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 Compilance Check Applicable Boxes: MUST be sub- | e with the Kansas Surface Owner Notification Act, mitted with this form. |
|---|--|
| Oil Lease: No. of Oil Wells | Effective Date of Transfer: 101113 |
| Gas Lease: No. of Gas Wells | |
| Gas Gathering System: | KS Dept of Revenue Lease No.: 142046 |
| Saltwater Disposal Well - Permit No.: | Lease Name: _HB Lease (Vincent) |
| Spot Location: feet from N / S Line feet from E / W Line | Legal Description of Lease: SE/4 of Sec. 34 Twp. 16 R. 21 VE W |
| Enhanced Recovery Project Permit No.: | |
| Entire Project: Yes No | County: Franklin |
| Number of Injection Wells | County: Franklin |
| Field Name: Paola-Rantoul | |
| ** Side Two Must Be Completed. | Injection Zone(s): |
| Surface Pit Permit No.: (API No. If Drill Pit, WO or Haul) Type of Pit: Emergency Burn Settling | feet from N / S Line of Section feet from E / W Line of Section Haul-Off Workover Drilling |
| Past Operator's License No. 33051 | |
| | Contact Person: Clay Hughes |
| Past Operator's Name & Address: C.D Oil, Inc. | Phone: 785-883-4383 on 913-963-9127 |
| 3236 Virginia Rd Wellsville, Ks 66092 | Date: 10(1/13 |
| Title: Operator | Signature: Clay Hugher |
| New Operator's License No | Contact Person: Clay Hughes |
| New Operator's Name & Address: HB Energy IIc | Phone: 785-883 4383 0 913-963-9127 |
| 3236 Virginia Rd. | 750 SF 113-163-4127 |
| Wellsville, Ks 66092 | Oil / Gas Purchaser: High Sign RECEIVED Date: 10/1/13 |
| Fitle: Operator | Signature: Clay Hugher OCT 1 1 2013 |
| | CONSERVATION DIVISION |
| Acknowledgment of Transfer: The above request for transfer of injection | authorization, surface pit pormit # |
| noted, approved and duly recorded in the records of the Kansas Corporation (Commission records only and does not convey any ownership interest in the a | Commission. This acknowledgment of transfer pertains to Kansas Corporation |
| is acknowledged as | is acknowledged as |
| he new operator and may continue to inject fluids as authorized by | - |
| Permit No.: Recommended action: | the new operator of the above named lease containing the surface pit |
| | permitted by No.: |
| ate: | Date |
| Authorized Signature | Date: |
| DISTRICT EPR _/0/17/13 P | RODUCTION (0/16 UIC 10-18-13) |
| Mail to: Past Operator New Operator | District |

Must Be Filed For All Wells

| KDOR Lease | No.: | 12046 | | | | |
|---------------|------------------------------|--|----------------|--|---------------------|-------------------------------------|
| * Lease Name: | | | * Location: | SE/4 of Sec | . 34 Twp. | 16 R.21F |
| Well No. | API No. (YR DRLD/PRE '67) | Footage from (i.e. FSL = Feet | 1 Section Line | Type ((Oil/Gas/ | of Well INJ/WSW) | Well Status (PROD/TA'D/Abandoned |
| 5-A | | -00 2113 FS JFNL | | A/I Oil | GPS | ftgs- Dist. 3 PROD L |
| 6 | | -00 2592 FS JFNL | 1626 FELYFWL | Oil | | PROD |
| 1 | 15-059-20316-00- | | 1986 FEDFWL | Oil | | PROD |
| 2 | 15-059-20317-00- | Control of the Contro | 1580 FEI FWL | Oil | | PROD |
| 3 | 15-059-20870-00- | | 1575 FELYFWL | Oil | | PROD |
| 1 | 15-059-20871-00- | 00 1882 FB /FNL | 1860 FE /FWL | Oil | | PROD |
| | | FSL/FNL | FEL/FWL | | | |
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| 12 14 15 | | FSL/FNL | FEL/FWL _ | · | | |
| | | FSL/FNL | FEL/FWL _ | | | |
| | | FSL/FNL | FEL/FWL | | | |
| | | FSL/FNL | FEL/FWL | | Service Control | V ts. |
| | | FSL/FNL | FEL/FWL | | | |
| | | FSL/FNL _ | FEL/FWL | | | |
| | | FSL/FNL | FEL/FWL | | | |
| | | FSL/FNL | FEL/FWL | | KANSAS C | RECEIVED ORPORATION COMMISSION |
| | | - FSL/FNL | FEL/FWL | | 0 | ICT 1 1 2013 |
| | | - FSL/FNL | FEL/FWL | | | ISERVATION DIVISION WICHITA, KS |
| | y be attached if necessary | FSL/FNL | FEL/FWL | ти | | THORIN, NO |

^{*} 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.

| OPERATOR: License # 33051 | | | | |
|--|---|--|--|--|
| | | | | |
| Name: C.D. Oil, Inc. Address 1: 3236 Virginia Rd Address 2: | SE Sec. 34 Twp. 16 S. R. 21 X East West | | | |
| Address 2: | | | | |
| City: Wellsville State: Ks Zip: 66092 + | | | | |
| Contact Person: Clay Hughes | the legal description | | | |
| Phone: (785) 883-4866 4383 Fax: () | SE/4 of Sec. 34 Twp. 16 R. 21E | | | |
| Email Address: | - - | | | |
| Surface Owner Information: lame: Frontier Farm Credit | | | | |
| | When filing a Form T-1 involving multiple surface owners, attach an additions | | | |
| ddress 1: 1270 N. 300 Rd | | | | |
| ddress 2: ity: Baldwin Citystate: Kszip: 66006+ 0858 | 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. | | | |
| State: 2ip: 0000 + 0000 | | | | |
| this form is being submitted with a Form C-1 (Intent) or CB-1 (Catho | odic Protection Borehole Intent), you must supply the surface owners and | | | |
| f this form is being submitted with a Form C-1 (Intent) or CB-1 (Catho | | | | |
| this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathole KCC with a plat showing the predicted locations of lease roads, tange preliminary non-binding estimates. The locations may be entered collect one of the following: I certify that, pursuant to the Kansas Surface Owner Notice owner(s) of the land upon which the subject well is set if the land upon which the land upon which the subject well is set if the land upon which the land upon upon which the land upon the land upo | odic Protection Borehole Intent), you must supply the surface owners and his batteries, pipelines, and electrical lines. The locations shown on the plat on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. Act (House Bill 2032), I have provided the following to the surface located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form | | | |
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RECEIVED KANSAS CORPORATION COMMISSION