

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

**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.*

Form T-1
April 2019
Form must be Typed
Form must be Signed
All blanks must be Filled

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: _____

New Operator's Email: _____

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.: _____

* Lease Name: _____ * Location: _____

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 # _____

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: _____

WELLBORE ASSIGNMENT, BILL OF SALE AND CONVEYANCE

STATE OF KANSAS

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COUNTY OF HAMILTON

KNOW ALL MEN BY THESE PRESENTS:

THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE (this "Assignment"), dated EFFECTIVE December 1, 2020, is made from **ELM III, LLC**, an Oklahoma Limited Liability Corporation, whose mailing address is 1249 East 33rd, Edmond, OK 73013 (the "Assignor"), to **Derrick Resources, Inc.**, an Oklahoma Corporation, whose address is P.O. Box 306, Henryetta, OK 74437 (the "Assignee").

For Ten Dollars (\$10.00) and other good and valuable consideration, the receipt, and sufficiency of which are hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey, set over, assign and deliver unto Assignee, its successors and assigns, effective for all purposes as of the Effective Time and subject to the matters set forth herein, the Assets.

A. The oil, gas and/or mineral leases specifically described in Exhibit A (the "Leases"), and all rights to produce hydrocarbons in and from the wellbores of the oil and gas wells described in Exhibit A and the oil, gas and other hydrocarbons (the "Hydrocarbons"), including all rights in any pooled, unitized or communitized acreage by virtue of the Lands or Leases being a part thereof and all Hydrocarbons produced from the pool or unit allocated to any such wellbore.

B. The wells specifically described in Exhibit A (the "Wells"), together with all other oil and gas wells and all water, injection and disposal wells on the Lands or on lands pooled, communitized or unitized therewith, whether producing, shut-in or temporarily abandoned, and all personal property, equipment, fixtures, improvements, permits, water discharge permits, gathering lines, rights-of-way and easements located on the Lands or used in connection with the production, gathering, treatment, processing, storing, transportation, sale or disposal of Hydrocarbons or water produced from the properties and interests described in Section A above;

C. The unitization agreements, operating agreements and unit operating agreements and all other such agreements relating to the properties and interests described in Sections A and B above and to the production of Hydrocarbons, if any, specifically attributable to said properties and interests, (the "Contracts") but excluding any contracts, agreements or instruments to the extent transfer would result in a violation of applicable law or is subject to a Required Consent that is not waived by Assignee or obtained or otherwise satisfied by Assignor;

TO HAVE AND TO HOLD the Assets, together with all and singular the rights, privileges, contracts and appurtenances, in any way appertaining or belonging thereto, unto Assignee, its successors and assigns, forever, subject to the matters set forth herein.

Assignee hereby accepts the assignment of the Assets and hereby assumes, and agrees to defend, indemnify and hold harmless Assignor from and against, any and all Claims (as defined below) attributable to or resulting from the ownership or operation of the Assets, whether arising before or after the date of this Assignment. For purposes hereof, "Claims" means any and all demands, losses, liabilities, damages, obligations, expenses, fines, penalties, costs, claims, causes of action and judgments for: (a) breaches of contract; (b) loss or damage to property, injury to or death of persons (including illness and disease), and other tortious injury; (c) violations of applicable laws, rules, regulations, orders or any other legal right or duty actionable at law or equity; and (d) attorneys' fees, court costs, and other costs resulting from the investigation or defense of any Claim described in the preceding clauses (a) through (c).

Nothing in this Assignment shall provide any benefit to any third party or entitle any third party to any claim, cause of action, remedy or right of any kind, it being the intent of the parties hereto that this Assignment shall otherwise not be construed as a third party beneficiary contract.

This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

This Assignment, other documents delivered pursuant hereto and the legal relations between the


ASSIGNOR:

ELM III, LLC


Edward L. Markwell, III, President

ASSIGNEE:

Derrick Resources, Inc.


