

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: _____

Signature: _____

New Operator's License No. _____

Contact Person: _____

New Operator's Name & Address: _____

Phone: _____

Title: _____

Signature: _____

Oil / Gas Purchaser: _____

Date: _____

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 _____

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Form KSONA-1

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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: _____

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

THE STATE OF KANSAS §
 §
COUNTY OF MEADE §

KNOW ALL MEN BY THESE PRESENTS:

THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE (the "Assignment") is from BRAZOS LIMITED PARTNERSHIP, a Texas limited partnership, P.O. Box 911, Breckenridge, Texas 76424-0911 ("Assignor") to ELM III, LLC, an Oklahoma limited liability company, 1249 East 33rd, Edmond, Oklahoma 73013 ("Assignee").

FOR ONE HUNDRED AND NO/100 DOLLARS (\$100.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor has, subject to the terms, conditions, reservations and other matters provided herein, GRANTED, BARGAINED, SOLD, CONVEYED, ASSIGNED, TRANSFERRED, SET OVER and DELIVERED and does hereby GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, SET OVER and DELIVER unto Assignee, its successors and assigns, effective as of the Effective Time, all of Assignor's right, title and interest in and to those certain leasehold interests owned by Assignor, in whole or in part (but excepting any mineral, royalty or overriding royalty interests relating to the Lands which are hereby reserved by Assignor), in those oil, gas and mineral leases ("Leases") reflected and identified in Exhibit "A" attached hereto and incorporated herein by reference, together with all wells and equipment located thereon and used or obtained in connection therewith, BUT INsofar AND ONLY INsofar AS said Leases cover the lands and limited depths thereunder described on Exhibit "A" attached hereto ("Lands") (hereinafter collectively referred to as the "Interests").

TO HAVE AND TO HOLD the Interests unto Assignee and its heirs, successors and assigns forever; provided, however, this Assignment is made subject to the terms, covenants, conditions and provisions set out hereafter, to-wit:

1. **Definitions.** For purposes of this Assignment, (a) "Leases" shall mean those certain oil and gas leases more particularly described on Exhibit "A" attached hereto, insofar only as same cover the Lands and limited depths thereunder and (b) "Lands" shall mean those lands described on Exhibit "A".
2. **Effective Time.** This Assignment is effective as of October 1, 2018, at 7:00 a.m. local time of the jurisdiction where the Leases and Lands are located ("Effective Time").
3. **No Warranty.** This Assignment is made without warranty of any kind or character, either express or implied. Assignor also hereby grants and transfers to Assignee, to the extent transferable, the benefit of and the right to enforce the covenants and warranties, if any, which Assignor is entitled to enforce with respect to the Interests against Assignor's predecessor in title to the Interests.
4. **Subject Agreements.** By Assignee's acceptance hereof, Assignee recognizes that this Assignment is subject to all the terms, conditions and obligations of the Leases herein assigned and Assignee expressly assumes all such terms, conditions and obligations and agrees to comply with all requirements of said Leases insofar as said Leases cover the Lands. This Assignment shall also be subject to the terms and conditions of any other agreement entered into by Assignor or its predecessors covering the Interests, whether recorded or unrecorded.
5. **Assignor's Reserved Rights.** Any rights retained by Assignor are specified in Exhibit "A". Assignor further reserves and retains from the Interests any and all revenue, or other cash or cash equivalents, attributable to the Interests, and the right to collect same from any party in control thereof which are held in suspense and which are accrued on or prior to the Effective Time.

On the Effective Date of this Assignment, all storage tanks and meters serving said leasehold estate shall be gauged and read to ascertain the amount of production attributable to such leasehold estate. All production prior to the Effective Time shall remain the property of Assignor, and all production subsequent to the Effective Time shall be the property of Assignee.

6. **Limitations on Liability.**

- a. THIS ASSIGNMENT IS MADE BY ASSIGNOR, AND ACCEPTED BY ASSIGNEE, WITHOUT REPRESENTATIONS, COVENANTS OR WARRANTIES AS TO TITLE CONVEYED.

IT IS ACKNOWLEDGED THAT ASSIGNEE HAS INSPECTED SAID PROPERTY AND PREMISES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE, AND THAT ASSIGNEE SHALL ACCEPT ALL OIL AND GAS INTERESTS HEREUNDER IN THEIR "AS IS, WHERE IS" CONDITION, WITH ALL FAULTS AND LIABILITIES, PAST, PRESENT AND FUTURE, INCLUDING ENVIRONMENTAL LIABILITY KNOWN OR UNKNOWN.

b. Assignee agrees to protect, indemnify and hold Assignor harmless from and against and all liability, loss, damage, injuries, demands and causes of action theretofore asserted or filed or in any way arising from operations or activities prior or subsequent to the Effective Time on the Interests, including liability as an "owner" or "operator" under CERCLA, RCRA, CWA and all other federal or state environmental laws as to operations by Assignee or its assigns on the leased premises.

