

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form T-1

July 2014

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: _____

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 _____

KDOR Lease No.: _____

[illegible]

* 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 2014

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 (House Bill 2032), 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: _____

INSPECTION REPORT

Case# _____

<input type="checkbox"/>	Complaint
<input type="checkbox"/>	New Situation
<input checked="" type="checkbox"/>	Response to request
<input type="checkbox"/>	Follow-up

Date of Inspection: December 28, 2017

Operator: Hoffman Resources LLC

License: 35510

Address: 165 WEST 1ST STREET

Location: SW/4 20-17-13w

City/St: Hoisington, KS 67544

Lease: Lacey

Phone: 620-653-4791

County: Barton

Reason for investigation: T/1 Transfer

Problem: NONE

Findings:

- Lacey 1-20 API 15-009-25113-00-00 GPS Location Lat. 38.55691 Long. -098.78848
Spot location NW NE SW. Well is a producer and was running at time of inspection
-
- Lacey 2-20 API 15-009-25210-00-00 GPS Location Lat. 38.55465 Long. -098.79079
Spot location SE NW SW. Well is a producer and was running at time of inspection
-
- Lacey 3-20 API 15-009-25213-00-00 GPS Location Lat. 38.55215 Long. -098.79188
Spot location SW SW SW. Well is a producer and was running at time of inspection
-
-

Action /recommendations:

Lease is in compliance as of this date.

Bruce Rodie E.C.R.S.
(agent)

Bruce Rodie
(signature)

cc: file

ASSIGNMENT AND BILL OF SALE

STATE OF KANSAS §
 § **KNOW ALL MEN BY THESE PRESENTS:**
COUNTY OF BARTON §

WHEREAS, EnergyQuest II, LLC, a Texas limited liability company ("**Grantor**") owns certain undivided interests in and to the Assets (as defined below);

WHEREAS, Hoffman Resources, LLC, a Kansas limited liability company ("**Grantee**", and, together with Grantor, the "**Parties**"); and

WHEREAS, pursuant to that certain Purchase and Sale Agreement by and among Grantor and Grantee dated as of September 11, 2017, (the "**Purchase Agreement**") Grantor has agreed to assign to Grantee all of its right, title, and interest in and to the Assets as set forth in this Assignment and Bill of Sale (the "**Assignment**").

ASSIGNMENT

Section 1 Assignment. NOW THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, Grantor hereby GRANTS, BARGAINS, SELLS, AND CONVEYS, and by these presents has GRANTED, BARGAINED, SOLD, AND CONVEYED unto Grantee all right, title, and interest of Grantor in and to the following (collectively the "**Assets**"):

(A) the oil and gas leases, oil, gas, and mineral leases and subleases and assignments, mineral fee interests, royalty interests, overriding royalty interests, and carried interests described on Exhibit "A", and, without limiting the foregoing, other rights (of whatever character, whether legal or equitable, vested or contingent, and whether or not the same are expired or terminated) to the Hydrocarbons in, on, under, and that may be produced from, the properties described on Exhibit "A" (collectively, the "**Leases**");

(B) any and all oil, gas, water, CO2 or injection wells located on the Leases, including those wells described on Exhibit "B" or on pooled, communitized, or unitized acreage that includes all or any part of the Leases, including, the interests in the wells shown on Exhibit "B", whether producing, non-producing, permanently or temporarily plugged and abandoned, whether or not fully described on Exhibit "B" (the "**Wells**");

(C) all pooled, communitized, or unitized acreage which includes all or part of any Leases and all tenements, hereditaments, and appurtenances belonging thereto (the "**Units**," and, together with the Wells and Leases, the "**Properties**");

(D) all currently existing contracts, agreements, and instruments primarily applicable

to the Properties, including operating agreements; unitization, pooling, and communitization agreements; declarations and orders; area of mutual interest agreements; farmin and farmout agreements; exchange agreements; transportation agreements; and processing agreements; provided, however, that the term “Contracts” shall not include the Leases and other instruments constituting Grantor’s chain of title to the applicable Leases (subject to such exclusion and proviso, the “**Contracts**”);

(E) all easements, permits, licenses, servitudes, rights-of-way, surface leases, right of use and easement, and other rights to use the surface appurtenant to, and used or held for use solely in connection with, the Properties;

(F) all equipment, machinery, fixtures, and other tangible personal property and improvements located on the Properties and used or held for use primarily in connection with the operation of the Properties or the production or transportation of Hydrocarbons from the Properties (subject to such exclusions, the “**Equipment**”);

(G) all Hydrocarbons produced from, or attributable to, the Properties from and after the Effective Date; all Hydrocarbon inventories from or attributable to the Properties that are in storage on the Effective Date; and, to the extent related or attributable to the Properties, all production, plant, and transportation imbalances as of the Effective Date (provided, however, that Purchaser’s rights to the Assets described in this subsection (G) shall be satisfied solely pursuant to Section 2.2(a) of the Purchase Agreement); and

(H) all lease files, land files, division order files, abstracts, title opinions, contract files, and well and production records of Grantor, to the extent relating to the Properties (collectively, the “**Records**”), but excluding, in each case (subject to such exclusions, the “**Excluded Records**”):

- a. all corporate, financial, Tax, and legal data and records of Grantor that relate to Grantor’s business generally (whether or not relating to the Assets) or to Grantor’s business, operations, assets, and properties not expressly included in the Purchase Agreement;
- b. any data, software, and records to the extent disclosure or transfer is prohibited or subjected to payment of a fee or other consideration by any license agreement or other agreement, or by applicable Law, and for which no consent to transfer has been received or for which Grantee has not agreed in writing to pay the fee or other consideration, as applicable;
- c. all legal records and legal files of Grantor, including all work product of, and attorney-client communications with Grantor’s legal counsel (other than Leases, title opinions, and Contracts);
- d. data and records relating to the sale of the Assets, including communications with the advisors or representatives of Grantor or its Affiliates;

- e. any data and records relating to the Excluded Assets or assets and properties not expressly included in the Purchase Agreement; and
- f. those original data and records retained by Grantor pursuant to Section 9.6 of the Purchase Agreement.

