

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: _____

Fireflies Farm
26095 Ridgeview Road
Paola, KS 66071

OILFIELD OPERATOR AGREEMENT

This OILFIELD OPERATOR AGREEMENT (the "Agreement") is entered into by and between SUPERIOR OILFIELD SERVICES LLC, a Kansas limited liability company, hereinafter designated and referred to as "Operator," and KANSAS OIL INCOME I, LP, a Delaware limited partnership, hereinafter designated and referred to as "Non-Operator."

WHEREAS, Non-Operator owns the oil and gas leases described on Exhibit "A," including the wells located thereon (the "Subject Leases"); and

WHEREAS, Non-Operator desires and has agreed to retain the services of Operator to operate the Subject Leases for and on behalf of Non-Operator; and

WHEREAS the parties hereto desire to enter into this Agreement to set forth their respective rights and obligations in connection with the ownership, exploration, development and operation of the Subject Leases as provided herein.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, Non-Operator and Operator hereby covenant and agree as follows:

1. Term and Termination.

The term of this Agreement shall commence on February 22, 2023, and shall remain in effect so long as any of the Subject Leases remain in effect. Notwithstanding the foregoing, Non-Operator shall have the right to terminate this Agreement, with or without cause, by giving Operator at least 90 days prior written notice. Operator shall have the right to terminate this Agreement, with or without cause, by giving Non-Operator at least 90 days prior written notice. This Agreement shall immediately terminate if Operator terminates its legal existence, becomes insolvent, files for bankruptcy, is placed in receivership or is no longer capable of serving as Operator. Upon termination of this Agreement, Operator shall promptly deliver to Non-Operator all records and data relating to operations conducted hereunder and the Subject Leases to the extent that such records are not already in the possession of Non-Operator.

2. Duties and Responsibilities.

Operator shall conduct and direct and have full control of the ownership, exploration, development and operation of the Subject Leases within the limits of this Agreement and all applicable laws, rules and regulations. In its performance of services hereunder for Non-Operator, Operator shall be an independent contractor not subject to the control or direction of the Non-Operator. Within the limits and subject to the restrictions contained in this Agreement, Operator shall conduct and direct and have full control of the

exploration, development, and operation of the Subject Leases. Operator shall conduct its activities under this Agreement as a reasonably prudent operator, in a good and workmanlike manner, with due diligence and dispatch, in accordance with good oilfield practices, and in compliance with all applicable laws, rules, and regulations and the terms of the Subject Leases, but in no event shall Operator have any liability to Non-Operator for losses sustained or liabilities incurred in connection with Operator's activities, acts and/or omissions except as may result from the gross negligence or willful misconduct of Operator.

3. Operator's Fees.

Operator shall be entitled to receive the fees detailed on Exhibit "B" attached hereto for the work and services performed by Operator pursuant to this Agreement. Operator will submit monthly invoices to Non-Operator for amounts of those fees due to Operator. Non-Operator agrees to pay such invoices within 30 days after the date of such invoice, subject to good faith disputes. The fees set forth in Exhibit "B" shall be subject to review not less frequently than annually, and may be amended by mutual consent of both parties.

4. Monthly Third Party Operating Expenses.

All costs and expenses incurred by Operator in connection with the ownership, exploration, development and operation of the Subject Leases, including but not limited to costs of reworking, recompleting, testing, stimulating, repairing or plugging and abandoning wells on the Subject Leases, shall be the obligation of Non-Operator, whether incurred in the name of Operator or Non-Operator. Operator shall pay such expenses and shall invoice such expenses to Non-Operator. Non-Operator agrees to pay all such invoices within 30 days after the date of such invoice, subject to good faith disputes.

All work performed in connection with the operation of the Subject Leases shall be done on a competitive contract basis at the usual rates and in the manner prevailing in the area. Operator may employ its own tools and equipment in the operation of the wells, but its charges therefore shall not exceed the prevailing rates in the area, and such work shall be performed by Operator under the same terms and conditions as are customary and usual in the area in contracts of independent contractors who are doing work of a similar nature.

5. Extraordinary Expenditures & Operations.

Without the consent of Non-Operator, Operator shall not undertake any single project reasonably estimated to require an expenditure in excess of \$20,000 without submitting to Non-Operator an authorization for expenditure (hereinafter called an "AFE") describing the project, including the estimated costs thereof, and requesting that such expenditure be made, and such expenditure must then be approved by Operator or its authorized representative before the project is undertaken by Operator. Notwithstanding the foregoing, in the case of explosion, fire, flood or other sudden emergency, whether of the same or different nature, Operator may

take such steps and incur such expenses as in its opinion required to deal with the emergency to safeguard life and property but Operator, as promptly as reasonably possible, shall report the emergency and the expenditures incurred as a result of such emergency to the Non-Operator.

