

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

Check Applicable Boxes:

- ☒ Oil Lease: No. of Oil Wells 1 **
☐ Gas Lease: No. of Gas Wells _____ **
☐ Gas Gathering System: _____
☒ Saltwater Disposal Well - Permit No.: D 25016
Spot Location: 2310 feet from ☐ N / ☒ S Line
890 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: September 10, 2007

KS Dept of Revenue Lease No.: 15-131-20,049 118815

Lease Name: Hermesch #1 "A" 116

SE NW SE Sec. 9 Twp. 5 R. 13 ☒ E ☐ W

Legal Description of Lease: _____

attachment

County: Nemaha

Production Zone(s): Viola

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 OR

Past Operator's License No. 33123 exp 10/30/03

Contact Person: Steve Owen

Past Operator's Name & Address: Mid South Oil Exploration, Inc.
8 S. 3rd Street, 4th Floor, Memphis, TN. 38103

Phone: 913-267-5033

Date: _____

Title: _____

Signature: oil & gas use attached

New Operator's License No. 31389

Contact Person: Jay Ablah

New Operator's Name & Address: Noble Petroleum, Inc.
3101 N. Rock Road, Suite 125
Wichita, KS. 67226

Phone: 316-636-5155

Oil / Gas Purchaser: _____

Date: 9/6/2007

Title: President

Signature: [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.

Noble Petroleum, Inc. is acknowledged as the
new operator and may continue to inject fluids as authorized by
Permit No. D-25016. Recommended action: MIT Due
9/2/07-43C's due 2003-06
Date: 10-30-07 Barbara Montgomery
Authorized Signature

_____ is acknowledged as the
new operator of the above name and address containing the surface pit
permitted by No.: _____

Date: _____
CONSERVATION DIVISION
Authorized Signature

DISTRICT _____ EPR 10-2-07 PRODUCTION OCT 30 2007 UIC 10-30-07
Mail to: Past Operator 10-30-07 New Operator 10-30-07 District 3 10-30-07

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

* Location: 9-5S-13E

CONSERVATION DIVISION
WICHITA, KS

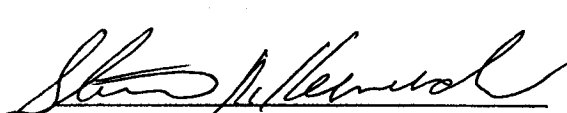
* When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located.

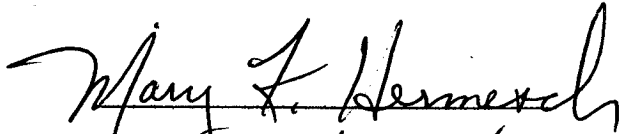
EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated May 7, 2007, by Steven A. Hermesch and Mary K. Hermesch, husband and wife, as Lessor to Noble Petroleum Inc., as Lessee, covering the Southeast Quarter (SE4) of Section 9, Township 5 South, Range 13 East and the North Half of the Northeast Quarter (N2NE4) and the East Half of the Northwest Quarter (E2NW4) and the Southwest Quarter of the Northeast Quarter (SW4NE4) of Section 16, Township 5 South, Range 13 East, Nemaha County, Kansas.

1. If at the end of the primary term this lease is not otherwise continued in force under the provisions hereof, this lease shall expire, unless Lessee on or before the end of the primary term shall pay or tender to Lessor, the sum of \$10.00 multiplied by the number of net mineral acres owned by Lessors in the land above described, this lease shall thereby be modified and the primary term shall be extended for an additional term of Three (3) years from the end of the original primary term.
2. Lessee or his Assigns shall restore the surface and the surface contours to their original condition as nearly as is reasonably practicable after drilling operations are completed on the above described premises.
3. The Lessor hereby gives permission to Noble Petroleum, Inc., and/or its assigns to enter the above described property with the necessary seismograph equipment for the purposes of conducting seismic operations and survey. Noble Petroleum, Inc. and or its assigns shall conduct all operations in a careful, diligent, workmanlike manner. Necessary line clearance and tree trimming is permitted. In granting permission to Noble Petroleum, Inc. and/or its assigns, Lessor agrees to protect and hold harmless any claims and damages that may result from this work. Noble Petroleum, Inc. and/or its assigns shall pay to Lessor and/or its Fee Tenant a fee to be calculated at the rate of \$4.00 per planted cropland acre; total fee to be paid by check or draft within 10 days following conclusion of said survey.

SIGNED FOR IDENTIFICATION:


Steven A. Hermesch


Mary K. Hermesch

RECEIVED
KANSAS CORPORATION COMMISSION

SEP 18 2007

CONSERVATION DIVISION
WICHITA, KS

LL88-1

Form 88 (producers) Rev. 1-83 (Paid-up)

Kans. - Okla. - Colo.

ACKNOWLEDGEMENT FOR INDIVIDUAL (Kans., Okla. and Colo.)

15632
NEMAH

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STATE OF KANSAS

OIL AND GAS LEASE

THIS AGREEMENT, Entered into this 7th day of May, 2007, between, Steven A. Hermes and Mary K. Hermes, husband and wife, 1568 32nd Road, Goff, KS 66428, hereinafter called lessor, and Noble Petroleum Inc., 3101 North Rock Road, Suite 125, Wichita, KS 67226, hereinafter called lessee, does witness:

1. That lessor, for and in consideration of the sum of Ten and More Dollars (\$10.00) in hand paid and of the covenants and agreements hereinafter contained to be performed by the lessee, has this day granted, leased, and let and by these presents does hereby grant, lease, and let exclusively unto the lessee the hereinafter described land, with any reversionary rights therein, and with the right to unitize this lease or any part thereof with other oil and gas leases as to all or any part of the lands covered thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata, and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of Nemaha, State of Kansas, and described as follows:

The Southeast Quarter (SE4) of Section 9, Township 5 South, Range 13 East and the North Half of the Northeast Quarter (N2NE4) and the East Half of the Northwest Quarter (E2NW4) and the Southwest Quarter of the Northeast Quarter (SW4NE4) of Section 16, Township 5 South, Range 13 East

containing 354.00 acres, more or less.

