

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
OIL & GAS CONSERVATION DIVISION

Form KSONA-1

July 2021

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 (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: _____

Well Name	Surface Owner	Surface Owner Contacts Address	State/Zip
Byrd Hardy C-1	Nancy Hardy Merry	P. O. Box 29855	Bellingham, WA 68228
	Kurt Keller Estate Trust	3118 Wroxton Rd.	Houston, TX 77005
	Joseph Keller Estate Trust	306 Stratford St., Apt. 14	Houston, TX 77006
W.E. Keller 1	Kurt Keller Estate Trust	3118 Wroxton Rd.	Houston, TX 77005
	Joseph Keller Estate Trust	306 Stratford St., Apt. 14	Houston, TX 77006
Byrd Hardy B-1 (SWD)	Nancy Hardy Merry	P. O. Box 29855	Bellingham, WA 68228

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (the “Agreement”) is between **CLUB OIL & GAS LTD. LLC**, a Colorado limited liability company, **SCHULEIN COMPANY, LLC**, a Colorado limited liability company, **FLAGG DIAMOND CORPORATION**, a Colorado corporation, **BRADFORD C. ACKMAN REVOCABLE TRUST dated October 18, 2016** and **ROGUE RESOURCES LLC**, a Colorado limited liability company, (hereinafter collectively referred to as the “Sellers”), **ADVANTAGE RESOURCES, INC.**, a Colorado corporation, (hereinafter referred to as “Advantage” and the “Operator”) and **HERMAN L. LOEB LLC**, an Illinois limited liability company, (hereinafter referred to as “Loeb” and the “Buyer”).

In consideration of the mutual promises contained herein, the mutual benefits to be derived for each party hereunder and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Sellers, Operator and Buyer agree as follows:

1. Purchase and Sale

Sellers agree to sell and convey, and Buyer agrees to purchase and pay for all of Sellers right, title and interest in and to the oil and gas leases described below, and more fully described on attached Exhibit ‘A’, and related properties, wells, equipment, fixtures and improvements located thereon:

- W. E. Keller Lease
- Byrd Hardy ‘C’ Lease
- Hardy ‘B’ #1 SWD Lease

The above leases, and related properties, wells, equipment, fixtures and improvements located thereon, are hereinafter referred to as the “Advantage Operated Leases”.

- Hardy #3 AMI Leases

The above leases are hereinafter referred to as the “Loeb Operated Leases”.

The Advantage Operated Leases and Loeb Operated Leases are hereinafter collectively referred to as the “Leases”.

2. Purchase Price

Buyer shall pay Sellers the total purchase price of [REDACTED]. The purchase price is allocated as follows:

- W. E. Keller Lease - [REDACTED]
- Byrd Hardy ‘C’ Lease - [REDACTED]
- Hardy ‘B’ #1 SWD Lease - [REDACTED]
- Hardy #3 AMI Leases - [REDACTED]

The total purchase price shall be paid in full to Operator, whose address is 5023 W. 120th Avenue #271, Broomfield, CO 80020, and Operator shall be responsible for distributing monies to the Sellers in accordance with the division of interest associated with each lease and/or well. The purchase price shall be paid to Operator by check or electronic funds transfer.

3. Effective Date

The effective date of the sale and purchase is 7:00 a.m. on the 1st day of April, 2026 (the “Effective Date”). Sellers shall be entitled to receive all revenues and shall be responsible for payment of all expenses with respect to the Leases arising prior to the Effective Date. Buyer shall be entitled to receive all revenues and shall be responsible for payment of all expenses with respect to the Leases arising on and after the Effective Date. Buyer assumes all obligations and responsibilities under the Leases and all legal and regulatory obligations and responsibilities with respect to operations from and after the Effective Date, including the obligation for the plugging of wells.

4. Representations

Sellers warrant Sellers interest in the Leases to be free and clear of all mortgages, assignments, pledges, security interests, and other liens whatsoever arising by, through, and under Sellers, but not otherwise.

