KOLAR Document ID: 1781771

## 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
I	

#### Side Two

#### Must Be Filed For All Wells

KDOR Lease No	).:		_		
* 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)
		<i>Circle:</i> FSL/FNL	Circle: 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 _		
		FSL/FNL	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 _		
		FSL/FNL	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		
			FEL/FWL _		
		FSL/FNL	FEL/FWL _		
		FSL/FNL	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.

KOLAR Document ID: 1781771

#### 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:	CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)
OPERATOR: License #	Well Location:
Name:	SecTwpS. R East West
Address 1:	County:
Address 2:	
City: State: Zip: +	If filing a Form T-1 for multiple wells on a lease, enter the legal description of
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:	county, and in the real estate property tax records of the county treasurer.
City:	
the KCC with a plat showing the predicted locations of lease roa	(Cathodic Protection Borehole Intent), you must supply the surface owners and ds, tank batteries, pipelines, and electrical lines. The locations shown on the plat tered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.
provided the following to the surface owner(s) of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I	Notice Act (see Chapter 55 of the Kansas Statutes Annotated), I have land upon which the subject well is or will be located: 1) a copy of the am filing in connection with this form; 2) if the form being filed is a Form I 3) my operator name, address, phone number, fax, and email address.
the KCC will be required to send this information to the	er(s). I acknowledge that, because I have not provided this information, surface owner(s). To mitigate the additional cost of the KCC performing and address of the surface owner by filling out the top section of this form table to the KCC, which is enclosed with this form.
If choosing the second option, submit payment of the \$30.00 has form and the associated Form C-1, Form CB-1, Form T-1, or Fo.	andling fee with this form. If the fee is not received with this form, the KSONA-1 rm CP-1 will be returned.
I hereby certify that the statements made herein are true and co	prrect to the best of my knowledge and belief.
Date: Signature of Operator or Agent:	Title:

#### PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("Agreement"), dated as of the June 4, 2024 is entered into by and between Mikol Oil LLC, a Kansas corporation, whose address is 2094 260th Ave Hays Ks 67601, on behalf of its working interest owners hereinafter set out ("Seller"), and Harrison Gilliland whose address is PO Box 97 Plainville KS 67663 ("Buyer"). Seller and Buyer are sometimes referred to herein collectively as the "Parties" and individually as a "Party".

Harrison Gilliland agrees to purchase the Mikol Oil LLC production listed in Exhibit A. The operations will then be transferred to HG Oil Holdings , LLC.

By signing below, both Parties agree to this sale and plan to move forward when legal documents are complete and ready for signatures.

SELLER:

Mikol Oil LLC

Name: Larry Denning

Managing Member Manager

BUYER:

Harrison Gilliland

Harrison Gilliland

Name: Harrison Gilliland

"Wells", "Allocated Values" and WI/NRI

WELL NAME	API NUMBER	STATE	COUNTY	×	E N	NWT	RNG	SEC	NAME OF OPERATOR
Brown Etal # 1	15-163-24233	KS	ROOKS	100%	83	10 S	16 W	17 SE NE SW NE	SANDLIN OIL CORPORATION
Clark # 1	15-065-23284	KS	GRAHAM	100%	83	98	25 W	12 SE NE NW	SANDLIN OIL CORPORATION
Joy#1	15-051-26376	ZS.	ELIS	100%	ಜ	12 S	18 W	14 N2 SW NW SW	SANDLIN OIL CORPORATION
Joy # 2	15-051-26421	¥.	EES	100%	83	12.8	18 W	14 SE NW SE NW	SANDLIN OIL CORPORATION
Kartin Lease									SANDLIN OIL CORPORATION
Karlin #2	15-051-25887	KS	ELLIS	100%	ස	12 S	18 W	15 E2 NE SW SE	SANDLIN OIL CORPORATION
Karlin #3	15-051-26116	KS	ELLIS	100%	83	12.5	18 W	15 SE SW NE SE	SANDLIN OIL CORPORATION
Karlin #4	15-051-26234	¥S.	ELLIS	100%	83	12 S	18 W	15 SW SW SE	SANDLIN OIL CORPORATION
Karlin E 1	15-051-30279-0001	S	ELIS	100%	83	12 S	18 W	15 NE NW SE SE	SANDLIN OIL CORPORATION
McRae Lease									SANDLIN OIL CORPORATION
McRae #1	15-051-02505-0001	KS	ELLS	100%	60	12 S	18 W	22 NE SE NW	SANDLIN OIL CORPORATION
McRae #2	15-051-26262	KS.	ELLIS	100%	8	12 S	18 W	22 N2 SW NE NW	SANDLIN OIL CORPORATION
McRae Hardie # 1	15-051-26860	S.	ELLIS	100%	ල ග	12.8	18 W	22 SE SE NW SW	SANDLIN OIL CORPORATION
McRae Werth # 1	15-051-26830	Š	ELIS	100%	ස ස	12 S	18 14	22 SE SE NE SW	SANDLIN OIL CORPORATION
Shyder# 1	15-171-20252	S.	SCOTT	100%	in en	18 S	31.8	24 NW SE SW	SANDLIN OIL CORPORATION
Stanb Karlin # 1	15-051-26057	Š	ELLS	100%	23	12.5	18 W	15 SE SW SE NE	SANDLIN OIL CORPORATION
Staab Karlin Etal # 2	15-051-26657	S.	EES	100%	8	12 S	18 W	15 NE NE NE SE	SANDLIN OIL CORPORATION
Weber Staab #1	15-051-26638	×S.	EES	100%	ස	12 S	18 W	15 SW SE NE NE	SANDLIN OIL CORPORATION
Werth Etal # 1	15-051-26846	2	E	100%	8	128	18 W	22 SW SW SW SE	SANDLIN OIL CORPORATION
Reeder 1	15-051-04411-0001	KS	ELIS	100%	8	12.5	18 W	22 NE NE NW	SANDLIN OIL CORPORATION

