

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form U3C
June 2015
Form must be Typed
Form must be completed
on a per well basis

**ANNUAL REPORT OF PRESSURE MONITORING,
FLUID INJECTION AND ENHANCED RECOVERY**

Complete all blanks - add pages if needed. Copy to be retained for five (5) years after filing date.

OPERATOR: License # _____
Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Contact Person: _____
Phone: (_____) _____
Lease Name: _____
Well Number: _____

API No.: _____
Permit No.: _____
Reporting Year: _____
(January 1 to December 31)
____ - ____ - ____ - ____ Sec. ____ Twp. ____ S. R. ____ E W
(a/a/a/a)
_____ feet from N / S Line of Section
_____ feet from E / W Line of Section
County: _____

I. Injection Fluid:

Type (Pick one): Fresh Water Treated Brine Untreated Brine Water/Brine
Source: Produced Water Other (Attach list)
Quality: Total Dissolved Solids: _____ mg/l Specific Gravity: _____ Additives: _____
(Attach water analysis, if available)

II. Well Data:

Maximum Authorized Injection Pressure: _____ psi Injection Zone: _____
Maximum Authorized Injection Rate: _____ barrels per day
Total Number of Enhanced Recovery Injection Wells Covered by this Permit: _____ (Include TA's)

III.	Month:	Total Fluid Injected BBL	Maximum Fluid Pressure	Total Gas Injected MCF	Maximum Gas Pressure	# Days of Injection
	January	_____	_____	_____	_____	_____
	February	_____	_____	_____	_____	_____
	March	_____	_____	_____	_____	_____
	April	_____	_____	_____	_____	_____
	May	_____	_____	_____	_____	_____
	June	_____	_____	_____	_____	_____
	July	_____	_____	_____	_____	_____
	August	_____	_____	_____	_____	_____
	September	_____	_____	_____	_____	_____
	October	_____	_____	_____	_____	_____
	November	_____	_____	_____	_____	_____
	December	_____	_____	_____	_____	_____
	TOTAL	_____	_____	_____	_____	_____

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.: D-22,015.0
- Spot Location: 808 feet from N / S Line
- 3619 feet from E / W Line
- Enhanced Recovery Project Permit No.: _____
- Entire Project: Yes No
- Number of Injection Wells _____ **

Field Name: FROG HOLLOW

**** Side Two Must Be Completed.**

Effective Date of Transfer: 01/09/2020

KS Dept of Revenue Lease No.: _____

Lease Name: MOON BROS

NW SE SW Sec. 16 Twp. 32 R. 5 E W

Legal Description of Lease:

S/2 SW/4

County: Cowley

Production Zone(s): _____

Injection Zone(s): Bartlesville

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. 30169

Contact Person: Don Butler

Past Operator's Name & Address: Double "D" Oil Company, Inc.
2009 JEAN CT WINFIELD,KS 67156-9119

Phone: (620)221-3570

Date: 03/04/2020

Title: Authorized KOLAR Agent

Signature: Darrel Walters

New Operator's License No. 5822

Contact Person: Kevin Todd Allam

New Operator's Name & Address: Val Energy, Inc.
125 N MARKET ST STE 1110 WICHITA,KS 67202-1728

Phone: (316)263-6688

Oil / Gas Purchaser: _____

Date: 03/04/2020

Title: Authorized KOLAR Agent

Signature: Dustin Wyer

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.

Val Energy, Inc. is acknowledged as
the new operator and may continue to inject fluids as authorized by
Permit No.: D-22,015.0 . Recommended action: NONE

Date: 03/09/2020 Loni Rees
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 03/09/2020 PRODUCTION _____ UIC 03/09/2020

Side Two

Must Be Filed For All Wells

KDOR Lease No.: _____

* Lease Name: MOON BROS * Location: 16-32S-05E

Well No.	API No. (YR DRLD/PRE '67)	Footage from Section Line (i.e. FSL = Feet from South Line)		Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/TA'D/Abandoned)
6	15-035-19506-00-00	808 FSL	3619 FEL	SWD	AI
		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		
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		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		

A separate sheet may be attached if necessary

* 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 # 5822
Name: Val Energy, Inc.
Address 1: 125 N MARKET ST STE 1110
Address 2: _____
City: WICHITA State: KS Zip: 67202 + 1728
Contact Person: Kevin Todd Allam
Phone: (316) 263-6688 Fax: (_____) _____
Email Address: todd@valenergy.com

Well Location:
NW SE SW Sec. 16 Twp. 32 S. R. 5 East West
County: Cowley
Lease Name: MOON BROS Well #: See T1 Side Two

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

S/2 SW/4

Surface Owner Information:

Name: Todd Andes
Address 1: 17603 131st Rd
Address 2: _____
City: Winfield State: KS Zip: 67156 + _____

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: 03/04/2020 Signature of Operator or Agent: Dustin Wyer Title: Authorized KOLAR Agent

\$38.00 Ent.