5. Produced Oil and Gas

Sellers share of oil in tanks related to the Leases, above the pipeline connections, as of 7:00 a.m. on the Effective Date shall not be part of this purchase and sale, but shall remain the property of Sellers. Sellers share of gas produced from the Leases, and the proceeds of gas produced prior to 7:00 a.m. on the Effective Date, shall likewise not be part of this purchase and sale, but shall remain the property of Sellers. Operator shall gauge the oil tank inventories related to the Advantage Operated Assets on the Effective Date and shall receive Sellers share of the value of the oil tank inventory when sold by Buyer. Buyer shall gauge the oil tank inventories related to the Loeb Operated Assets on the Effective Date and Operator shall receive Sellers share of the value of the oil tank inventory when sold by Buyer. Buyer shall remit payment of Sellers share to Operator within 30 days of Buyer receiving payment from the oil and/or gas purchaser. Operator shall be responsible for distributing monies to the Sellers. Operator shall give Buyer and Buyer shall give Operator reasonable notice of the time and place of final gauging of oil inventories, and Buyer and Operator shall have the option to jointly gauge such inventories.

6. Taxes and Royalties.

Sellers shall be responsible for payment of all ad valorem taxes, production taxes, windfall profit taxes, and any other similar taxes applicable to the Advantage Operated Leases for the calendar year 2025 and prior years. Buyer shall be responsible for payment of all such ad valorem taxes, production taxes, windfall profit taxes, and any other similar taxes applicable to the Advantage Operated Leases for the calendar year 2026 and subsequent years. Buyer shall be responsible for payment of all sales, use and similar taxes arising out of the sale of the Leases.

Operator shall be responsible for payment of all royalties, overriding royalties, and co-working interest owner payments with respect to production from the Advantage Operated Leases occurring prior to the Effective Date. Buyer shall be responsible for payment of all royalties, overriding royalties, and co-working interest owner revenues with respect to production from the Advantage Operated Leases occurring after to the Effective Date.

On or before the Effective Date, Operator shall furnish Buyer with all information necessary for the payment of royalties, overriding royalties, co-working interest owner revenues and production history from the Advantage Operated Leases. Operator agrees to prepare and timely file county rendition statements with respect to the Advantage Operated Leases for the year 2025. Buyer agrees to prepare and timely file county rendition statements with respect to the Advantage Operated Leases for the year 2026 and thereafter.

7. Sellers, Operator and Buyer Obligations.

- a) Within 7 days from the Effective Date, Buyer shall pay Operator the purchase price in accordance with the provisions of Section 2 above.
- b) Upon receipt of the purchase price by Operator, (i) Sellers shall deliver to Buyer, by overnight courier service, an original executed and acknowledged assignment and conveyance, and (ii) Operator shall complete and file the Change of Operator (T-1) forms, including the Surface Owner Notification (KSONA-1) form, on the Kansas Online Automated Reporting (“KOLAR”) website. The Buyer hereby appoints, as the operator of the Advantage Operated Leases as of the Effective Date, Herman L. Loeb LLC, with Operator Number 3273. Operator shall timely give the surface owners, and the companies utilizing the Hardy ‘B’ #1 salt water disposal well, notice of change of operator.
- c) Buyer shall, within 10 business days of receipt of all the Sellers original executed assignments and conveyances, (i) collate and execute the assignment and conveyance and file for recording, and (ii) sign the T-1 forms on KOLAR.
- d) No later than 30 days after the Effective Date, Operator shall provide Buyer with copies of all records, well files and correspondence files directly related to the Leases, including, without limitation, lease, land, well, title and contract files; landowner contact information and correspondence; abstracts, title opinions, division orders, divisions of interest and title curative documents; seismic, geologic and engineering information; oil and/or gas purchase agreements and joint operating agreements; saltwater disposal leases and agreements; operations, environmental, production and accounting records; and regulatory correspondence.
- e) Buyer shall be solely responsible for all filings and recording of the assignment and conveyance, and for all fees connected therewith. Buyer shall promptly file all appropriate forms, declarations or bonds with federal and state agencies relative to its assumption of operations of the Advantage Operated Leases, and Operator shall cooperate with Buyer in connection with such filings.
- f) Buyer shall promptly notify the oil and gas purchasers of the change in ownership of the Advantage Operated Leases and provide purchasers with all necessary information and documentation related to the new division of interest for the Advantage Operated Leases.

