

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form T-1

June 2000

Form must be Typed

Form must be Signed

All blanks must be Filled

REQUEST FOR CHANGE OF OPERATOR
TRANSFER OF INJECTION OR SURFACE POND PERMIT

DOR 133464

Check Applicable Boxes:

☒ Oil Lease: No. of Wells 2 **☐ Gas Lease: No. of Wells _____ **

** Side Two Must Be Completed.

☐ Saltwater Disposal Well - Docket No. N/A

Spot Location: _____ feet from N / S Line

_____ feet from E / W Line

☐ Enhanced Recovery Project Docket No. N/AEntire Project: ☐ Yes ☐ No

Number of Injection Wells _____ **

Field Name: MERLEEffective Date of Transfer: NOVEMBER 22, 2002Lease Name: CORNWELL_____ NE Sec. 31 Twp. 23S R. 13 ☐ E ☒ WLegal Description of Lease: AS ABOVECounty: STAFFORDProduction Zone(s): LANSING-KC / MISSISSIPPIInjection Zone(s): N/ASurface Pond Permit # _____
(API # if Drill Pit)

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Identify: ☐ Emergency Pit ☐ Burn Pit ☐ Storage Pit ☐ Drill PitPast Operator's License No. 9324Past Operator's Name & Address: JFW, INC.PLEVNA, KS 67568Title: DEFUNCT CORPORATIONContact Person: OWNER - DECEASED

Phone: _____

Date: _____

Signature: _____

RECEIVED
KANSAS CORPORATION COMMISSION
DEC 24 2002
CONSERVATION DIVISION
WICHITA, KSNew Operator's License No. 5044New Operator's Name & Address: White Pine Petroleum Corp.107 N. MARKET, SUITE 800WICHITA, KS 67202-1809Title: MIKE E. BRADLEY, TREASURERContact Person: MIKE E. BRADLEYPhone: 316-262-5429Oil / Gas Purchaser: PLAINS ALL AMERICANDate: DECEMBER 9, 2002Signature: Mike E. Bradley

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

12/31/02 JAN 02 2003 403

Must Be Filed For All Wells

* Lease Name: CORNWELL * Location: NE/4 31-23S-13W

[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.

B

OIL AND GAS LEASE

©



AGREEMENT, Made and entered into OCTOBER 14, 2002

XX by and between:

JUNE CORNWELL, A WIDOW; RICK CORNWELL AND GAYLE CORNWELL, HIS WIFE; JOE CORNWELL
AND LISA CORNWELL, HIS WIFE; MARTHA CORNWELL RIDDELL AND DAN RIDDELL, HER HUSBAND;

WHITE PINE PETROLEUM CORPORATION

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

Party of the second part, hereinafter called lessee.

WITNESSETH, That the said lessor, for and in consideration of TEN AND ADDITIONAL DOLLARS, cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of the lessor 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, placing 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

STAFFORD

State of

KANSAS

RECEIVED

KANSAS CORPORATION COMMISSION

described as follows, to-wit:

THE NORTHEAST QUARTER (NE/4)

DEC 24 2002

of Section 31 Township 23S Range 13W and containing 160

CONSERVATION DIVISION
ACTING CHIEF, KS.

It is agreed that this lease shall remain in full force for a term of One (1) 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 ($\frac{1}{8}$) 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 $\frac{1}{8}$ of the market value of such gas at the mouth of the well; if said gas is sold by the lessee, then as royalty $\frac{1}{8}$ of the proceeds of the sale thereof at the mouth of the well. The lessee shall pay lessor as royalty $\frac{1}{8}$ 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 stores 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 10 months from this date, 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 of~~

~~or its successors, which shall continue as the depository regardless of changes in the owner-~~

~~ship 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 commence-~~
~~ment 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 lessor or any assignee thereof, mailed or delivered first before the rental paying date either direct to lessor or assigns or to said de-~~
~~pository bank. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the~~
~~lessee when said first rental is payable as aforesaid, but also the lessor's option of extending that period as aforesaid, and any and all other rights conferred~~
~~lessor may at any time execute and deliver to lessor, or plate 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 herein 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.~~

~~Lesser 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 as-~~
~~signee 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 re-~~
~~ceiving 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 re-~~
~~deem 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.~~

No. 2014 MICROFILMED

OIL AND GAS LEASE

FROM

June CORNWELL et al

TO

WHITE PINE PETROLEUM CORPORATION

Date OCTOBER 14, 2002 XX NE/4

Section 31 Twp 23S Rge 13W

No. of Acres 160 Term ONE (1) YEAR

STAFFORD County, KANSAS

STATE OF KANSAS

County of STAFFORD } ss:

This instrument was filed for record on the
11th day of December 2002

at 3:42 o'clock P. M., and duly recorded
in Book 168 Page 19 of

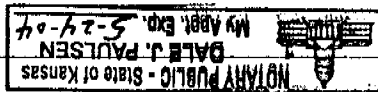
the records of this office.

Dyanette Bennington
Register of Deeds.

By _____

When recorded, return to _____

THE KANSAS BLUE PRINT CO.
WICHITA, KANSAS
PHOTOSTAT SERVICE UP-TO DATE OIL MAPS



My commission expires _____

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.
that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.
to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me

and LISA CORNWELL, HIS WIFE
day of OCTOBER, 2002 XX

Before me, the undersigned, a Notary Public, within and for said county and state, on this 12th

ACKNOWLEDGMENT FOR CORPORATION

Date J. Paulsen Notary Public.

On this _____ day of _____, A. D., 19____, before me, the undersigned, a Notary Public
in and for the county and state aforesaid, personally appeared _____
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 _____ executed the same as _____ 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.
My commission expires _____

Notary Public.

