## 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:	1
Oil Lease: No. of Oil Wells**	Effective Date of Transfer:
Gas Lease: No. of Gas Wells**	KS Dept of Revenue Lease No.:
Gas Gathering System:	Lease Name:
Saltwater Disposal Well - Permit No.:	
Spot Location:feet from N / S Line	SecTwpRE \[ V \]
feet from E /W Line	Legal Description of Lease:
Enhanced Recovery Project Permit No.:	
Entire Project: Yes No	County:
Number of Injection Wells**	Production Zone(s):
Field Name:	Injection Zone(s):
** Side Two Must Be Completed.	injection Zene(e).
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:
	Date:
Title:	Signature:
New Operator's License No	Contact Person:
New Operator's Name & Address:	Phone:
	Oil / Gas Purchaser:
New Operator's Email:	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	is acknowledged as
the new operator and may continue to inject fluids as authorized by	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
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### Side Two

### Must Be Filed For All Wells

KDOR Lease No	D.:		_			
* Lease Name:			* Location:			
Well No. API No. (YR DRLD/PRE '67)		Footage from Sec (i.e. FSL = Feet from		Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/TA'D/Abandoned)	
		Circle: FSL/FNL	<i>Circle:</i> FEL/FWL _			
		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL _			
		FSL/FNL	FEL/FWL _			
		FSL/FNL	FEL/FWL _			
		FSL/FNL	FEL/FWL _			
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		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL			
			FEL/FWL _			
			FEL/FWL _			
			FEL/FWL			

A separate sheet may be attached if necessary.

<sup>\*</sup> When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located.

### Side Two

### Must Be Filed For All Wells

KDOR Lease No	D.:		_			
* Lease Name:			* Location:			
Well No. API No. (YR DRLD/PRE '67)		Footage from Sec (i.e. FSL = Feet from		Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/TA'D/Abandoned)	
		Circle: FSL/FNL	<i>Circle:</i> FEL/FWL _			
		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL _			
		FSL/FNL	FEL/FWL _			
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		FSL/FNL	FEL/FWL			
			FEL/FWL _			
			FEL/FWL _			
			FEL/FWL			

A separate sheet may be attached if necessary.

<sup>\*</sup> When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located.

## 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) CE	<b>3-1</b> (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)
OPERATOR: License #	
Address 1:	
Address 2:	
City: State: Zip:+	
Contact Person:	the lease below:
Phone: ( ) Fax: ( )	
Email Address:	
Surface Owner Information:	
Name:	
Address 1:	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
Address 2:	accepts, and in the real extete property toy records of the accepts traceurer
City:	_
the KCC with a plat showing the predicted locations of lease roads,	athodic Protection Borehole Intent), you must supply the surface owners and tank batteries, pipelines, and electrical lines. The locations shown on the plated on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.
☐ I certify that, pursuant to the Kansas Surface Owner No provided the following to the surface owner(s) of the langer C-1, Form CB-1, Form T-1, or Form CP-1 that I am	otice Act (see Chapter 55 of the Kansas Statutes Annotated), I have d upon which the subject well is or will be located: 1) a copy of the filing in connection with this form; 2) if the form being filed is a Form my operator name, address, phone number, fax, and email address.
the KCC will be required to send this information to the sur	s). I acknowledge that, because I have not provided this information, rface owner(s). To mitigate the additional cost of the KCC performing address of the surface owner by filling out the top section of this form e to the KCC, which is enclosed with this form.
If choosing the second option, submit payment of the \$30.00 hand form and the associated Form C-1, Form CB-1, Form T-1, or Form	lling fee with this form. If the fee is not received with this form, the KSONA-1 CP-1 will be returned.
I hereby certify that the statements made herein are true and correct	ct 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

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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")

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- 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	Lesse Number	T/R/S	Leasor	Lease Date	Effective Date	Expiration Date	Book	Page	County	Royalty	Tract Description
Stateline	01.012		Davis-Noland-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-Noland-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	701.015	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		Davis-Noland-Merrill Grain Company, an Missouri Corporation	11/16/1970.	11/16/1970.	11/16/1973.	138	275	Barber		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-I	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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