

REQUEST FOR CHANGE OF OPERATOR *SLF*
TRANSFER OF INJECTION AUTHORIZATION
OR TRANSFER OF SURFACE POND PERMIT

KANSAS CORPORATION COMMISSION
CONSERVATION DIVISION
130 S MARKET, ROOM 2078
WICHITA, KANSAS 67202

Check Applicable Boxes:

[X] Oil Lease: No. of Wells 04 **

[] Gas Lease: No. of Wells _____ **

** SIDE TWO MUST BE COMPLETED **

[] Saltwater Disposal Well - Docket No. _____

Spot Location: _____ feet from N/S Line

_____ feet from E/W Line

[] Enhanced Recovery Proj. Docket No. _____

Entire project: Yes/No

Number of injection wells 00 **

Effective Date of Transfer 3/1/95

Lease Name Roseberry

_____ - _____ - _____ Sec 12 T 18 R 20 W/E

Legal Description of Lease: E 1/2 of the

SE 1/4 of Section 12-18S-20E

County Franklin

Production Zone(s) Squirrel

Field Name Rantoul

Injection Zone(s) Squirrel

Surface Pond Permit # _____

(API No. If Drill Pit)

_____ Feet from N/S Line of Section

_____ Feet from E/W Line of Section

Identify: Emergency Pit ☐

Burn Pit ☐

Storage Pit ☐

Drill Pit ☐

Past Operator's License No. 9873

Contact Person: Joe Smith

Past Operator's Name and Address:

Wes Bar, Inc./Painter Oil Co.

5865 Fairway Ln.

Memphis, Tn. 38119

Phone: 913/937-4102

Date O&G LEASE IN OUR FILES

Title _____

Signature _____

New Operator's License No. 31473

Contact Person Jon Garrett

New Operator's Name and Address

BG-5, Inc.

3939 Ellis Rd.

Rantoul, Ks. 66079

Phone 913/869-3011

Oil/Gas Purchaser Crude Marketing, Inc.

Date 3/8/95

Title President

Signature Jon Garrett

ACKNOWLEDGEMENT OF TRANSFER: The above request for transfer of injection authorization, surface pond permit # _____ has been noted, approved and duly recorded in the records of the Kansas Corporation Commission. This acknowledgement of transfer pertains to Kansas Corporation Commission records only and does not convey any ownership interest in the above injection well(s) or pond permit.

_____ is acknowledged
as the new operator and may continue to
inject fluids as authorized by Docket #
_____. Recommended action _____

Date _____
Authorized Signature _____

_____ is acknowledged as the
new operator of the above named _____
the surface pond permitted by # _____

Date _____
Authorized Signature _____

Form T1 7/94

LOCATION E 1/2 OF THE SE 1/4 OF SEC. 12-18-20, FR. CO.

[illegible]

OIL AND GAS LEASE

AGREEMENT, Made and entered into this 30th day of June, 1993, by and between R.E. Roseberry and Eileen Roseberry, husband and wife, hereinafter called lessor, and Garrett Energy, Inc., hereinafter called lessee, does witness:

That lessor, for and in consideration of one dollar, cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased, and let and by these presents does grant, demise, lease and let unto said lessee, for the sole and only purpose of mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Franklin, State of Kansas, described as follows, to wit:

The East Half of the Southeast Quarter (E1/2 SE1/4) of Section 12, Township 12 South, Range 20 East, Franklin County, Kansas, and containing 80 acres more or less.

It is agreed that this lease shall remain in full force for a term of one year from this date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee.

In consideration of the premises the said lessee covenants and agrees:

1. To deliver to the credit of lessor, free of cost, into the pipeline to which lessee may connect his wells the equal 1/8 of all oil produced and saved from the leased premises.
2. To pay lessor for gas from each well where gas only is found the equal 1/8 of the gross proceeds at the prevailing market rate, (but, as to gas sold by lessee, in no event more than 1/8 of the proceeds received by lessee from such sales), for all gas used off the premises, said payments to be made to lessor and lessor to have gas free of cost from any such well for all stoves and all inside lights in the principle dwelling house on said land during the same time by making his own connections with the well at his own risk and expense.
3. To pay lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of 1/8 of the market value, at the mouth of the well, (but, as to gas sold by lessee, in no event more than 1/8 of the proceeds received by lessee from such sales), payable monthly at the prevailing market price.

If production operations are not begun on one of the existing oil wells on said land on or before the end of one year after the date of this lease, this lease shall terminate as to both parties.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in the proportion which his interest bears to the whole and undivided fee.

Lessee shall have the right to use, free of cost, gas, oil, and water produced on said land for its operation thereon, except water from wells of lessor.

