

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:

- ☒ Oil Lease: No. of Oil Wells 5 **
- ☐ Gas Lease: No. of Gas Wells _____ **
- ☐ Gas Gathering System: _____
- ☒ Saltwater Disposal Well - Permit No.: E20000601
- Spot Location: U450 feet from ☐ N / ☒ S Line
- S032 feet from ☒ E / ☐ W Line
- ☐ Enhanced Recovery Project Permit No.: E **
- Entire Project: ☐ Yes ☐ No
- Number of Injection Wells _____ **

Field Name: unknown**** Side Two Must Be Completed.**Effective Date of Transfer: 8/1/04KS Dept of Revenue Lease No.: 115645Lease Name: Frank WelshSec. 14 Twp. 35 R. 15 ☒ E ☐ WLegal Description of Lease: NW/4 NW/4 Sec. 14-T35S-R15ECounty: MontgomeryProduction Zone(s): Wayside, Bartlesville

Injection Zone(s): _____

Surface Pit Permit No.: _____
(API No. if Drill Pit, WO or Haul)Type of Pit: ☐ Emergency ☐ Burn ☐ Settling☐ Haul-Off ☐ Workover ☐ DrillingPast Operator's License No. 8400Past Operator's Name & Address: Ted L. King c/o United Oil & Gas Inc.
114 South Depot, Cherryvale, KS 67335Title: Inactive operator

Contact Person: _____

Phone: unknown

Date: _____

Signature: Please see attached

RECEIVED

SEP 07 2004

KCC WICHITA

New Operator's License No. 33261New Operator's Name & Address: Brower Oil & Gas Co., Inc.
6506 S. Lewis Ave., Ste. 115, Tulsa, OK 74136Title: Vice Pres. / Sec.Contact Person: Ashley JonesPhone: 918-743-8893Date: 8/31/04Signature: Kurt Jayif BrowerOil/Gas Purchaser: Endeavor Energy Resources, L.P.

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: _____

Date: _____

Authorized Signature

DISTRICT _____

EPR 8-30-05

PRODUCTION _____

UIC 8-30-05

Mail to: Past Operator _____

New Operator _____

District _____

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

* Location: Sect. 14-T35S-R15E

RECEIVED
NOV 12 2004
KCC WICHITA

* 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.

63U (Rev. 1993)

OIL AND GAS LEASE

Reorder No.
09-115
Kansas Blue Print
 700 S. Broadway PO Box 793
 Wichita, KS 67201-0793
 316-264-0344 • 264-5165 fax
 www.kbp.com • kbp@kbp.com
AGREEMENT, Made and entered into the 5th day of August, 2004by and between Glenn F. Welsh and Frances E. Welsh, Husband and Wifewhose mailing address is RR # 1, Box 193, Coffeyville, Kansas 67337

hereinafter called Lessor (whether one or more),

and Brower Oil & Gas Co., Inc.

hereinafter called Lessee:

Lessor, in consideration of One Thousand (\$1000) Dollars (\$) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto 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, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Montgomery State of Kansas described as follows to-wit:

Northwest Quarter of the Northwest Quarter
 (NW1/4NW1/4) of Section Fourteen (14), Township
 Thirty Five South (T35S), Range Fifteen East (R15E)
 of the 6th Principal Meridian (6th P.M.), Montgomery

In Section , Township Montgomery, Kansas Range and containing acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of years from this date (called "primary term"). and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said land is pooled.

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 lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.

This lease may be maintained during the primary term hereof without further payment or drilling operations. 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 like effect as if such well had been completed within the term of years first mentioned.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the said lessor only in the proportion which lessor's interest bears to the whole and undivided fee.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operation thereon, except water from the wells of lessor.

When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of lessor.

Lessee shall pay for damages caused by lessee's 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 estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. 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.

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.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

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 the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

Lessee agrees to bury all lines and put gas to the house, if possible.


RECEIVED
 NOV 12 2004
 KCC WICHITA

IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.

Witnesses:

Glenn F. Welsh
 Glenn F. Welsh

Frances E. Welsh
 Frances E. Welsh

STATE OF Kansas
COUNTY OF Montgomery
The foregoing instrument was acknowledged before me this 5th day of August, 2004
by Glenn F. Welsh and Frances E. Welsh,
husband and wife
My commission expires 8-24-2007
 Corrina Wilson
Notary Public

STATE OF _____
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____
by _____ and _____
My commission expires _____
Notary Public

STATE OF _____
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____
by _____ and _____
My commission expires _____
Notary Public

STATE OF _____
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____
by _____ and _____
My commission expires _____
Notary Public

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

STATE OF _____
COUNTY OF _____
The foregoing instrument was acknowledged before me this _____ day of _____
by _____
of _____ a _____
corporation, on behalf of the corporation.
My commission expires _____
Notary Public