

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.

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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 (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: _____

OPERATING AGREEMENT

This Agreement, made and entered into this 21st day of November, 2017 by and between Werth Exploration Trust (First Party), and Reef Operating, Inc. (Second Party), whether one or more.

WHEREAS, Second Party is the owner of an undivided full working interest in and to the following oil and gas leases:

See Exhibit A

WHEREAS, the parties to this agreement desire to set out in writing their understanding and agreements as to the manner in which said leases shall be operated and developed.

Second Party understands that First Party shall be the operator of and have exclusive control of management of the operation and development of said leases for the benefit of the parties hereto. The operator shall not permit or suffer any lien or encumbrance to be filed or to remain against the leaseholds as a result of its operations hereunder. If at any time First Party elects not to operate the lease, First Party shall exclusive right to contract with another person or entity to operate the leases. The operator of the leases shall receive reasonable compensation for operational expenses.

It is further understood and agreed that First Party or First Party's designees shall have the authority as operator of said leasehold on behalf of all the working interest owners to do the following, including but not limited to: sell any leasehold equipment, contract for any work and services, purchase any supplies and equipment on or for said leaseholds or wells herein thereon which in First Party's judgment are advisable, collect damages and insurance claims, bring lawsuits, and employ counsel for the prosecution or defense of any claims that may result from the operation and management of said leases. Second Party hereby appoints First Party as Second Party's agent and attorney-in-fact for the foregoing.

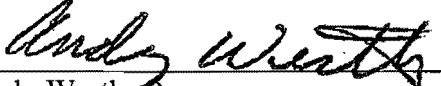
It is understood that First Party may assign his rights of operations under this contract without the consent of Second Party, and this agreement and all terms and conditions hereto shall extend to and be binding upon the respective parties hereto, their heirs, executors, administrators, successors, trustees, and assigns and each copy thereof may be considered as an original.

This agreement may not be varied or altered by oral or parole evidence,

IN WITNESS WHEREOF, the undersigned have hereunto subscribed their names the day and year first above written.

FIRST PARTY:

Werth Exploration Trust



Andy Werth, Owner

SECOND PARTY:

Reef Operating, Inc.



Andy Werth, President

EXHIBIT A

Lease Name	County	Sec	Twp	Rge	Dir
HEARD N	Gove	17	14	28	W
INLOES FIVE	Sheridan	36	9	26	W
INLOES FIVE	Sheridan	36	9	26	W
INLOES FIVE	Sheridan	36	9	26	W
LC WORCESTER	Graham	22	7	22	W
SMITH H	Gove	18	14	28	W
SMITH ZZ	Gove	18	14	28	W
SMITH ZZ	Gove	18	14	28	W
TRANSUE	Sheridan	25	9	26	W
TRANSUE	Sheridan	25	9	26	W
TRANSUE	Sheridan	25	9	26	W
WALZ MUSTANG	Ellis	7	11	20	W
WALZ-MUSTANG SOL	Ellis	7	11	20	W
WALZ-STAR	Graham	36	10	21	W
WORCESTER	Graham	22	7	22	W
WORCESTER	Graham	3	7	22	W
WORCESTER D16	Graham	16	7	22	W
WORCESTER SE	Graham	16	7	22	W
WORCESTER SW	Graham	16	7	22	W