EXCEPTING AND RESERVING to Grantor, however, the Excluded Assets (as defined below).

TO HAVE AND TO HOLD the Assets unto Grantee, its successors and assigns forever, subject, however, to the terms and conditions of this Assignment.

Section 2 **Excluded Assets.** Notwithstanding anything to the contrary in Section 1 or elsewhere in this Assignment, the Assets shall not include any rights with respect to the following "**Excluded Assets**":

- (A) the Excluded Records;
- (B) copies of other Records retained by Grantor pursuant to Section 9.6 of the Purchase Agreement;
- (C) Assets excluded from this Assignment pursuant to Section 1.3 of the Purchase Agreement;
- (D) all contracts of insurance and claims against insurers and other third Persons pending on or prior to the Effective Date;
- (E) all trademarks, trade names, and other intellectual property;
- (F) all of Grantor's interests in office leases and buildings;
- (G) any leased equipment and other leased personal property if such property, or the Contract pursuant to which it was leased, is not freely transferrable without payment of a fee or other consideration, unless Grantee has agreed in writing to pay such fee or consideration;
- (H) any Tax refund or loss carry-forward (whether by payment, credit, offset, abatement, or otherwise, and together with any interest thereon) in respect of any Taxes for which Grantor is liable for payment or required to indemnify Grantee under Section 7.1 or Section 8.3(a)(i) (with respect to Section 8.2(c)) of the Purchase Agreement, whether received before, on, or after the Effective Date;
- (I) all indemnities and other claims against Persons (other than Grantor and/or its Affiliates) for Taxes for which Grantor or any of its Affiliates are liable for payment or required to indemnify Grantee under Section 7.1 or 8.3(a)(i) (with respect to Section 8.2(c)) of the

Purchase Agreement;

(J) costs and revenues associated with all joint interest audits and other audits of Property Costs covering periods for which Grantor is in whole or in part responsible for the Assets, which audit adjustments are paid or received prior to the Cut-Off Date;

(K) refunds relating to the overpayment of royalties by or on behalf of Grantor to any Governmental Authority, to the extent relating to royalties paid with respect to Hydrocarbon production prior to the Effective Date, whether received before, on, or after the Effective Date;

(L) all office equipment, computers, cell phones, pagers and other hardware, personal property, and equipment that relate primarily to Grantor's business generally, even if otherwise relating to the business conducted by Grantor with respect to the Assets;

(M) any other assets, contracts, or rights which are (i) not specifically described in Section 1.2(d) of the Purchase Agreement, or (ii) described on Schedule 1.3 of the Purchase Agreement (whether or not specifically described in Section 1.2(a) of the Purchase Agreement).

Section 3 **Special Warranty; Disclaimer.** Grantor warrants title to the Assets, subject to the permitted encumbrances and the terms and conditions of the Purchase Agreement, unto Grantee, its successors and assigns, against all persons claiming or to claim the same or any part thereof by, through, or under Grantor, but not otherwise. **EXCEPT AS PROVIDED IN THE PRECEDING SENTENCE, GRANTOR MAKES NO; AND EXPRESSLY DISCLAIMS AND NEGATES ANY, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED; AS TO TITLE TO ANY OF THE ASSETS.** Grantor hereby assigns to Grantee all rights, claims, and causes of action on title warranties given or made by Grantor's respective predecessors (other than Affiliates of Grantor), and Grantee is specifically subrogated to all rights which Grantor may have against their respective predecessors (other than Affiliates of Grantor), to the extent that Grantor may legally transfer such rights and grant such subrogation.

Section 4 **Disclaimer of Other Warranties.** Except as specifically represented otherwise in the Purchase Agreement, the Assets are assigned **AS IS, WHERE IS, AND WITH ALL FAULTS, AND GRANTOR MAKES NO, AND EXPRESSLY DISCLAIMS AND NEGATES ANY, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO (A) MERCHANTABILITY OF SUCH PERSONAL PROPERTY, (B) FITNESS OF SUCH PERSONAL PROPERTY FOR ANY PARTICULAR PURPOSE, (C) CONDITION OF SUCH PERSONAL PROPERTY, (D) INFRINGEMENTS BY SUCH PERSONAL PROPERTY OF INTELLECTUAL PROPERTY RIGHTS AND (E) CONFORMITY OF SUCH PERSONAL PROPERTY TO MODELS OR SAMPLES OF MATERIALS.**

Section 5 **Assumed Obligations.** Effective as of the Effective Date, Grantee assumes and agrees to fulfill, perform, pay, and discharge (or cause to be fulfilled, performed, paid or discharged) all of the Assumed Obligations (as such term is defined in the Purchase Agreement).

Section 6 **Subject to Contracts.** Grantee is taking the Assets subject to the terms of

the Contracts, and Grantee hereby assumes and agrees to fulfill, perform, pay, and discharge Grantor's obligations under such Contracts from and after the Effective Date.

