

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

_____ is acknowledged as the new operator of the above named lease containing the surface pit

Permit No.: _____ . Recommended action: _____

permitted by No.: _____ .

Date: _____

Date: _____

Authorized Signature

Authorized Signature

DISTRICT _____ EPR _____ PRODUCTION _____ UIC _____

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form KSONA-1

July 2021

Form Must Be Typed

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**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: _____

DOUGLAS H. MCGINNESS II
SHOCKER PRODUCTION, LLC
CMX, INC
9330 E. Central Ave., Suite 300
Wichita, KS 67206

Re: Purchase and Sale of Non-Operated Working Interest and Operations in Barber
County, Kansas

Dear Mr. McGinness:

We write to memorialize the agreement between Shocker Production, LLC. ("Shocker"), CMX, Inc. ("CMX") and 14Start Energy LLC ("Buyer") in connection with the above-referenced transaction.

Shocker agrees to sell to Buyer all of Shocker's Non-Operated Working Interest in the leases listed on Exhibit "A" and oil & gas wells identified on Exhibit "B" to this letter agreement (the "Properties").

CMX agrees to deliver, convey and transfer to Buyer the operating rights for the leases and wellbores identified in Exhibit A & B of this agreement. This agreement excludes any wellbores and leases that are under Davis Ranch DEF Unit.

The following conditions are applicable to this transaction:

- 1) Purchase price to be \$30,000 cash payment made to Shocker by Buyer via electronic wire transfer at Closing. Contemporaneously with Buyer's payment to Shocker as aforesaid, Buyer shall pay to CMX via electronic wire transfer the sum of \$2,004.19 representing Buyer's portion of ad valorem tax for the Properties for the remainder of tax year 2023. CMX agrees to provide buyer the 2023 ad valorem tax statement from the county office upon receipt.
- 2) At Closing and upon full payment by Buyer to Shocker, Shocker agrees to deliver to Buyer its full position of 7.60% Non-Operated Working Interest (non-op WI) & 6.50% Net Revenue Interest (NRI) on Davis Ranch 1-6 Unit, 14.5% non-op WI & 12.4% NRI on Davis Ranch ABC Unit and 7.04% non-op WI & 6.02% NRI on EWB Ranch Unit.
- 3) At Closing and upon full payment by Buyer to Shocker, CMX agrees to deliver, convey and transfer to Buyer its operating rights to the properties described in Exhibit A & B of this PSA. This includes but not limited to T1 forms, midstream purchaser contracts, vendors contract, and any other contracts related to operating the wells. This agreement excludes any wellbores and leases that are under Davis Ranch DEF Unit.
- 4) At Closing and upon full payment by Buyer to Shocker, Shocker shall execute, acknowledge and deliver to Buyer an assignment, conveyance and bill of sale (in sufficient counterparts to facilitate recording) acceptable to Buyer (the "Assignment"), conveying interest in the Properties to Buyer. The assignment of interests for the non-operated Working Interest covers FROM THE SURFACE OF THE EARTH TO ALL DEPTHS in Davis Ranch 1-6 Unit, Davis Ranch ABC Unit



and EWB Ranch Unit operated by CMX, Inc in Barber County, Kansas Section 6-T35S-R14W and Section 7-T35S-R14W.

5) As a prerequisite to Closing, Buyer must present to Shocker for review at least five (5) business days before Closing a copy of a valid and submitted Kansas Corporation Commission Request for Change of Operator Form (T-1) including the Kansas Surface Owner Notification (KSONA-1) form and valid Kansas Operator's number for Buyer authorizing Buyer to operate the Properties. The parties hereto expressly agree that event Buyer does not timely obtain authority to operate the Properties from the Kansas Corporation Commission as provided above that this agreement will terminate and have no further force or effect as between the parties hereto.

6) To the best of Shocker and CMX, Inc knowledge:

a. There are no actions, suits, claims or proceedings seeking money damages, injunctive relief, remedial action or other remedy, pending or threatened, on the Properties or against Seller arising from its ownership or operation of its interest in the Properties and relating to the violation of, or noncompliance with, any Environmental Laws; the disposal, discharge, or release of any Hazardous Substance; or the exposure of any person to any other solid waste, pollutant, chemical substance, noise or vibration.

b. All material Contracts are valid and enforceable in accordance with their respective terms and conditions and have not been amended or changed in any fashion since their respective effective dates.

c. All material governmental licenses and permits have been obtained, and has properly made or caused all filings, necessary to obtain such licenses and permits and to own and operate properties; Such licenses, permits and filings are in full force and effect, and no material violations exist with respect to any of the same.

7) Upon Closing, and except for Retained Liabilities, Buyer shall assume and pay, perform, fulfill and discharge all claims, costs, expenses, liabilities and obligations accruing or relating to the owning, developing, exploring, operating or maintaining of the Properties or the producing, transporting and marketing of Hydrocarbons from the Properties for the periods after the Effective Time, including, without limitation, (i) the obligation to properly plug and abandon all wells located on the Lands and reclaim all well sites located on the Lands in accordance with applicable lease or other agreements and governmental laws, orders and regulations and (ii) the obligation to pay ad valorem and similar production taxes with respect to the Properties (collectively, the "Assumed Liabilities").

