

092204 - Salvation Army.pdf

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 _____ **
- ☒ Gas Lease: No. of Gas Wells 1 **
- ☐ 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: Byerly-Bradshaw

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

Effective Date of Transfer: September 22, 2004

KS Dept of Revenue Lease No.: 222389

Lease Name: Salvation Army

N 1/2 - _____ Sec. 4 Twp. 22S R. 40 ☐ E ☒ W

Legal Description of Lease: The North Half (N/2) of Section 4,
Township 22 South, Range 40 West

County: Hamilton

Production Zone(s): Winfield

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. New Lease, Copy Attached

Contact Person: _____

Past Operator's Name & Address: _____

Phone: _____

Title: _____

Date: _____

Signature: Please see attached

New Operator's License No. 33470

Contact Person: Greg Erhard

New Operator's Name & Address: Permian Reef, LLC

Phone: (913) 829-9379

2262 Willow Circle Drive, Greenwood, IN. 46143

Oil / Gas Purchaser: Duke Energy

Attn: D. M. Loesch

X Date: 9/26/04

Title: President

X Signature: David M. Loesch

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 10/08/04

PRODUCTION OCT 11 2004

UIC 10/5/04

Mail to: Past Operator _____

New Operator _____

District _____

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

* Location: Center of the NW Quarter

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* 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.

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ASSIGNMENT OF OIL AND GAS LEASES

STATE OF KANSAS
HAMILTON COUNTY } 352
This instrument was filed for record
on the 21st day of JUNE
A.D. 2004 at 10:30 clock A M
and duly recorded in book 119
Page 119 fee \$ 12.51
Shirley Cole
Register of Deeds

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, HUNTHAUSER HOLDINGS, L.L.C. ("Assignor"), in consideration of the sum of TEN DOLLARS and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby bargain, sell, transfer and convey unto PERMIAN REEF, LLC, whose address is c/o D. M. Loesch, 2262 Willow Circle Drive, Greenwood, IN 46143, the entire leasehold interest and estate in and to that certain oil and gas lease ("Subject Lease") dated November 18, 2002, from The Salvation Army, as Lessor, to HUNTHAUSER HOLDINGS, L.L.C., as Lessee, recorded in the office of the Register of Deeds of Hamilton County, Kansas, in OGL Book 49, page 11, covering the following-described real property located in Hamilton County, Kansas, to-wit:

The North Half (N/2) of Section 4, Township 22 South, Range 40 West,

together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection with the development and operation thereof or any well located thereon;

And for the same consideration, Assignor covenants and warrants to Assignee, its successors and assigns, that Assignor is the lawful owner of 100 percent of the Subject Lease and personal property assigned hereunder, free and clear of all mortgages, liens, overriding royalties, or other encumbrances or royalties known to or created by, through or under Assignor except the fifteen percent (15%) royalty reserved by the Lessor under the Subject Lease; that the Subject Lease is a valid and subsisting lease; that all conditions precedent to its continued existence have been complied with and that the primary term is still in effect and will not expire within ninety (90) days from the date of this Assignment; and that Assignor has good right and authority to sell and assign Subject Lease and the personal property assigned hereunder.

The terms, covenants and conditions hereof shall be binding upon and shall inure to the benefit of the parties hereto, their successors and assigns; and such terms, covenants and conditions shall be covenants running with the Subject Lease and with each transfer or assignment thereof.

HUNTHAUSER HOLDINGS, L.L.C.

By

Ed M. Farrow
Ed M. Farrow

Copy 33
Numerical 33
Computer 33
Indirect 33
Filmed

STATE OF TX)
COUNTY OF Dallas) ss:

This instrument was acknowledged before me on June 17, 2004, by
Ed M. Farrow as owner of HUNTHAUSER HOLDINGS, L.L.C., a
Kansas limited liability company.

Kasey Aldridge
Notary Public

My appointment expires:

6/7/05



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OIL AND GAS LEASE

(PAID-UP)

AGREEMENT, Made and entered into this 18th day of November, 2002, 19

by and between The Salvation Army
3637 Broadway, Kansas City, MO 64111

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

and Hunthauser Holding, LLC, party of the second part, hereinafter called lessee.

WITNESSETH, That the said lessor, for and in consideration of ten & more DOLLARS, 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 the said lessee, for the sole and only purpose of exploring by geophysical and other methods, mining and operating for oil (including but not limited to distillate and condensate), gas (including casinghead gas and helium and all other constituents), and for laying pipe lines, and building tanks, powers, stations and structures thereon, to produce, save and take care of said products, all that certain tract of

land, together with any reversionary rights therein, situated in the County of Hamilton
State of Kansas, described as follows, to-wit: Township 22 South, Range 40 West:

Section 4: N $\frac{1}{2}$

In lieu of a 1/8th royalty, Lessor shall receive a 15% royalty

of Section ---, Township ---, Range ---, and containing 320 acres, more or less.

It is agreed that this lease shall remain in force for a term of two (2) years from date (herein call primary term) 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:

1st. To deliver to the credit of lessor free of cost, in the pipe line to which it may connect its wells, the one-eighth (1/8) part of all oil (including but not limited to condensate and distillate) produced and saved from the leased premises.