8. **Assumption and Indemnity.** Except as provided herein (a) the Sellers and Operator retain liability and shall be responsible for all costs, expenses, claims, obligations and liabilities attributable to the Advantage Operated Leases and arising from or relating to operations, acts or omissions prior to the Effective Time, and (b) the Buyer shall be responsible for all costs, expenses, claims, obligations and liabilities attributable to the Advantage Operated Leases and arising from or relating to operations, acts or omissions from and after the Effective Time. Sellers agree to indemnify and hold Buyer harmless from and against any claim or loss resulting from the release or disposal of any Hazardous Substance on, from, or under the Advantage Operated Leases occurring prior to the Effective Date. "Hazardous Substance" means any chemical, substance, or material, including petroleum, petroleum products, and salt water, the release or disposal of which are presently regulated pursuant to any state or federal environmental laws.
9. **Survival & Fees.** The covenants, agreements, disclaimers, obligations, and representations and warranties of the parties hereunder will survive the closing and shall not merge with any assignment or conveyance of the Leases. The prevailing party on any action brought to enforce this provision shall be entitled to recover legal fees and costs.
10. **Entire Agreement.** This Agreement constitutes the entire agreement between Sellers, Operator and Buyer with regard to the subject matter hereof, superseding all prior statements, representations, discussions, agreements and understandings between the Sellers, Operator and Buyer. This Agreement shall be governed by and construed in accordance with the internal laws of the state of Kansas (without giving effect to principles of conflicts of laws).
11. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument, and all signature pages may be collected into a single counterpart for recording and record-keeping purposes. Electronic or other facsimile signatures may be exchanged and shall be binding on the parties as though they were original signatures.

IN WITNESS WHEREOF, the Sellers, Operator and Buyer have executed this Agreement as of the dates set forth below.

OPERATOR:

ADVANTAGE RESOURCES, INC.,
a Colorado corporation

By: 
Brian W. Ackman, President

Date: 3/23/26

BUYER:

HERMAN L. LOEB LLC,
an Illinois limited liability company

By: _____
Jesse R. Middagh, COO

Date: _____

8. **Assumption and Indemnity.** Except as provided herein (a) the Sellers and Operator retain liability and shall be responsible for all costs, expenses, claims, obligations and liabilities attributable to the Advantage Operated Leases and arising from or relating to operations, acts or omissions prior to the Effective Time, and (b) the Buyer shall be responsible for all costs, expenses, claims, obligations and liabilities attributable to the Advantage Operated Leases and arising from or relating to operations, acts or omissions from and after the Effective Time. Sellers agree to indemnify and hold Buyer harmless from and against any claim or loss resulting from the release or disposal of any Hazardous Substance on, from, or under the Advantage Operated Leases occurring prior to the Effective Date. "Hazardous Substance" means any chemical, substance, or material, including petroleum, petroleum products, and salt water, the release or disposal of which are presently regulated pursuant to any state or federal environmental laws.
9. **Survival & Fees.** The covenants, agreements, disclaimers, obligations, and representations and warranties of the parties hereunder will survive the closing and shall not merge with any assignment or conveyance of the Leases. The prevailing party on any action brought to enforce this provision shall be entitled to recover legal fees and costs.
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OPERATOR:

ADVANTAGE RESOURCES, INC.,
a Colorado corporation

By: _____
Brian W. Ackman, President

Date: _____

BUYER:

HERMAN L. LOEB LLC,
an Illinois limited liability company

By: 
Jesse R. Middagh, CQO

Date: 3/23/2026

SELLERS:

CLUB OIL & GAS LTD. LLC,
a Colorado limited liability company
f/k/a Club Oil & Gas Ltd.

By: Club Oil & Gas, Inc., Manager

By: *Randy Stein*
Randy Stein, President

Date: 3-23-26

**BRADFORD C. ACKMAN REVOCABLE
TRUST dated October 18, 2016**

By: _____
Bradford C. Ackman, Trustee

Date: _____

SCHULEIN COMPANY, LLC,
a Colorado limited liability company

By: _____
Benjamin Schulein, Manager

Date: _____

ROUGE RESOURCES LLC,
a Colorado limited liability company

By: _____
Brian W. Ackman, Manager

Date: _____

FLAGG DIAMOND CORPORATION,
a Colorado corporation

By: _____
Louis C. Bortz, President

Date: _____

SELLERS:

CLUB OIL & GAS LTD. LLC,
a Colorado limited liability company
f/k/a Club Oil & Gas Ltd.

