

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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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 84 ..
☐ 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.: E 23344
Entire Project: ☐ Yes ☐ No
Number of Injection Wells 2 ..

Field Name: Bartlesville E Humboldt

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

Effective Date of Transfer: 7-30-11 8/12/2011

KS Dept of Revenue Lease No.: 114603 10

Lease Name: Miller

SW - SW - SW - SW Sec. 35 Twp. 25 R. 18 ☒ E ☐ W

Legal Description of Lease: beginning at south point of 35-25-18 E; 7.52 ac less sold to Highway

920' east of SW corner of said section then north 1280' then west 920' then south 1280' to point of beginning with 6 ac less in SE parcel of land

County: Allen

Production Zone(s): Bartlesville

Injection Zone(s): Bartlesville Cattlemans

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

Type of Pit: ☐ Emergency ☐ Burn ☐ Settling ☐ Haul-Off ☐ Workover ☐ Drilling OR

Past Operator's License No. NEW LEASE

Past Operator's Name & Address: Kenneth Miller

403 S. 13th Humboldt Kansas 66749

Title: Land Owner

Contact Person: Kenneth Miller

Phone: 620-473-2464

Date: 8-11-11

Signature: Kenneth Miller
Oil Lease Attache

New Operator's License No. 33970

New Operator's Name & Address: Kerr Oil LLC.

1651 2000 St. Iola Kansas 66749

Title: Operator

Contact Person: Matt Kerr

Phone: 620-365-0550

Oil / Gas Purchaser: Pacer

Date: 8-11-11

Signature: Matt B. Kerr

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.

Kerr Oil LLC is acknowledged as

the new operator and may continue to inject fluids as authorized by

Permit No.: E-23.344 . Recommended action: _____

Violations MET Overdue 2001 + 1132 2005-2010

Date: 10-17-11 Cheryl Boyer

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 8-25-11

Mail to: Past Operator 10-17-11

PRODUCTION 10-25-11 UIC 10-17-11

New Operator 10-17-11 District 10-17-11

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

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084211 Miller, INC.pdf

Must Be Filed For All Wells

KDOR Lease No.: 114603

Lease Name: Miller

Location: SW Corner of Section 35-25-18 E 920' N and S, 1280' E and W

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)
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5	15-001-26884 ✓	495 ^{Circle} FSL/FNL 4062 ^{Circle} FEL/FWL	oil	prod
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6	15-001-26881 ✓	825 ^{Circle} FSL/FNL 5115 ^{Circle} FEL/FWL	oil	prod
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7	15-001-26893 ✓	825 ^{Circle} FSL/FNL 4785 ^{Circle} FEL/FWL	inj	AI
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8	15-001-26894 ✓	825 ^{Circle} FSL/FNL 4455 ^{Circle} FEL/FWL	oil	prod
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10	15-001-26896 ✓	1115 ^{Circle} FSL/FNL 5115 ^{Circle} FEL/FWL	oil	prod
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12	15-001-26898 ✓	1115 ^{Circle} FSL/FNL 4785 ^{Circle} FEL/FWL	oil inj	AI prod
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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.

Producer
↑
IS a
producer
with jack
and pipe and
pump.

need
US
for
producer
status

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

**CERTIFICATION OF COMPLIANCE WITH THE
KANSAS SURFACE OWNER NOTIFICATION ACT**

Form KSONA-1
July 2010
Form Must Be Typed
Form must be Signed
All blanks must be Filled

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 # 33970
Name: Kerr Oil LLC.
Address 1: 1651 2000
Address 2: _____
City: Iola State: KS Zip: 66749 + _____
Contact Person: Matt Kerr
Phone: (620) 365-0550 Fax: (_____) _____
Email Address: matt.kerr@usd258.net

Well Location:
SW SW SW SW Sec. 35 Twp. 25 S. R. 18 ☒ East ☐ West
County: Allen
Lease Name: Miller Well #: 6 wells

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

Beginning at south point of 35-25-18 E; 7.52 ac less sold to Highway 920' east of SW corner of said section then north 1280' then west 920' then south 1280' to point of beginning with 5 ac less in SE parcel of land sold to Leake

Surface Owner Information:

