

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISIONREQUEST FOR CHANGE OF OPERATOR  
TRANSFER OF INJECTION OR SURFACE POND PERMITForm T-1  
June 2000  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

DOR 113037

Check Applicable Boxes:

☒ Oil Lease: No. of Wells 1☐ Gas Lease: No. of Wells     

\*\* Side Two Must Be Completed.

☐ Saltwater Disposal Well - Docket No. N/ASpot Location:      feet from N / S Line     feet from E / W Line☐ Enhanced Recovery Project Docket No. NAEntire Project: ☐ Yes ☐ NoNumber of Injection Wells     Field Name: Chase SilicaEffective Date of Transfer: September 1, 2003Lease Name: Reiser     S/2      NW/4 Sec. 23 Twp. 20S R. 11 ☐ E ☒ WLegal Description of Lease: S/2 of NW/4 23-20S-11W,Barton County, KansasCounty: BartonProduction Zone(s): ArbuckleInjection Zone(s):     

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APR 02 2004

KCC WICHITA

Surface Pond Permit # NA  
(API # if Drill Pit)Identify: ☐ Emergency Pit ☐ Burn Pit ☐ Storage Pit ☐ Drill PitPast Operator's License No. 33226Past Operator's Name & Address: Giant Holding, LLC, 223 W. 4th.,  
Hutchinson, KS 67501Title: ManagerContact Person: Dennis TerweyPhone: 620-664-6034Date: October 9, 2003Signature: Dennis TerweyNew Operator's License No. 32302New Operator's Name & Address: Key Gas Corp., 155 N Market,  
Suite 900, Wichita, KS 67202Title: Vice PresidentContact Person: Rod Andersen or Mike McNaulPhone: 316/265-2270Oil / Gas Purchaser: NCRADate: October 8, 2003Signature: Mike McNaul VP

**Acknowledgment 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 acknowledgment 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 lease containing the surface pond  
permitted by #     

Date:     

Authorized Signature

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

EP&amp;R 4/1/04 PR APR 05 2004 JIC 4/5/04

## Must Be Filed For All Wells

\* Location: SE SE NW 23-20-11

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\* When transferring a unit which consists of more than one lease please file a speartate side two for each lease. If a lease covers more than one section please indicate which section each well is located

ASSIGNMENT OF OIL AND GAS LEASE

KNOW ALL PERSONS BY THESE PRESENTS:

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The undersigned, Giant Holding, LLC, hereinafter called "Assignor", for and in consideration of One Dollar (\$1.00), receipt of which is acknowledged, does hereby sell, assign, transfer and set over unto Key Gas Holding, LLC, hereinafter called "Assignee", an undivided 86.5% NRI on the entire lease (100% WI) in said lease, subject to any and all royalty interests of record, in and to the following:

Oil and gas lease dated September 6, 2002, from Homer Reiser, a/k/a  
Homer F. Reiser, Lessor to Giant Holding, LLC, Lessee, recorded in  
Book 602, Page 760, Barton County, Kansas

Insofar and only insofar as said lease covers:

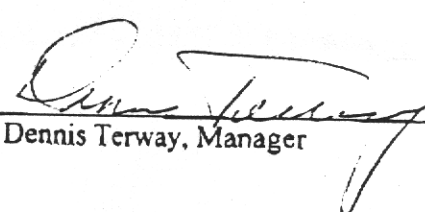
South Half of the Northwest Quarter (S/2 NW/4) of Section 23,  
Township 20 South, Range 11 West of the 6<sup>th</sup> PM, Barton County, Kansas


Together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith.

For the same consideration the Assignor covenants with the Assignee, its heirs, successors or assigns: That Assignor is the lawful owner of and has good title to the interest above assigned in and to said lease, estate, rights and property, free and clear from all liens, encumbrances or adverse claims; that said lease is a valid and subsisting lease on the land above described, and all rentals and royalties due there under have been paid and all conditions necessary to keep the same in full force have been duly performed.

This assignment is made without covenants of warranty of title, either expressed or implied, but is made with full substitution and subrogation of Assignees in and to all covenants and warranties by others heretofore given or made in respect of the interests assigned herein.

EXECUTED, this 16<sup>th</sup> day of April, 2003 to be effective for all purposes as of April 15, 2003.

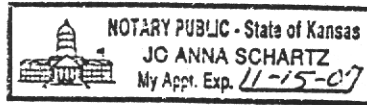
  
Dennis Terway, Manager



State of Kansas  
County of Reno

The foregoing instrument acknowledged before me on April 16, 2003, by Dennis Terway as manager of Giant Holding, LLC, a Kansas limited liability company, for and on behalf of said limited liability company.

Jolanna Schartz  
Notary Public



AFFIDAVIT OF NONPRODUCTION

Direct \_\_\_\_\_  
Index \_\_\_\_\_  
Num 1 \_\_\_\_\_  
Cross \_\_\_\_\_

I, the undersigned, Homer F. Reiser, of lawful age being first duly sworn, allege and state as follows:

1. That I am the owner of the following described real estate, to-wit:

Northwest Quarter (NW/4) of Section Twenty-three (23),  
Township Twenty South (20S), Range Eleven West (11W),  
Barton County, Kansas,

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2. That I know of my personal knowledge that there has been no production for oil and gas on the above described real estate for a period of at least the last 48 months and that as a result thereof any preexisting oil and gas leases on said premises prior to the current lease with Giant Holding, LLC have been terminated for no production.

FURTHER AFFIANT SAITH NOT.

State of Kansas } ss.  
Barton Co. }

This instrument was filed for record on the  
27 day of Sept, A.D., 2002  
at 10 o'clock A.M. and duly recorded  
in book 602 of Records  
Page 759 Fee \$ 8.00

Marcia G. Johnson  
Marcia G. Johnson, Register of Deeds

Homer F. Reiser  
Homer F. Reiser

STATE OF KANSAS,

SS:

COUNTY OF BARTON,

Before me, the undersigned, a Notary Public, within and for said County and State, on this 19th day of September, 2002, personally appeared Homer F. Reiser to me personally know to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

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

Janet M. Bauer  
Notary Public

My commission expires:



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OCT 10 2003  
KCC WICHITA

AFFIDAVIT OF NONPRODUCTION

Direct \_\_\_\_\_  
Indexed \_\_\_\_\_  
Invert \_\_\_\_\_  
Num \_\_\_\_\_  
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