2. This lease shall remain in force for a term of Five (5) years (called "primary term") and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is or can be produced.

3. The lessee shall deliver to lessor as royalty, free of cost, on the lease, or into the pipe line to which lessee may connect its wells the equal one-eighth part of all oil produced and saved from the leased premises, or at the lessee's option may pay to the lessor for such one-eighth royalty the market price at the wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipe line or into storage tanks.

4. The lessee shall pay to the lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the lessee from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased. If such gas is not sold by the lessee, lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to one dollar per net mineral acre, and while shut in said royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas.

5. This lease is a paid-up lease and may be maintained during primary term without further payments or drilling operations.

6. In the event said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein then the royalties herein provided for shall be paid to said lessor only in the proportion which his interest bears to the whole and undivided fee; however, in the event the title to any interest in said land should revert to lessor, or his heirs, or his or their grantee, this lease shall cover such reversion.

7. The lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the lessor. When required by lessor, the lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the lessor. Lessee shall have the right at any time during, or after the expiration of the lease to remove all machinery fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.

8. 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 the heirs, devisees, executors, administrators, successors, and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee, and no change of ownership in the land or in the royalties or any sum due under this lease shall be binding on the lessee until it has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or certified copy of the proceedings showing appointment of an administrator of the estate of any deceased owner, whichever is appropriate together with all original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, devisee, or administrator, executor, or heir of lessor.

9. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligations on the part of the lessee to offset wells on separate tracts into which the land covered by the lease may now or hereafter be divided by sale, devise, descent or otherwise, or to furnish separate measuring or receiving tanks.

10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee, at its option, may pay and discharge in whole or in part any taxes, mortgages or other liens existing, levied, or assessed on or against the above described lands and, in event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage tax or other lien, any royalty accruing hereunder.

11. If after the expiration of the primary term, production of oil or gas should cease from any cause, this lease shall not terminate if lessee commences additional drilling or reworking operations within one hundred-twenty (120) days thereafter, or if as the expiration of the primary term, oil or gas is not being produced on said land, but lessee is then engaged in drilling or reworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the same well or any other well thereafter commenced with no cessation of more than one hundred-twenty (120) consecutive days, and if they result in production of oil or gas, this lease shall remain in effect so long thereafter as there is production of oil or gas under any provision of this lease.

12. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and determine, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

13. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended.

14. Lessee, at its option, is hereby given the right and power to pool or combine into one or more units the land covered by this lease, or any portion thereof, with other land covered by another lease, or leases when, in lessee's judgment, it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas and/or condensate or distillate well, plus a tolerance of ten percent (10%) to conform to Governmental Survey quarter sections. Lessee shall execute in writing and file for record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units shall be treated for all purposes, except the payments of royalties on production from the pooled unit, as if it were included in this lease. If production is found on any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on any such unit shall be and constitute a well hereunder. In lieu of the royalties elsewhere herein specified lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

15. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor and lessee.

See Exhibit "A" Attached hereto and made a part hereof.

IN WITNESS WHEREOF, we sign the day and year first above written.

Steven A. Hermes
Steven A. Hermes

Mary K. Hermes
Mary K. Hermes

SCANNED

ACKNOWLEDGEMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)

STATE OF KANSAS

OIL AND GAS LEASE

SS. COUNTY OF Nebraska Before me, the undersigned, a Notary Public, within and for said county and state on this 7th day of May, 2007, personally appeared Steven A. Hermach and Mary K. Hermach, husband and wife to me personally known to be the identical person(s) who executed the within and foregoing instrument and acknowledged to me that they executed the same as their 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.

My commission expires 7-24-10

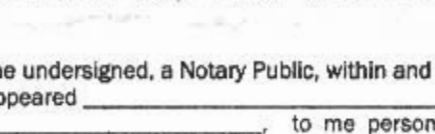


Tharon Schraeder
Notary Public

ACKNOWLEDGEMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)

STATE OF Nebraska Before me, the undersigned, a Notary Public, within and for said county and state on this 7th day of May, 2007, personally appeared Steven A. Hermach and Mary K. Hermach, husband and wife to me personally known to be the identical person(s) who executed the within and foregoing instrument and acknowledged to me that they executed the same as their 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.

My commission expires 7-24-10

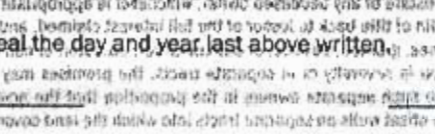


Tharon Schraeder
Notary Public

ACKNOWLEDGMENT FOR CORPORATION

STATE OF Nebraska On this 7th day of May, 2007, before me, the undersigned, a Notary Public in and for the county and state aforesaid, personally appeared Steven A. Hermach and Mary K. Hermach, husband and wife to me personally known to be the identical person who signed the name of the maker thereof to the within and foregoing instrument as its President and acknowledged to me that they executed the same as their free and voluntary act and deed, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.



Tharon Schraeder
Notary Public

STATE OF KANSAS
NEMAH COUNTY
This instrument was filed for record on the 24th day of May, A.D. 2007, at 9:39 o'clock A.M. and duly recorded in Book 452 on Page 507-9

Roxanna Holchauer
REGISTER OF DEEDS
Fee: \$16.00

RECEIVED
KANSAS CORPORATION COMMISSION
SEP 18 2007