

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**REQUEST FOR CHANGE OF OPERATOR  
TRANSFER OF INJECTION OR SURFACE PIT PERMIT**

Form T-1  
April 2004  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

**REVISED**

Check Applicable Boxes:

- ☒ Oil Lease: No. of Oil Wells 1 \*\*  
☒ Gas Lease: No. of Gas Wells 2 \*\*  
☐ 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: Fredonia

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

Effective Date of Transfer: 3-21-06  
KS Dept of Revenue Lease No.: 136866  
Lease Name: Western Landscape II  
\_\_\_\_\_ Sec. 25 Twp. 30 R. 15 ☒ E ☐ W  
Legal Description of Lease: NW/4 of Sec. 25, T30S, R15E  
County: Wilson  
Production Zone(s): \_\_\_\_\_  
Injection Zone(s): \_\_\_\_\_

Surface Pit Permit No.: \_\_\_\_\_  
(API No. if Drill Pit, WO or Haul)

Type of Pit: ☐ Emergency ☐ Burn ☐ Settling

\_\_\_\_\_ feet from ☐ N / ☐ S Line of Section  
\_\_\_\_\_ feet from ☐ E / ☐ W Line of Section  
☐ Haul-Off ☐ Workover ☐ Drilling

Past Operator's License No. 9313 ✓  
Past Operator's Name & Address: James D. Lorenz  
543A 22000 Road, Cherryvale, KS 67335-8515  
Title: Owner

Contact Person: James D. Lorenz  
Phone: 620-328-4433  
Date: \_\_\_\_\_  
Signature: SEE ATTACHED

New Operator's License No. 33739 ✓  
New Operator's Name & Address: SEK Energy, LLC.  
P.O. Box 55, Benedict, Kansas 66714  
Title: Manager

Contact Person: Douglas L. Lamb  
Phone: (620) 698-2150  
Oil / Gas Purchaser: Coffeyville Resources  
Date: 21 MAR 06  
Signature: Douglas L. Lamb  
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MAR 07 2008  
CONSERVATION DIVISION  
WICHITA, KS

**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: \_\_\_\_\_

\_\_\_\_\_ is acknowledged as the  
new operator of the above named lease containing the surface pit  
permitted by No.: \_\_\_\_\_ .  
Date: \_\_\_\_\_

Authorized Signature

Authorized Signature

DISTRICT \_\_\_\_\_ EPR 7-23-08 PRODUCTION JUL 24 2008 UIC 7-23-08  
Mail to: Past Operator \_\_\_\_\_ New Operator \_\_\_\_\_ District \_\_\_\_\_

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

\* Lease Name: Western Landscape II \* Location: NW/4 of Sec. 25, T30S, R15E

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CONSERVATION DIVISION  
WICHITA, KS

\* 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.

Western Landscape South

The NW 1/4 of Section 25, Township 30 South, Range 15 East, LESS the following described tract: Beginning at the NE corner of said quarter section; thence South 30 rods, thence West 16 1/3 rods; thence North 30 rods; thence East to beginning; AND LESS beginning 30 rods South of the NE corner of said quarter section; thence South 40 rods; thence West 16 1/2 rods; thence North 40 rods; thence East 16 1/2 rods to point of beginning, less three-fifths of the royalty interest under the current oil & gas lease dated March 1, 1991, which will be retained by Oma J. Clegg for her lifetime

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WESTERN LANDSCAPE, INC., a Kansas corporation

all the following described REAL ESTATE in the County of Wilson

and the State of Kansas, to-wit:

Lot Four (4), the East Half (E/2) of Lot Two (2) and the Northeast Quarter of the Southwest Quarter (NE/4 SW/4), Section One (1), Township Thirty (30) South, Range Fifteen (15) East of the Sixth Principal Meridian

in Wilson County and State of Kansas, to wit:

Beginning at a point 347.4 feet North of the Southeast corner of Lot Six (6), Section Two (2), Township Thirty (30) South, Range Fifteen (15) East of the 6th P.M., thence deflecting to the left from line North along East line of Lot 6, 97°10', Southwesterly 176.9 feet, thence Right on an angle of 24°36', 558.1 feet, thence Right on an angle of 14°41', 506.3 feet, thence Right on an angle of 3°03', 436.8 feet, thence Left on an angle of 2°52', 436.0 feet, thence North 196.4 feet to the South line of Lot One (1) of said Section, thence East 1880.0 feet to the Northeast corner of Lot 6 of said section, thence South 1144.2 feet to the point of beginning.

