

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

062804-Chapman.pdf

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 3 \*\*
- ☐ 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: \_\_\_\_\_

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

Effective Date of Transfer: 6/28/2004

KS Dept of Revenue Lease No.: 222695 ✓

Lease Name: Chapman

Sec. 17 Twp. 19 R. 6 ☒ E ☐ W

Legal Description of Lease: All that part NW/4 lying  
South & East of Centerline of Chase County  
Road numbered 306 Sec 17, Twp 19S, R6E

County: Chase

Production Zone(s): \_\_\_\_\_

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. \_\_\_\_\_

Contact Person: \_\_\_\_\_

Past Operator's Name & Address: \_\_\_\_\_

Phone: \_\_\_\_\_

NEW LEASE ATTACHED

Date: SEE NEW LEASE ATTACHED

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

New Operator's License No. 5192/

Contact Person: Craig E. Settle

New Operator's Name & Address: Shawmar Oil & Gas Co., Inc Phone: 620-382-2932

PO Box 9  
1116 E Main

Oil / Gas Purchaser: Shawmar Oil & Gas CO., Inc

Date: 1/8/2014

Title: President

Signature: Craig Settle

**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 2/3/14 PRODUCTION 2.7.14 UIC 2-7-14  
Mail to: Past Operator \_\_\_\_\_ New Operator \_\_\_\_\_ District \_\_\_\_\_

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

JAN 10 2014

RECEIVED

**KCC WICHITA**

JAN 10 2014

RECEIVED

\* 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 # 5192  
Name: Shawmar Oil & Gas Company, Inc.  
Address 1: PO Box 9  
Address 2: 1116 E Main  
City: Marion State: KS Zip: 66861  
Contact Person: Craig E. Settle  
Phone: ( 620 ) 382-2932 Fax: ( 620 ) 382-2967  
Email Address: craig@shawmar.com

Well Location:  
Sec. 17 Twp. 19 S. R. 6 ☒ East ☐ West  
County: Chase  
Lease Name: Chapman Well #: \_\_\_\_\_

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:  
ALL that part of NW/4 lying South and East of Centerline of Chase County Rd numbered 306 Sec 17, Twp 19S, R6E

**Surface Owner Information:**

Name: Howard L. Chapman, III  
Address 1: 200 Congaree Ct.  
Address 2: \_\_\_\_\_  
City: Swansea State: SC Zip: 29160 +

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: 1/8/2014 Signature of Operator or Agent: Craig Settle Title: President

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

**KCC WICHITA**  
**JAN 10 2014**  
**RECEIVED**

Commence

AGREEMENT, Made and entered into this 28 day of JUNE, 1904,  
by and between Howard L. Chapman III

Party of the first part, hereinafter called lessor (whether one or more) and  
Shawmar Oil & Gas Company, Inc.

Part Y of the second part, hereinafter called lessee.

WITNESSETH, That the said lessor, for and in consideration of Seven Hundred Five and NO/100 DOLLARS, cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let unto said lessee, for the sole and only purpose of mining and operating for oil and gas, and laying pipe lines, and building tanks, ~~power stations and structures~~ thereon to produce, save and take care of said products, all that certain tract of

land situated in the County of Chase State of Kansas, described as follows, to-wit:  
All that part of the Northwest QUarter (NW/4) lying South and East  
of the centerline of Chase County Road numbered 306, in

of Section 17 Township 19S Range 6E and containing 141 acres more or less.

It is agreed that this lease shall remain in full force for a term of \_\_\_\_\_ years from this date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee.

In consideration of the premises the said lessee covenants and agrees:

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect his wells, the equal one-eighth ( $\frac{1}{8}$ ) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas from each well where gas only is found the equal one-eighth ( $\frac{1}{8}$ ) of the gross proceeds at the prevailing market rate, (but, as to gas sold by lessee, in no event more than one-eighth ( $\frac{1}{8}$ ) of the proceeds received by lessee from

such sales), for all gas used off the premises, said payments to be made \_\_\_\_\_ and lessor to have gas free of cost from any such well for all stoves and all inside lights in the principal dwelling house on said land during the same time by making his own connections with the well at his own risk and expense.

3rd. To pay lessor for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline, one-eighth ( $\frac{1}{8}$ ) of the proceeds at the prevailing market rate, (but, as to gas sold by lessee, in no event more than one-eighth ( $\frac{1}{8}$ ) of the proceeds received by lessee from such sales), for the gas used, for the time during which such gas shall be used, said payments to be made \_\_\_\_\_

~~If no well be commenced on said land on or before the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor, or to the lessor's credit in The \_\_\_\_\_ Bank at \_\_\_\_\_~~

~~or its successors, which shall continue as the depository regardless of changes in the ownership of said land, the sum of \_\_\_\_\_~~

~~DOLLARS, which shall operate as a rental and cover the privilege of deferring the commencement of a well for \_\_\_\_\_ months from said date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods or the same number of months successively. And it is understood and agreed that the consideration first recited herein, the down payment covers not only the privileges granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid and any and all other rights conferred.~~

~~Should the first well drilled on the above described land be a dry hole, then, and in that event, if a second well is not commenced on said land within twelve months from the expiration of the last rental period for which rental has been paid, this lease shall terminate as to both parties, unless the lessee on or before the expiration of said twelve months shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided. And it is agreed that upon the resumption of the payment of rentals, as above provided, that the last preceding paragraph hereof, governing the payment of rentals and the effect thereof, shall continue in force just as though there had been no interruption in the rental payments.~~

~~If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in the proportion which his interest bears to the whole and undivided fee, and the signing of this agreement shall be binding on each of the above named parties who sign, regardless of whether it is signed by any of the other parties.~~

~~Lessee shall have the right to use, free of cost, gas, oil, and water produced on said land for its operation thereon, except water from wells of lessor.~~

~~When requested by lessor, lessee shall bury his pipe lines below plow depth.~~

~~No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.~~

~~Lessee shall pay for damages caused by its operations to growing crops on said land.~~

~~Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.~~

~~If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with the like effect as if such well had been completed within the term of years herein first mentioned.~~

~~If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or as to parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands upon which the said lessee or any assignee thereof shall make due payments of said rentals.~~

~~Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof.~~

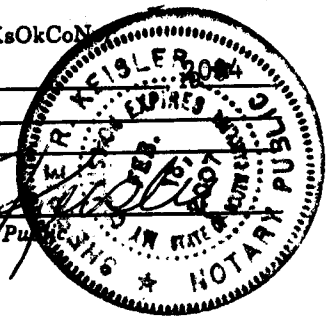
STATE OF South Carolina  
COUNTY OF Richland

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoN)

The foregoing instrument was acknowledged before me this 28 day of June  
by Howard L. Chapman III and \_\_\_\_\_

My commission expires 2-18-2007

*[Signature]*  
Notary Public



STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_  
by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_  
by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_  
by \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

No. 466  
**OIL AND GAS LEASE**

FROM

TO \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Date \_\_\_\_\_, 19\_\_\_\_  
Section \_\_\_\_\_ Twp. \_\_\_\_\_ Rge. \_\_\_\_\_  
No. of Acres \_\_\_\_\_ Term \_\_\_\_\_  
County \_\_\_\_\_

STATE OF Kansas  
County Chase

This instrument was filed for record on the 6<sup>th</sup>  
day of July, 192004  
at 10:32 o'clock A.M., and duly recorded  
in Book 6-149 Page 51452 of

the records of this office.

By Harley J. Suriff  
Register of Deeds.

When recorded, return to \_\_\_\_\_

