

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 3 **
- ☐ 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.: _____
- Entire Project: ☐ Yes ☐ No
- Number of Injection Wells _____ **

Field Name: Peru

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

Effective Date of Transfer: 01/06/2012 01/06/12

KS Dept of Revenue Lease No.: 3818 134685 ✓

Lease Name: McMillian Lease

Sec. 18 Twp. 34 R. 12 ☒ E ☐ W

Legal Description of Lease: The part of the W/2 NW/4 of Section 18, Township 34 South

Range 12 East of the 6th P.M. lying South and West of the Middle Caney River, except the South 660 feet thereof

County: Chautauqua

Production Zone(s): Peru

Injection Zone(s): Peru

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

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

Past Operator's License No. 32244 Exp. 12/30/12

Past Operator's Name & Address: George Hopkins

RT 2 Box 75 B Sedan, KS 67361

Title: Past Operator

Contact Person: George Hopkins

Phone: 620-870-9516

Date: 7/17/13

Signature: George A. Hopkins

New Operator's License No. 34666 ✓
CTR 247 LLC

New Operator's Name & Address: Zach Milligan

PO Box 318 Longton, KS 67352

Title: Operator

Contact Person: Zach Milligan

Phone: 785-341-2983

Oil / Gas Purchaser: Coffeyville Resources **KCC WICHITA**

Date: 7/17/13

Signature: [Signature] **JUL 26 2013**

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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 8/13/13 PRODUCTION 8-15-13 UIC 8-14-13
Mail to: Past Operator _____ New Operator _____ District _____

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

* Location: Peru, KS

* 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

Form KSONA-1

July 2010

Form Must Be Typed

Form must be Signed

All blanks must be Filled

**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 # 34666
Name: Zach Milligan
Address 1: PO Box 318
Address 2: _____
City: Longton State: KS Zip: 67352 + _____
Contact Person: Zach Milligan
Phone: (785) 341-2983 Fax: (_____) _____
Email Address: ez.c_c@hotmail.com

Well Location:
_____-_____-_____- Sec. _____ Twp. _____ S. R. _____ ☐ East ☐ West
County: _____
Lease Name: _____ Well #: _____

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

That part of the W/2 NW/4 of Section 18, Township 34 South, Range 12 East of the 6th P.M. lying South and West of the Middle Caney River, except the South 660 feet thereof

Surface Owner Information:

Name: Daniel McMillian
Address 1: 781 Rd 23
Address 2: _____
City: Peru State: KS Zip: 67360 + _____

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: 7-17-13 Signature of Operator or Agent: [Signature] Title: operator **KCC WICHITA**

JUL 26 2013

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EMERT, CHUBB & GETTLER, LLC

TIMOTHY R. EMERT
JEFFREY A. CHUBB
JEFFREY W. GETTLER
DANIEL M. REYNOLDS
Members

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304 N. 6th - P. O. Box 747
Independence, Kansas 67301-0747

1-620-331-1800
FAX 1-620-331-1807
E-mail: sehclaw@swbell.net

ROBERT K. SCOVEL
Retired

MONTY K. HEASTY
(1937-1997)

January 7, 2013

COPY

Coffeyville Resources, LLC.
ATTN: Heidi Davis
10 East Cambridge Circle, Suite 250
Kansas City, KS 66103

RE: **McMillan Lease**

That part of the W/2 NW/4 of Section 18, Township 34 South, Range 12 East of the 6th P.M. lying South and West of the Middle Caney River, except the South 660 feet thereof

Dear Ms. Davis:

This is an oil and gas division order title opinion. I have examined the public records on file in Chautauqua County, Kansas through 7:00 o'clock a.m. on December 19, 2012. Based upon my examination, I find title to be vested as follows:

Daniel E. McMillan and Cheryl L. McMillan, husband and wife

Encumbrances:

1. The property is subject to a mortgage dated January 31, 2012 in the amount of \$25,000.00 recorded in Book 158 at Page 380 in favor of USAA Federal Savings Bank. The oil and gas lease hereinafter described is prior in time to the mortgage so no subordination agreement would be required.

Taxes:

1. Ad valorem taxes constitute a lien on the real estate superior to all other interests.

KCC WICHITA

JUL 26 2013

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Oil & Gas:

1. The property is subject to the following oil and gas lease:

Lessor: Daniel E. McMillan and Cheryl L. McMillan, husband and wife
Lessee: George Hopkins
Date: May 16, 2005
Recorded: Book 125 at Page 61
Legal description: Same as above
Primary term: One year
Landowner
Royalty: 1/4th

2. The lease was assigned to CTR 247, LLC pursuant to an assignment dated December 14, 2012 recorded in Book 162 at Page 536.

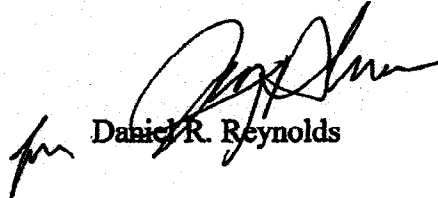
3. The current net revenue interests of the lease are as follows:

<u>Party</u>	<u>NRI</u>
Landowner Royalty:	
Daniel E. McMillan and Cheryl L. McMillan, husband and wife	.25
Working Interest:	
CTR 247, LLC	.75
Total	1.00

Subject to the above, title is approved.

Yours very truly,

EMERT, CHUBB & GETTLER, LLC


Daniel R. Reynolds

DMR/ds

KCC WICHITA

JUL 26 2013

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