8) Upon Closing, Shocker and CMX, Inc retain all claims, costs, expenses, liabilities and obligations accruing or relating to the owning, developing, exploring, operating or maintaining of the Properties or the producing, transporting and marketing of Hydrocarbons from the Properties for the periods prior to the Effective Time, including, without limitation, (i) any injury, death, casualty, tortious action or inaction occurring on or attributable to the Properties, (ii) any matters occurring prior to the Effective Time that are covered by Seller's insurance, and (iii) royalty liabilities attributable to the period of time prior to the Effective Time, (iv) prorated share of ad valorem taxes and production taxes for all the months prior to the effective Time (collectively, the "Retained Liabilities").

9) Shocker and CMX and Buyer representatives have all company power, as authorized under the laws of the State of Kansas to conduct business as presently conducted and to perform obligations under this agreement. This Agreement shall be binding upon signing by both parties and can be executed electronically by buyer and seller.

10) Shocker agrees not to seek other buyers upon the execution of this PSA until the closing date of September 15th, 2023 ("Closing Date")

11) Buyer agrees that it is not entitled to any proceeds of production produced prior to Closing and the full payment of the monies to Shocker and CMX as provided in paragraph 1) above. Further, Buyer shall not contact Shocker's oil purchasers to obtain payment of the proceeds of production until after Closing and the full payment of the monies to Shocker and CMX as provided in paragraph 1) above.

12) Closing shall take place on or before September 15th, 2023.

AGREED TO AND ACCEPTED ON THIS THE 17th DAY OF August 2023 but effective the 15th day of September 2023 ("Effective Date") _____

This agreement cannot be changed or altered without express written consent of all parties.

SHOCKER PRODUCTION, LLC



Douglas H. McGinness II
Managing Member

CMX, Inc.



Douglas H. McGinness II
President

14Start Energy, LLC



Mohammad Rashad Ali
President

EXHIBIT A – LEASES

Attached to and made a part of that certain Assignment of Oil and Gas Leases effective September 15, 2023, by and between Shocker Production, LLC and CMX, Inc as Assignor and Buyer as Assignee.

Prospect	Lease Number	T/R/S	Lessor	Lease Date	Effective Date	Expiration Date	Book	Page	County	Royalty	Tract Description
Stateline	'01.012	35S-14W-8	Davis-Notland-Merrill Grain Company	11/16/1970	11/16/1970.	11/16/1973.	138	277	Barber	0.125	E/2
Stateline	'01.013	35S-14W-6	Davis-Notland-Merrill Grain Company	11/16/1970.	11/16/1970.	11/16/1973.	138	279	Barber	0.125	W/2
Stateline	'01.014	35S-14W-7	EWB Ranch, Inc.	5/9/1972.	5/9/1972.	5/9/1975.	142	379	Barber	0.125	E/2 W/2
Stateline	'01.015	35S-14W-7	EWB Ranch, Inc.	5/9/1972.	5/9/1972.	5/9/1975.	142	383	Barber	0.125	E/2 W/2: HBP
Stateline	'01.019	35S-15W-1	Davis-Notland-Merrill Grain Company, an Missouri Corporation	11/16/1970.	11/16/1970.	11/16/1973.	138	275	Barber	0.125	T35S - R15W Sec. 1: NE/4, N/2NW/4, N/2SE/4: Lease shall expire as to all undeveloped acreage

The assignment of interests for the non-operated Working Interest covers FROM THE SURFACE OF THE EARTH TO ALL DEPTHS in Davis Ranch 1-6 Unit, Davis Ranch ABC Unit and EWB Ranch Unit operated by CMX Inc in Barber County, Kansas Section 6-T35S-R14W and Section 7-T35S-R14W. It is the intent of the buyer to exclude leases and wellbores under Davis Ranch DEF Unit.

END OF EXHIBIT A

EXHIBIT B – WELLS

API #	Well Name	Lease No	Lease Name	Operator Name	County	State	WI	NRI
15-007-22961	Davis Ranch 3-6	1001176483	DAVIS RANCH 1-6	CMX, Inc.	Barber County	KS	0.07604167	0.06501482
15-007-30052	Davis Ranch 1-6	1001176483	DAVIS RANCH 1-6	CMX, Inc.	Barber County	KS	0.07604167	0.06501482
15-007-22897	Davis Ranch 2-6	1001176483	DAVIS RANCH 1-6	CMX, Inc.	Barber County	KS	0.07604167	0.06501482
15-007-20189	Davis Ranch 'C' 1	1001175558	DAVIS RANCH A	CMX, Inc.	Barber County	KS	0.145052085	0.12401876
15-007-22925	Davis Ranch 'B' 2	1001175558	DAVIS RANCH A	CMX, Inc.	Barber County	KS	0.145052085	0.12401876
15-007-30148	DAVIS RANCH OWWO A-1	1001175558	DAVIS RANCH A	CMX, Inc.	Barber County	KS	0.145052085	0.12401876
15-007-23014	EWB Ranch 'B' 2	1001116312	EWB RANCH A & B	CMX, Inc.	Barber County	KS	0.07043457	0.06021912585
15-007-20310	EWB Ranch 'A' 2	1001116312	EWB RANCH A & B	CMX, Inc.	Barber County	KS	0.07043457	0.06021912585

The assignment of interests for the non-operated Working Interest covers FROM THE SURFACE OF THE EARTH TO ALL DEPTHS in Davis Ranch 1-6 Unit, Davis Ranch ABC Unit and EWB Ranch Unit operated by CMX Inc in Barber County, Kansas Section 6-T35S-R14W and Section 7-T35S-R14W

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