

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISIONREQUEST FOR CHANGE OF OPERATOR
TRANSFER OF INJECTION OR SURFACE PIT PERMITForm T-1
April 2004
Form must be Typed
Form must be Signed
All blanks must be Filled

DOR 100713

Check Applicable Boxes:

☒ Oil Lease: No. of Oil Wells 1923☐ 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. E8017, E25506Entire Project: ☒ Yes ☐ NoNumber of Injection Wells 31Field Name: Tyro

Side Two Must Be Completed.

Effective Date of Transfer: 7-30-08KS Dept of Revenue Lease No.: 212615Lease Name: BURT - DUNBARSec. 10 Twp. 35 R. 15 ☒ E ☐ WLegal Description of Lease: S/2 NW/4 N/2 SW/4except W/2 SW NW/4County: MontgomeryProduction Zone(s): Bartlesville, WaysideInjection Zone(s): Bartlesville, WaysideSurface Pit Permit No.: _____
(API No. if Drill Pit, WD or New)_____ feet from ☐ N / ☐ S Line of Section_____ feet from ☐ E / ☐ W Line of SectionType of Pit: ☐ Emergency☐ Burn☐ Settling☐ Haul-Off☐ Workover☐ DrillingPast Operator's License No. Land OwnerPast Operator's Name & Address: Warren Newby
Rt. 1, Box 84A, Coffeyville, KS 67337Title: New Lease (see attached
Lease Agreement)Contact Person: Warren NewbyPhone: 620-948-3420Date: 7-30-08

Signature: _____

New Operator's License No. 32288New Operator's Name & Address: Potato Creek LLC
800 4000 Rd, Edna, KS 67342Title: PresidentContact Person: Regina WoodsonPhone: 620-922-3348Oil / Gas Purchaser: Coffeyville ResourcesDate: 7-30-08Signature: R. Woodson

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.

Potato Creek LLC is acknowledged as the
MIT Violation ALL Wells
new operator and may continue to inject fluids as authorized by
Permit No. E-25506 Must Submit
Recommended action: _____

Current MIT Before Well Can be Used
for Injection Bartlesville, WaysideDate: 12-8-09 Barbara Montoya

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

12-8-09

PRODUCTION

12/9/09

UIC

12-8-09

Mail to: Past Operator

12-8-09

New Operator

12-8-09District 12-8-09

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Mail to: KCC - Conservation Division, 130 S. Market - Room 207B, Wichita, Kansas 67202

DEC 09 2009

KCC WICHITA

073008_Burt_Dunbar_INV.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
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DOR 100713

Check Applicable Boxes:

- ☒ Oil Lease: No. of Oil Wells 149 23
☐ 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. E8017, E25506

Entire Project: ☒ Yes ☐ No

Number of Injection Wells 32

Field Name: Tyro

Side Two Must Be Completed.

Effective Date of Transfer: 7-30-08

KS Dept of Revenue Lease No.: 212615

Lease Name: BURT - DUNBAR

S2 NW/4 Sec. 10 Twp. 35 R. 15 ☒ E ☐ W
N2 SW/4 except W2 SW NW/4

Legal Description of Lease: S2 NW/4 N2 SW/4

except W2 SW NW/4

County: Montgomery

Production Zone(s): Bartlesville, Wayside

Injection Zone(s): Bartlesville, Wayside

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. Land Owner

Past Operator's Name & Address: Warren Newby
Rt 1, Box 84A, Coffeyville, KS 67337

Title: New Lease (see attached
Lease Agreement)

Contact Person: Warren Newby

Phone: 620-948-3420

Date: 7-30-08

Signature: _____

New Operator's License No. 322881

New Operator's Name & Address: PotatoCreek LLC
800 4000 Rd, Edna, KS 67342

Title: President

Contact Person: Regina Woodson

Phone: 620-922-3348

Oil / Gas Purchaser: Coffeyville Resources

Date: 7-30-08

Signature: R. Woodson

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.