Section 7 **Further Assurances.** From and after the date hereof, Grantor, without further consideration, will use its good faith efforts to execute, deliver, and (if applicable) file or record or cause to be executed, delivered, and filed or recorded such good and sufficient instruments of conveyance and transfer, and take such other action as may be reasonably required of Grantor to effectively vest in Grantee beneficial and record title to the Assets conveyed pursuant hereto, and, if applicable, to put Grantee in actual possession of such Assets. After the date of this Assignment, Grantor and Grantee shall, without further consideration, execute, deliver and (if applicable) file or record, or cause to be executed, delivered and filed or recorded, all instruments, and take such actions, as may be reasonably required of Grantor or Grantee to accomplish the conveyance and transfer of the Assets, any change in operator, and otherwise consummate the transactions contemplated by this Assignment and the Purchase Agreement, and shall send all required notices with respect to the Assets.

Section 8 **Assignment Subject to Purchase Agreement.** This Assignment is expressly subject to the terms and conditions of the Purchase Agreement, which terms are hereby incorporated into this Assignment by reference for all purposes. Capitalized terms used herein but not defined shall have the meanings ascribed to such terms in the Purchase Agreement.

Section 9 **Successors and Assigns.** This Assignment shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.

Section 10 **Titles and Captions.** All article or section titles or captions in this Assignment are for convenience only, shall not be deemed part of this Assignment and in no way define, limit, extend, or describe the scope or intent of any provisions hereof.

Section 11 **Governing Law.** Except to the extent the laws of another jurisdiction will, under conflict of law principles, govern transfers of Assets located in such other jurisdiction, this Assignment and the rights of the parties hereunder shall be governed by, and construed in accordance with, the laws of the state of Texas.

Section 12 **Counterparts.** This Assignment may be executed in any number of counterparts, and by different parties in separate counterparts, and each counterpart hereof shall be deemed to be an original instrument, but all such counterparts shall constitute but one instrument.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

EXECUTED AND DELIVERED as of the dates set forth in the notary certifications below, but effective for all purposes as of the 1st day of August, 2017, the "Effective Date".

GRANTOR:

ENERGYQUEST II, LLC

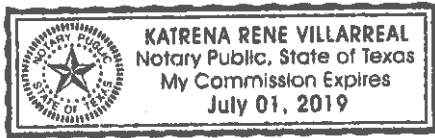
By: Wayne A. Greenwalt
Name: Wayne A. Greenwalt
Title: President and Chief Executive Officer

STATE OF TEXAS

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COUNTY OF MONTGOMERY

BEFORE ME, on this 3rd day of November, 2017, the undersigned Notary Public, on this day personally appeared Wayne A. Greenwalt, who, being by me duly sworn, did say that he is the President and Chief Executive Officer of EnergyQuest II, LLC, a Texas limited liability company, and that said instrument was signed in behalf of said company by authority of its Board of Managers and said Wayne A. Greenwalt acknowledged said instrument to be the free act and deed of said limited liability company.



Katrena Rene Villarreal
Notary Public, State of Texas
Printed Name: Katrena Rene Villarreal
My Commission Expires: 7/1/2019

GRANTEE:

HOFFMAN RESOURCES, LLC

By: Alan J. Hoffman

Name: Alan J. Hoffman

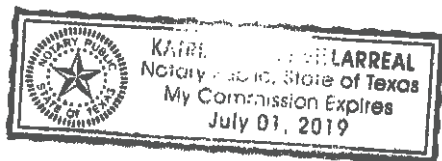
Title: Owner

STATE OF TEXAS

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COUNTY OF MONTGOMERY

BEFORE ME, on this 3rd day of November, 2017, the undersigned Notary Public, on this day personally appeared Alan J. Hoffman who, being by me duly sworn, did say that he is the Owner of Hoffman Resources, LLC, a Kansas limited liability company, and that said instrument was signed in behalf of said company by authority of its Board of Managers and said Alan J. Hoffman acknowledged said instrument to be the free act and deed of said limited liability company.



Kathena Bene Villarreal
Notary Public, State of Texas
Printed Name: Kathena Bene Villarreal
My Commission Expires: 7/1/2019

Exhibit "A"

