Authorized Signature

District

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: Effective Date of Transfer: 7-1-2008 Oil Lease: No. of Oil Wells KS Dept of Revenue Lease No.: 120747 Gas Lease: No. of Gas Wells Gas Gathering System: Lease Name: KAY SNOW Saltwater Disposal Well - Permit No.: NZ MUSUSec. 2 TWD260 R. 16 TEXW Spot Location: feet from N/ S Line Legal Description of Lease: N2 NW SW feet from E/ W Line 2310N, 640 E from SW COMPR Enhanced Recovery Project Permit No.: County: Edwards Entire Project: Yes No Number of Injection Wells Production Zone(s): KD (10 Field Name: Injection Zone(s): ** Side Two Must Be Completed. Surface Pit Permit No.: _ feet from N / S Line of Section (API No. if Drill Pit, WO or Haul) W Line of Section Type of Pit: Emergency Burn Settling Haul-Off Workover Drilling Past Operator's License No. 5-6-9 Contact Person: Past Operator's Name & Address: Phone: Signature: New Operator's License No. Phone: 6206727600 New Operator's Name & Address KCC WICHITA er Oil a Gas Operations Oil/Gas Purchaser: High Sterra 303 N MAIN NOV 18 2013 President Signature: RECEIVED 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 is acknowledged as the new operator and may continue to inject fluids as authorized by the new operator of the above named lease containing the surface pit Permit No: . Recommended action: permitted by No.: ____

New Operator

PRODUCTION

Authorized Signature

Date:

DISTRICT

Mail to: Past Operator

120747

Must Be Filed For All Wells

KDOR Lease No.: · Location: SCC2 N2 WW SWT265 RIGW SEC2 * Lease Name: Well No. Footage from Section Line Type of Well (Oil/Gas/INJ/WSW) Well Status (YR DRLD/PRE '67) (i.e. FSL = Feet from South Line) (PROD/TA'D/Abandoned) 011 FSL/FNL FEL/FWL FSL/FNL FEL/FWL FSL/FNL FEL/FWL FSL/FNL FEL/FWL FSL/FNL **FEL/FWL** FSL/FNL FEL/FWL KCC WICHITA FSL/FNL **FEL/FWL** NOV 18 2013

A separate sheet may be attached if necessary

FEL/FWL

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FSL/FNL

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 # 31000 Name: Prater Oil of Gas Operations 1/C Address 1: 1303 W Main Address 2: City: 1 CHt State: KS zip. 7124 + Contact Person: RON Prater 2 r Phone: 620,672-7600 Fax: 620,672-7601 Email Address:	Well Location: N2 WW SV Sec. 2 Twp: 2 (S. R. 10 East) West County: Edward S Lease Name: S 10 W Well #: If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:	
Surface Owner Information: Name: JUQUIT OF CLYDY Bryant Address 1: POBOX 186 Address 2: City: 19(10558 State: 15 Zip:07548 + 0186	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 the KCC with a plat showing the predicted locations of lease roads, tank be are preliminary non-binding estimates. The locations may be entered on the Select one of the following:	atteries, pipelines, and electrical lines. The locations shown on the plat	
I certify that, pursuant to the Kansas Surface Owner Notice Act owner(s) of the land upon which the subject well is or will be loce CP-1 that I am filing in connection with this form; 2) if the form beform; and 3) my operator name, address, phone number, fax, and	ated: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form ing filed is a Form C-1 or Form CB-1, the plat(s) required by this	
I have not provided this information to the surface owner(s). I ack KCC will be required to send this information to the surface owner task, I acknowledge that I am being charged a \$30.00 handling fe	er(s). To mitigate the additional cost of the KCC performing this	
If choosing the second option, submit payment of the \$30.00 handling fer form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 v	e with this form. If the fee is not received with this form, the KSONA-1 will be returned.	
I hereby certify that the statements made herein are true and correct to the Date: 11 15 13 Signature of Operator or Agent:	ne best of my knowledge and belief. Title: P3	
	KCC WICHITA	