Potato Creek LLC is acknowledged as the
MIT Violation All Wells
 new operator and may continue to inject fluids as authorized by

Permit No. E-08017 Recommended action: Current

MIT must be Submitted Before Well

Can be used for Injection
 Date: 12-8-09 Barbara Montgomery

_____ is acknowledged as the
 new operator of the above named lease containing the surface pit

permitted by No.: _____

Date: _____

Authorized Signature: _____

DISTRICT _____

Mail to: Past Operator 12-8-09

New Operator 12-8-09

PRODUCTION 12/9/09

UIC 12-8-09

District 12-8-09 3

Mail to: KCC - Conservation Division, 130 S. Market - Room 207B, Wichita, Kansas 67202

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Must Be Filed For All Wells

KDOR Lease No.: 212615

* Lease Name: Burt-Dunbar

* Location: Sec10, T35S, R15E

Well No.	API No. (YR DRLD/PRE '67)	Footage from Section Line (i.e. FSL = Feet from South Line)	Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/TA'D/Abandoned)
W-2	15-125-28118 ✓	3790 ^{Circle} FSL/FNL 4980 ^{Circle} FEL/FWL	Oil	Prod
W-4	15-125-28120 ✓	3470 ^{Circle} FSL/FNL 4780 ^{Circle} FEL/FWL	Oil	Prod
4-C	15-125-27832 ✓	2980 ^{Circle} FSL/FNL 4290 ^{Circle} FEL/FWL	Oil	Prod
W-3	15-125-28119 ✓	3180 ^{Circle} FSL/FNL 4615 ^{Circle} FEL/FWL	Oil	Prod
B-4	15-125-41326-00-00 ⁰¹⁹⁵⁴⁻¹⁸⁰⁰	3050 ^{Circle} FSL/FNL 4180 ^{Circle} FEL/FWL	INJ u3c + m1T Violation	Abandoned Well 1998 INJ, E-08017 NESW
14-B	15-125-26922 ✓	3300 ^{Circle} FSL/FNL 3400 ^{Circle} FEL/FWL	Oil	Prod
16-B	15-125-27069 ✓	2970 ^{Circle} FSL/FNL 3650 ^{Circle} FEL/FWL	Oil	Prod
15-B	15-125-27079 ✓	2970 ^{Circle} FSL/FNL 3530 ^{Circle} FEL/FWL	Oil	Prod
12-B	15-125-01004-0001 ✓	3280 ^{Circle} FSL/FNL 3960 ^{Circle} FEL/FWL	Oil	Prod Plugged
5-B	15-125-22898 ✓	750 ^{Circle} FSL/FNL 1400 ^{Circle} FEL/FWL	Oil	Prod
15	15-125-27097 ¹⁵⁻¹²⁵⁻⁰¹⁹⁵⁵	2310 ^{Circle} FSL/FNL 3630 ^{Circle} FEL/FWL	Oil	Prod
8-B	15-125-23765-0001 ✓	2310 ^{Circle} FSL/FNL 3750 ^{Circle} FEL/FWL	Oil	Prod
10-B	15-125-25574 ✓	1940 ^{Circle} FSL/FNL 3480 ^{Circle} FEL/FWL	Oil	Prod
9-B	15-125-24,470 ✓	2310 ^{Circle} FSL/FNL 950 ^{Circle} FEL/FWL	Oil	Prod
7-B	15-125-23764 ✓	3190 ^{Circle} FSL/FNL 1500 ^{Circle} FEL/FWL	Oil	Prod
17B	15-125-27790 ✓	1520 ^{Circle} FSL/FNL 2840 ^{Circle} FEL/FWL	Oil	Prod
6-B	15-125-23043 ✓	1320 ^{Circle} FSL/FNL 950 ^{Circle} FEL/FWL	Oil	Prod
16	15-125-28515 ✓	3580 ^{Circle} FSL/FNL 3100 ^{Circle} FEL/FWL	Oil	Prod
1-A	15-125-28555 ✓	1260 ^{Circle} FSL/FNL 3100 ^{Circle} FEL/FWL	Oil	Prod
2-A	15-125-28577 ✓	1260 ^{Circle} FSL/FNL 2700 ^{Circle} FEL/FWL	Oil	Prod
4-A	15-125-29,015 ✓	1700 ^{Circle} FSL/FNL 2700 ^{Circle} FEL/FWL	Oil	Prod
3-A	15-125-41321-00-00 ²⁹⁰¹⁴⁻⁰⁰⁻⁰⁰	1480 ^{Circle} FSL/FNL 2900 ^{Circle} FEL/FWL	INJ, Violation	Abandoned Well 1998 INJ, E-25506 NESW
11-B	15-125-26340-0001 ✓	3050 ^{Circle} FSL/FNL 4180 ^{Circle} FEL/FWL	INJ, Violation	Abandoned Well 1998 INJ, E-08017 SWNW

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.

