

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: _____



STATE OF KANSAS }
ANDERSON COUNTY } SS

Fee \$72.00

This instrument was filed for Record
On this 7th day of Dec. A.D. 2022

at 3:30 P.M. and duly Recorded
Book 22 of Dist on Page 48

By Carrie Sobba Deputy
REGISTRAR OF DEEDS

OIL AND GAS LEASE

Lessor: Ronald A. Sobba
27760 N Highway 59
GARNETT, KS 66032
(hereinafter referred to as Lessor (whether one or more))

Lessee: E 3 Energy LLC, a Kansas limited liability company
Box 367
Wellsville KS 66092
(hereinafter referred to as Lessee)

Date: August 29, 2022

1. **Grant.** For and in consideration of Ten Dollars (\$10.00), the covenants and agreements hereinafter contained on the part of Lessee to be paid, kept and performed, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor hereby grants, demises, leases and lets exclusively unto Lessee the land hereafter described, for the purpose of exploratory work, including, without limitation, geological, geophysical, and seismic work, investigating, prospecting, drilling, mining and operating for, producing, saving, storing, and marketing oil, gas, casinghead gas, casinghead gasoline, and all other hydrocarbons and their respective products, including, without limitation, helium, methane and other coalbed and shale gasses, and other gaseous substances; and all substances produced in association therewith; laying pipelines, electric lines, telephone lines, and other utilities, building tanks, power stations, roads and other structures thereon, to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situated in the County of Anderson, State of Kansas, the description of which is as follows:

The Northwest Quarter (NW/4) of Section Fifteen (15), Township Twenty (20) South, Range Twenty (20) East of the 6th P.M. lying West of the Union Pacific (formerly Missouri-Pacific) Railroad right-of-way

2. **Term.** This Lease shall remain in full force and effect for a term of one (1) years from the date set forth above and for so long thereafter as oil or gas, or either of them, or any products described in Section 1 of this Lease, is produced from the leased premises in paying quantities, or operations are conducted as provided in this Lease during the primary term, or written notice of failure of production and the right to cure is provided pursuant to paragraph 1.1 below, or this Lease is otherwise held in force by operation of any other provision of this Lease.

3. **Lessee's Agreements.** In consideration of the premises, Lessee covenants and agrees:

1
22 Oct 2022 Page 48

- a. To deliver to the credit of Lessor as royalty, free of cost, in the pipeline to which the Lessee may connect the wells, fifteen percent (15%) of the market value of all oil produced and saved from the leased premises.
- b. To pay to Lessor for gas produced from any oil well used by the Lessee for the manufacture of gas or any other product as royalty fifteen percent (15%) of the market value of such gas at the mouth of the well; if said gas is sold by the Lessee, then as royalty fifteen percent (15%) of the proceeds of the sale thereof at the mouth of the well.
- c. To pay Lessor as royalty fifteen percent (15%) of the proceeds received by Lessee from the sale of casinghead gas produced from any oil well and fifteen percent (15%) of the value, at the mouth of the well, computed at the prevailing market price, of the casinghead gas produced from any oil well and used by Lessee off the leased premises for any purpose.
- d. To pay Lessor fifteen percent (15%) of the proceeds from the sale of other products not described in Section a-c. above.
- e. Beginning with the first lease year after expiration of the primary term of this Lease, the royalties paid to Lessor shall be not less than the Minimum Royalty as provided in this Section 3.e. The Minimum Royalty is an amount equal to \$10.00 per net mineral acre covered by this Lease during each such lease year. If the total amount of proceeds from the sale of the royalty share of production during the lease year is less than the Minimum Royalty, then Lessee shall pay the difference to Lessor within sixty (60) days after the end of such lease year. If such payment is not made when due, Lessor shall give written notice to Lessee of the amount due and of Lessor's intention to declare forfeiture of the Lease because of such default in payment. Such notice shall be given by certified mail, return receipt requested, addressed to the Operator of the Lease as shown in the records of the Kansas Corporation Commission. If the Lessee pays the amount due within thirty (30) days after the date such notice is delivered, refused, or delivery last attempted as shown by the return receipt, then such default shall be deemed cured and the Lease shall not terminate. So long as the Minimum Royalty is satisfied by proceeds from the royalty share of production and/or payment by Lessee as provided in this Section 3.e., this lease shall be deemed to be producing oil and/or gas and/or their products as required under Section 2 of this Lease.
- f. Not to construct permanent access roads by depositing rock or chemicals upon said Lease access roads unless authorized by Lessor.
- g. To bury all electrical service below plow depth unless otherwise authorized by Lessor.
- h. To regrade all drill sites as closely as possible to the condition that said drill sites were in immediately prior to Lessee conducting drilling activities upon said sites, as soon as possible after drilling operations are complete.
4. Lesser Interest. If Lessor owns a less interest in the above-described land than the entire and undivided fee simple estate therein, then the royalties herein provided shall be paid the Lessor only in the proportion which the Lessor's interest bears to the whole and undivided fee. If more than one party has executed this Lease as Lessor, then this provision applies to each such party.
5. Use of Products. Notwithstanding any provision to the contrary in this Lease, Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon except water from the wells of Lessor. Lessee shall not use water from existing or subsequently constructed farm ponds, in any of its operations, without written consent of Lessor. When required by Lessor, Lessee shall bury its pipelines and electrical lines below plow depth and shall pay for damage caused by its operations to be growing crops on said land. Lessee shall have the right at any time during, or after the expiration or cancellation of, this Lease to remove all machinery, fixtures, houses, buildings and other structures placed on