One

Also, the East half (E½) of Lot ~~Two~~ (1), Section Two (2), and Lot Three (3) and the West Half (W½) of Lot Two (2) and the Northwest Quarter (NW¼) of the Southwest Quarter (SW¼) of Section One (1), Township Thirty (30) South, Range Fifteen (15) East of the 6th P.M.

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AGREEMENT, Made and entered into

by and between:

Western Landscape, Inc.

Party of the first part, hereinafter called lessor (whether one or more) and

James D. Lorenz

Party of the second part, hereinafter called lessee.

WITNESSETH, That the said lessor, for and in consideration one dollar & other valuable considerations cash in hand paid receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of the lessee to be paid kept and performed, has granted, demised, leased and let unto said lessee, for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, roadways, and other structures and things thereon to produce, save, take care of, treat, process, store, transport and market said oil, liquid hydrocarbons, gases and their respective constituent products, the following described land together with any reversionary rights and after-acquired interests

therein, situated in the County of WilsonState of Kansasdescribed as follows, to-wit: \*see attached descriptionof Section 25 Township 30 Range 15E and containing \_\_\_\_\_ acres more or less.It is agreed that this lease shall remain in full force for a term of two (2) years from this date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee, or the premises are being developed or operated.

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

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which he may connect his wells the equal one-eighth 3/16 part of all oil produced and saved from the leased premises.

2nd. The lessee shall pay to lessor for gas produced from any oil well and used by the lessee for the manufacture of gasoline or any other product as royalty 3/16 of the market value of such gas at the mouth of the well if said gas is sold by the lessee, then as royalty 3/16 of the proceeds of the sale thereof at the mouth of the well. The lessee shall pay lessor as royalty 3/16 of the proceeds from the sale of gas as such at the mouth of the well where gas only is found and where such gas is not sold or used, lessee shall pay or tender monthly at the end of each yearly period during which such gas is not sold or used as royalty, an amount equal to the delay rental provided in the next succeeding paragraph hereof, and while said royalty is so paid or tendered this lease shall be held as a producing lease under the above term paragraph hereof the lessor to have gas free of charge from any gas well on the leased premises for stoves and inside lights in the principal dwelling house on said land by making his own connections with the well, the use of such gas to be at the lessor's sole risk and expense.

If no well be commenced on said land on or before \_\_\_\_\_, this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor, or to the lessor's credit in The \_\_\_\_\_ Bank at \_\_\_\_\_

\_\_\_\_\_ or its successors, which shall continue as the depository regardless of changes in the ownership of said land, the sum of \_\_\_\_\_ DOLLARS, which shall operate as a rental and cover

the privilege of deferring the commencement of a well for twelve months from said date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods or the same number of months successively. All such payments or tenders of rental may be made by check or draft of lessee or any assignee thereof, mailed or delivered on or before the rental paying date either direct to lessor or assigns or to said depository bank. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the state when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred. Lessee may at any time execute and deliver to lessor, or place of record, a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered, and thereafter the rentals payable hereunder shall be reduced in the proportion that the acreage covered hereon is reduced by said release or releases.

Should the first well drilled on the above described land be a dry hole then and in that event, if a second well is not commenced on said land within twelve months from the expiration of the last rental period for which rental has been paid, this lease shall terminate as to both parties, unless the lessee on or before the expiration of said twelve months shall resume the payment of rentals in the same amount and in the same manner as herein before provided. And it is agreed that upon the resumption of the payment of rentals, as above provided, that the last preceding paragraph hereof, governing the payment of rentals and the effect thereof, shall continue in force just as though there had been no interruption in the rental payments.

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. However, such rental shall be increased at the next succeeding rental anniversary after any reversion accrues to cover the interest so acquired.

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.

When requested by lessor, lessee shall bury his pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

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

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.

