

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 2 \*\*  
☐ 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: Colony-Welda

Effective Date of Transfer: 11/1/2011

KS Dept of Revenue Lease No.: 100147

Lease Name: Settle

\_\_\_\_\_ E/2 \_\_\_\_\_ NW Sec. 3 Twp. 22S R. 19 ☒ E ☐ W

Legal Description of Lease: East half of the Northwest Quarter of  
Section 3, Township 22, Range 19

County: Anderson

Production Zone(s): Squirrel Sandstone

Injection Zone(s): \_\_\_\_\_

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

\_\_\_\_\_ feet from ☐ N / ☐ S Line of Section

\_\_\_\_\_ feet from ☐ E / ☐ W Line of Section

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

Past Operator's License No. 3728

Contact Person: Roger Kent

Past Operator's Name & Address: RJ Enterprises  
22082 NE Neosho Rd, Garnett, Kansas 66032

Phone: 785-448-6995

**KCC WICHITA**

Title: Owner

Date: SEP 10 2013

Signature: Attachments

**RECEIVED**

New Operator's License No. 33097

Contact Person: Charles McConnell

New Operator's Name & Address: Southern Star Central Gas Pipeline  
4700 Highway 56, Owensboro, KY 42301

Phone: 270-852-4489

Oil / Gas Purchaser: Pacer

Date: 9/25/13

Title: Engineer VI

Signature: Charles McConnell

**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 10/23/13

PRODUCTION OCT 24 2013

UIC 10-24-13

Mail to: Past Operator \_\_\_\_\_

New Operator \_\_\_\_\_

District \_\_\_\_\_

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

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 # 33097  
Name: Southern Star Central Gas Pipeline  
Address 1: 4700 Highway 56  
Address 2: \_\_\_\_\_  
City: Owensboro State: KY Zip: 42301 + \_\_\_\_\_  
Contact Person: Charles McConnell  
Phone: ( 270 ) 852-4489 Fax: ( \_\_\_\_\_ ) \_\_\_\_\_  
Email Address: charlie.c.mcconnell@sscgp.com

Well Location:  
\_\_\_\_\_ E/2, NW Sec. 3 Twp. 22 S. R. 19 ☒ East ☐ West  
County: Anderson  
Lease Name: Settle Well #: 1, 2P  
*If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:*

**Surface Owner Information:**

Name: Kenny and Rosalyn Kellstadt  
Address 1: 21464 SW1000 Rd  
Address 2: \_\_\_\_\_  
City: Welda State: KS Zip: 66091 + \_\_\_\_\_

*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: 9/25/13 Signature of Operator or Agent: Charles McConnell Title: Engineer VI

**KCC WICHITA**

**SEP 30 2013**

**RECEIVED**

ASSIGNMENT OF OIL AND GAS LEASE  
AND  
RATIFICATION AND CONSENT TO AGREEMENT

WITNESSETH:

THIS ASSIGNMENT OF OIL AND GAS LEASE is made and entered into this \_\_\_\_ day of October, 2011, but effective November 1, 2011 at 7:00 a.m., by and between ROGER KENT D/B/A R J ENTERPRISES, of 22082 NE Neosho RD, Garnett, Kansas 66032, hereinafter referred to as "Assignor", and SOUTHERN STAR CENTRAL GAS PIPELINE, INC., a Delaware corporation, of 4700 Highway 56, Owensboro, Kentucky, 42301, hereinafter referred to as "Assignee".

That for and in consideration of One Hundred Dollars (\$100.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby, sell, assign, transfer, convey and warrant unto Assignee, and its successors and assigns, one hundred percent (100%) of the working interest (the same being at least a .76562500 net revenue interest) in and to the following oil and gas lease located in Anderson County, Kansas, and more particularly described as follows:

A. Settle Lease:

Lessor:	F. L. Settle and Mary Settle, husband and wife
Lessee:	A. A. Brecheisen
Dated:	May 7, 1953
Recorded:	Book 7 O & G at Page 86
Legal:	East Half (E/2) of the Northwest Quarter (NW/4) of Section 3, Township 22, Range 19, Anderson County, Kansas.

All rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith, including, but not limited to any wells, pump jacks, pumps, pumping string, equipment, materials, and the fixtures and improvements located on the above referenced oil and gas lease, provided, however, that when Assignee purchases the mineral rights

to the property from the owners of those rights, that Assignor will then receive the equipment in and on the two wells on the property, which equipment shall be promptly removed by Assignor.