VAL Energy, Inc
125 N. Market, Ste 1110
Wichita, KS 67202



Direct
Index
Compared

ASSIGNMENT AND BILL OF SALE

FOR VALUE RECEIVED, the undersigned, Todd L. Andes, a single person, as Grantor, does hereby assign, sell, transfer and convey unto VAL Energy, Inc., a Kansas corporation, as Grantee, its successors and assigns, all of Grantor's right, title and interest in and to the following-described wells located in the Southwest Quarter (SW/4) of Section 16, Township 32 South, Range 5 East, Cowley County, Kansas:

Moon Bros. 6 well, located in the Northwest Quarter of the Southeast Quarter of the Southwest Quarter (NW/4 SE/4 SW/4) of said Section 16; and

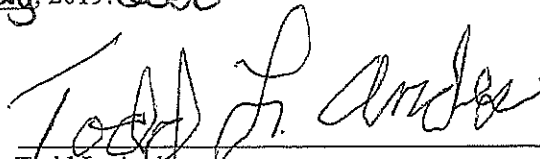
Moon A 8 well, located in the Southwest Quarter of the Southwest Quarter of the Southwest Quarter (SW/4 SW/4 SW/4) of said Section 16

together with the rights incident thereto and the tubing, rods, casing and other downhole equipment therein and wellhead valves, fittings and connections thereon, and all pipes, pumps, separators, valves, fittings, and other salt water injection fixtures and equipment associated therewith.

Grantor represents that he has full right and authority to transfer the wells, lease, equipment and personal property described herein to Grantee free from any liens or encumbrances created by, through or under Grantor, but otherwise makes no warranty as to title, quality, condition, fitness or merchantability of the same, it being understood and agreed that said wells and equipment are being transferred to Grantee "as is, where is".

This Assignment and Bill of Sale conveys all right, title and interest of Grantor in and to the wells and related equipment set forth herein to Grantee, whether or not specifically described, without reservation or recourse, effective as of the date of execution of this instrument, and shall be binding upon Grantor, Grantee, and their respective heirs, successors, representatives and assigns..

EXECUTED this 9th day of January, 2019. 0000



Todd L. Andes

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS.
COUNTY OF COWLEY)

The foregoing instrument was acknowledged before me this 9th day of January
~~2019~~ by Todd L. Andes, a single person, for the uses and purposes therein set forth.
2020

My commission expires:

Kasha David
Notary Public



 MARTIN | PRINGLE
ATTORNEYS AT LAW

645 E. Douglas, Suite 100, Wichita, Kansas 67202 | 316-265-9311

JEFF KENNEDY | jkennedy@martinpringle.com

December 12, 2019

Thomas M. Rhoads, Esq.
THOMAS M. RHOADS, LC
200 East 1st Street, Suite 301
Wichita, KS 67202-2144

Re: Andes Lease – Release and Disclaimer of Interest
Our File No.: 33003-03

Dear Tom:

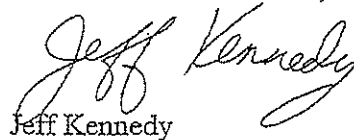
I enclose the fully executed and notarized document signed by our client. As we have discussed, the other two wells on the lease will need to be plugged within nine months, and our client will stop using the two disposal wells and get the tank battery removed within 90 days from the date of this document. If that is not your understanding, please let me know as soon as you can.

I also understood that you would be dismissing by notice the lawsuit that was filed and I would appreciate receiving a copy of that notice once it has been filed.

If you have any questions about this, please let me know.

Sincerely,

MARTIN, PRINGLE, OLIVER,
WALLACE & BAUER, L.L.P.


Jeff Kennedy

JK/dj

Enclosure

cc: Darrel Walters (via e-mail w/out enclosure)

Ann Butler (via e-mail w/out enclosure)

Kansas | Missouri

Wichita | Overland Park | Kansas City

martinpringle.com

Direct
Index
Compared

\$ 55.00
Val Energy, Inc
125 N Market St #110
Wichita, KS 67202

RELEASE AND DISCLAIMER OF INTEREST
with
ASSIGNMENT, TRANSFER AND BILL OF SALE



KNOW ALL MEN BY THESE PRESENTS: That,

WHEREAS, Donald L. Butler and David S. Butler, doing business as Double D Oil Company, Inc., a Kansas corporation, (hereinafter collectively referred to as "Double D") have heretofore used and occupied, and asserted ownership and control over, and responsibility for, the rights, wells, tank batteries and other equipment associated with the following salt water injection leases and agreements:

1. Salt Water Injection Well and Tank Battery Lease dated April 9, 2004 from Todd Andes, a single person, as Lessor, to Boomer Sooner, Inc., a Kansas corporation, as Lessee, covering the Southwest Quarter (SW/4) of Section 16, Township 32 South, Range 5 East, Cowley County, Kansas and Moon A 8 salt water injection well, recorded in the office of the Register of Deeds, Cowley County, Kansas in Book 717 at Page 109; and
2. Salt Water Injection Well Lease dated January 14, 1985 from Harold Moon and Veryl A. Moon, husband and wife, et al., as Lessor, to Exxon Corporation, as Lessee, covering the South Half of the Southwest Quarter (S/2 SW/4) of Section 16, Township 32 South, Range 5 East, Cowley County, Kansas and Moon Bros. 6 salt water injection well, recorded in the office of the Register of Deeds, Cowley County, Kansas in Lse. Book 250 at Page 359;

WHEREAS, Todd L. Andes ("Andes") is the current owner of all surface rights and oil, gas and mineral rights associated with the Southwest Quarter (SW/4) of Section 16, Township 32 South, Range 5 East, Cowley County, Kansas and the Lessor or successor in interest to the Lessor under the above-described salt water injection leases and agreements; and

WHEREAS, Double D, claiming to be the current owners and operators of the above-described salt water injection leases and agreements and all wells and other equipment and facilities located thereon or upon the land covered thereby, desire to terminate and release said leases and agreements, relinquish and surrender to Andes all rights associated with, derived from, or incident to the same, and assign and transfer to Andes all right, title and interest of Double D in and to the wells and associated equipment hereinafter more fully described.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration paid by Andes to the undersigned, the receipt and sufficiency of which is hereby acknowledged, Double D does hereby release, relinquish and surrender unto Andes, his heirs, legal

representatives and assigns, said Salt Water Injection Well and Tank Battery Lease and Salt Water Injection Well Lease, disclaiming any further interest whatsoever therein or thereto.

Double D does further hereby assign, transfer and set over unto Andes all right, title and interest of Double D in and to the following-described wells, including all tubing, rods, casing and other associated equipment, located on the Southwest Quarter (SW/4) of Section 16, Township 32 South, Range 5 East, Cowley County, Kansas:

Moon Bros. 6 well, located in the Northwest Quarter of the Southeast Quarter of the Southwest Quarter (NW/4 SE/4 SW/4) of said Section 16; and

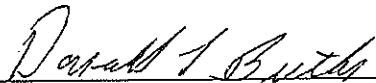
Moon A 8 well, located in the Southwest Quarter of the Southwest Quarter of the Southwest Quarter (SW/4 SW/4 SW/4) of said Section 16

which assignment and conveyance shall be effective upon abandonment of said wells by Double D, but not later than ninety (90) days following execution of this instrument as shown by the date of execution and acknowledgment of the signatures. Double D further agrees to remove and restore the site of a tank battery situated in the West Half of the Southwest Quarter (W/2 SW/4) of Section 16, Township 32 South, Range 5 East, Cowley County, Kansas pursuant to the terms of the aforementioned Salt Water Injection Well and Tank Battery Lease on or before December 31, 2019.

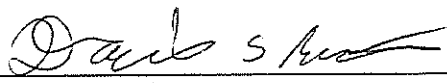
Conveyance of the foregoing wells and equipment is made by Double D in their present working condition, with no harm or damage caused by Double D, but otherwise without warranty of any kind, including warranty of quality, condition, or fitness for any particular use, express or implied.

Donald L. Butler and David S. Butler execute this instrument for themselves and as duly authorized officers, agents and/or representatives of Double D Oil Company, Inc., a Kansas corporation, the terms of which shall be fully binding upon them individually and upon said corporation, and upon their respective heirs, successors, representatives and assigns.

EXECUTED this 11 day of 12, 2019.

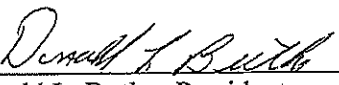


Donald L. Butler



David S. Butler

DOUBLE D OIL COMPANY, INC.



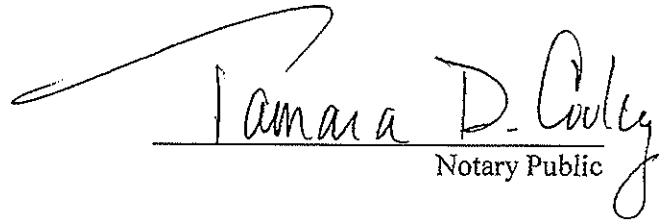
Donald L. Butler, President

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS.
COUNTY OF COWLEY)

The foregoing instrument was acknowledged before me this 11th day of December 2019 by Donald L. Butler and David S. Butler, acting for themselves and in their capacity as duly authorized officers, agents and/or and representatives of Double D Oil Company, Inc., a Kansas corporation, and by Donald L. Butler, President of Double D Oil Company, Inc., a Kansas corporation, for the uses and purposes therein set forth.

My commission expires:
6/27/20



Notary Public