If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with the like effect as if such well had been completed within the term of years herein first mentioned.

If the estate of either party hereto is transferred, and the privilege of transferring in whole or in part is expressly allowed, or if the rights hereunder of either party hereto are vested by descent or devise, the covenants hereof shall extend to and be binding on the heirs, devisees, executors, administrators, successors, or assigns, but no change in the ownership of said land or of any right hereunder shall be binding on the lessee until after lessee has been furnished with the original or a certified copy thereof of any transfer by lessor or with a certified copy of the will of lessor together with a transcript of the probate thereof or, in the event lessor dies intestate and his estate is being administered, with a transcript of the administration proceedings or, in the event of the death of lessor and no administration being had on the estate, with an instrument satisfactory to lessee executed by lessor's heirs authorizing payments or deposit or tender for deposit to their credit as hereinbefore provided, at least thirty days before said rentals and royalties are payable or due, 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, 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. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment. If the leased premises are now or hereafter owned in severality 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 to 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 receive 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 and may reimburse itself from any rentals or royalties accruing hereunder.

Lessee shall pay 3/16ths instead of standard 1/8 as royalty on proceeds.Lessee shall drill 2 wells within 120 days of signing lease

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

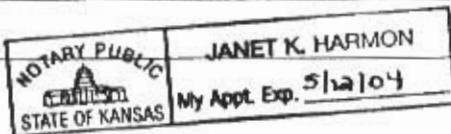
WESTERN LANDSCAPE, INC.EUGENE C. BEACHNER, PresidentRECEIVED  
KANSAS CORPORATION COMMISSION

SEP 17 2007

CONSERVATION DIVISION  
WICHITA, KS

STATE OF Kansas ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)  
 COUNTY OF Neosho  
 The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of December, 2003,  
 by Eugene C. Blechner and \_\_\_\_\_

My commission expires \_\_\_\_\_



Janet K. Harmon  
 Notary Public

STATE OF \_\_\_\_\_ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)  
 COUNTY OF \_\_\_\_\_  
 The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_,  
 by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

STATE OF \_\_\_\_\_ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)  
 COUNTY OF \_\_\_\_\_  
 The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_,  
 by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

STATE OF \_\_\_\_\_ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)  
 COUNTY OF \_\_\_\_\_  
 The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_,  
 by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

No. \_\_\_\_\_  
**OIL AND GAS LEASE**

FROM

TO

Date

Section

Twp.

Rge.

No. of Acres

Term

County

STATE OF

County

This instrument was filed for record on the \_\_\_\_\_

day of \_\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and duly recorded

in Book \_\_\_\_\_ Page \_\_\_\_\_ of \_\_\_\_\_

the records of this office.

By \_\_\_\_\_ Register of Deeds.

When recorded, return to \_\_\_\_\_

198 Wilson County  
 Register of Deeds  
**Book: 267 Page: 679**  
 Receipt #: 3276 Total Fees: \$16.00  
 Pages Recorded: 3  
 Date Recorded: 2/4/2004 4:07:07 PM  
Jenessa A. Young

STATE OF \_\_\_\_\_ ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)  
 COUNTY OF \_\_\_\_\_  
 The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_,  
 by \_\_\_\_\_  
 of \_\_\_\_\_ a \_\_\_\_\_  
 corporation, on behalf of the corporation.  
 My commission expires \_\_\_\_\_

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 Notary Public KANSAS CORPORATION COMMISSION