2nd. To pay lessor for gas of whatsoever nature or kind (with all of its constituents) produced and sold or used off the leased premises, or used in the manufacture of products therefrom, one-eighth (1/8) of the gross proceeds received for the gas sold, used off the premises, or in the manufacture of products therefrom, but in no event more than one-eighth (1/8) of the actual amount received by the lessee, said payments to be made monthly. During any period (whether before or after expiration of the primary term hereof) when gas is not being sold or used and the well or wells are shut in and there is no current production of oil or operations on said leased premises sufficient to keep this lease in force, lessee shall pay or tender a royalty of One Dollar (\$1.00) per year per net royalty acre retained hereunder, such payment or tender to be made, on or before the anniversary date of this lease next ensuing after the expiration of ninety (90) days from the date such well is shut in and thereafter on the anniversary date of this lease during the period such well is shut in, to the royalty owners. When such payment or tender is made it will be considered that gas is being produced within the meaning of the entire lease. Lessor shall have the privilege at his risk and expense of using gas from any well, producing gas only, on the leased premises for stoves and inside lights in the principal dwelling thereon out of any surplus gas not needed for operations hereunder.

3rd. To pay lessor for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline or dry commercial gas, one-eighth (1/8) of the gross proceeds, at the mouth of the well, received by lessee for the gas during the time such gas shall be used, said payments to be made monthly.

If the lessee shall commence to drill a well or commence reworking operations on an existing well within the term of this lease or any extension thereof, or on acreage pooled therewith, the lessee shall have the right to drill such well to completion or complete reworking operations 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 like effect as if such well had been completed within the term of years first mentioned.

Lessee is hereby granted the right at any time and from time to time to utilize the leased premises or any portion or portions thereof, as to all strata or any stratum or strata, with any other lands as to all strata or any stratum or strata, for the production primarily of oil or primarily of gas with or without distillate. However, no unit for the production primarily of oil shall embrace more than 40 acres, or for the production primarily of gas with or without distillate more than 640 acres; provided that if any governmental regulation shall prescribe a spacing pattern for the development of the field or allocate a producing allowable based on acreage per well, then any such unit may embrace as much additional acreage as may be so prescribed or as may be used in such allocation of allowable. Lessee shall file written unit designations in the county in which the leased premises are located. Operations upon and production from the unit shall be treated as if such operations were upon or such production were from the leased premises whether or not the well or wells are located thereon. The entire acreage within a unit shall be treated for all purposes as if it were covered by and included in this lease except that the royalty on production from the unit shall be as below provided, and except that in calculating the amount of any shut in gas royalties, only the part of the acreage originally leased and then actually embraced by this lease shall be counted. In respect to production from the unit, Lessee shall pay Lessor, in lieu of other royalties thereon, only such proportion of the royalties stipulated herein as the amount of his acreage placed in the unit, or his royalty interest therein on an acreage basis bears to the total acreage in the unit.

If 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 shall be paid to 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 operations thereon, except water from wells of lessor.

When requested by the 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 all 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 estate of either part 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. However, no change or division in ownership of the land or royalties shall enlarge the obligations or diminish the rights of Lessee. No change in the ownership of the land or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. 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.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules and 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.

This lease shall be effective as to each lessor on execution hereof as to his or her interest and shall be binding on those signing, notwithstanding some of the lessors above named may not join in the execution hereof. The word "Lessor" as used in this lease means the party or parties who execute this lease as Lessor, although not named above.

Lessee may at any time and from time to time surrender this lease as to any part or parts of the leased premises by delivering or mailing a release thereof to lessor, or by placing a release of record in the proper County.

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.

IN TESTIMONY WHEREOF, we sign this the 18th day of November, 2002, 19

Attest;
Harold Winkler, Secretary
Secretary

The Salvation Army
by M. L. McLaren
Treasurer

Lessor

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STAMPED

STATE OF OKLAHOMA

County of _____

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared _____

personally known to me to be the identical person who executed the within and foregoing instrument, and acknowledged to me that _____ executed the same as _____ free and voluntary act and deed, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my official seal the day and year first above written.

My commission expires _____ Notary Public

STATE OF OKLAHOMA,
County of _____

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared _____

personally known to me to be the identical person who executed the within and foregoing instrument, and acknowledged to me that _____ executed the same as _____ free and voluntary act and deed, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my official seal the day and year first above written.

My commission expires _____ Notary Public

STATE OF OKLAHOMA,
County of _____

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared _____

personally known to me to be the identical person who executed the within and foregoing instrument, and acknowledged to me that _____ executed the same as _____ free and voluntary act and deed, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my official seal the day and year first above written.

My commission expires _____ Notary Public

No. _____	Oil and Gas Lease	FROM _____	TO _____
Date _____	Section _____	Township _____	Range _____
County _____	State _____	County _____	State _____
Term _____	Acres _____	County _____	State _____
This instrument was filed for record on the _____ day of _____, 2003.			
in book _____ page _____ of the _____			
records of this office.			
By _____ County Clerk			
Record and Mail to: _____			

Barthart Printing & Stationery Co., Tulsa, Okla.



STATE OF Illinois
County of Cook

(ACKNOWLEDGMENT FOR CORPORATION)

On this 18 day of November, 2002, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared M. L. Mc Laren of the Salvation Army

to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its _____ and acknowledged to me that _____ executed the same as _____ free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

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

My commission expires 10/20/03 _____ Notary Public