Leases

LEASE NO.	LESSOR	LESSEE	LEASE DATE	TRACT NO.	SECTION	TOWNSHIP	RANGE	LEGAL DESCRIPTION	BOOK	PAGE	RECORDING REFERENCE	COUNTY	STATE
KS10595	WARREN A. RUGAN ESTATE, KURT A. RUGAN, EXECUTOR, SHARON K. THEIMER, WARREN G. RUGAN, WALTER P. RUGAN AND KURT A. RUGAN	SHELBY RESOURCES, LLC	2/28/2005	1	19	20S	11W	SW/4	612	7537	70833	BARTON	KS
KS10596	STEVEN L. SOEKEN AND JANEENE SOEKEN, HW	SHELBY RESOURCES, LLC	11/3/2004	1	30	20S	11W	NW/4	612	5088	68761	BARTON	KS
KS10597	DAN SOEKEN AND DIANA SOEKEN, HW	SHELBY RESOURCES, LLC	11/3/2004	1	30	20S	11W	NW/4	612	5439	89093	BARTON	KS
KS10598A	CHAROLYN K. MILLER, ADMINISTRATOR, C.T.A. OF THE ESTATE OF VERNON MILLER, DECEASED	SHELBY RESOURCES, LLC	3/2/2005	1	35	20S	11W	NE/4	612	7530	70832	BARTON	KS
KS10598B	GEORGE MILLER, JR. AND PHYLLIS MILLER, HW	SHELBY RESOURCES, LLC	3/2/2005	1	35	20S	11W	NE/4	612	7528	70832	BARTON	KS
KS10599	MARK J. DOLL AND PATRICIA DOLL, HUSBAND AND WIFE	CAPITAL LAND SERVICES, INC.	3/7/2011	1	35	20S	11W	S2	616	4082		BARTON	KS
KS10861A	GEORGE MILLER, JR. AND PHYLLIS MILLER, HUSBAND AND WIFE	SHELBY RESOURCES, LLC	3/28/2008	1	4	19S	12W	SE	614	6971	88981	BARTON	KS
KS10881B	JOSEPH P. KLOPPER AND JULIE DAWN KLOPPER, INDIVIDUALLY AND AS TRUSTEES OF THE KLOPPER LIVING TRUST DATED DECEMBER 8, 2006	SHELBY RESOURCES, LLC	3/28/2008	1	4	19S	12W	SE	614	6968	88981	BARTON	KS
KS10881C	LORI M. GREENFIELD AND DONALD GREENFIELD, WIFE AND HUSBAND	SHELBY RESOURCES, LLC	3/28/2008	1	4	19S	12W	SE	614	6967	88981	BARTON	KS
KS10430	MICHAEL L. DEMEL & SANDRA K. DEMEL, HW	SHELBY RESOURCES, LLC	5/16/2006	1	15	17S	13W	NW/4	613	4252	77746	BARTON	KS
KS10882A	NANCY A. CLARKSON AND JOHN W. CLARKSON, WIFE AND HUSBAND	SHELBY RESOURCES, LLC	3/4/2006	4	47	47S	43W	NE/4	642	8680	72473	BARTON	KS
KS10882B	RICHARD B. TROTTER AND ROBERTA C. TROTTER, HUSBAND AND WIFE	SHELBY RESOURCES, LLC	3/4/2006	4	47	47S	43W	NE/4	642	8681	72473	BARTON	KS
KS10385C	LINDA K. GALVEAN, A SINGLE WOMAN	SHELBY RESOURCES, LLC	3/4/2006	4	47	47S	43W	NE/4	642	7648	70973	BARTON	KS
KS10385D	WILLIAM R. P. WELCH, ALSO KNOWN AS WILLIAM ROBERT PUTNAM WELCH, AS TRUSTEE OF THE CARRER TRUST DATED 4/29/4976	SHELBY RESOURCES, LLC	3/4/2006	4	47	47S	43W	NE/4	642	8686	72473	BARTON	KS
KS10385E	MARK A. BLENN, AS RECEIVER FOR GARY P. BUCHNER, TRUSTEE OF THE K2 TRUST DATED 12/29/4994	SHELBY RESOURCES, LLC	6/6/2007	4	47	47S	43W	NE/4	644	8413	83446	BARTON	KS
KS10416	ALAN J. HOFFMAN AND KATHLEEN A. HOFFMAN, HW	SHELBY RESOURCES, LLC	5/2/2007	1	18	17S	13W	NE/4	614	1084	83829	BARTON	KS
KS10516	ALAN J. HOFFMAN AND KATHLEEN A. HOFFMAN, HW	SHELBY RESOURCES, LLC	12/10/2007	1	18	17S	13W	SE/4	614	4809	88895	BARTON	KS
KS10593	ALAN J. HOFFMAN AND KATHLEEN A. HOFFMAN, HW	SHELBY RESOURCES, LLC	12/10/2007	1	18	17S	13W	E2SW	614	4811	88895	BARTON	KS
KS10390A	PHILIP C. LACEY AND NANCY L. LACEY, HW	SHELBY RESOURCES, LLC	3/3/2005	1	20	17S	13W	SW/4	612	7666	70973	BARTON	KS
KS10390B	RICHARD W. LACEY AND TEDI M. LACEY, HUSBAND AND WIFE	SHELBY RESOURCES, LLC	2/16/2005	1	20	17S	13W	SW/4	612	7581	70948	BARTON	KS
KS10390C	GEORGE D. HERMAN AND PAULA LACEY HERMAN, HUSBAND AND WIFE	SHELBY RESOURCES, LLC	3/31/2005	1	20	17S	13W	W2SW/4	612	7655	70973	BARTON	KS
KS10396	HOFFMAN RANCHES, INC.	SHELBY RESOURCES, LLC	2/17/2005	1	20	17S	13W	E2NW/4	612	7603	70948	BARTON	KS

Exhibit "A"