7. **Proration of Taxes, etc.** All taxes, including, but not limited to, excise taxes, state severance taxes, ad valorem taxes and other local, state and/or federal taxes attributable to the Interests or any part thereof prior to the Effective Time remain Assignor's responsibility; all deductions, credits and refunds pertaining to the aforementioned taxes attributable to the Interests or any part thereof prior to the Effective Time (no matter when received) belong to Assignor. All such taxes attributable to the Interests or any part thereof at and after the Effective Time are Assignee's responsibility and Assignee shall reimburse Assignor for any such taxes previously paid by Assignor; and all deductions, credits and refunds pertaining thereto at and after the Effective Time (no matter when received) belong to Assignee.

8. **Gas Imbalances.** Notwithstanding anything to the contrary herein, Assignee assumes all rights or obligations associated with gas imbalances, if any, attributable to the Property, regardless of when such imbalances occurred or accrued.

9. **WAIVER OF REPRESENTATIONS/REMEDIES.** ASSIGNEE HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT TO CONTRIBUTION OR INDEMNITY AGAINST ASSIGNOR AND ANY AND ALL OTHER RIGHTS, CLAIMS AND CAUSES OF ACTION IT MAY HAVE AGAINST ASSIGNOR, ARISING UNDER OR BASED ON ANY FEDERAL, STATE OR LOCAL STATUTE, LAW, ORDINANCE, RULE OR REGULATIONS OR COMMON LAW OR OTHERWISE. THE EXPRESS REPRESENTATIONS OF ASSIGNOR CONTAINED IN THIS ASSIGNMENT ARE EXCLUSIVE AND ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES, AND ASSIGNEE HEREBY WAIVES, ANY REPRESENTATION OR WARRANTY WITH RESPECT TO TITLE TO THE INTERESTS, THE ACCURACY OR CORRECTNESS OF ANY DATA PROVIDED TO ASSIGNEE BY ASSIGNOR OR ITS AGENTS; THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER MINERALS IN OR UNDER THE LANDS COVERED BY THE INTERESTS; THE ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE, OR OTHER CONDITIONS OF THE LANDS COVERED BY THE INTERESTS; OR THE OWNERSHIP OF THE INTERESTS OR ANY PART THEREOF. ASSIGNOR DISCLAIMS AND NEGATES, AND ASSIGNEE HEREBY WAIVES, ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS, IMPLIED OR STATUTORY. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THE FACE OF THIS AGREEMENT. ASSIGNEE ACKNOWLEDGES THAT THIS WAIVER IS CONSPICUOUS.

10. **DISCLAIMERS.** TO THE EXTENT REQUIRED BY APPLICABLE LAW TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS DISCLAIMERS" FOR PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNEE AGREES THAT ASSIGNOR IS CONVEYING THE INTERESTS WITHOUT REPRESENTATION OR WARRANTY OF TITLE.

11. **Covenants.** All the covenants and agreements of Assignor and Assignee contained in this Assignment shall be covenants running with the land and shall be binding upon the heirs, successors and assigns of Assignor and Assignee, respectively, and shall inure to the benefit of such heirs, successors and assigns.

12. **Counterparts.** This Assignment may be executed in multiple original counterparts, each of which shall be deemed an original instrument, but all of which shall constitute but one and the same instrument.

13. **Headings.** Titles and headings in this Assignment are included solely for reference and are not to be considered in interpretation or construction of this Assignment.

EXECUTED this 16 day of October, 2018, but effective as of the Effective Time.

ASSIGNOR:

ASSIGNEE:

BRAZOS LIMITED PARTNERSHIP
By: Breck Operating Corp., General Partner

ELM III, LLC

By: Wayne Christian
Wayne Christian, President

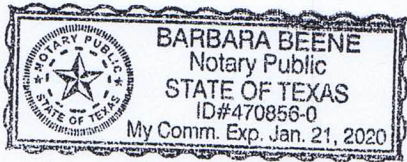
By: Ed L. Markwell
Ed L. Markwell, President

****ACKNOWLEDGMENT****

STATE OF TEXAS §

COUNTY OF STEPHENS §

This instrument was acknowledged before me on this the 16th day of October, 2018, by Wayne Christian, President of Breck Operating Corp., General Partner of **BRAZOS LIMITED PARTNERSHIP**, a Texas limited partnership, on behalf of said partnership.



Barbara Beene
Notary Public, State of Texas

***** ACKNOWLEDGMENT *****

THE STATE OF Okla. §

COUNTY OF Okla. §

Before me, he undersigned, a Notary Public in and for said County and State, on this day personally appeared Ed L. Markwell, known to me to be the person whose name is subscribed to the foregoing instruments, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVE UNDER MY HAND AND SEAL OF OFFICE this 22nd day of October, 2018.

Christie Hall
Notary Public in and for State of Oklahoma

EXHIBIT "A"
Attached to and made a part of Assignment, Bill of Sale
and Conveyance effective October 1, 2018 from
Brazos Limited Partnership to Elm III, LLC.

MEADE COUNTY, KANSAS

Jessie Adams #1 (24500)

All of Section 12, T-35-S, R-29-W

1. Date: 3-14-55
Lessor: Raymond E. Adams, et ux
Lessee: The Carter Oil Company
Book/Page: 9/310