said premises, including the right to draw and remove all casing, but Lessee shall be under no obligation to do so, nor shall Lessee be under any obligation to restore the surface to its original condition, where any alterations or changes were due to operations reasonably necessary under this Lease. Lessee will not check well while the ground is to muddy. If lessee has to check wells and lessee does ruts Lessee will fix/repair to original state.

6. **Entirety.** If the leased premises are now or hereafter owned in severalty or in separate tracts, the premises, nevertheless, may be developed and operated as one Lease, and all royalties shall be paid to each separate owner in the proportion that the acreage owned by him or her bears to the entire leased area. There shall be no obligation on the part of the Lessee to offset wells on separate tracts into which the land covered by this Lease may hereinafter be divided by sale, devise, or otherwise, or to furnish separate measuring or receiving tanks for the oil produced from such separate tracts.

7. **Title.** Lessor hereby warrants and agrees to defend the title to the lands herein described and agrees that Lessee shall have the right at any time to redeem for Lessor by payment, any mortgages, taxes or other liens on the described land in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof and may reimburse itself from any rental or royalties accruing thereunder.

8. **Persons Bound.** The terms, covenants and conditions hereof shall run with the land and herewith shall be binding upon the parties hereto, their heirs, legal representatives, administrators, devisees, grantors, executors, successors and assigns; however, 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 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.

9. **Assignment.** The rights of either party hereunder may be assigned, in whole or in part, and the provision hereof shall be extended to the heirs, successors and assigns of the parties hereto, but no change or division of ownership of said land, royalties, or payments however accomplished, shall be binding on Lessee until Lessee shall be furnished with a certified copy of all recorded instruments, all court proceedings and all other necessary evidence of any transfer, inheritance, or sale of said rights. All advance payment of rentals made under this Lease before receipt of such documents shall be binding on any direct or indirect assignee, grantee, devisee, administrator, executor, or heir of Lessor. If 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.

10. **Force Majeure.** Lessee shall not be liable in damages, forfeiture, or termination, on account of breach of covenant, express or implied, or failure of any condition necessary to keep the Lease in force, that results from force majeure, and the obligations of Lessee shall not be suspended if and while drilling or other operations are delayed or interrupted by force majeure. For purposes of this Section 10, force majeure includes, but is not limited to, acts of God, pandemic, acts of war or terrorism, storm, flood, strike, scarcity of labor or material, lockout, blowout, breach of contract by drillers, subcontractors, or suppliers, surface or subsurface conditions that impede normal operations or that would result in other damages or waste, or other bona fide cause beyond the reasonable control of Lessee. Lessee shall have a reasonable time after the removal or cessation of force majeure within which to commence or resume performance under this Lease. If force majeure occurs during the primary term, the time such force majeure exists shall be added to the primary term.

11. **Breach.** Default in the performance of any provision or covenant of this Lease, expressed or implied, including without limitation, the non-production of oil or gas, shall not cause a forfeiture, termination, or cancellation of this Lease unless Lessor first notifies Lessee in writing of the default and the facts relied upon as constituting such default, together with a demand for the specific performance thereof, and Lessee fails within a reasonable time after receipt of such notice to cure such default and complete the same with reasonable diligence without unnecessary or unreasonable delay or interruption.

12. **Right to Surrender.** Lessee shall have the right at any time without Lessor's consent to surrender all or any portion of said land and be relieved of all obligation as to the acreage surrendered.

22045 Page 48