Leases

LEASE NO.	LESSOR	LESSEE	LEASE DATE	TRACT NO.	SECTION	TOWNSHIP	RANGE	LEGAL DESCRIPTION	BOOK	PAGE	RECORDING REFERENCE	COUNTY	STATE
KS10393	HOFFMAN RANCHES, INC.	SHELBY RESOURCES, LLC	2/17/2005	1	23	17S	13W	S2W4	612	7800	70948	BARTON	KS
KS11313A	RICHARD W. LACEY AND TEDI M. LACEY, HUSBAND AND WIFE	J. FRED HAMBRIGHT, INC.	9/11/2012	1	29	17S	13W	S2SW4	617	3785		BARTON	KS
KS11313B	PHILLIP C. LACEY AND NANCY L. LACEY, HUSBAND AND WIFE	J. FRED HAMBRIGHT, INC.	9/11/2012	1	29	17S	13W	S2SW4	617	4259		BARTON	KS
KS11313C	GEORGE D. HERMAN AND PAULA LACEY HERMAN, HUSBAND AND WIFE	J. FRED HAMBRIGHT, INC.	9/11/2012	1	29	17S	13W	S2SW4	617	5018		BARTON	KS
KS11260	GLYNN RAY MORTIMER AND NANCY L. MORTIMER, HIS WIFE	J. FRED HAMBRIGHT	4/4/2012	1	31	17S	13W	N2	617	16		BARTON	KS
KS11283	CAROL L. DAHLSTEN, FKA CAROL L. SCHROEDER, TRUSTEE OF THE EUGENE H. SCHROEDER TRUST, DATED DECEMBER 18, 1987 AND TRUSTEE OF THE EUGENE H. SCHROEDER TRUST, DATED DECEMBER 18, 1987	J. FRED HAMBRIGHT, INC.	5/3/2012	1	32	17S	13W	S2W4 COMMENCING AT A POINT ON THE NORTH ROW OF US HWY 281, SAID POINT BEING 50 FEET WEST AND 80 FEET NORTH OF THE SOUTHEAST CORNER OF SAID SW OF SECTION 32, THENCE WESTERLY ALONG SAID NORTH ROW A DISTANCE OF 200 FEET TO THE POINT OF BEGINNING; THENCE NORTHERLY 400 FEET; THENCE WESTERLY 200 FEET; THENCE SOUTHERLY 400 FEET; THENCE EASTERLY 200 FEET TO THE POINT OF BEGINNING; SAID TRACT OF LAND CONTAINING 1.83 ACRES, MORE OR LESS	617	1014		BARTON	KS
KS11284	GARY L. WARNER, A MARRIED MAN DEALING IN HIS SOLE AND SEPARATE PROPERTY HAVING NEVER LIVED IN KANSAS DURING HIS MARITAL LIFETIME	J. FRED HAMBRIGHT, INC.	5/2/2012	1	32	17S	13W	W2SW LESS TRACTS DESCRIBED AS FOLLOWS: BEGINNING AT A POINT 50 FEET EAST OF THE NW/4 OF THE SW AND ON THE EAST ROW LINE OF US HWY 281, THENCE EAST ON THE NORTH LINE OF SAID SW 394 FEET; THENCE SOUTH, PARALLEL TO THE WEST LINE OF SAID SECTION 32, 418 FEET; THENCE WEST PARALLEL TO THE NORTH LINE OF SAID SW TO THE EAST ROW LINE OF US HWY 281, 394 FEET; THENCE NORTH ON SAID ROW LINE 418 FEET TO POINT OF BEGINNING. LESS A TRACT BEGINNING 998 FEET EAST AND 98 FEET N OF THE SW/4, THENCE EAST 185 FEET, NORTH 244 FEET, WEST 185 FEET, NORTH 245 FEET, WEST 528 FEET, SOUTH 328 FEET, SOUTHEASTERLY 171 FEET TO POINT OF BEGINNING.	617	1015		BARTON	KS

Exhibit "A"

Leases

LEASE NO.	LESSOR	LESSEE	LEASE DATE	TRACT NO.	SECTION	TOWNSHIP	RANGE	LEGAL DESCRIPTION	BOOK	PAGE	RECORDING REFERENCE	COUNTY	STATE
KS11285	MARJORIE R. HOOK, A MARRIED WOMAN DEALING IN HER SOLE AND SEPARATE PROPERTY HAVING NEVER LIVED IN KANSAS DURING HER MARITAL LIFETIME	J. FRED HAMBRIGHT, INC.	5/2/2012	1	32	17S	13W	SESW, EXCEPT A TRACT DESCRIBED AS FOLLOWS: COMMENCING 80 FEET NORTH OF THE SEC OF SAID SW OF SAID SECTION 32, THENCE 50 FEET WEST PARALLEL TO AND ALONG THE NORTH LINE OF FEDERAL HIGHWAY #281 AND KANSAS STATE HWY #4 ROW AS A POINT OF BEGINNING; THENCE WEST 716.88 FEET PARALLEL TO AND ALONG THE NORTH LINE OF SAID FEDERAL AND STATE HWY ROW; THENCE SOUTH 20 FEET TO A POINT; THENCE WEST 553.34 FEET PARALLEL TO AND ALONG THE NORTH LINE OF SAID FEDERAL AND STATE HWY ROW TO A POINT ON THE WEST LINE OF SAID SESW OF SAID SECTION 32; THENCE NORTH 420 FEET ALONG SAID WEST LINE TO A POINT; THENCE EAST 1270 FEET TO A POINT; THENCE SOUTH 400 FEET PARALLEL TO THE EAST LINE OF SAID SESW OF SAID SECTION 32 TO THE PLACE OF BEGINNING, IN BARTON COUNTY, KS.	617	1018		BARTON	KS
KS11286	JAMES L. HITSCHMANN AND MICHELE L. HITSCHMANN FKA MICHELE L. DYER, HW	J. FRED HAMBRIGHT, INC.	5/4/2012	1	32	17S	13W	CONTAINING 3.9 ACRES, MORE OR LESS, A TRACT OF LAND IN THE NW1/4 OF SW1/4 DESCRIBED AS FOLLOWS: BEGINNING AT A POINT 50 FEET EAST OF THE NORTHWEST CORNER OF THE SAID SW OF SECTION 32, AND ON THE EAST ROW LINE OF US HWY 281, THENCE EAST ON THE NORTH LINE OF THE AFORESAID SW FOR A DISTANCE OF 394 FEET; THENCE SOUTH PARALLEL TO THE WEST LINE OF THE AFORESAID SW TO THE EAST ROW LINE OF US HWY 281 A DISTANCE OF 384 FEET; THENCE NORTH ON THE SAID ROW LINE FOR A DISTANCE OF 410 FEET TO THE POINT OF BEGINNING	617	1369		BARTON	KS
KS11289	DONALD N. HORTON, AKA DONALD HORTON, AND PATRICIA V. HORTON, AKA PATRICIA HORTON, HIS WIFE	J. FRED HAMBRIGHT, INC.	5/5/2012	1	32	17S	13W	IN SW1/4 CONTAINING 1.5 ACRES, MORE OR LESS, BEGINNING AT A POINT 250 FEET WEST AND 80 FEET NORTH OF THE SEC OF SAID SW1/4 OF SECTION 32, THEN 0°06'18"W A DISTANCE OF 400 FEET; THENCE S89°59'29"W A DISTANCE OF 200 FEET; THENCE S0°06'18"E A DISTANCE OF 200 FEET; THENCE N89°59'29"E A DISTANCE OF 140 FEET; THENCE S0°06'18"E A DISTANCE OF 200 FEET; THENCE N89°59'29"E A DISTANCE OF 60 FEET TO THE POINT OF BEGINNING.	617	1370		BARTON	KS