Lessee shall bury his pipe lines below plow depth.

Lessee shall pay for damages caused by its operations to growing crops on said land.

Lessee shall maintain all lease roads used in the operations of wells on this lease.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing, but no removal may take place until all wells are plugged and all well locations are repaired in a reasonable manner.

If, after the expiration of the primary term of this lease, production on the leased premises shall cease from any cause, this lease shall not terminate provided lessee resumes operations for producing a well within sixty (60) days from such cessation, or for drilling a well within sixty (60) days from such cessation, and this lease shall remain in force during the prosecution of such operations and, if production results therefrom, then as long as production continues.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the

covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written and recorded transfer or assignment or a true copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or as to parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them on an acreage basis, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands upon which the said lessee or any assignee thereof shall make due payments of said rentals. If the leased premises are now or hereafter owned in severalty or in separate tracts, the premises, nevertheless, may be developed and operated as an entirety, and the royalties shall be paid to each separate owner in the proportion that the acreage owned by him bears the entire leased area. There shall be no obligation on the part of the lessee to offset wells on separate tracts into which the land covered by this lease may hereafter be divided by sale, devise, or otherwise, or to furnish separate measuring or receiving tanks for the oil produced from such separate tracts.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or such failure is the result of, any such Law, Order, Rule, or Regulation.

Whereof witness our hands as of the day and year first above written.

R.E. Roseberry
R.E. Roseberry

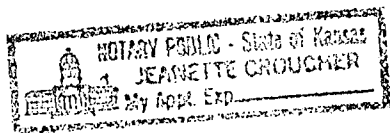
Eileen Roseberry
Eileen Roseberry

STATE OF KANSAS, COUNTY OF FRANKLIN, SS:

The foregoing instrument was acknowledged before me this 30th day of June, 1993, by R.E. Roseberry and Eileen Roseberry, husband and wife.

My commission expires: Apr. 30, 1995

Jeanette Croucher
Notary Public
Jeanette Croucher



FILED FOR RECORD
TIME 8:35 A.M.

Misc JUN 10 1994
Book 151 Page 579
REGISTER OF DEEDS, FRANKLIN CO., KS.
INSTRUMENT # 151

X 9302

9:15 A.M.

Misc JUN 23 1994 *X*
 Book 158 Page 81
 REGISTER OF DEEDS, FRANKLIN CO., KS.
 INSTRUMENT # 358

800

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL BY THESE MEN PRESENTS, that the undersigned, Garrett Energy, Inc., hererinafter called Assignor, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, assigns unto BG-5, Inc., hereinafter called Assignee, all of the Assignor's right, title, and interest in the following described oil and gas leases in Franklin County, Kansas:

1. The George Luckan Lease: Oil and Gas Lease between George O. Luckan, and Mildred M. Luckan, husband and wife, as lessors, and Benton L. Nitcher, as lessee, dated January 17, 1980, recorded in Book 95, Page 437, of the Miscellaneous Records of Franklin County, Kansas covering Lot 4 and the N 1/2 of the SW 1/4, and the S 1/2 of the SW 1/4, except that part thereof which is in the town of Ferguson and that part which is South and East of the railroad, and subject to railroad right of way, all in Section 35, Township 15S, Range 20E, containing 227.97 acres, more or less;

2. The Seyler "A" Lease: Oil and Gas Lease between Edward Seyler, as lessor, and Inland Resources, as lessee, dated June 12, 1984, recorded in Book 117, Page 413, of the Miscellaneous Records of Franklin County, Kansas covering the SW 1/4 of the NW 1/4 of Section 1, Township 16S, Range 20E, containing 40 acres, more or less;

3. The Seyler "B" Lease: Oil and Gas Lease between Edward Seyler, as lessor, and Inland Resources, as lessee, dated July 25, 1984, recorded in Book 117, Page 415, of the Miscellaneous Records of Franklin County, Kansas covering the East 1,984 feet of the SE 1/4, except a tract beginning 414.8 feet South and 60 feet West of the NE corner of the SE 1/4, thence West 623 feet, thence South 975 feet thence Northeasterly 825 feet, thence North 415 feet to the point of beginning, and except a tract beginning 300 feet North and 40 feet West of the SE corner, thence West 419 feet, thence North 554 feet, thence Easterly 365 feet, thence Southerly 605 feet to the point of beginning, less right of ways; also known as Parcel 8 of Section 11, Twp. 16S., Rng. 20E.;

4. The Ferguson Lease: Oil and Gas Lease between Pearl Catherine Ferguson, as lessor, and Jerry Harison Feagan, as lessee, dated May, 1985, recorded in Book 117, Page 511, of the Miscellaneous Records of Franklin County, Kansas, covering the N 1/2 of the SW 1/4 of Section 1, Township 16S, Range 20E, containing 80 acres, more or less;

