

RECEIVED
KANSAS CORPORATION COMMISSION

APR 12 2005

CONSERVATION DIVISION
WICHITA, KS

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.: _____
- 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: Lindsborg

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

Effective Date of Transfer: 11/9/2004

KS Dept of Revenue Lease No.: 128377

Lease Name: Sandra Allen

C SW Sec. 7 Twp. 17 R. 3 ☐ E ☒ W

Legal Description of Lease: The Southwest Quarter (SW4)

County: McPherson

Production Zone(s): Maquoketa Dolomite

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. _____

Past Operator's Name & Address: Tom Brown Construction ?

Title: _____

Contact Person: _____

Phone: _____

Date: MAR 21 2005

Signature: Please see attached
WICHITA, KS

New Operator's License No. 33550

New Operator's Name & Address: Relative Energy, Inc.

213 N.3rd, Lindsborg KS 67456

Title: President

Contact Person: Mark Casebeer

Phone: 785-227-2886, Cell-620-242-7766

Oil / Gas Purchaser: NCRA

Date: 3/17/04

Signature: Mark Casebeer
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: _____

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 4/13/05 PRODUCTION APR 14 2005 UIC 4/13/05
Mail to: Past Operator _____ New Operator _____ District _____

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

Must Be Filed For All Wells

KDOR Lease No.: _____

* Lease Name: Sandra Allen

* Location: Sw4 of 7-17-3W, McPherson County

[illegible]

A separate sheet may be attached if necessary

* 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.

AFFIDAVIT OF NON-PRODUCTION



STATE OF Kansas
 COUNTY OF McPherson } ss.

Sandra Armstrong, of lawful age, being first duly sworn on his oath, states that he is familiar with the following described property, to-wit:

✓ The Southwest Quarter of Section 7, Township 17 South,
 Range 3 West, (SW4-7-17S-3W) McPherson County,
 Kansas

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MAR 25 2005

which property is owned by Sandra J. Armstrong

CONSERVATION DIVISION
 WICHITA, KS

Affiant knows of his own knowledge that there is at present no production of oil or gas on said land and that there has been no production of oil or gas on said land since 1997

Affiant further saith not.

State Of Kansas, McPherson Co., SS: 6704 X
 This Instrument was filed for record
 on the 30 day of Nov. A.D., 2004
 at 9:05 o'clock A m, and duly recorded
 in book 613 on page 792

Sandra Armstrong
 Sandra Armstrong

Linda A. Paul
 Register of Deeds

STATE OF Kansas
 COUNTY OF McPherson } ss.

ACKNOWLEDGMENT FOR INDIVIDUAL
 (Kans. Okla. and Colo.)

Before me, the undersigned, a Notary Public, within and for said County and State, on this 23rd
 day of November, 192004, personally appeared Sandra Armstrong and

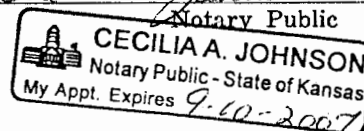
to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that she executed the same as a free and voluntary act and deed for the uses and purposes therein set forth.

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

My commission expires 9-10-2007

6
78 Relative Energy

Cecilia A. Johnson
 Notary Public



AGREEMENT, Made and entered into

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Sandra J. Armstrong

MAR 25 2005

CONSERVATION DIVISION
WICHITA, KS

Relative Energy, Inc.

Party of the second part, hereinafter called lessee.

WITNESSETH, That the said lessor, for and in consideration of _____ DOLLARS, 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 and by these presents does grant, demise, lease 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 McPherson State of Kansas

described as follows, to-wit:

✓ The Southwest Quarter (SW4)

of Section 7 Township 17S Range 3W and containing 140 acres more or less.It is agreed that this lease shall remain in full force for a term of six months 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 (1/8) 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 1/8 of the market value of such gas at the mouth of the well; if said gas is sold by the lessee, then as royalty 1/8 of the proceeds of the sale thereof at the mouth of the well. The lessee shall pay lessor as royalty 1/8 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 annually 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 _____ 19____, 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 date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and may 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 occurs 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.

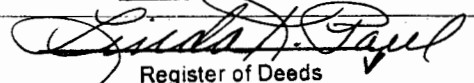
If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue 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 payment 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 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 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 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 and may reimburse itself from any rental or royalties accruing hereunder.

State Of Kansas, McPherson Co., SS:

This instrument was filed for record
on the 30 day of NOV. A.D., 2004
at 8:55 o'clock A m, and duly recorded
in book 613 on page 789-790


Register of Deeds

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

Sandra J. Armstrong

(SEAL)

(SEAL)

(SEAL)

(SEAL)

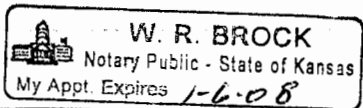
(SEAL)

SCANNED

STATE OF KANSAS
COUNTY OF McPHERSON
The foregoing instrument was acknowledged before me this 9TH day of November, 192007
by STANLEY J. AKINSIDON and _____

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

My commission expires 1-6-08
W. R. Brock
Notary Public



STATE OF _____
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____, 19____
by _____ and _____

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

My commission expires _____
Notary Public

STATE OF _____
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____, 19____
by _____ and _____

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

My commission expires _____
Notary Public

STATE OF _____
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____, 19____
by _____ and _____

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

My commission expires _____
Notary Public

No. _____	OIL AND GAS LEASE	FROM	TO	Date _____, 19____	Section _____	Twp. _____	Rge. _____	No. of Acres _____	Term _____	County _____	STATE OF _____	County _____	This instrument was filed for record on the _____ day of _____, 19____	at _____ o'clock _____ M., and duly recorded in Book _____ Page _____ of the records of this office.	By _____	Register of Deeds.	When recorded, return to _____

8
1/2 Relative Energy

STATE OF _____
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____, 19____
by _____
of _____ a _____
corporation, on behalf of the corporation.

ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)

My commission expires _____
Notary Public