

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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.

Form T-1

March 2010

Form must be Typed
Form must be Signed
All blanks must be Filled

Check Applicable Boxes:

- ☒ Oil Lease: No. of Oil Wells 5 **
☒ Gas Lease: No. of Gas Wells 1 **
☐ 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-8,338
Entire Project: ☐ Yes ☒ No
Number of Injection Wells 2 **

Field Name: Thayer

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

Effective Date of Transfer: September 1, 2012

KS Dept of Revenue Lease No.: OIL 114260 / GAS 225262

Lease Name: James John

SW SE Sec. 26 Twp. 29 R. 17 ☒ E ☐ W

Legal Description of Lease: W/2, SE, Sec. 26 Twp. 29 R. 17 E

County: Neosho

Production Zone(s): Bartlesville

Injection Zone(s): Bartlesville

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SEP 12 2012

KCC WICHITA

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

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

Past Operator's License No. 4485

Past Operator's Name & Address: Verde Oil Company

1020 NE Loop 410 Suite 555 San Antonio, TX. 78209-1224

Title: Geologist

Contact Person: Jeffrey L. Dale

Phone: 620-754-3800

Date: September 1, 2012

Signature: [Signature]

New Operator's License No. 33286

New Operator's Name & Address: Barton T. Lorenz

508 21500 Road

Cherryvale, KS.

Title: Owner

Contact Person: Barton T. Lorenz

Phone: 620-328-3325

Oil / Gas Purchaser: Cottrell/K. Brown/105

Date: September 1, 2012

Signature: [Signature]

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.

Lorenz, Barton T is acknowledged as
the new operator and may continue to inject fluids as authorized by
Permit No.: E-08,338 . Recommended action: NONE

Date: 11-8-12 [Signature]
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 9/18/12 PRODUCTION 11-8-12 UIC 11-8-12
Mail to: Past Operator 11-8-12 New Operator 11-8-12 District (3) 11-8-12

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

090112 James John IMJ.pdf

* Location: W/2,SE,Sec.26Twp.29R.17E

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* 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.

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 # 4485
Name: Verde Oil Company
Address 1: 1020 NE Loop 410 Suite 555
Address 2: _____
City: San Antonio State: TX Zip: 78209 + 1224
Contact Person: Jeffrey L. Dale
Phone: (620) 754-3800 Fax: (620) 754-3358
Email Address: jldale@ckt.net

Well Location:
_____-_____-SW-SE Sec. 26 Twp. 29 S. R. 17 ☒ East ☐ West
County: Neosho
Lease Name: James John Well #: _____

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

W/2,SE,Sec.26Twp.29R.17E

Surface Owner Information:

Name: Velma John Estate c/o Robert John
Address 1: 8490 Elk Road
Address 2: _____
City: Thayer State: KS Zip: 66776 + 4079

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: September 1, 2012 Signature of Operator or Agent:  Title: Geologist