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OCT 26 2009
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12/04/2009 13:27
 LARRY BROWN
 Fax Note 12/4/9 # of pages 3
 *BARB MONTGOMERY
 FROM DUNBAR LEASE
 WARREN NEWBY'S
 LAND OWNER



STATE OF KANSAS MONTGOMERY COUNTY
 FILED FOR RECORD

3pg
 MARILYN CALHOUN, REGISTER OF DEEDS
 11:11:56 AM 9/17/2008 Receipt No.: 33608
 LEASE \$6.00
 ADDITIONAL PAGES \$4.00
 TECHNOLOGY FUND \$6.00

OIL AND GAS LEASE

BOOK: 579 PAGE: 358

THIS AGREEMENT, entered into this 30th day of July, 2008, between Warren K. Newby and Linda L. Newby, husband and wife, (hereinafter called lessor) and Potato Creek, LLC (hereinafter called lessee), does witness:

1. That lessor, for and in consideration of the sum of Ten 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, for the purpose of carrying on geological, geophysical, and other exploratory work, including core drilling, and the drilling, mining, and operating for, producing, and saving all of the oil, gas, casinghead gas, casinghead gasoline, including all associated hydrocarbons produced in a liquid or gaseous form and including gas found in and produced from coal formations or coal seams and all zones in communication therewith, which gas is sometimes referred to as coal bed methane, coal seam gas or occluded gas and all other gases and their respective constituent vapors, (including coalbed methane gas, helium, and all other constituents and substances produced therewith), including the dewatering for production of coalbed methane gas, and for constructing roads, laying pipe lines, building tanks, storing oil, and erecting other structures thereon which are necessary or convenient for the economical operation of said land to produce, save, take care of, and manufacture all of such substances, said tract of land with any reversionary rights therein being situated in the county of Montgomery, state of Kansas, and described as follows:

The South Half of the Northwest Quarter (S/2 NW/4) and the North Half of the Southwest Quarter (N/2 SW/4) except the West Half of the Southwest Quarter of the Northwest Quarter of the Southwest Quarter (W/2 SW/4 NW/4 SW/4) of Section 10, Township 35 South, Range 15 East

containing 155 acres, more or less.

2. This lease shall remain in force for a term of one (1) year from the date hereof, and as long thereafter as oil, gas, casinghead gas, casinghead gasoline, or any of the products covered by this lease are 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 five-thirty seconds (5/32nds) part of all oil produced and saved from the leased premises, or at the lessee's option may pay to the lessor for such five-thirty seconds (5/32nds) royalty the market price 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 lessor for gas produced from any oil well and used by the lessee for the manufacture of gasoline or any other product as royalty five-thirty seconds (5/32nds) of the market value of such gas at the mouth of the well; if said gas is sold by lessee, then as royalty five-thirty seconds (5/32nds) of the proceeds of the sale thereof at the mouth of the well.

The lessor to have gas free of charge from any gas well on the leased premises for domestic use for the principal residence on the leased premises by making his own connections with the well, the use of such gas to be at the lessor's sole risk and expense.

5. In case said lessor owns a less interest in the above-described land, other than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid to said 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.

-John R. Horst, P.A.
 P.O. Box 560
 Caney, KS. 67333

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 WICHITA, KS

6. 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 the wells or ponds 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, and within six (6) months after the expiration of this lease, to remove all machinery, fixtures, houses, buildings, and other structures placed on said premises, including the right to draw and remove all casing. Lessee shall grade to the original level and restore the surface to its original condition, as nearly as practicable, within six (6) months after the expiration of this lease.

7. If the estate of either party hereof 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 of ownership in the land or in the rentals or 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 for 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 to 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, administrator, executor, or heir of lessor.

8. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises nevertheless shall be developed and operated as one lease, and all royalties accruing hereunder shall be treated as an entirety and 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.

9. 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 the event it exercises such option, 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 or rentals accruing hereunder.

10. If, after the expiration of the primary term of this lease, production on the leased premises shall cease from any cause, this lease shall not terminate, provided lessee (a) resumes production, (b) initiates operations for recompleting an existing well within sixty (60) days from such cessation or (c) initiates operations for drilling a new well within sixty (60) days from such cessation, and this lease shall remain in force during the diligent prosecution of such operations and, if production results therefrom, then as long as production continues.

11. 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 and any rentals thereafter paid may be apportioned on an acreage basis, 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.

12. 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).

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WICHITA, KS

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

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

Warren K. Newby
Warren K. Newby

Linda L. Newby
Linda L. Newby, Lessor

STATE OF MONTGOMERY)
COUNTY OF KANSAS)

The foregoing instrument was acknowledged before me this 30th day of July, 2008, by Warren K. Newby and Linda L. Newby, husband and wife.

[Signature]
NOTARY PUBLIC

My Appointment Expires:

