KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form T-1 April 2004 Form must be Typed Form must be Signed All blanks must be Filled

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

Check Applicable Boxes:	l		
✓ Oil Lease: No. of Oil Wells**	Effective Date of Transfer: 2-14-2010		
Gas Lease: No. of Gas Wells**	KS Dept of Revenue Lease No.: 119609 VIII		
Gas Gathering System:	Outamen N		
Saltwater Disposal Well - Permit No.: D-27, 024	Lease Name: Solomon		
Spot Location: 1980 feet from ☐ N / ✓ S Line	F2F2 of S18, T35S, R12E		
	Legal Description of Lease: E2E2 of S18, T35S, R12E		
✓ Enhanced Recovery Project Permit No.: E-23, 015			
Entire Project: Yes No	County: Chautauqua		
Number of Injection Wells 32.**	Production Zone(s): 1 Giu		
Field Name: Peru-Sedan	Injection Zone(s): Peru & Layton		
** Side Two Must Be Completed.	•		
Surface Pit Permit No.: None	N/A feet from N / S Line of Section		
(API No. if Drill Pit, WO or Haul)	N/A feet from E / W Line of Section		
Type of Pit: Emergency Burn Settling	Haul-Off Workover Drilling		
	Contact Person: *PRIOR OPERATOR OUT OF BUSINESS; LICENSE FORFITED;		
Past Operator's License No. 32717 Exp. 10/30/09	CONTROL 1 CISCII.		
Past Operator's Name & Address: DLM Oil McCoy, Richard L. & Jennifer DBA DLM Oil	Phone: *COPY OF ASSIGNMENT OF OIL AND GAS LEASE ATTACHED		
350 Road 22; Peru, Kansas 67360	Date:		
Title; Owner	signature Assignment Attached		
New Operator's License No. 33594 /	Contact Person: Mark W. McCann		
New Operator's Name & Address: Quito, Inc.	Phone: (918) 337-4747		
1613 W. 6th St.			
	Oil / Gas Purchaser: Quito, Inc.		
Bartlesville, OK 74003	Date: 05-14-2010 Signature: 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		
Title: Owner	Signature: // //// k / L C		
Acknowledgment of Transfer: The above request for transfer of injection	authorization, surface pit permit # None has been		
noted, approved and duly recorded in the records of the Kansas Corpor	ration Commission. This acknowledgment of transfer pertains to Kansas		
Corporation Commission records only and does not convey any ownership	o interest in the above injection well(s) or pit permit.		
Quito, Inc is acknowledged as the	is acknowleged as the		
new operator and may continue to inject fluids as authorized by	new operator of the above named lease containing the surface pit		
Permit No.: E - 23-0/5 Recommended action: U3C			
Violations on both wells 2005-09	permitted by No.:		
Date: 6-3-10 Backage Whater	l Date:		
Authorized Signature	Date:		
1	PRODUCTION 6/7/10 UIC 6.3-10 RECEIVED		
Mail to: Past Operator O New Operator O	PRODUCTION 6 / / 6 UIC 6 3 / 6 RECEIVED S KANSAS CORPORATION COMMIS		
Mail to: KCC - Conservation Division 130 S	Market - Room 2079 Wichite Kanage 67202		

MAY 1 9 2010

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

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

Check Applicable Boxes:	1			
Oil Lease: No. of Oil Wells**	Effective Date of Transfer: 2-14-2010			
Gas Lease: No. of Gas Wells**	KS Dept of Revenue Lease No.: 119609 V			
Gas Gathering System:	Lease Name: Solomon			
Saltwater Disposal Well - Permit No.: D-27, 024	Sec. 18 Twp. 35 R. 12 VE W			
Spot Location: 1980 feet from N / ✓ S Line	Legal Description of Lease: E2E2 of S18, T35S, R12E			
feet from ✓ E / ☐ W Line	Legal Description of Lease:			
✓ Enhanced Recovery Project Permit No.: E-23, 015				
Entire Project: Yes No	County: Chautauqua			
Number of Injection Wells 32 **	Production Zone(s): Peru			
Field Name: Peru-Sedan	Injection Zone(s): Peru & Layton			
** Side Two Must Be Completed.				
Surface Pit Permit No.: None	N/A feet from N / S Line of Section			
(API No. if Drill Pit, WO or Haul)	N/A feet from E / W Line of Section			
Type of Pit: Emergency Burn Settling	Haul-Off Workover Drilling			
Past Operator's License No. 32717 Exp. 10/30/09	Contact Person: *PRIOR OPERATOR OUT OF BUSINESS; LICENSE FORFITED;			
Past Operator's Name & Address: DLM Oil McCoy, Richard L. & Jennifer DBA DLM Oil	Phone:*COPY OF ASSIGNMENT OF OIL AND GAS LEASE ATTACHED			
350 Road 22; Peru, Kansas 67360	Date:			
Title; Owner	Signature Assignment Attached			
New Operator's License No. 33594 /	Contact Person: Mark W. McCann			
New Operator's Name & Address: Quito, Inc.	Phone: (918) 337-4747			
1613 W. 6th St.				
Bartlesville, OK 74003	Oil / Gas Purchaser: Quito, Inc.			
	Date: 05-14-2010			
Title: Owner	Signature: Julia 11			
Acknowledgment of Transfer: The above request for transfer of injection	n authorization, surface pit permit # None has been			
	pration Commission. This acknowledgment of transfer pertains to Kansas			
Corporation Commission records only and does not convey any ownershi	·			
\bigcirc \bot \bot				
is acknowleged as the	is acknowleged as the			
new operator and may continue to inject fluids as authorized by	new operator of the above named lease containing the surface pit			
Permit No.: 0 - 27,024. Recommended action: U.3 C	permitted by No.:			
Violation 2905-09				
Date: 6-3-10 / Jarbara / furth on ly Authorized Signature @	Date:			
1/6 2 -lib	200 10 10 10 10 PROCEINED			
Mail to: Past Operator 6-3-10 New Operator	PRODUCTION COTTO UIC 9 3-70 RECEIVED OF THE CEIVED OF THE			
Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202				

