

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form T-1
April 2019
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: _____

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 _____

KANSAS CORPORATION COMMISSION
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Form KSONA-1

July 2021

Form Must Be Typed

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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 (see Chapter 55 of the Kansas Statutes Annotated), 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: _____

MEMORANDUM FOR PURCHASE OF WORKING INTEREST IN OIL AND GAS LEASES

THIS memorandum signed this 14th day of November, 2025, by and between BRUNGARDT OIL AND LEASING, INC. as the Operator and representative for Sellers, hereinafter referred to as "Operator", and SMK, INC., as one of the Buyers and as representative for the other Buyers, hereinafter referred to as "SMK".

WHEREAS, Operator represents the owners of all of the working interest in oil and gas leases covering the following lands in Osborne County, Kansas:

Wedel A Lease-S/2, except SW/4 SW/4 SW/4 14-10-15

Wedel B Lease- SW/4 SW/4 SW/4 14-10-15

hereinafter referred to collectively as the "Subject Leases".

The owners of the working interests in the Subject Leases (Sellers) wish to sell their interest, being all of the working interest, in the Subject Leases to the Buyers hereinafter designated.

SMK represents the Buyers who consist of SMK, Inc., H&L Production, Incorporated and Estate of Russell C. Williams, III, Deceased, who wish to purchase the Subject Leases.

The terms of the purchase are as follows:

1. Purchase Price. Buyers shall purchase all of the working interest in and to the Subject Leases and all rights incident thereto and the personal property thereon for the sum of \$45,000.
2. Payment. SMK shall pay Operator the purchase price of \$45,000 at sale closing upon Operator's delivery of Sellers' Assignments to Buyers of the full working interest in and to the Subject Leases.
3. Effective Time. The Effective Time for the sale is November 1, 2025 at 12:00 o'clock a.m.
4. Sellers' Assignments. Sellers shall convey their interests in the Subject Leases to Buyers free and clear of all liens and encumbrances, but subject to any overriding royalties of record.
5. Property Tax. Sellers will pay all of the 2024 and prior years property taxes, if any, on the Subject Leases. In addition, 2025 property taxes will be prorated between the parties to the Effective Date based on the 2024 taxes and Sellers' share will be credited against the purchase price. Buyer will pay all of the 2025 property taxes when due. If Operator receives the 2025 tax statement, Operator will forward it to SMK for payment by Buyers.
6. Sale Closing. Sale closing shall occur upon execution of this Agreement. At the Closing the following shall occur:
 - a. Operator shall deliver Sellers fully executed and acknowledged Assignments of Oil and Gas Leases which shall convey Sellers' 100% working interest in the Subject Leases to Buyers.
 - b. All lease records in Operator's possession for the Subject Leases shall be delivered to SMK.

2/AGREEMENT FOR PURCHASE OF OIL AND GAS LEASE

- c. At the Sale Closing and thereafter as may be necessary, the parties hereto shall execute, acknowledge and deliver transfer orders and such other instruments and documents and shall take such other action as may be necessary to carry out their obligations under this Agreement.
- d. The value of Sellers' share of oil in the tank above the point of connection shall be calculated based on CHS Refinery's posted price per barrel for crude oil on the date prior to the sale closing and shall be added to the amount paid to Operator.
- e. SMK shall pay Operator \$45,000 less credit for Sellers' share of 2025 property taxes plus Sellers share of the value of the oil in the tank. Operator will make disbursement of the sale proceeds to the Sellers.

7. Post-Closing Adjustment. SMK shall promptly remit to Operator any revenue or billings arising from operations prior to the Effective Time which are received by SMK or Buyers. Operator or Sellers shall promptly remit to SMK any revenue or billings arising from operations after the Effective time which are received by Operator or Sellers. In performing such remittance the parties shall prorate any revenue or billings which arise from operations which cover periods beginning prior to the Effective Time but which extend after the Effective Time. Copies of the original documents plus a written explanation of the prorate calculations shall be provided in all cases.


8. Miscellaneous Provisions.

- a. Sellers will pay all leasehold expenses incurred prior to the Effective Time and Buyers will pay all leasehold expenses incurred on and after the Effective Time.
- b. Sellers shall be responsible for all claims, costs, expenses, and liabilities with respect to the Subject Leases prior to the Effective Time and Buyers shall be responsible for all of such claims, costs, expenses and liabilities first incurred or related to time as of and after the Effective Time.
- d. The designated operator of the Subject Leases as of the Effective Time is Timothy F. Scheck, d/b/a Scheck Oil Operations who will initiate the filing of a Form T-1 Change of Operator with the Kansas Corporation Commission.

Signed in duplicate on the date stated above.

SMK, INC.

BRUNGARDT OIL AND LEASING, INC.

By: 
Timothy F. Scheck, President

By: 
Christopher Brungardt, President

For Buyers

Operator for Sellers

SALE CLOSING STATEMENT

November 14, 2025

AGENT FOR SELLERS: BRUNGARDT OIL AND LEASING, INC.
P.O. Box 871
Russell, KS 67665


AGENT FOR BUYERS: SMK Inc.
Timothy F. Scheck, President
211 South Front St.
Russell, KS 67665

PROPERTY: Wedel A Lease-S/2, except SW/4 SW/4 SW/4 14-10-15
Wedel B Lease- SW/4 SW/4 SW/4 14-10-15
Osborne County, Kansas

SALE PRICE:	\$45,000.00
TAX PRORATION: \$535.74 x 10/12	(\$ 446.45)
OIL IN TANK VALUE:	\$ -0-
NET SALE PRICE:	<u>\$44,553.55</u>

BRUNGARDT OIL AND LEASING, INC.

By:


Christopher Brungardt, President

SELLER

SMK, INC.

By:


Timothy F. Scheck, President

BUYER