Exhibit "A"
Leases

LEASE NO	LESSOR	LESSEE	LEASE DATE	TRACT NO	SECTION	TOWNSHIP	RANGE	LEGAL DESCRIPTION	BOOK	PAGE	RECORDING REFERENCE	COUNTY	STATE
KS11289	WEST SIDE MGMT, LLC, A KANSAS LIMITED LIABILITY COMPANY	J. FRED HAMBRIGHT, INC.	5/4/2012	1	32	17S	13W	A TRACT IN THE SE1/4SW1/4 DESCRIBED AS FOLLOWS: COMMENCING 80 FEET NORTH OF THE SW1/4 OF SWSW OF SAID SECTION 32; THENCE EAST 271.4 FEET TO PLACE OF BEGINNING; THENCE EAST 200 FT, THENCE NORTH 420 FT, THENCE WEST 200 FT; THENCE SOUTH 420 FT TO THE PLACE OF BEGINNING, CONTAINING 2 ACRES, MORE OR LESS.	617	1201		BARTON	KS
KS11305	JAMES R. BEETZ, A SINGLE MAN	J. FRED HAMBRIGHT, INC.	5/28/2012	1	32	17S	13W	NE1/4 LESS A TRACT IN THE NE CORNER CONTAINING 5 ACRES	617	1200		BARTON	KS
KS11291A	KEN L. CLARK AND JEANETTE J. CLARK, HIS WIFE	J. FRED HAMBRIGHT, INC.	6/6/2012	1	5	18S	13W	NWNW	617	1363		BARTON	KS
KS11291B	DENTON R. SCHLEGEL	J. FRED HAMBRIGHT, INC.	6/6/2012	1	5	18S	13W	NWNW	617	1364		BARTON	KS
KS11303	GARY L. BENTON AND GILLIAN P. BENTON, HIS WIFE	J. FRED HAMBRIGHT, INC.	7/19/2012	1	10	18S	13W	LOT 6 (37.52 ACRES) & NESW, ADA N2SW	617	2419		BARTON	KS
KS10942	FRANK L. HARPER AND ALICE HARPER, HIS WIFE; EILEEN SAPPINGTON AND CLIFFORD SAPPINGTON, HER HUSBAND; EVELYN MAY ANDERSON AND VERNON S. ANDERSON, HER HUSBAND; DELMER D. HARPER AND PEGGY JEAN HARPER, HIS WIFE; SYLVESTER E. HARPER AND MIDGE HARPER, HIS WIFE	THE ALLEN DRILLING COMPANY	10/6/1980	1	10	18S	14W	W2NW	388	163		BARTON	KS
KS10592	G TRUST AS TRUSTEE OF THE WILLIAMS HEIRS TRUST CONSISTING OF THE ANN CLARK PATTON TRUST, HOWARD CLARK TRUST AND THE JOHN CLARK TRUST	SHELBY RESOURCES, LLC	8/17/2005	1	25	17S	14W	NW1/4	613	2035	75620	BARTON	KS
KS10385	EDWARD L. MCCURRY AND MARJORIE MCCURRY	SHELBY RESOURCES, LLC	5/11/2005	1	36	17S	14W	SW1/4, S2NW1/4	612	8737	72473	BARTON	KS
KS10591	G TRUST AS TRUSTEE OF THE WILLIAMS HEIRS TRUST CONSISTING OF THE ANN CLARK PATTON TRUST, HOWARD CLARK TRUST AND THE JOHN CLARK TRUST	SHELBY RESOURCES, LLC	8/17/2005	1	36	17S	14W	N2N2	613	2031	75620	BARTON	KS
KS10386	GARY L. BENTON AND GILLIAN P. BENTON	SHELBY RESOURCES, LLC	5/12/2005	1	1	18S	14W	NE1/4	612	8738	72473	BARTON	KS

Exhibit "A"

