

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 9 **
☐ 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: Paola - Rantoul

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

Effective Date of Transfer: 12/01/2006

KS Dept of Revenue Lease No.: 113251

Lease Name: Johnston

_____ - _____ E2 - SE 1/4 Sec. 17 Twp. 18 R. 21 ☒ E ☐ W

Legal Description of Lease: E/2 SE/4, Section 17, Township 18 S, and
Range 21E, Franklin County, Kansas

County: Franklin

Production Zone(s): Squirrel

Injection Zone(s): N/A

Surface Pit Permit No.: _____
(API No. if Drill Pit, WO or Haul)

Type of Pit: ☐ Emergency ☐ Burn ☐ Settling

_____ feet from ☐ N / ☐ S Line of Section
_____ feet from ☐ E / ☐ W Line of Section
☐ Haul-Off ☐ Workover ☐ Drilling ^{OR}

Past Operator's License No. Unknown 0

Contact Person: _____

Past Operator's Name & Address: _____

Phone: _____

Title: _____

Date: _____

Signature: Assignment Attached

New Operator's License No. 33858 ✓

Contact Person: Jim Loffelbein

New Operator's Name & Address: J and J Operating, LLC
10380 W. 179th St.

Phone: 913-851-5825

Bucyrus, Kansas 66013

Oil / Gas Purchaser: Plains Marketing, L.P. KANSAS CORPORATION COMMISSION

Title: Owner / Operator

Date: 7/9/07

Signature: [Signature]

RECEIVED
AUG 16 2007

CONSERVATION DIVISION
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 12-19-07 PRODUCTION DEC 26 2007 UIC 12-19-07
Mail to: Past Operator _____ New Operator _____ District _____

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

* Location: E/2 SE/4, Sec. 17, Town. 18S, Range 21 E

AUG 16 2007

CONSERVATION DISTRICT
WICHITA, KANSAS

* 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.

ASSIGNMENT (All Interests in Producing Properties)

State: Kansas
 County: Franklin
 Assignor: Sheila R. Beesley
 948 W. 120th N.
 Con Way Springs, KS. 67031
 Assignee: Mallard Management Inc.
 10380 West 179th street
 Bucyrus, Kansas 66013
 Effective Date: 10/01/2005

FILED FOR RECORD
 TIME 11:55 A.M.

misc OCT 06 2005
 Book 227 Page 366
 REGISTER OF DEEDS, FRANKLIN CO., KS
 INSTRUMENT # 2459
 # 2000 2

For adequate consideration, and pursuant to the terms of the Agreement between the parties dated 10/01/2005, Assignor, named above, assigns, sells, and conveys to Assignee, named above, the following rights, title, and interests, all collectively referred to as the "Assets":

1. All of Assignor's interests in all of the oil and gas leases (the "Leases"), and any renewals, extensions, or ratifications of the Leases, and the lands (the "Lands") covered by the Leases. The Leases and Lands are described in Exhibit "A" to this Assignment. Exhibit "A" is made a part of this Assignment for all purposes. The interests include leasehold or working interests and related revenue interests and overriding royalty interests in the Leases (all of these interests being referred to in this Assignment as "Property Interests"). The Property Interests include all leasehold or working interests which Assignor may acquire after the date of this Assignment by the occurrence of conditions precedent which may not yet have occurred, as may be provided in instruments through which Assignor claims title to the Leases and Lands.
2. All of Assignor's rights, title, and interests in all rights, privileges, benefits, and powers conferred on the holder of any Property Interests with respect to the use and occupation of the surface of Lands, and the subsurface depths, described in Exhibit "A," under the Lands covered by the Property Interests; all rights in any pooled or unitized acreage included, in whole or in part, within the Property Interests, including all oil and gas production from any pool or unit allocated to the Property Interests, whether voluntary or by government authority; all interest(s) in any wells within any unit or pool associated with the Property Interests, whether the unitized or pooled oil and gas production comes from wells located within or without the areas covered by the Property Interests; and, all tenements, hereditaments, and appurtenances belonging to the Property Interests.
3. All of Assignor's rights, title, and interests in all permits, licenses, servitudes, easements, rights of way, orders, gas purchase and sale contracts, crude oil purchase and sale contracts, surface leases, farmin and farmout agreements, acreage contribution agreements, operating agreements, unit agreements, processing agreements, options, leases of equipment or facilities, and other contracts, agreements, and rights which are owned by Assignor, in whole or in part, whether or not the same appear of record in the county where the Lands are located, and which are appurtenant to or affect the Property Interests or are used or held for use in connection with the ownership or operation of the Property Interests or with the production, treatment, or marketing of oil and/or gas, on the Property Interests, and the sale or disposal of water, hydrocarbons, or associated substances.

Assignment (All Interests in Producing Properties. ~~Multiple Assignments~~ Short Form.)
www.oilandgasforms.com

RECEIVED
 KANSAS CORPORATION COMMISSION

AUG 16 2007

CONSERVATION DIVISION
 WICHITA, KS

4. All of Assignor's rights, title, and interests in all of the real and personal property and fixtures located on the Lands or used in operation of the Property Interests, which are owned by Assignor or by third persons on behalf of Assignor, in whole or in part, including without limitation, crude oil, condensate, or products in storage or in pipelines, wells, well equipment, casing, tanks, pipe, boilers, buildings, tubing, pumps, motors, valves, fixtures, machinery and all other equipment, pipelines, gathering systems, power lines, telephone lines, roads, field processing plants, and all other improvements used in the operation of the Property Interests.

5. Notwithstanding the specific description of the Property Interests in Exhibit "A" to this Assignment and notwithstanding the specific undivided interests in each Property which may be identified on Exhibit "A," this Assignment covers and includes and this paragraph shall operate as a separate and additional grant, assignment, and conveyance to Assignee of all of Assignor's rights, title, and interests in all working, leasehold, or overriding royalty interests in and under the Leases, unless specifically excepted and/or reserved by Assignor in Exhibit "A."

6. All of Assignor's rights, title, and interests in all files, records, information, and data relating to the items described in paragraphs 1, 2., 3., and 4. above, including, without limitation, title records (including title opinions, abstracts, certificates of title and title curative documents), contracts, geological records, data and information, and production records, electric logs, and all related matters.

7. To the extent transferable, the benefit of and the right to enforce the covenants and warranties, if any, contained in Assignor's chain of title, which Assignor is entitled to enforce with respect to the Property Interests, against Assignor's predecessors in title to the Property Interests.

8. To the extent necessary to allow Assignee to have full use and access to the Lands, Assignor grants such rights of ingress and egress, rights of way and easements, and the full uninterrupted use of such rights of way and easements across any lands which Assignor may own or be the lessee under an oil, gas, and mineral lease(s) that are not the subject of this Assignment. This grant is limited to the rights of Assignor to grant such rights of ingress and egress, rights of way, and easements under agreements, deeds, or leases through which Assignor claims title.

RECEIVED
 KANSAS CORPORATION COMMISSION

AUG 16 2007

CONSERVATION
 WICHITA

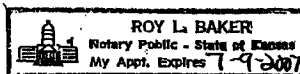
367

This Assignment is signed by Assignor as of the date of acknowledgment of Assignor's signature below, but is effective for all purposes as of the Effective Date stated above.

Assignor:

Sheila R. Beesley
Sheila R. BeesleyState of Kansas, County of Franklin, SS:This instrument was acknowledged before me on this 3rd, day of October,
2005by: Sheila R. Beesley

IN WITNESS WHEREOF, I have hereto set my hand and affixed my notarial seal the day and year above written.

MY COMMISSION EXPIRES: 7-9-2007Roy L. Baker
Notary Public

RECEIVED
KANSAS CORPORATION COMMISSION

AUG 16 2007

CONSERVATION DIVISION
WICHITA, KS

EXHIBIT "A"

Homer Russell Lease:

Book: 88

Page: 117

The West Half of the Southeast Quarter of Section 17, Township 18, Range 21, containing 80 acres more or less located in Franklin County, Kansas.

And

Johnston Lease:

Book: 88

Page: 485

The East half of the Southwest Quarter, except 10 acres in the Southeast of the South 40 acres thereof, all in section 17, Township 18, Range 21, Franklin County, Kansas.

RECEIVED
KANSAS CORPORATION COMMISSION

AUG 16 2007

CONSERVATION DIVISION
WICHITA, KS