Name: Kenneth Miller
Address 1: 403 S 13
Address 2: _____
City: Humboldt State: KS Zip: 66748 + _____

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: 8-11-11 Signature of Operator or Agent: Matt B. Kerr Title: owner/operator

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

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Oil Lease



NOW ON this 12th day of August, 2011, this Oil Lease Agreement is by and between Kenneth Miller, 403 S. 13th Humboldt, Kansas, (LESSOR) and KERR OIL, LLC. 1651 2000 St. Iola, Kansas, (LESSEE)

FOR FIVE HUNDRED DOLLARS (\$500) AND OTHER GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is acknowledged, and the covenants and agreements hereinafter contained on the part of LESSEE to be paid, kept and performed, LESSOR has granted, demised, leased and let and by these presents does grant, demise, lease and let unto said LESSEE for the sole and only purpose of developing and producing oil, and laying pipe lines and tanks for such purposes, the following land situated in Allen County, Kansas (hereinafter referred to as the 'land'):

*Tract in South West (SW) Corner of Section 35 T- 25 R18 E ; Beginning 1351' East of SW Corner of SW4 North 1280', West 920', South 1280' to point of beginning, Except South East 5 acre tract of said land to Leake-Moorehouse family trust. *East 920'* MDK

This Lease shall remain in full force for a primary term of (5) years from this date, for as long thereafter as oil is produced in paying quantities from the land by the LESSEE.

In consideration of the premises, LESSEE covenants and agrees to deliver to the credit of LESSOR, free of cost, in the pipe line to which LESSEE may connect his wells, the equal one-eighth (1/8) part of all oil produced and saved from the land.

If LESSOR owns a less interest in the land than the entire undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid to LESSOR only in the proportion which his interest bears to the whole and individual fee, and the signing of the Lease shall be binding on each of the above named parties who sign, regardless of whether it is signed by any of the other parties.

LESSEE shall have the right to use, free of cost, oil and water produced from the land for its operation thereon, except water from any wells or ponds of LESSOR.

When requested by LESSOR, LESSEE shall bury pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on the land, without the written consent of the LESSOR.

LESSEE shall pay for damages caused by its operations to timber, crops and pastures on the land.

LESSEE shall have the right at any time to remove all machinery and fixtures placed on the land, including the right to draw and remove casing.

If the LESSEE shall commence to drill a well within the term of this Lease or any extension hereof, 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 the like effect as if such well had been completed within the term of years first mentioned.

Handwritten signature and date: 8-12-11

if the estate of either party is assigned, and the privilege of assigning in whole or in part in expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, trustees, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on LESSEE until after LESSEE has been furnished with a written transfer or assignment or a true copy thereof; and it is hereby agreed in the event this Lease shall be assigned as to a part of the land and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affects this Lease in so far as it covers a part or parts of said lands upon which the said LESSEE or any assignee thereof shall make due payments of said rentals.

LESSOR hereby warrants and agrees to defend title to the land, and agrees that LESSEE shall have the right at any time to redeem for LESSOR by payment, any mortgages, taxes or other liens on the land, in the event of default of payment by LESSOR, and be subrogated to the rights of the holder thereof.

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.

IN WITNESS WHEREOF, the parties have hereunto set their hand effective the date first above written.

LESSOR

Kenneth Miller
Kenneth Miller

LESSEE

KERR OIL, LLC

Matt B. Kerr
Matt Kerr, Managing Member

STATE OF KANSAS, COUNTY OF Allen, ss

BE IT REMEMBERED that on this 12 day of Aug ²⁰¹¹ 2010, before me, the undersigned, a notary public in and for the County and State aforesaid, came the LESSOR, Kenneth Miller, personally known to me to be the same person(s) who executed the within instrument of writing and such person(s) duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal; the day and year last above written.



Anna E. Cole
Notary Public
My term expires:



* 2 0 1 1 - 1 2 4 2 2 *

CARA BARKDOLL, REGISTER OF DEEDS

ALLEN COUNTY, KS

2011-1242

DATE RECORDED: 08/12/2011 03:28:01PM ✓

MTG INDEBT: 0.00 RECEIPT#: 7729

REC FEE: \$ 8.00

TECH FEE: \$ 4.00

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ORIGINAL COMPARED WITH RECORD