By: Club Oil & Gas, Inc., Manager

By: _____
Randy Stein, President

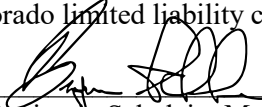
Date: _____

**BRADFORD C. ACKMAN REVOCABLE
TRUST dated October 18, 2016**

By: _____
Bradford C. Ackman, Trustee

Date: _____

SCHULEIN COMPANY, LLC,
a Colorado limited liability company

By:  _____
Benjamin Schulein, Manager

Date: 3/26/26

ROUGE RESOURCES LLC,
a Colorado limited liability company

By: _____
Brian W. Ackman, Manager

Date: _____

FLAGG DIAMOND CORPORATION,
a Colorado corporation

By: _____
Louis C. Bortz, President

Date: _____

SELLERS:

CLUB OIL & GAS LTD. LLC,
a Colorado limited liability company
f/k/a Club Oil & Gas Ltd.

By: Club Oil & Gas, Inc., Manager

By: _____
Randy Stein, President

Date: _____

**BRADFORD C. ACKMAN REVOCABLE
TRUST dated October 18, 2016**

By: _____
Bradford C. Ackman, Trustee

Date: _____

SCHULEIN COMPANY, LLC,
a Colorado limited liability company

By: _____
Benjamin Schulein, Manager

Date: _____

ROUGE RESOURCES LLC,
a Colorado limited liability company

By: _____
Brian W. Ackman, Manager

Date: _____

FLAGG DIAMOND CORPORATION,
a Colorado corporation

By: Louis C. Bortz by Pamela B Kinsley POA
Louis C. Bortz, President

Date: 3-23-2026

SELLERS:

CLUB OIL & GAS LTD. LLC,
a Colorado limited liability company
f/k/a Club Oil & Gas Ltd.

By: Club Oil & Gas, Inc., Manager

By: _____
Randy Stein, President

Date: _____

**BRADFORD C. ACKMAN REVOCABLE
TRUST dated October 18, 2016**

By: B. C. Ackman
Bradford C. Ackman, Trustee

Date: 3/23/2026

SCHULEIN COMPANY, LLC,
a Colorado limited liability company

By: _____
Benjamin Schulein, Manager

Date: _____

ROUGE RESOURCES LLC,
a Colorado limited liability company

By: _____
Brian W. Ackman, Manager

Date: _____

FLAGG DIAMOND CORPORATION,
a Colorado corporation

By: _____
Louis C. Bortz, President

Date: _____

SELLERS:

CLUB OIL & GAS LTD. LLC,
a Colorado limited liability company
f/k/a Club Oil & Gas Ltd.

By: Club Oil & Gas, Inc., Manager

By: _____
Randy Stein, President

Date: _____

**BRADFORD C. ACKMAN REVOCABLE
TRUST dated October 18, 2016**

By: _____
Bradford C. Ackman, Trustee

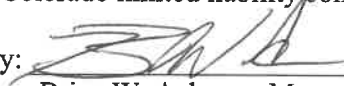
Date: _____

SCHULEIN COMPANY, LLC,
a Colorado limited liability company

By: _____
Benjamin Schulein, Manager

Date: _____

ROUGE RESOURCES LLC,
a Colorado limited liability company

By:  _____
Brian W. Ackman, Manager

Date: 3/23/26

FLAGG DIAMOND CORPORATION,
a Colorado corporation

By: _____
Louis C. Bortz, President

Date: _____

EXHIBIT 'A'

Attached to and made part of that Purchase and Sale Agreement effective April 1, 2026
between Club Oil & Gas Ltd. LLC, et al. (Sellers), Advantage Resources, Inc. (Operator) and Herman L. Loeb LLC (Buyer).