NOV 18 2013

ASSIGNMENT OF OIL AND GAS LEASE

Cor

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, G & S OIL COMPANY, L.L.C., a Kansas limited liability company, (hereinafter called Assignor), for and in consideration of One Dollar (\$1.00) the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer and set over unto PRATER OIL & GAS OPERATIONS, INC., a Kansas corporation, (hereinafter called Assignee), all of Assignor's 100% working interest (.8203125 NRI) in and to the following described oil and gas Lease:

An Oil and Gas Lease dated January 7, 2003, between Juanita Bryant, Trustee of the Juanita Bryant Revocable Trust, as Lessor, to Wilbur Gibson & Brent Siroky d/b/a G & S Oil Company, as Lessee, said Lease having been recorded in Book 137 at Page 8 in the Register of Deeds Office, Edwards County, Kansas, insofar and only insofar as said Lease covers the following described real estate situated in Edwards County Kansas, to wit:

The North Half of the Southwest Quarter (N/2 of SW/4), of Section Two (2), Township Twenty-six (26) South, Range Sixteen (16) West of the 6 P.M., Edwards County Kansas.

together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith.

And for the same consideration, the Assignor covenants with the Assignee, its or his heirs, successors or assigns: That the Assignor is the lawful owner of and has good title to the interest above assigned in and to said lease, estate, rights and property, free and clear from all liens, encumbrances or adverse claims; That said lease is a valid and subsisting lease on the land above described, and all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force have been duly performed, and that the Assignor will warrant and forever defend the same against all person whomsoever, lawfully claiming or to claim the same.

This Assignment is effective July 1, 2008.

Executed, this and day of July , 2008.

G & S OIL COMPANY, L.L.C.

STATE OF KANSAS, 1 **EDWARDS** COUNTY I

This instrument was filed for Record on

an of October 2008 balaik 9 m and duly recorded

WILBUR GIBSON, Member

KCC WICHITA NOV 18 2013

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of any objections relative to the marketability of the title of the Working Interest. If valid objections are made to the title, Seller shall have a reasonable time to satisfy any valid objections to the title and make it marketable. If Seller is unable to provide marketable title to the Working Interest, Buyer may accept title with any such defect or may cancel this contract and thereby both parties shall be relieved from any further liability hereunder. Upon approval of title and at closing, Seller shall deliver to Buyer an Assignment of Oil and Gas Lease in the form attached hereto as Exhibit "A" at which time the purchase price, less authorized deductions, shall be delivered to Seller. The sale and assignment of the Working Interest by Seller to Buyer is made subject to oil and gas lease royalty and overriding royalty of record as required by the terms of the Lease, it being recognized that Buyer is acquiring the Seller's 100% Working Interest with an NRI of .8203125 on said Lease.

- **Possession.** Seller shall give possession of Seller's interest in the Lease and the equipment located thereon to Buyer on July 1, 2008, at 12:01 a.m. Pending closing, Seller shall operate the Lease in the ordinary course of business. Buyer shall receive all production made on the Lease from and after July 1, 2008, at 12:01 a.m. Seller shall receive its share of all production prior to said time and date; provided Seller shall only receive its share of oil down to the pipeline draw off point and all other oil, if any, including oil in gunbarrels, heater/treaters or other production equipment at normal operating levels shall be transferred to Buyer. Seller shall be responsible for paying all its share of expenses incurred on the Lease at or before July 1, 2008, and shall indemnify and hold Buyer harmless therefrom. At closing, Seller shall execute an affidavit to Buyer stating that all labor, materials, and supplies utilized on the Lease on or before July 1, 2008, have been paid in full; or, in the alternative, Seller may provide a list of all unpaid providers of labor, material or equipment on the Lease to closing date and Seller's share of such unpaid bills shall be paid at closing from sale proceeds or may be paid by Seller's funds. Seller agrees to execute all transfer or division orders necessary to transfer production payments to Buyer and shall promptly remit to Buyer any payments erroneously received. At closing, Seller shall resign as Operator of the Lease and shall sign a KCC Change of Operator form.
 - 5. Closing. Closing shall take place on or before July 1, 2008, at Pratt, Kansas.
- 6. Taxes. All ad valorem taxes for 2007 and prior years associated with Seller's share of the Lease, shall be paid by Seller. Taxes for 2008 shall be pro-rated to closing. Such taxes shall be paid based on 2007 taxes. Seller shall pay Seller's share of 2008 taxes to Buyer at closing.
- 7. Equipment and Records. Seller and Buyer acknowledge that the sale of the Lease and the purchase price paid therefor by Buyer covers the sale and transfer by Seller to Buyer of all the equipment presently located on and used in connection with the Lease. Buyer shall take delivery of the equipment at its present location on the Lease in "as is" condition. Seller shall also deliver to Buyer at closing all lease records in possession of Seller. For purposes of this Agreement, "Lease Records" means all leases, extensions or renewals, assignments, production and expense records, drilling, completion and rework reports, logs and geological information related to the Lease.