## Mikol Oil to HG Sandlin

Final Audit Report 2024-06-19

Created: 2024-06-19

By: HG Oil Holdings (hg.oil.holdings@gmail.com)

Status: Signed

Transaction ID: CBJCHBCAABAAHKGqcHOGl-aA2uYN-zN\_VQ6dhfDPZedg

### "Mikol Oil to HG Sandlin" History

Document created by HG Oil Holdings (hg.oil.holdings@gmail.com) 2024-06-19 - 3:04:04 PM GMT

Document emailed to Harrison Gilliland (hgilliland5@gmail.com) for signature 2024-06-19 - 3:04:09 PM GMT

Email viewed by Harrison Gilliland (hgilliland5@gmail.com) 2024-06-19 - 3:23:15 PM GMT

Document e-signed by Harrison Gilliland (hgilliland5@gmail.com)
Signature Date: 2024-06-19 - 3:23:27 PM GMT - Time Source: server

Agreement completed. 2024-06-19 - 3:23:27 PM GMT

## CONTRACT FOR SALE OF OIL AND GAS LEASE WORKING INTERESTS

THIS CONTRACT FOR SALE OF OIL AND GAS LEASE WORKING INTERESTS is made and entered into as of the last date executed below, by and between **Sandlin Oil Corporation PO Box 430 Dacono**, **CO 80514**, for itself and as agent for all non-operating working interest owners, together owning 100% of the working interests in the oil and gas leases described in Exhibit A, hereinafter called "**Seller**," and **Mikol Oil**, **LLC** 2094 260<sup>th</sup> Ave., Hays, Kansas 67601, hereinafter called "**Buyer**."

WHEREAS, Seller and the non-operating working interest owners are the owners of 100 % of the working interests in the oil and gas leases described in Exhibit "A" attached hereto ("The Leases") including 100 % of the equipment situated on The Leases and desires to sell the same, hereinafter collectively called ("The Interests");

AND WHEREAS, Seller is the operator of The Leases;

AND WHEREAS, Seller and has authority as agent for the non-operating working interest owners to enter into this Contract For Sale Of Oil And Gas Working Interests to sell to Buyer the non-operating working interest owners interests in The Leases including the equipment situated on The Leases and attributable to each non-operating working interest owners' working interest;

AND WHEREAS, Buyer desires to purchase The Interests upon the terms and conditions hereinafter set forth.