Any well on the Subject Leases that has produced shall not be plugged and abandoned without the prior consent of Non-Operator. If Non-Operator consents, such well shall be plugged and abandoned in accordance with applicable regulations and at the cost and expense of Non-Operator.

6. Advances

Operator, at its election, shall have the right from time to time to demand and receive from Non-Operator payment in advance of the estimated amount of any expense to be incurred in operations under this Agreement, which right may be exercised by submission to Non-Operator of an itemized statement of such estimated expense, together with an invoice. Non-Operator will pay such invoice within 15 days. Proper adjustment shall be made between the advanced expense and actual expense to the end that Non-Operator shall only bear and pay actual expenses incurred, and no more. Advances in excess of actual expenses shall be refunded to Non-Operator.

7. Insurance. During the terms of this Agreement, Operator shall carry the following insurance coverage and furnish Non-Operator with proof of such coverage, to-wit:

(i) General Liability Insurance with limits of not less than \$1,000,000.00 combined single limit per each occurrence;

(ii) Excess Umbrella Liability with limit of not less than \$1,000,000.00.

The cost of the insurance coverage designated hereinabove shall be charged to Non-Operator, as a one-time expense during a given year. Operator shall also require all contractors and subcontractors working or performing services on the Subject Leases to comply with the workers' compensation laws of the State of Kansas and to maintain such other insurance as Operator shall deem necessary or prudent.

8. Taxes.

Operator shall render for ad valorem taxation all property subject to this Agreement which by law should be rendered for such taxes, and it shall pay all such taxes assessed thereon before they become delinquent. Non-Operator shall, upon request, furnish Operator with any information that Operator need to comply with these provisions. Operator shall bill Non-Operator for all such tax payments. If Operator considers any tax assessment improper, Operator may, at its discretion, protest within the time and in the manner prescribed by law and prosecute the protest to a final determination.

AMB

9. Claims and Lawsuits

Operator may settle any single uninsured third party damage claim or suit arising from operations under this Agreement if the expenditure does not exceed \$10,000 and if the payment is in complete settlement of such claim or suit. The amount required to resolve such claim or suit exceeds \$10,000, then Non-Operator shall assume and take over the handling of such matter unless such authority is delegated to Operator. All costs and expenses of handling, settling or otherwise discharging such claim or suit, including attorney's fees and litigation costs, shall be at the expense of the Non-Operator.

10. Special Duties.

Operator is hereby designated as the representative of Non-Operator to receive and give notices and requests to State and Federal regulatory bodies, to witness tests, and to inform working interest owners as required with respect to the status of the wells situated on the Subject Leases. With regard to reporting, it is understood and agreed that Operator shall keep and maintain monthly operating reports on the wells and shall further send such reports to Non-Operator upon request.

11. Remedies.

Non-Operator hereby grants to Operator a lien and security interest in and to Non-Operator's interest in the Subject Leases to secure the payment of all sums due from Non-Operator to Operator hereunder and to secure Non-Operator's performance of this Agreement, in addition to any and all other rights or remedies granted hereunder of which Operator may have under applicable law. Each party hereto agrees to execute such other instruments as reasonably necessary to perfect the lien set out herein in this Paragraph 9.

12. Indemnification.

Non-Operator shall indemnify and hold Operator and its members, managers, employees and agents harmless from and against all claims, damages, losses, expenses and costs, including but not limited to attorney's fees, arising out of or resulting from the performance of Operator's duties hereunder except to the extent caused by or resulting from acts of Operator taken outside the scope of this Agreement, acts of gross negligence and acts of willful misconduct by Operator or its members, managers and employees.

13. Third Party Expenses to be Incurred in Non-Operator's Name.

Non-Operator hereby grants to Operator the right to incur all third party charges for labor and services performed and for materials and supplies furnished in connection with all work to be performed by Operator under the terms and provisions of this agreement on the Subject Leases in the name of, and with payment therefore due by, Non-Operator. Operator shall instruct all such third parties to extend credit to Non-Operator only, but to send invoices for payment to Non-Operator in care of Operator.