Vince Coble, President,

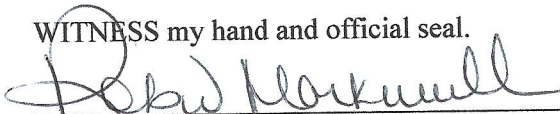
Acknowledgements

STATE OF OKLAHOMA
COUNTY OF OKLAHOMA

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The foregoing instrument was acknowledged before me this 8 day of December, 2020, by Edward L. Markwell, III, as President of ELM III, LLC, on behalf of said limited liability company.

WITNESS my hand and official seal.


Notary Public, State of Oklahoma
Printed Name: Robin Markwell
My Commission Expires: July 30, 2023

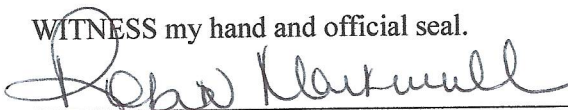


STATE OF OKLAHOMA
COUNTY OF OKLAHOMA

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The foregoing instrument was acknowledged before me this ____ day of December, 2020, by Vince Coble, as President of Derrick Resources, Inc., on behalf of said company.

WITNESS my hand and official seal.


Notary Public, State of Oklahoma
Printed Name: Robin Markwell
My Commission Expires: July 30, 2023

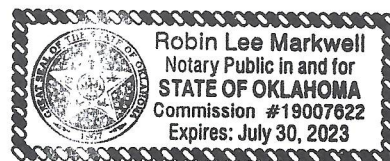


Exhibit "A"

**To that certain Assignment and Bill of Sale from ELM III, LLC, Assignor to
Derrick Resources, Inc., Assignee, Effective December 1, 2020
located in Hamilton County, Kansas**

1. Lessor: Jeanette Glover, et vir
Lessee: Phillips Petroleum Company
Date: May 15, 1972
Book: 20 Page: 240
Legal Description: NE $\frac{1}{4}$ Section 23-T24S-R41W, Hamilton County, Kansas
2. Lessor: Eugene T. Overton, et ux
Lessee: Phillips Petroleum Company
Date: April 13, 1972
Book: 20 Page: 228
Legal Description: SW $\frac{1}{4}$ & W $\frac{1}{2}$ SE $\frac{1}{4}$ & E $\frac{1}{2}$ SE $\frac{1}{4}$ Section 23-T24S-R41W, Hamilton County, Kansas
3. Lessor: Thomas P. Overton, et ux
Lessee: Phillips Petroleum Company
Date: April 13, 1972
Book: 20 Page: 188
Legal Description: NE $\frac{1}{4}$ NE $\frac{1}{4}$ & S $\frac{1}{2}$ NE $\frac{1}{4}$ & SE $\frac{1}{4}$ NW $\frac{1}{4}$ & S $\frac{1}{2}$ Section 26-T24S-R41W, Hamilton County, Kansas
4. Lessor: Agnis Oliver and Glenn Oliver, husband
Lessee: Phillips Petroleum Company
Date: April 18, 1972
Book: 20 Page: 206
Legal Description: NE $\frac{1}{4}$ NE $\frac{1}{4}$ & S $\frac{1}{2}$ NE $\frac{1}{4}$ & SE $\frac{1}{4}$ NW $\frac{1}{4}$ & S $\frac{1}{2}$ Section 26-T24S-R41W, Hamilton County, Kansas
5. Lessor: Jeanette Glover and E.C. Glover, husband
Lessee: Phillips Petroleum Company
Date: April 18, 1972
Book: 20 Page: 239
Legal Description: NE $\frac{1}{4}$ NE $\frac{1}{4}$ & S $\frac{1}{2}$ NE $\frac{1}{4}$ & SE $\frac{1}{4}$ NW $\frac{1}{4}$ & S $\frac{1}{2}$ Section 26-T24S-R41W, Hamilton County, Kansas
6. Lessor: Chloe Underwood and Fred Underwood, husband
Lessee: Phillips Petroleum Company
Date: April 18, 1972
Book: 20 Page: 235
Legal Description: NE $\frac{1}{4}$ NE $\frac{1}{4}$ & S $\frac{1}{2}$ NE $\frac{1}{4}$ & SE $\frac{1}{4}$ NW $\frac{1}{4}$ & S $\frac{1}{2}$ Section 26-T24S-R41W, Hamilton County, Kansas
7. Lessor: Fern Patton Royer, a single woman
Lessee: Phillips Petroleum Company
Date: April 17, 1972
Book: 20 Page: 195
Legal Description: NE $\frac{1}{4}$ NW $\frac{1}{4}$ & NW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 26-T24S-R41W, Hamilton County, Kansas