Kiowa County, Kansas

<u>W. E. Keller</u>					
<u>Lessor</u>	<u>Lessee</u>	<u>Date</u>	<u>Recorded (Book/Page)</u>		<u>Legal Description</u>
William E. Keller and Janice Keller, Trustees of the William E. Keller Living Trust dated December 10, 1991	Advantage Resources, Inc.	05/01/92	20	396	NW/4 Sec. 24-T28S-R18W.
<u>Well Name and Number</u>	<u>API #</u>	<u>Location (S/T/R)</u>		<u>Sellers GWI</u>	<u>Sellers NRI</u>
W. E. Keller #1	15-097-21334-00-00	24	28S	18W	100% 80.062120%

Byrd Hardy 'C'

<u>Byrd Hardy 'C'</u>					
<u>Lessor</u>	<u>Lessee</u>	<u>Date</u>	<u>Recorded (Book/Page)</u>		<u>Legal Description</u>
Byrd Hardy, as Trustee of the Byrd Hardy Living Trust dated October 14, 1992	Advantage Resources, Inc.	10/22/93 Effective 11/12/93	20	530	W/2 SW/4 Sec. 24-T28S-R18W.
William E. Keller and Janice Keller, Trustees of the William E. Keller Living Trust dated December 10, 1991	Advantage Resources, Inc.	05/01/92	20	396	E/2 SW/4 Sec. 24-T28S-R18W.
<u>Well Name and Number</u>	<u>API #</u>	<u>Location (S/T/R)</u>		<u>Sellers GWI</u>	<u>Sellers NRI</u>
Byrd Hardy 'C' #1	15-097-21359-00-00	24	28S	18W	100% 81.755004%
Note: the above-described leases are subject to a Notice and Declaration of Pooling of Oil and Gas Leases, recorded in Book Z-1, Page 151.					

EXHIBIT 'A'

Attached to and made part of that Purchase and Sale Agreement effective April 1, 2026
between Club Oil & Gas Ltd. LLC, et al. (Sellers), Advantage Resources, Inc. (Operator) and Herman L. Loeb LLC (Buyer).

Kiowa County, Kansas

<u>Hardy 'B' #1 SWD Lease</u>				
<u>Lessor</u>	<u>Lessee</u>	<u>Date</u>	<u>Recorded (Book/Page)</u>	<u>Legal Description</u>
Byrd Hardy, as Trustee of the Byrd Hardy Living Trust dated October 14, 1992	Advantage Resources, Inc.	04/26/95	Z-1 629	E/2 Sec. 24-T28S-R18W, less 5.4-acre tract (Salt Water Disposal Lease & Easement).
<u>Well Name and Number</u>	<u>API #</u>	<u>Location (S/T/R)</u>		<u>Sellers NRI</u>
Hardy 'B' #1	15-097-21348-00-01	24	28S 18W	100% N/A

<u>Hardy #3 AMI</u>				
<u>Lessor</u>	<u>Lessee</u>	<u>Date</u>	<u>Recorded (Book/Page)</u>	<u>Legal Description</u>
William E. Keller and Janice Keller, Trustees of the William E. Keller Living Trust dated December 10, 1991	Advantage Resources, Inc.	05/01/92	20 396	W/2 SW/4 NW/4 Sec. 24-T28S-R18W.
Byrd Hardy, as Trustee of the Byrd Hardy Living Trust dated October 14, 1992	Advantage Resources, Inc.	01/08/96	20 778	E/2 SE/4 Sec. 23-T28S-R18W.
Bobby J. Martin and Helen C. Martin, husband and wife	Cross Bar Petroleum, Inc.	11/20/94	20 773	E/2 NW/4 SE/4 Sec. 23-T28S-R18W.
<u>Well Name and Number</u>	<u>API #</u>	<u>Location (S/T/R)</u>		<u>Sellers NRI</u>
Hardy #3	15-097-21700-00-00	23	28S 18W	22.36566% 18.488857%

Note 1: Sellers GWI & NRI includes non-consent interest acquired by Flagg Diamond Corporation.

Note 2: The above-described leases are subject to an Operating Agreement dated effective May 1, 2011 between Buyer and various parties, as Non-Operators, which establishes a Contract Area and Area of Mutual Interest ("AMI").

Note 3: Re. Book 20, Page 778 - Notwithstanding that the SE/4 SE/4 Sec. 23-T28S-R18W lies outside the AMI and Sellers may hold a GWI/NRI in excess of those detailed above, Buyer is acquiring all right, title and interest in and to said lease and land.