~~Assignor further warrants that there have been no materials, equipment or supplies used or consumed or labor performed relating to the above referenced oil and gas lease whatsoever that could form the basis for any mechanic's or materialman's liens under Kansas law.~~

Assignor further agrees to indemnify and hold Assignee harmless from any and all claims and causes of action whatsoever pertaining to the above referenced oil and gas lease which occurred or are alleged to have occurred prior to the effective date hereof and furthermore to pay all of Assignee's attorneys' fees and costs associated with Assignee's defense thereof, provided, however, that this indemnity agreement shall apply only to claims made by a third party against Assignee, and not to any claims that might be made by Assignee against Assignor. Further provided that Assignee shall assume all responsibility for plugging the two known wells on the subject lease, the first located 2,678 feet from the south line and 2,784 feet from the east line and the second located 2,801 feet from the south line and 3,315 feet from the east line, removing equipment from the lease and restoring the surface of the property, which responsibilities are not being assumed by Assignor, except for that of removing the jacks, production strings and pumps from the two wells on the property as described above.

Assignor agrees and consents by virtue of this assignment that Assignee shall have full right and authority and Assignor hereby grants Assignee a limited durable power of attorney to execute on behalf of Assignor any and all division orders and transfer orders required by the crude purchaser of oil from the above referenced oil and gas lease.

WITNESSETH the signatures of Assignor and Assignee, Lessors and Lessee the date set forth above.

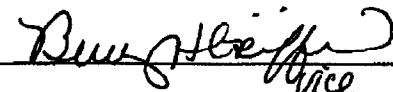
"ASSIGNOR"



ROGER KENT D/B/A R J ENTERPRISES

"ASSIGNEE"

SOUTHERN STAR CENTRAL GAS PIPELINE, INC.

By  Vice, President

STATE OF KANSAS )  
 ) ss  
COUNTY OF ANDERSON )

The foregoing instrument was acknowledged before me this 31<sup>st</sup> day of October, 2011, by  
ROGER KENT D/B/A R J ENTERPRISES.

CATHERINE A. BARNES  
Notary Public - State of Kansas  
My Appt. Expires 2-25-12

and official seal

*Catherine A. Barnes*

Catherine A. Barnes, Notary Public

My appointment expires: March 25, 2012

STATE OF Kentucky )  
 ) ss  
COUNTY OF Daviess )

The foregoing instrument was acknowledged before me this 1<sup>st</sup> day of November August, 2011, by  
Beverly H. Griffith, Vice PRESIDENT OF SOUTHERN STAR CENTRAL  
GAS PIPELINE, INC.

Witness my hand and official seal

*Kenny F. Kellstadt*  
Notary Public

My appointment expires: 8-26-2013

#### RATIFICATION AND CONSENT TO ASSIGNMENT

#### KNOW ALL MEN BY THESE PRESENTS:

That the undersigned **KENNY F. KELLSTADT AND ROSALYN L. KELLSTADT** ("Current Lessors"), for and in consideration of One Hundred Dollars (\$100.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, do hereby ratify, approve and confirm all of the terms of the above described oil and gas lease insofar as it applies to the legal description set out above and as described in that certain Corrected Ratification of Oil and Gas Lease dated March 14, 2011, recorded in Book 92 MCL, Page 87 ; hereby state that all of the terms, conditions and covenants relating thereto have been fully complied with by Lessee (including but not limited to all royalty and other payments required to be made therein); consent to and approve the Assignment of Oil and Gas Lease set forth above and the terms thereof; and warrant that they are the current owners of all of the oil, gas and other minerals in and under the above described land free of all liens and encumbrances except for the above referenced oil and gas lease, as modified and amended by the gas storage agreement

affecting said lease as recorded in Book O Misc.at Page576, presently held by Southern Star Gas Pipeline, Inc. .

This Ratification and Consent to Assignment is made with the understanding that the Assignee shall continue to produce oil from the wells located on this lease until such time as the Assignee shall acquire the mineral rights to this property from the Lessors.

WITNESSETH the signatures of Lessors this 1<sup>st</sup> day of November, 2011, to be effective on the day and time set forth in the above Assignment of Oil and Gas Lease.

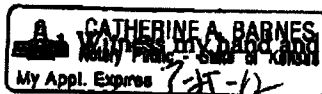
"CURRENT LESSORS"

Kenny F. Kellstadt  
KENNY F. KELLSTADT

Rosalyn L. Kellstadt  
ROSALYN L. KELLSTADT

STATE OF KANSAS           )  
  ) ss  
COUNTY OF ANDERSON )

The foregoing instrument was acknowledged before me this 1<sup>st</sup> day of November, 2011, by KENNY F. KELLSTADT and ROSALYN L. KELLSTADT, husband and wife.



official seal

Catherine A. Barnes  
Catherine A. Barnes, Notary Public

My appointment expires: March 25, 2012