, ratifications and amendments to such interests whether or not such renewals, extensions, ratifications or amendments are described above) (any such rights or interests individually referred to as "Lease"); with said interest to be no less than the percentages of the total working and net revenue interests attributable to Seller in the Lease as set out above, and subject to Grantor's overriding royalty reservation as set forth above; and

(C) All structures, facilities, foundations, wellheads, tanks, pumps, heater treaters, valves, fittings, equipment, machinery, fixtures, flowlines, pipelines, platforms, tubular goods, materials, tools,

supplies, improvements, and any other personal, immovable, and mixed property located on, used in the operation of, or relating to the production, treatment, non-regulated transportation, gathering, marketing, sale, processing, handling or disposal of hydrocarbons, water, and associated substances produced or drained from the Lease (the "Facilities") located on site of or used or related in any way to the operations of the Lease described above; and

(D) Rights of way, easements, surface leases, disposal well agreements, and other rights to use the surface used or held for use in connection with the production, operation, gathering, transporting, disposal and sale of hydrocarbons or water produced from the Lease (the "Related Agreements"); attributed to or related in any way to the rights or operations of the Lease described above.

(E) Operating rights as set forth in the operating agreements incident to the leaseholds described above.

TO HAVE AND TO HOLD the Assets unto Grantee, its successors and assigns forever, subject, however, to the terms and conditions of this Assignment.

Section 2 Special Warranty; Disclaimer. Grantor warrants title to the Assets, subject to the permitted encumbrances and the terms and conditions of the Purchase Agreement, unto Grantee, its successors and assigns, against all persons claiming or to claim the same or any part thereof by, through, or under Grantor, but not otherwise. **EXCEPT AS PROVIDED IN THE PRECEDING SENTENCE, GRANTOR MAKES NO; AND EXPRESSLY DISCLAIMS AND NEGATES ANY, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED; AS TO TITLE TO ANY OF THE ASSETS.** Grantor hereby assigns to Grantee all rights, claims, and causes of action on title warranties given or made by Grantor's respective predecessors (other than Affiliates of Grantor), and Grantee is specifically subrogated to all rights which Grantor may have against their respective predecessors (other than Affiliates of Grantor), to the extent that Grantor may legally transfer such rights and grant such subrogation.

Section 3 Disclaimer of Other Warranties. Except as specifically represented otherwise in the Purchase Agreement, the Assets are assigned **AS IS, WHERE IS, AND WITH ALL FAULTS, AND GRANTOR MAKES NO, AND EXPRESSLY DISCLAIMS AND NEGATES ANY, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO (A) MERCHANTABILITY OF SUCH PERSONAL PROPERTY, (B) FITNESS OF SUCH PERSONAL PROPERTY FOR ANY PARTICULAR PURPOSE, (C) CONDITION OF SUCH PERSONAL PROPERTY, (D) INFRINGEMENTS BY SUCH PERSONAL PROPERTY OF INTELLECTUAL PROPERTY RIGHTS AND (E) CONFORMITY OF SUCH PERSONAL PROPERTY TO MODEL OR SAMPLE OF MATERIALS.**

Section 4 Assumed Obligations. Effective as of the Effective Date, Grantee assumes and agrees to fulfill, perform, pay, and discharge (or cause to be fulfilled, performed, paid or discharged) all of the obligations of Grantee as set forth in the Purchase Agreement.

Section 5 **Further Assurances.** From and after the date hereof, Grantor, without further consideration, will use its good faith efforts to execute, deliver, and (if applicable) file or record or cause to be executed, delivered, and filed or recorded such good and sufficient instruments of conveyance and transfer, and take such other action as may be reasonably required of Grantor to effectively vest in Grantee beneficial and record title to the Assets conveyed pursuant hereto, and, if applicable, to put Grantee in actual possession of such Assets. After the date of this Assignment, Grantor and Grantee shall, without further consideration, execute, deliver and (if applicable) file or record, or cause to be executed, delivered and filed or recorded, all instruments, and take such action, as may be reasonably required of Grantor or Grantee to accomplish the conveyance and transfer of the Assets, and charge in operator, and otherwise consummate the transaction contemplated by this Assignment and the Purchase Agreement, and shall send all required notices with respect to the Assets.

Section 6 **Assignment Subject to Purchase Agreement.** This Assignment is expressly subject to the terms and conditions of the Purchase Agreement, which terms are hereby incorporated into this Assignment by reference for all purposes. Capitalized terms used herein but not defined shall have the meanings ascribed to such terms in the Purchase Agreement.

Section 7 **Successors and Assigns.** This Assignment shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.

Section 8 **Titles and Captions.** All article or section titles or captions in this Assignment are for convenience only, shall not be deemed part of this Assignment and in no way define, limit, extend, or describe the scope or intent of any provisions hereof.

Section 9 **Governing Law.** Except to the extent the laws of another jurisdiction will, under conflict of law principles, govern transfers of Assets located in such other jurisdiction, this Assignment and the rights of the parties hereunder shall be governed by, and construed in accordance with, the laws of the state of Kansas.

Section 10 **Counterparts.** This Assignment may be executed in any number of counterparts, and by different parties in separate counterparts, and each counterpart hereof shall be deemed to be an original instrument, but all such counterparts shall constitute but one instrument.

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