Leases

LEASE NO	LESSOR	LESSEE	LEASE DATE	TRACT NO	SECTION	TOWNSHIP	RANGE	LEGAL DESCRIPTION	BOOK	PAGE	RECORDING REFERENCE	COUNTY	STATE
KS10428	DAVID P. WIRTH AND PAMELA E. WIRTH, HW	SHELBY RESOURCES, LLC	7/6/2005	1	1	18S	14W	LOTS 33& 80, 43& 72, S/2NW/4 ALSO DESCRIBED AS THE NW/4 LESS THE FOLLOWING TRACTS: BEGINNING AT THE SW CORNER OF THE NW/4, THENCE ON AN ASSUMED BEARING OF NORTH, ALONG THE WEST LINE OF THE NW/4, A DISTANCE OF 178.00 FEET; THENCE ON A BEARING OF N89 DEGREES 17'00"E A DISTANCE OF 491.30 FEET, THENCE ON A BEARING OF SOUTH A DISTANCE OF 178.00 FEET TO THE SOUTH LINE OF NW/4, THENCE ON A BEARING OF 589 DEGREES 17'00"W, ALONG THE SOUTH LINE OF NW/4, A DISTANCE OF 491.30 FEET TO POINT OF BEGINNING AND LESS THE FOLLOWING TRACT: COMMENCING AT THE SW CORNER OF THE NW/4; THENCE ON AN ASSUMED BEARING OF NORTH, ALONG THE WEST LINE OF THE NW/4, A DISTANCE OF 178.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING ON A BEARING OF NORTH, ALONG THE WEST LINE OF THE NW/4, A DISTANCE OF 272.60 FEET; THENCE ON A BEARING OF N89 DEGREES 17'00"E A DISTANCE OF 491.30 FEET; THENCE ON A BEARING OF SOUTH A DISTANCE OF 272.00 FEET; THENCE ON A BEARING OF 589 DEGREES 17'00"W A DISTANCE OF 491.30 FEET TO POINT OF BEGINNING	612	845	73763	BARTON	KS
KS10941	FRANK L. HARPER AND ALICE HARPER, HIS WIFE; ELEAN SAPPINGTON AND CLIFFORD SAPPINGTON, HER HUSBAND; EVELYN MAY ANDERSON AND VERNON S. ANDERSON, HER HUSBAND; DELMER D. HARPER AND PEGGY JEAN HARPER, HIS WIFE; SYLVESTER E. HARPER AND MIDGE HARPER, HIS WIFE	JOHN S. MARTIN	1/12/1978	1	3	18S	14W	SW (LYING SOUTH OF THE RAILROAD)	358	119		BARTON	KS
KS10943A	VICKIE HARPER, A SINGLE PERSON AND ALICE HARPER, A SINGLE PERSON	ALLEN DRILLING COMPANY	1/6/1984	1	10	18S	14W	E2NW	432	46		BARTON	KS
KS10943B	EVELYN MAE ANDERSON AND VERNON S. ANDERSON, HER HUSBAND	ALLEN DRILLING COMPANY	1/10/1984	1	10	18S	14W	E2NW	432	47		BARTON	KS
KS10943C	DELMAR D. HARPER AND PEGGY JEAN HARPER, HIS WIFE; ELEAN SAPPINGTON AND CLIFFORD SAPPINGTON, HER HUSBAND; AND SYLVESTER HARPER AND MIDGE HARPER, HIS WIFE	ALLEN DRILLING COMPANY	1/10/1984	1	10	18S	14W	E2NW	432	45		BARTON	KS
KS11304	ROGER E. NELSON AND DEBBIE J. NELSON, HIS WIFE	J. FRED HAMBRIGHT, INC.	5/3/2012	1	24	18S	14W	N2NE	617	2419		BARTON	KS

Exhibit "A"

Leases

LEASE NO	LESSOR	LESSEE	LEASE DATE	TRACT NO	SECTION	TOWNSHIP	RANGE	LEGAL DESCRIPTION	BOOK	PAGE	RECORDING REFERENCE	COUNTY	STATE
KS11302	RAE JEAN HUNT TRUST DATED 3/5/2001; RALPH E. OPIE TRUST DATED 3/2/1994; MELVIN C. HUNT, HUSBAND OF RAE JEAN HUNT, C/O RAE JEAN HUNT	J. FRED HAMBRIGHT, INC.	6/8/2012	1	25	10S	14W	S/2 LESS AND EXCEPT THAT PART OF THE SW/4 DESCRIBED AS FOLLOWS: COMMENCING AT THE BEG. OF THE SW/4 OF SECTION 25; THENCE ON AN ASSUMED BEARING OF SOUTH 89 DEGREES, 39 MINUTES 34 SECONDS WEST; ALONG THE SOUTH LINE OF THE SW/4, A DISTANCE OF 59 FT TO THE POINT OF BEGINNING OF THE LAND TO BE DESCRIBED; THENCE CONTINUING ON A BEARING OF SOUTH 89 DEGREES 39 MINUTES 34 SECONDS WEST, ALONG THE SOUTH LINE OF SW/4 OF SAID SECTION, A DISTANCE OF 200 FT; THENCE ON A BEARING OF NORTH 0 DEGREES 4 MINUTES 54 SECONDS EAST A DISTANCE OF 245 FT; THENCE ON A BEARING OF NORTH 80 DEGREES, 39 MINUTES, 34 SECONDS EAST A DISTANCE OF 200 FT; THENCE ON A BEARING OF SOUTH 0 DEGREES 4 MINUTES 54 SECONDS WEST A DISTANCE OF 245 FT TO POINT OF BEGINNING.	617	1989		BARTON	KS

Exhibit "B"

Wells

FIELD	WELL NAME	API	OPERATOR	COUNTY	STATE	BPO		APO	
						WI	WINRI	WI	WINRI
BOGER	CHILDS TRUST 1-27	1500924680000 460662462600000	ENERGYQUEST II, LLC	BARTON	KS			1.00000000	0.83600000
BOYD	BENTON-WIRTH UNIT 1-1	15009249720000	ENERGYQUEST II, LLC	BARTON	KS			1.00000000	0.82604550
BOYD	BENTON-WIRTH UNIT 2-1	15009250060000	ENERGYQUEST II, LLC	BARTON	KS			1.00000000	0.82604550
BOYD	HARPER #7	15009238470000	ENERGYQUEST II, LLC	BARTON	KS			0.81048621	0.68384657
BOYD	HARPER 1	15009073220000	ENERGYQUEST II, LLC	BARTON	KS	0.78384650	0.68586000	0.75258650	0.65852115
BOYD	HARPER 4 SWD	15009222380000	ENERGYQUEST II, LLC	BARTON	KS			0.81048621	0.80000000
BOYD	MCCURRY 1-36	15009246550000	ENERGYQUEST II, LLC	BARTON	KS			1.00000000	0.83000000
BOYD	PATTON TRUST 1-36	15009250500000	ENERGYQUEST II, LLC	BARTON	KS			0.91000000	0.74620000
BOYD	PATTON TRUST 2-36	15009252190000	ENERGYQUEST II, LLC	BARTON	KS			0.91000000	0.74620000
BOYD	PATTON TRUST 36-41	15009255700000	ENERGYQUEST II, LLC	BARTON	KS			0.91000000	0.74620000
BOYD	YEAKLEY 1-8	15009250330000	ENERGYQUEST II, LLC	BARTON	KS	0.78000000	0.65570000	0.77500000	0.64325000
BRACK	BRACK FAMILY FARMS 1-19 SWD	15009251820001	ENERGYQUEST II, LLC	BARTON	KS			0.98000000	0.81180000
CHASE-SILICA	RUGAN-SOEKEN 1-19	15009249040000	ENERGYQUEST II, LLC	BARTON	KS			0.97000000	0.80965000
CHEYENNE VIEW	MILLER DAVIS 1-4	15009253320000	SHELBY RESOURCES LLC	BARTON	KS			0.96330000	0.28518125
DECEPTION CREEK	ALAN HOFFMAN 1-18	15009251960000	ENERGYQUEST II, LLC	BARTON	KS			1.00000000	0.82000000
DECEPTION CREEK	HOFFMAN 1-18	15009251310000	ENERGYQUEST II, LLC	BARTON	KS	0.98120000	0.78818400	0.93120000	0.76358400
DECEPTION CREEK	HOFFMAN 18-31	15009257230000	ENERGYQUEST II, LLC	BARTON	KS	0.98120000	0.78818400	0.93120000	0.76358400
DECEPTION CREEK	HOFFMAN 18-34	15009257180000	ENERGYQUEST II, LLC	BARTON	KS	1.00000000	0.80000000	0.54900000	0.43920000
HOISINGTON EAST	HOFFMAN RANCH 1-23	15009251320000	ENERGYQUEST II, LLC	BARTON	KS	0.93120000	0.76338940	0.91620000	0.75128400
HOISINGTON EAST	HOFFMAN RANCH 21-20	15009252620000	ENERGYQUEST II, LLC	BARTON	KS	0.94250000	0.77285000	0.92500000	0.75850000
HOISINGTON EAST	HOFFMAN RANCH 23-23	15009256390000	ENERGYQUEST II, LLC	BARTON	KS	0.93120000	0.76358400	0.91620000	0.75128400
HOISINGTON EAST	KATHY HOFFMAN 1-18	15009252400000	ENERGYQUEST II, LLC	BARTON	KS	0.92500000	0.74000000	0.93120000	0.76358400
HOISINGTON SOUTHWEST	LACEY 1-20	15009251130000	ENERGYQUEST II, LLC	BARTON	KS	0.93120000	0.77289800	0.91620000	0.76046800
HOISINGTON SOUTHWEST	LACEY 2-20	15009252100000	ENERGYQUEST II, LLC	BARTON	KS	0.93120000	0.77289800	0.91620000	0.76046800
HOISINGTON SOUTHWEST	LACEY 3-20	15009252130000	ENERGYQUEST II, LLC	BARTON	KS	0.93120000	0.77289800	0.91620000	0.76046800
MCCAULEY	DEUTSCH 1-34	15009252220000	ENERGYQUEST II, LLC	BARTON	KS	0.53700000	0.43497000	0.50700000	0.41067000
MUE-TAM	MILLER 1-35	15009246620000	ENERGYQUEST II, LLC	BARTON	KS			1.00000000	0.81710000
MUE-TAM	MILLER 2-35	15009246890000	ENERGYQUEST II, LLC	BARTON	KS			1.00000000	0.81710000
MUE-TAM	MILLER 3-35	15009249000000	ENERGYQUEST II, LLC	BARTON	KS			1.00000000	0.81710000
MUE-TAM	MILLER-DOLL 35-42	15009255860000	ENERGYQUEST II, LLC	BARTON	KS			1.00000000	0.82111510
SANDFORD	CLARK 1-25	15009250640000	ENERGYQUEST II, LLC	BARTON	KS			0.97000000	0.79540000
SETTE	MORTIMER 31-32	15009256800000	ENERGYQUEST II, LLC	BARTON	KS			1.00000000	0.87500000
SETTE	MORTIMER 31-32B	15009257960000	ENERGYQUEST II, LLC	BARTON	KS			1.00000000	0.87500000
SETTE	MORTIMER 31-41	15009257260000	ENERGYQUEST II, LLC	BARTON	KS			1.00000000	0.87500000
TRAPP	DEMEL 1-15	15009250320000	ENERGYQUEST II, LLC	BARTON	KS			1.00000000	0.83000000
TRAPP	DEMEL 2-15 SWD	15009251420001	ENERGYQUEST II, LLC	BARTON	KS			1.00000000	0.00000000