

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: _____
☐ Saltwater Disposal Well - Permit No.: _____
 Spot Location: 550 feet from ☒ N / ☐ S Line
550 feet from ☐ E / ☒ W Line
☐ Enhanced Recovery Project Permit No.: _____
 Entire Project: ☐ Yes ☐ No
 Number of Injection Wells _____ **
 Field Name: Enterprise NE

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

Effective Date of Transfer: 8/6/2013
 KS Dept of Revenue Lease No.: 219243 ✓
 Lease Name: Walton B
 _____ - _____ NW - NW Sec. 36 Twp. 33 R. 3 ☒ E ☐ W
 Legal Description of Lease: NW/4 Section 36-33S-3E
 County: Cowley **KCC WICHITA**
 Production Zone(s): Cleveland **SEP 19 2013**
 Injection Zone(s): _____ **RECEIVED**

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. 34461 ✓
 Past Operator's Name & Address: CRECO Operating, LLC
211 N. Robinson, Suite 200
 Title: Land Manager

_____ feet from ☐ N / ☐ S Line of Section
 _____ feet from ☐ E / ☐ W Line of Section

Contact Person: Wade Gungoll
 Phone: 405-606-7481
 Date: 8/6/2013
 Signature: Wade Gungoll

New Operator's License No. 34121 ✓
 New Operator's Name & Address: CEC Operations, LLC
800 Main Street, Suite 208
Winfield, KS 67156
 Title: Manager

Contact Person: Bruce Satterthwaite
 Phone: 620-221-0700
 Oil / Gas Purchaser: Cowley Gas Systems, LLC
 Date: 8/6/2013
 Signature: Bruce Satterthwaite

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 9/27/13 PRODUCTION 9-30-13 UIC 9-30-13
 Mail to: Past Operator _____ New Operator _____ District _____

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

* Lease Name: Walton B

* Location: NW/4 NW/4 Sec. 36-33S-3E

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SEP 19 2013
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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 # 34121
Name: CEC Operations, LLC
Address 1: 800 Main Street, Suite 208
Address 2: _____
City: Winfield State: KS Zip: 67156 + _____
Contact Person: Bruce Satterthwaite
Phone: (620) 221-0700 Fax: (620) 221-0702
Email Address: bruce_satterthwaite@ycsco.com

Well Location:
____ NW NW Sec. 36 Twp. 33 S. R. 3 ☒ East ☐ West
County: Cowley
Lease Name: Walton 'B' Well #: 1

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

Surface Owner Information:

Name: Beth Walton
Address 1: 61050 E. 340 Rd.
Address 2: _____
City: Grove State: OK Zip: 74344 + _____

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: 8/6/2013 Signature of Operator or Agent: [Signature] Title: Land Manager

KCC WICHITA
SEP 19 2013
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