

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form T-1
March 2010
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**

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act,
MUST be submitted with this form.

Check Applicable Boxes:

- Oil Lease: No. of Oil Wells _____ **
- Gas Lease: No. of Gas Wells 1 **
- Gas Gathering System: W1/2 NW NE 1 16 24E
- 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: 06/13/2011

KS Dept of Revenue Lease No.: 230687 ✓

Lease Name: BATSON

____ NW - SW - NE Sec. 1 Twp. 16 R. 24 E W

Legal Description of Lease: ATTACHED

County: MIAMI

Production Zone(s): CHEROKEE

Injection Zone(s): _____

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 OR

Past Operator's License No. 32294 Exp 3/30/11

Contact Person: Jeff Taylor

Past Operator's Name & Address: Osborn Energy, LLC

Phone: 913-533-9900

24850 Farley, Bucyrus KS 66013

Date: 06/13/2011

Title: Director Of Operations

Signature: [Signature]

New Operator's License No. 34570

Contact Person: Jeff Taylor

New Operator's Name & Address: Central States Energy

Phone: 913-238-3156

24850 Farley, Bucyrus, KS 66013

Oil / Gas Purchaser: Riverdale

Date: 06/13/2011

Title: Director of Operations

Signature: [Signature]

RECEIVED

JUN 16 2011

KCC WICHITA

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 9-2-11 PRODUCTION 9-07-11 UIC 9-7-11
Mail to: Past Operator _____ New Operator _____ District _____

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

061311_Batson.pdf

BATSON LEGAL

BEGINNING AT THE NORTHWEST CORNER OF THE NORTHEAST 1/4 OF SECTION 1,
TOWNSHIP 16, RANGE 24, MIAMI COUNTY, KANSAS, THENCE NORTH 89 DEGREES 51'19"
EAST FOR A DISTANCE OF 600.00 FEET ALONG THE NORTH LINE OF SAID 1/4
SECTION; THENCE SOUTH 00 DEGREES 14'36" WEST FOR A DISTANCE OF 1800.00
FEET, PARALLEL TO THE WEST LINE OF SAID 1/4 SECTION; THENCE SOUTH 89
DEGREES 51'19" WEST FOR A DISTANCE OF 600.00 FEET, PARALLEL TO THE NORTH
LINE OF SAID 1/4 SECTION TO A POINT ON THE WEST LINE OF SAID NORTHEAST 1/4;
THENCE NORTH 00 DEGREES 14'36" EAST FOR A DISTANCE OF 1800.00 FEET ALONG
SAID WEST LINE TO THE POINT OF BEGINNING.
SUBJECT TO EASEMENTS, RESTRICTIONS, RESERVATIONS, CONDITIONS AND COVENANTS,
IF ANY, OF RECORD.

EXCEPT AND EXCLUDING that part thereof lying north of the south bank of the
branch of Wea Creek crossing the same

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KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form KSONA-1
July 2010
Form Must Be Typed
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**CERTIFICATION OF COMPLIANCE WITH THE
KANSAS SURFACE OWNER NOTIFICATION ACT**

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License # 34570
Name: Central States Energy
Address 1: 24850 Farley
Address 2: _____
City: Bucyrus State: KS Zip: 66013 + _____
Contact Person: Jeff Taylor
Phone: (913) 238-3156 Fax: (816) 618-3152
Email Address: _____

Well Location:
_____ NW SW NE Sec. 1 Twp. 16 S. R. 24 East West
County: MIAMI
Lease Name: BATSON Well #: 1-4

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: Thad Batson 10217 W 239th St. Bucyrus, KS 66013
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____

When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 06/13/2011 Signature of Operator or Agent: [Signature] Title: Director of Operations

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JUN 16 2011

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