9. Lessor: Tommy Overton, et al
Lessee: N. Adams
Date: June 19, 1956
Book: 12 Page: 215
Legal Description: Lot 5,6,7 & 8 Section 10-T24S-R41W, Hamilton County, Kansas
10. Lessor: Arthur E. Carter
Lessee: N. Adams
Date: June 19, 1956
Book: 12 Page: 187
Legal Description: N $\frac{1}{2}$ N $\frac{1}{2}$ Section 10-T24S-R41W, Hamilton County, Kansas
11. Lessor: Murlin Carter
Lessee: N. Adams
Date: June 19, 1956
Book: 12 Page: 181
Legal Description: lots 1,2,3,4, & 9 Section 10-T24S-R41W, Hamilton County, Kansas
12. Lessor: Arthur E. Carter
Lessee: N. Adams
Date: June 19, 1956
Book: 12 Page: 183
Legal Description: SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 10-T24S-R41W, Hamilton County, Kansas
13. Lessor: State of Kansas
Lessee: Hamilton Brothers, LTD
Date: February 6, 1960
Book: 14 Page: 161
Legal Description: Arkansas River Bed in T24S-R41W, Hamilton County, Kansas
14. Lessor: Tommy Overton, et al
Lessee: N. Adams
Date: June 19, 1956
Book: 12 Page: 217
Legal Description: Lot 5,6,7 & S $\frac{1}{2}$ SW $\frac{1}{4}$ and accretions in Section 11-T24S-R41W, Hamilton County, Kansas
15. Lessor: U.S. Department of the Interior
Lessee: The Superior Oil Company
Date: April 1, 1960
Book: 14 Page: 186
Legal Description: Lot 5,6,7 & S $\frac{1}{2}$ SW $\frac{1}{4}$ and accretions in Section 11-T24S-R41W, Hamilton County, Kansas
16. Lessor: George N. Starkey, et ux
Lessee: N. Adams
Date: June 26, 1956
Book: 12 Page: 342
Legal Description: Lot 5,6,7 & S $\frac{1}{2}$ SE $\frac{1}{4}$ and accretions and riparian rights in Section 11-T24S-R41W, Hamilton County, Kansas
17. Lessor: Charles H. Brogan and Letha Brogan

18. Lessor: Francis M. Carter, et ux
Lessee: Joe E. Denham
Date: November 29, 1954
Book: 11 Page: 121
Legal Description: Section 4-T24S-R41W, Hamilton County, Kansas

19. Lessor: Raymond E. Carter, et ux
Lessee: Joe E. Denham
Date: November 29, 1954
Book: 11 Page: 124
Legal Description: Section 4-T24S-R41W, Hamilton County, Kansas

20. Lessor: Henrietta C. Hahn
Lessee: Joe E. Denham
Date: November 29, 1954
Book: 11 Page: 125
Legal Description: Section 4-T24S-R41W, Hamilton County, Kansas

21. Lessor: Cecil A. Tate
Lessee: Hamilton Brothers, LTD
Date: March 14, 1960
Book: 14 Page: 181
Legal Description: Section 4-T24S-R41W, Hamilton County, Kansas

22. Lessor: State of Kansas
Lessee: Hamilton Brothers, LTD
Date: February 8, 1960
Book: 14 Page: 161
Legal Description: Section 4-T24S-R41W, Hamilton County, Kansas

Glover Unit Section 23-T24S-R41W, API # 15-075-20163

Overton Unit C NE $\frac{1}{4}$ Section 26-T24S-R41W, API # 15-075-20169

Carter 1041 SE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 10-T24S-R41W, API# 15-075-30030-0001

1141 Starkey SE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 11-T24S-R41W, API # 15-075-30031-0001

Carter B NW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 4-T24S-R41W, API # 15-075-10001