

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: _____



STATE OF KANSAS, ELK COUNTY
REGISTER OF DEEDS, STEPHANIE J. GILLENBERG
Book: M573 Pages: 23
Serial: #1 17500 Total Fees: \$112.00
Pages Recorded: 1

Date Recorded: 4/26/2018
Stephanie Gillenberg
Lori L. Winscher, Deputy

ASSIGNMENT AND BILL OF SALE

KNOW ALL PERSONS BY THESE PRESENTS:

The undersigned, Tri-Cone Industries, LLC, an Oklahoma limited liability company, Quito, Inc., a Kansas corporation, and McCann Drilling, Inc., a Kansas corporation (collectively "Assignor"), for Ten Dollars (\$10.00) and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has and does hereby sell, transfer, assign and convey unto RIVER OIL LLC, a Kansas limited liability company ("Assignee") all of the oil and gas leases and other properties located in Elk County, Kansas, described in Exhibits "A" and "A-1" attached hereto, together with the well bores, downhole equipment, pump jacks, motors, pipes, fittings, connections, tanks, separators, electric lines, meters and other equipment located upon and used in connection with such oil and gas leases and other properties described in Exhibit "A" and "A-1", save and except an overriding royalty interest of $1/32^{nds}$ of $7/8^{ths}$ (.02734375 net revenue interest) in the "Royce" (Royse) and "Ross" Leases as described in Exhibit "A" held by Crossen Holdings, LLC, an Oklahoma limited liability company.

This Assignment and Bill of Sale is made pursuant to Purchase Agreement made between Assignor and Russell D. Jones and Deanna L. Jones dated April 19, 2018, the terms and provisions of which are incorporated herein by reference.

IN WITNESS WHEREOF this instrument is executed by the Assignor this 19th day of April, 2018.

Tri-Cone Industries, LLC

By: [Signature]
Mark W. McCann, Member/Manager

Quito, Inc.

By: [Signature]
Mark W. McCann, President


McCann Drilling, Inc.

By: [Signature]
Mark W. McCann, President

STATE OF KANSAS)
) SS:
COUNTY OF MCINTOSH)

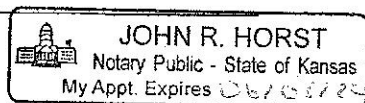
BE IT REMEMBERED that on this 1st day of April __, 2018. before me, a Notary Public, in and for the County and State aforesaid, came Mark W. McCann, Manager/Member of Tri-Cone Industries, LLC, a limited liability company organized and existing under and by virtue of the laws of the State of Oklahoma, and who is personally known to me to be such officer and who is personally known to me to be the same person who executed, as such officer, the within instrument of writing on behalf of said company, and such person duly acknowledged the execution of the same to be the act and deed of said company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.



NOTARY PUBLIC

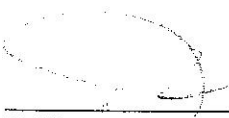
My Appointment Expires:



STATE OF KANSAS)
) SS:
COUNTY OF MCINTOSH)

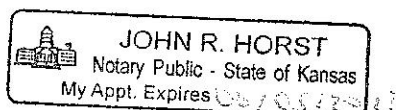
BE IT REMEMBERED that on this 1st day of April, 2018, before me, a Notary Public, in and for the County and State aforesaid, came Mark W. McCann, President of Quito, Inc., a corporation incorporated and existing under and by virtue of the laws of the State of Kansas and who is personally known to me to be such officer and who is personally known to me to be the same person who executed, as such officer, the within instrument of writing on behalf of said corporation, and such person duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.



NOTARY PUBLIC

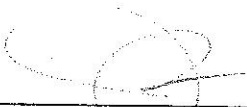
My Appointment Expires:



STATE OF KANSAS)
) SS:
COUNTY OF MONTGOMERY)

BE IT REMEMBERED that on this 19th day of April, 2018, before me, a Notary Public, in and for the County and State aforesaid, came Mark W. McCann, President of McCann Drilling, Inc., a corporation incorporated and existing under and by virtue of the laws of the State of Kansas and who is personally known to me to be such officer and who is personally known to me to be the same person who executed, as such officer, the within instrument of writing on behalf of said corporation, and such person duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.



NOTARY PUBLIC

My Appointment Expires:



EXHIBIT "A"

(1) "Royce" (Royse) Lease

LESSOR: Grace and George Royce (Royse)
LESSEE: McCann Drilling, Inc.
DATE: September 1, 1977
RECORDED: Book 29 Misc., Page 620
PROPERTY: E/2SW/4NE/4, SE/4NE/4 except railroad
right of way, N/2SE/4SW/4, NE/4SE/4 and
E/2NW/4SE/4 of Section 18, Township 31S,
Range 13 East, Elk County, Kansas
SPECIAL: Subject to Unitization Agreement dated May
26, 2000 with the assigned portion of the Ross
Lease described below.
W.I. ASSIGNED: 100%
N.R.I. ASSIGNED: .84765625