MAY 1 9 2010

Side Two

Must Be Filed For All Wells

KDOR Lease	No.: 119609		addition of the same		
* Lease Name	Solomon		* Location:	2E2 S18, T35S, R12E	
Well No.	API No. (YR DRLD/PRE '67)	Footage from (i.e. FSL = Feet	Section Line from South Line)	Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/TA'D/Abandoned)
(2)	15-019-24,217 🗸	330 Circle	990 Circle	Oil	Prod
(3)	15-019-24,303	990 FSL/FNL	990 FEUFWL	Oil	Prod
(5)	15-019-24,307	990 ESI/FNL	330 EL/FWL	Oil	Prod U3C Violation
(6)	15-019-26,340	1430 FSI/FNL	1155 FEL/FWL	lnj	Al use Violation
(60)	15-019-24,304	660 PSL FNL	660 FEL/FWL	Inj	Λi
(61)	15-019-24,306-00-01	1980 SUFNL	660 FED/FWL	lnj	Al use Violation
		FSL/FNL	_		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		•
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
	***************************************	FSL/FNL	FEL/FWL		***************************************
		FSL/FNL	FEL/FWL		
		FSL/FNL	FEL/FWL		
***************************************		FSL/FNL	FEL/FWL		RECEIVED
		FSL/FNL	FEL/FWL		KANSAS CORPORATION COMMISSION
		FSL/FNL	FEL/FWL		MAY 1 9 2010
	-	FSL/FNL	FEL/FWL		CONSERVATRA (CALACA) WICHITA

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.

ASSIGNMENT OF OIL AND GAS LEASE

)
) SS
)

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, Richard L. McCoy and Jennifer McCoy, d/b/a DLM Oil, hereinafter called ASSIGNOR (whether one or more), for and in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer and set over unto Quito, Inc., hereinafter called ASSIGNEE, all of ASSIGNOR'S right, title and working interest in and to the Oil and Gas Lease described in Exhibit "A" attached hereto together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith.

And for the same consideration the ASSIGNOR covenants with the ASSIGNEE, their heirs, successors or assigns: That the ASSIGNOR is the lawful owner of and has good title to the interest above assigned in and to said lease, estate, rights and property, free and clear from all liens, encumbrances or adverse claims; That said lease is a valid and subsisting lease on the land above described, and all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force have been duly performed.

Executed this Hay of Felorina, 2010.

Richard L. McCoy

Jenhifar McGoy d/b/a DLM Qi

RECEIVED KANSAS CORPORATION COMMISSION

MAY 19 2010

CONSERVATION OF SHOWN

STATE OF KANSAS)
)ss:
COUNTY OF CHAUTAUQUA	
This instrument was ackn 2010 by Richard L. McCoy and	Jennifer McCoy, 1/16/a) DEM Oil Jennifer McCoy, 1/16/a) DEM Oil
	Notary Public

My Appointment Expires:

MELODI C. JONES

RECEIVED KANSAS CORPORATION COMMISSION

MAY **19** 2010

EXHIBIT "A"

LESSORS:

Robert L. Solomon and Sarah O. Solomon

LESSEE:

Equity Drilling Company, Inc.

DATE:

December 14, 1982

DESCRIPTION:

The East Half of the Northeast Quarter (E/2 NE/4) and Lot 1 (which is the fractional East Half of the

Southeast Quarter), of Section 18, Township 35 South, Range 12, East of the 6th P.M., Chautauqua County,

Kansas

RECORDED:

Book 53, Leases, Page 729

RECEIVED
KANSAS CORPORATION COMMISSION

MAY 19 2010

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CONSERVATION ON LUM