NOW THEREFORE, for and in consideration of these presents, Seller agrees to sell, and Buyer agrees to purchase, The Interests in accordance with the following terms and provisions:

- 1. <u>Purchase Price</u>. Seller agrees to sell, and Buyer agrees to purchase The Interests for the total price of \$3,000,000.00, allocated among The Leases as stated in Exhibit A.
- 2. <u>Effective Date</u>. While this Contract shall be binding as of the date of its execution by the last party hereto, this sale shall be effective, and title shall transfer from Sellers and each non-operating working interest owner to Buyer, on the 1<sup>st</sup> day of June, 2024 (The Effective Date).
- 3. Operations. Seller in consideration of these presents agrees to assign to Buyer and Buyer agrees to accept the right to operate The Leases effective the 1<sup>st</sup> day of June, 2024.
- 4. Ad Valorem Taxes. Ad valorem taxes assessed against The Leases for the year 2023 have been or will be paid by Seller prior to the closing of this sale. Obligation for the payment of Ad valorem taxes assessed against The Leases for the year 2024 shall be prorated between Seller and Buyer as of the effective date. It is recognized that the exact amount of the Ad valorem taxes imposed against The Leases for the year 2024 will not be known at the time of closing. Seller and Buyer stipulate that the calculation of their respective obligations for the 2024 taxes will be based upon the amount of tax imposed on The Leases for the year 2023. Buyer will receive credit against the purchase price at closing for the Seller's prorated share of the 2024 taxes determined as stipulated.
- 5. <u>Warranty</u>. Sellers warrant that at the time of closing there will be no unpaid liens or encumbrances against The Interests, including but not limited to any liens or

warrants for unpaid taxes/fees/assessments due to the State of Kansas, the United States of America, or any other governmental agency, subdivision or authority; that there are no outstanding balances due for taxes/fees/assessments that have not yet become a lien or warrant on The Interests; and that Seller is not now, nor threatened to be, a party to any lawsuit or action by any governmental agency, subdivision or authority of the State of Kansas or United States of America. Seller also warrants that to Seller's knowledge there are no environmental hazards caused by Seller's operation of oil and/or gas wells existing on the Leases.

6. <u>Notice.</u> Any notices or other communications required or permitted under this contract shall be in writing and mailed addressed as follows:

If to Buyer:
Buyer's attorney,
Dennis R. Davidson
Thompson, Arthur, Davidson & Katz
P.O. Box 111
Russell, KS 67665

If to Seller: Sandlin Oil Corporation, Kathie Sandlin, President PO Box 430 Dacono CO 80514

- 7. Oil In Tanks. Operator shall cause the oil in the stock tanks on The Leases to be sold on or before the closing. Oil remaining in the tanks after closing shall be the property of Buyer.
- 8. Revenue And Expenses. All revenue from the sale of oil produced prior to The Effective Date shall be the property of Seller and non-operating working interest owners. Seller shall pay all expenses of operation of The Leases incurred prior to The Effective Date. Buyer shall be entitled to all revenue from the sale of oil produced on and after The Effective Date. Buyer shall pay all expenses of operation of The Leases incurred on and after The Effective Date.

- 9. <u>Indemnity.</u> Seller shall assume all risk, liability, and obligation with respect to The Leases during the period of Seller's operation of The Leases, and Buyer shall assume all risk, liability, and obligation with respect to The Leases from and after the closing of Buyer's purchase of The Interests. With respect to and only with respect to claims made by persons other than the parties, Seller and Buyer shall indemnify and hold harmless one another from and against all costs, liabilities, expenses, including attorney's fees, suits, judgments, payment of royalties, damages to persons or property, and compliance with State and Federal laws and regulations arising from, and incident to, each of their respective ownership of working interest in or operation of The Leases.
- 10. <u>Closing.</u> This sale shall close on the 1st day of June, 2024. Closing shall take place in accordance with the following procedures:
- (A) Closing shall take place at the offices of Sandlin Oil Corporation 500 8<sup>th</sup> St. Suite c-1,C-2 Dacono, Colorado 80541-0430.
- (B) Buyer shall deliver the purchase price for the Gary S. Sandlin, LLC, and Sandlin Oil Corporation interests, adjusted as provided in paragraph 4, to Seller by wire transfer of federal funds or cashier's or certified check. All other purchase price funds shall be paid directly to the non-operating working interest owners.
- (C) Seller shall deliver properly executed Assignments with warranty of title conveying Gary S. Sandlin, LLC, and Sandlin Oil Corporation interests to Buyer.
- (D) The parties agree to cooperate in the execution of any documents or by taking such actions as are necessary to effect the transfer of operations, including but not limited to the submission for a change of operator with the Kansas Corporation Commission.

11. Examination of Title. Buyer, at Buyer's sole expense, may conduct such title examination of The Interests to be purchased as Buyer deems sufficient. Any objection to defects in title to The Interests shall be made before Closing. In the event that seller of the interest in question cannot cure said defect(s) by agreement or otherwise prior to Closing, then, at Buyer's option, this Contract may be terminated as to such interest with the parties having no further obligation to one another with respect to such interest or Buyer may elect to accept such interest subject to the defect.

12. Entire Agreement. This Contract for Sale of Oil and Gas Lease Working Interests shall be and constitute the entire and inseparable agreement by and between Sellers and Buyer concerning the subject matter of this contract. This Contract shall not be subject to any alteration or modification except in writing, signed by all of the parties hereto, and shall inure to and be binding upon the heirs, executors, administrators, devisees, successors and assigns of the parties hereto.

Interests and its validity, construction and performance shall be governed by the laws of the State of Kansas. Any claim or lawsuit arising from or relating to this Contract shall be filed and maintained in a court of competent jurisdiction in Ellis County, Kansas.

14. <u>Counterparts</u>. This Contract for Sale of Oil and Gas Lease Working Interests may be executed in counterparts (each of which shall be deemed to be an original but all of which together shall constitute one and the same contract) and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.

Date 5-30-2024

Sandlin Oil Corporation.

By Kathie D. Sandlin Kathie Sandlin, President

**SELLERS** 

BUYER

Date 5-30-24

Mikol Oil, LLC

Larry Denning, Manager

WORKING INTERESTS, Page 6 of 6 pages.

### Exhibit A

WELL NAME	API NUMBER	VALUE	STATI	E COUNTY	Y WI NE	HTWN	RNG	SEC
Provin Etal # 1	15 160 04000	4000 004					16	17 SE NE SW
Brown Etal # 1	15-163-24233	\$296,234.27	KS	ROOKS	100%83	10 S		NE
Clark # 1	15-065-23284	\$63,069.23	VC.	CDALIAN	44000/00	0.0	25	40 0E NE NAV
	10 000 20204	ψ03,009.23	NO	GRAHAM	1100%83	95		12 SE NE NW
Joy # 1	15-051-26376	\$130,597.91	KS	ELLIS	100%83	125	18	14 N2 SW NW SW
95			.,.		1007000	120	18	14 SE NW SE
Joy # 2	15-051-26421	\$183,474.13	KS	ELLIS	100%83	12 S		NW
Karlin Lease		\$435,751.06						
							18	15 E2 NE SW
Karlin #2	215-051-25887		KS	ELLIS	100%83	12 S	W	SE
							18	15 SE SW NE
Karlin #3	3 15-051-26116		KS	ELLIS	100%83	12 S	W	SE
14 11 11							18	
Karlin #4	415-051-26234		KS	ELLIS	100%83	12S	W	15 SW SW SE
Vorlin C	15-051-30279-		1/0					15 NE NW SE
Karlin E 1	10001		KS	ELLIS	100%83	12 S	W	SE
McRae Lease	45.054.0055	\$157,354.55						
MaDaa #1	15-051-02505-		1/0		to the second of the		18	
McRae #1	10001		KS	ELLIS	100%83			22 NE SE NW
McRae #3	215-051-26262		NC.	E1110	4000/00			22 N2 SW NE
Fichac #2	15-051-20202		KS	ELLIS	100%83			NW
McRae Hardie # 1	15-051-26860	\$192,393.01	KS	ELLIS	100%83			22 SE SE NW SW
		Ψ102,000.01	NO	LLLIO	1007003			22 SE SE NE
McRae Werth #1	15-051-26830	\$203,860.15	KS	ELLIS	100%83			SW
		· ·					31	077
Snyder # 1	15-171-20252	\$142,065.04	KS	SCOTT	100%85			24 NW SE SW
								15 SE SW SE
Staab Karlin # 1	15-051-26057	\$410,268.54	KS	ELLIS	100%82		W	NE NE
Staab Karlin Etal #							18	
2	15-051-26657	\$399,438.47	KS	ELLIS	100%83	12S	W	15 NE NE NE SE
MohorOt	45 054 0555						18	15 SW SE NE
Weber Staab # 1	15-051-26638	\$77,721.68	KS	ELLIS	100%83	12 S	W	NE
Werth Etal # 1	15 051 00040	\$100 CEE CE	WO	ELLIC	40001			22 SW SW SW
	15-051-26846	\$100,655.95	KS	ELLIS	100%83			SE
	15-051-04411- 0001		VC.	ELLIC	1000/ 00		18	
TOUGHT		\$2 792 884 00	KS	ELLIS	100%83	125	W :	22 NE NE NW

TOTAL: \$2,792,884.00