(2) "Ross Lease (Partial Assignment Only)

LESSOR: Eugene D. Ross
LESSEE: McCann Drilling, Inc.
DATE: February 4, 1978
RECORDED: Book 29 Misc., Page 617-619
PROPERTY: That part of the Southwest Quarter (SW/4) of
Section 17, T31S, R13E, lying West of the
center of Elk River; that part of the North Half
of the Northwest Quarter (N/2NW/4) of Section
20, T31S, R13E, lying West of the center of Elk
River less and except a strip pf land in the
Southwest Corner formerly deeded to James
Tyler and described as commencing at the
Southwest Corner of the North Half of the
Northwest Quarter (N/2NW/4) of Section 20,
T31S, R13E; thence running North 21 rods
(342 feet); thence 970 feet East to the bank of
the Elk River; thence Southerly along said
bank to the South line of said North Half of the
Northwest Quarter (N/2NW/4); thence West to
the point of beginning (containing 85 acres,
more or less)
SPECIAL: Subject to Unitization Agreement with Royce
(Royse) Lease dated May 26, 2000, described
above.
W.I. ASSIGNED: 100%
N.R.I. ASSIGNED: .84765625

(3) "Finley Lease

LESSOR: Fred A. Finley, et ux
LESSEE: KPR, Inc.
DATE: October 15, 1981
RECORDED: Book 37 Misc., Page 561
PROPERTY: NW/4 and the W/2NE/4 and the SE/4NE/4 of
Section 13, Township 31 South, Range 12
East, Elk County, Kansas
SPECIAL: None
W.I. ASSIGNED: 100%
N.R.I. ASSIGNED: .87500000

(4) "Mann Lease

LESSOR: UMB Bank, N.A. Trustee
LESSEE: Tri-Cone Industries, LLC
DATE: February 26, 2016
RECORDED: Book 71 Misc., Page 599
PROPERTY: See Exhibit "A-1" attached
W.I. ASSIGNED: 100%
N.R.I. ASSIGNED: .87500000

(5) "Royce" Salt Water Disposal Agreement

GRANTOR: George Royce
GRANTEE: McCann Drilling, Inc. and KPR, Inc.
DATE: July 9, 1982
RECORDED: Book 39 Misc., Page 263
PROPERTY: A well (Royce #2) located in the N/2SE/SW/4
of Section 18, Township 31S, Range 13 East,
Elk County, Kansas (portion of the Royce Lease
above described) together with related pipelines
in the vicinity.
W.I. ASSIGNED: 100%
N.R.I. ASSIGNED: N/A

(6) "Jones" Tank Battery Site.

A tract of land located within the W/2NE/4SW/4 of Section 18, Township 31 South, Range 13 East, Elk County, Kansas, upon which a tank battery is situated and which has been operated for the collection of oil and gas from the "Royce" and "Ross" Leases as described above. The legal authority for the establishment and use of such tank battery site is unknown and has been the subject of controversy in Case No. 2016 CV 5, District Court of Elk County, Kansas, and the interest of the Seller/Assignor therein is hereby conveyed.

W.I. ASSIGNED: 100%
N.R.I. ASSIGNED: N/A

EXHIBIT

tabbies

"A-1"

"MANN LEASE PROPERTY DESCRIPTION"

The South Half of the Southeast Quarter (S 1/2 SE 1/4) of Section 18 Township 31 South, Range 13 East of the 6th P.M., Elk County, Kansas, except for the following described tract:

Beginning at the Southeast corner of the said South 1/2 of the Southeast 1/4; thence on a bearing of North 90 degrees 00 minutes 00 seconds West along the South line of the said S 1/2 SE 1/4 for a distance of 1,571.23 feet; thence on a bearing of North 26 degrees 48 minutes 20 seconds East for a distance of 79.16 feet; thence on a bearing of North 10 degrees 04 minutes 05 seconds West for a distance of 238.37 feet; thence on a bearing of North 43 degrees 59 minutes 40 seconds West for a distance of 305.42 feet; thence on a bearing of North 23 degrees 42 minutes 55 seconds West for a distance of 198.63 feet; thence on a bearing of North 71 degrees 46 minutes 10 seconds West for a distance of 433.89 feet; thence on a bearing of North 73 degrees 42 minutes 00 seconds West for a distance of 278.89 feet; thence on a bearing of South 89 degrees 58 minutes 10 seconds West for a distance of 92.81 feet to a point on the West line of the said S 1/2 SE 1/4; thence on a bearing of North 00 degrees 06 minutes 20 seconds West along the said West line for a distance of 450.00 feet to a point on the North line of the said S 1/2 SE 1/4; thence on a bearing of South 89 degrees 07 minutes 40 seconds East along the said North line for a distance of 2,645.00 feet to the Northeast corner of the said S 1/2 SE 1/4; thence on a bearing of South 00 degrees 06 minutes 20 seconds East along the East line of the said S 1/2 SE 1/4 for a distance of 1,326.16 feet to the Point of Beginning,