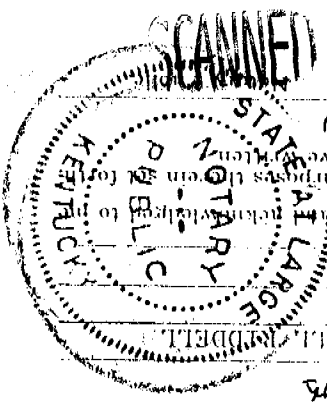
NOTE: When signature by mark in Kansas, said mark to be witnessed by at least one person and also acknowledged.
For acknowledgment by mark, use regular Kansas acknowledgment.

STATE OF KENTUCKY } ss: Scott Fayette
COUNTY OF _____

Before me, the undersigned, a Notary Public, within and for said county and state, on this 19th
day of OCTOBER, 2002 XX, personally appeared MARTHA CORNWELL, KIDDELL
and DAN KIDDELL, HER HUSBAND

to me personally known to be the identical persons 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 10/10/2006

Valerie Barnes
Valerie Barnes



Supplemental provision of Oil & Gas Lease dated October 14, 2002, from June Cornwell, et al, as Lessors, to White Pine Petroleum Corporation, as Lessee, covering the NE/4 of 31-23S-13W, Stafford County, Kansas, and containing 160 acres, more or less.

1. All pipelines and power lines which shall be constructed under this lease shall be buried to a minimum depth of thirty-six (36) inches below the surface and shall thereafter be maintained below the depth of irrigation farming operations.
2. Lessee shall pay for all loss of crops and damages to the land occasioned by its operations. It is specifically agreed that drill site damages shall be the sum of \$750.00 for each location which shall be paid within ten (10) days following the removal of the drilling rig from the location.
3. Lessee shall consult with Lessors concerning the location of roads, pipelines and tank batteries and other equipment, prior to construction and installation. Any production equipment upon the property shall be securely fenced so as to prevent entrance by livestock.
4. Upon completion of Lessee's operations on each well, Lessee agrees to restore grade and contour of the land to as nearly as practicable, to the same condition as they were in prior to the commencement of operations hereunder and pay all costs of reseeded grass on all locations and roads. All trash and debris shall be removed before the surface of the premises is restored.
5. All pits constructed on said premises in connection with drilling operations shall be at least four (4) feet deep or deeper. All top soil to a depth of two (2) feet which is removed in digging pits shall be segregated and retained so that upon the refilling of all pits that such top soil can be restored to the surface of said pits. In the construction of the reserve pit, an additional excavation of not less than two (2) feet in depth shall be made in the form of an "X" in the bottom of the reserve pit extending from corner to corner in both directions.
6. Lessee is required to obtain written approval by separate contract prior to the use of any location on the premises for salt water disposal of salt water from any outside leases.
7. Lessee shall consult with Lessors upon abandonment of any well site or test site so that Lessors may be present at the time any clean up or removal of equipment takes place. Lessee shall remove all oiled surfaces and any other portions of the leased premises which have been damaged by oil spills, salt water spills or other liquid spills, and any and all other road building material to a depth of soil saturation and bury the same at a minimum depth of forty-eight (48) inches.
8. Upon abandonment of the well location or test site, the surface pipe shall be cut off at least forty-eight (48) inches below the surface of the ground.
9. Lessee shall be liable for all damages caused to the Lessors by reason of oil, salt water, or other fluid resulting from Lessee's operations, and in the event Lessee permits any such liquids to run over the surface of said premises, such oil or liquids shall be scraped up to a depth of the soil saturation and removed, or buried on the premises, at a minimum depth of forty-eight (48) inches and any depressions resulting therefrom shall be refilled with good clean top soil, and leveled to the surrounding surface. In connection therewith, Lessee shall have the right to use top soil from the leased premises for the purpose of filling any such depressions. Any contaminants as defined by the Kansas Department of Health and Environment shall be disposed of pursuant to the

11. Upon termination of this lease, Lessee shall promptly file for record a release of this lease. Filing of the release shall not relieve Lessee of the responsibility for clean-up and restoration of the surface of any well site, roads or tank battery location.

12. Lessee agrees to pay the sum of \$75.00 per shot hole for any seismic work done on the property. In the event that seismic work is accompanied by the drilling of holes, any holes resulting therefrom shall be plugged in accordance with EPA and KDHE regulations.

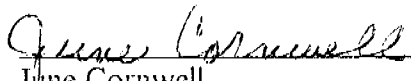
13. Lessors acknowledge the existence of the following wells, their respective equipment, pipelines, and tank battery sites located in the NE/4 of Section 31, T23S, R13W, Stafford County, Kansas:

#1 Cornwell B: 3550' FSL & 410" FEL of 31-23S-13W

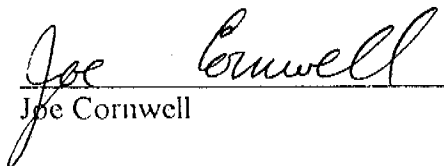
#1-31 Cornwell: 500' FNL & 1250' FEL of the NE/4 of 31-23S-13W

Said wells were in existence prior to this agreement.


This lease and all it's terms, conditions and stipulations shall extend to and be binding on the parties hereto, their heirs, grantees, administrators, executors, successors and assigns.


Jane Cornwell

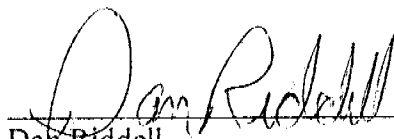

Rick Cornwell


Joe Cornwell


Gayle Cornwell


Lisa Cornwell


Martha Cornwell Riddell


Dan Riddell