5. The Leach Lease: Oil and Gas Lease between Russell C. Leach and Minnie R. Leach, husband and wife, as lessors, and S. Jonathan Garrett, as lessee, dated September 10, 1991, recorded in Book 143, Page 377, of the Miscellaneous Records of Franklin County, Kansas, covering the SW 1/4 of Section 21, Township 15S, Range 20E, containing 160 acres, more or less;

6. The Stewart Lease: Oil and Gas Lease between Vernon L. Stewart and Lois Stewart, husband and wife, as lessors, and Garrett Energy, Inc., as lessee, dated March 30, 1994, recorded in Book 157, Page 593, of the Miscellaneous Records of Franklin County, Kansas, covering the E 1/2 of the SW 1/4 of Section 3, the W 1/2 of the SW 1/4 of Section 3, and all South of the hedge and wire fence in the NW 1/4 of Section 3, and being a strip of land about 1 1/2 rods wide off the south side of said land and containing 1 1/2 acres, more or less; except beginning at the Southwest corner of Section 3, thence North 225 feet, thence East 500 feet, thence South 225 feet, thence West 500 feet to the place of beginning, containing 2.5 acres, more or less, all in Section 3, Township 16S, Range 20E, containing 161.5 acres, more or less;

7. The Trent Burkdoll Lease: Oil and Gas Lease between Lloyd Trent Burkdoll, as lessor, and Garrett Energy, Inc., as lessee, dated October 20, 1993, recorded in Book 157, Page 581, of the Miscellaneous Records of Franklin County, Kansas, covering the NE 1/4 of Section 13, Township 18S, Range 20E, containing 160 acres more or less;

8. The Burkdoll Brothers Lease: Oil and Gas Lease between Burkdoll Bros., Inc., as lessor, and Garrett Energy, Inc. as lessee, dated June 9, 1994, recorded in Book 157, Page 587, of the Miscellaneous Records of Franklin County, Kansas, covering the SE 1/4 of Section 13, Township 18S, Range 20E, containing 160 acres, more or less;

9. The Roseberry Lease: Oil and Gas Lease between R. E. Roseberry and Eileen Roseberry, husband and wife, as lessors, and Garrett Energy, Inc., as lessee, dated June 30, 1993, recorded in Book 157, Page 579, of the Miscellaneous Records of Franklin County, Kansas, covering the E 1/2 of the SE 1/4 of Section 12, Township 18S, Range 20E, containing 80 acres, more or less;

10. The Rauch Lease: Oil and Gas Lease between Laura E. Rauch Revocable Trust dated June 30, 1988, as lessor, and Garrett Energy, Inc., as lessee, dated July 1, 1993, recorded in Book 157, Page 575, of the Miscellaneous Records of Franklin County, Kansas, covering the SW 1/4 of Section 12, Township 18S, Range 20E, containing 160 acres, more or less;

11. The Davidson Lease: Oil and Gas Lease between Keith R. Davidson and Helen R. Davidson, as lessors, and Garrett Energy, Inc., as lessee, dated July, 7, 1993, recorded in Book 157, Page 573, of the Miscellaneous Records of Franklin County, Kansas, covering the S 1/2 of the W 1/2 of the SE 1/4 of Section 12, Township 18S, Range 20E, containing 40 acres, more or less.

12. The Flora Lease: Oil and Gas Lease between Linda L. Snow Revocable Trust Under Date of June 26, 1984, by Linda L. Burkdoll, Trustee, as lessor, and Garrett Energy, Inc., as lessee, dated June 17, 1994, recorded in Book 158, Page 53, of the Miscellaneous Records of Franklin County, Kansas, covering the NW 1/4 of Section 13, Township 18S, Range 20E, containing 160 acres, more or less.

And for the same consideration the Assignor covenants with the Assignee, its heirs, successors or assigns: That the Assignor is the lawful owner of and has good title to the interest above assigned in and to said leases, free and clear from all liens, incumbrances or adverse claims; That said leases are valid and subsisting leases on the lands above described, and all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force have been duly performed.

EXECUTED, This 21st day of June, 1994,

By S. Jonathan Garrett
S. Jonathan Garrett

STATE OF KANSAS)

COUNTY OF Franklin)

SS:

Before me, the undersigned a Notary Public, within and for the said County and State on this 21st day of June, 1994, personally appeared S. Jonathan Garrett to me personally known to be the identical person who executed the within and foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

Term Expires: Dec 20, 1996

Mary Ann McMechan
Notary Public