14. Notices

Either party may give notices to the other party by first class mail postage prepaid, by overnight delivery service, or by facsimile with receipt confirmed at the following addresses, or such other address furnished by a party by written notice:

Notices to Operator:

Jason M. Town, Chief Executive Officer
510 N. Silver Street #2B
Paola, Kansas
66071

Email: jtown@superoilfields.com

Notices to Non-Operator:

Stanley W. Bronisz, Chief Executive Officer
Veracity Energy Partners, LLC
P.O. Box 304
Paola, Kansas
66071

Email: sbronisz@veracity-energy.com

15. Miscellaneous.

(a) If any term or provision of this Agreement or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law.

(b) This Agreement contains the entire agreement between the parties hereto, and any agreement hereafter made shall be ineffective to modify or terminate this Agreement or constitute a waiver of any of the provisions hereof unless such agreement is in writing and signed by the party against whom enforcement of the modification, termination or waiver is sought.

(c) This Agreement may be amended or modified only by agreement in writing executed by both Operator and Non-Operator.

(d) No party shall assign all or any part of this Agreement without the prior written consent of the other party and any assignment made without such consent shall be void. Subject to the forgoing, this Agreement

shall be binding upon and insure to the benefit of the parties and their respective successors and permitted assigns.

(e) If Non-Operator conveys all or any part of the Subject Leases to any other party, such conveyance shall be made expressly subject to this Agreement.

(f) The validity of this Agreement and of any of its terms or provisions, as well as of the rights and duties of the parties hereunder, shall be governed by the laws of the State of Kansas and venue for any cause of action hereunder shall lie in Sedgwick County, Kansas.

(g) The parties hereto agree that if Non-Operator acquires additional oil and gas leases that said additional leases may be added to Exhibit "A" hereto with the consent of both parties.

(h) This Agreement may be executed in counterparts, each of which shall be deemed an original instrument, but all such counterparts together shall constitute but one agreement.

EXECUTED as of the 22th day of March, 2023.

OPERATOR

SUPERIOR OILFIELD SERVICES LLC

By Jason M. Town

Name: Jason M. Town

Title: CEO

Date February 22, 2023

NON-OPERATOR

KANSAS OIL INCOME I, LP

By: Veracity Energy Partnership, LLC, its General Partner

By: Stanley W. Bronisz

Title: General Manager

Date: February 22, 2023

AB

EXHIBIT "A"

LEASES

ALICE KUHN LEASE Dated: June 19, 1982 Recorded: Book 297, Page 37 Page 2 Lessor: Alice Ruth Kuhn and Eugene J. Kuhn, her husband Lessee: John E. Lattimore and Associates Description: The North Half of the Northwest Quarter of Section 19, Township 16S, Range 24E, Miami County, Kansas, containing 72.24 acres more or less.

KERN LEASE Dated: July 24, 1975 Recorded: Book 249, Page 460 Lessor: Floy L. and Kathryn L. Kern, his wife Lessee: Town Oil Company Description: The Southeast Quarter of Section 18, Township 16S, Range 24E, Miami County, Kansas, containing 158 acres more or less.

WEAVER LEASE / WEST WEAVER LEASE Dated: March 20, 1981 Recorded: Book 288, Page 593 Lessor: Robert O. Weaver and Virginia L. Weaver, his wife Lessee: Don McGinnis Description: TRACT I The Southeast Quarter of Section 13, Township 16 South, Range 23 East of the 6th P.M., less right-of-way of the Missouri Pacific Railroad Company, TRACT II The Southwest Quarter of Section 13, Township 16 South, Range 23 East, EXCEPTING THEREFROM the Northwest Quarter of the Southwest Quarter of said Section 13, Township 16, Range 23, containing 120 acres, more or less. ALSO Commencing at the Northeast corner of the Northwest Quarter of Section 24, Township 16 South, Range 23 East, thence West 120 rods; thence South 160 rods; thence East 120 rods to the Southeast corner of said quarter section; thence North 160 rods to the place of beginning, less the right-of-way of the Missouri Pacific Railway, containing 115 1/2 acres, more or less, TRACT III The Northeast Quarter of Section 24, in Township 16, of Range 23, less right-of-way of the Missouri Pacific Railroad Company, TRACT IV The Southwest Quarter of Section 18, Township 16, Range 24, less right-of-way of the Missouri Pacific Railroad Company, TRACT V All that part of the North Half of the Northwest Quarter of Section 19, Township 16, Range 24, that lies North and West of the Missouri Pacific Railroad right-of-way, the same being about five (5) acres, more or less, in the Northwest corner of the North Half of said Quarter Section, all in Miami County, Kansas.

EXHIBIT "B"

OPERATOR FEES

Pumping Fee: \$6.500 on the first of each month beginning July 1, 2023

Oilfield Operator Covered Working Interest: 5% of Gross Working Interest paid out after February 15, 2023