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ASSIGNMENT OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, G & S OIL COMPANY, L.L.C., a Kansas limited liability company, (hereinafter called Assignor), for and in consideration of One Dollar (\$1.00) the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer and set over unto PRATER OIL & GAS OPERATIONS, INC., a Kansas corporation, (hereinafter called Assignee), all of Assignor's 100% working interest (.8203125 NRI) in and to the following described oil and gas Lease:

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together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith.

And for the same consideration, the Assignor covenants with the Assignee, its or his heirs, successors or assigns: That the Assignor is the lawful owner of and has good title to the interest above assigned in and to said lease, estate, rights and property, free and clear from all liens, encumbrances or adverse claims; That said lease is a valid and subsisting lease on the land above described, and all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force have been duly performed, and that the Assignor will warrant and forever defend the same against all person whomsoever, lawfully claiming or to claim the same.

This Assignment is effective July 1, 2008.

Executed, this 2nd day of July , 2008.

G & S OIL COMPANY, L.L.C.

BRENT SIROKY, Member

WILBUR GIBSON, Member

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STATE OF KA	NSAS)
	\wedge) ss:
COUNTY OF _	Fratt)

BE IT REMEMBERED, that on this Indian day of Jouly, 2008, before, me, the undersigned, a Notary Public, in and for the County and State aforesaid, came Brent Siroky and Wilbur Gibson, Members of G & S OIL COMPANY, L.L.C., a Kansas limited liability company, the same persons who executed as such Members the foregoing instrument of writing in behalf of said company, and they duly acknowledged the execution of the same for themselves and for said company for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day and year last above written.

SANDY PATTON
Notary Public - State of Kansas
My Appt. Expires 8 27/09

Jandy Patton Notary Public

My Commission Expires:

August 27, 2009

G & S OIL COMPANY, LLC,/PRATER OIL & GAS OPERATIONS,, INC. CLOSING STATEMENT September 17, 2008

PURCHASE	PRICE:
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\$60,000.00

PAYMENTS BY BUYER:

Balance at Closing

\$ 60,000.00

\$60,000.00

PAYMENTS BY SELLER:

2008 Taxes pro-rated to 9/17/08

\$ 210.60

Stull Law Office, P.A.

(Title Clearance)

\$ 253.34

\$ 463.94

DISBURSEMENTS:

Stull Law Office, P.A.

\$ 253.34

Prater Oil & Gas Operations, Inc.

\$ 210.60

G & S Oil Company, LLC

\$ 59,536.06

(By agreement payment was made to:

Brent Siroky - \$29,768.03 Wilbur Gibson - \$29,768.03)

\$60,000.00

Taxes based on 2007 Tax Statement

 $$295.57 \div 365 \text{ days} = $.81/\text{day} \times 260 \text{ days} = 210.60

BRENT SIROKY

Tax ID # 514766824

WILBUR GIBSON

Tax ID # 5/5-30-8759

PRATER OIL & GAS OPERATIONS, INC.

BY.

Ronald Prater, President

KCC WICHITA NOV 18 2013

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