SEP 17 2007

CONSERVATION DIVISION  
 WICHITA, KS

Western Landscape

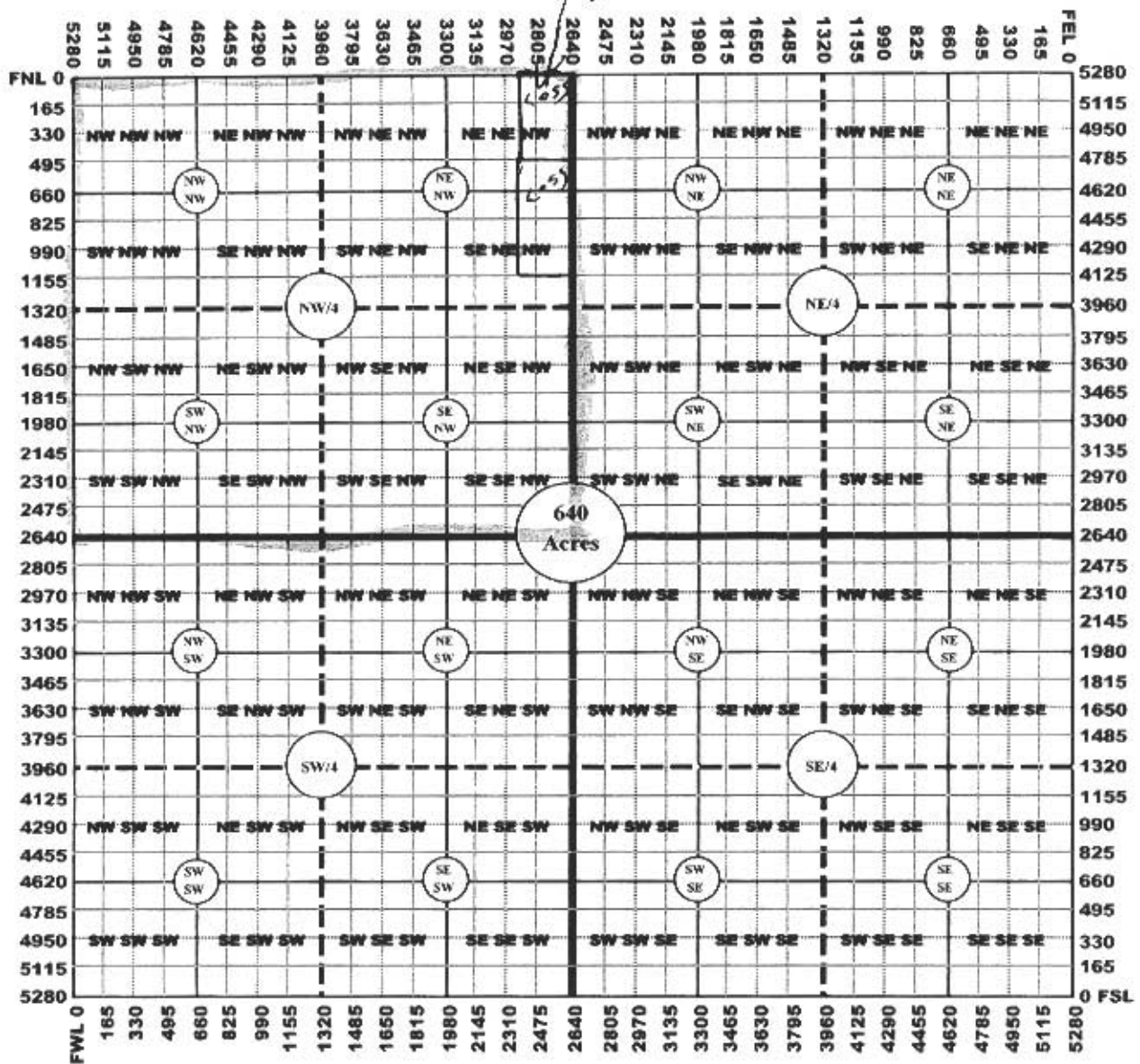
The NW 1/4 of Section 25, Township 30 South, Range 15 East, LESS the following described tract: Beginning at the NE corner of said quarter section; thence South 30 rods, thence West 16 1/3 rods; thence North 30 rods; thence East to beginning; AND LESS beginning 30 rods South of the NE corner of said quarter section; thence South 40 rods; thence West 16 1/2 rods; thence North 40 rods; thence East 16 1/2 rods to point of beginning, less three-fifths of the royalty interest under the current oil & gas lease dated March 1, 1991, which will be retained by Oma J. Clegg for her lifetime

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CONSERVATION DIVISION  
WICHITA KS

Less 2 Tracts  
7.22 Acres



25-30-15

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KANSAS CORPORATION COMMISSION

SEP 17 2007

CONSERVATION DIVISION  
WICHITA, KS