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, Check Applicable Boxes: MUST be submitted with this form. Oil Lease: No. of Oil Wells 1 Effective Date of Transfer: 01/14/2014 Gas Lease: No. of Gas Wells ____ KS Dept of Revenue Lease No.: Gas Gathering System: Lease Name: Ayres (Harpster) Saltwater Disposal Well - Permit No.: Sec. 26 Twp. 25 R. 1 E ✓ W feet from N / S Line Legal Description of Lease: The south half (S/2) of the southeast quarter (SE/4) excluding that _ feet from E / W Line part taken for floodway (case # A-34949). The northeast quarter (NE/4) lying north and west of WLTY floodway Enhanced Recovery Project Permit No.: _ Entire Project: Yes No County: Sedgwick KCC WICHITA Number of Injection Wells Production Zone(s): Hunton MAR 3 1 2014 Field Name: Cross Injection Zone(s): ** Side Two Must Be Completed. RECEIVED Surface Pit Permit No.: feet from N / S Line of Section (API No. if Drill Pit, WO or Haul) feet from E / W Line of Section Type of Pit: Emergency Burn Settling Haul-Off Workover See lease agreement Past Operator's License No. Contact Person: Past Operator's Name & Address: Phone: Signature: Contact Person: John Lachenmayr New Operator's License No. New Operator's Name & Address: Lachenmayr Oil LLC Phone: (316) 284-1991 P.O. Box 526 Oil / Gas Purchaser: Coffeyville Resources Newton, KS. 67114 Title: Manager Acknowledgment of Transfer: The above request for transfer of injection authorization, surface pit permit #, 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 the new operator of the above named lease containing the surface pit ____. Recommended action: permitted by No.: Date: Authorized Signature Authorized Signature DISTRICT PRODUCTION

New Operator

Mail to: Past Operator ____

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

ANCE WITH THE Form must be Signed
All blanks must be Filled

Form KSONA-1

RECEIVED

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 # 6804 Name: Lachenmayr Oil LLC	Mail Location
	Well Location: C _NW_NW_NE _Sec. 26 _Twp. 25 _S. R. 1 East ▼ West
Address 1: P.O. Box 526	County: Sedgwick
Address 2:	Lease Name: Ayres (Harpster) Well #: 1
City: Newton State: KS Zip: 67114 +	If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:
Contact Person: John Lachenmayr	
Contact Person: John Lachenmayr Phone: (316) 284-1991 Fax: (316) 283-5585	
Email Address: john@lachenmayr.kscoxmail.com	
Surface Owner Information:	
Name: Cody and Jennifer Ayres	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.
Name: Cody and Jennifer Ayres Address 1: 511 Cheyene Ct.	
Address 2:	
City: Kechi State: KS Zip: 67067 +	
the KCC with a plat showing the predicted locations of lease roads, tank I	batteries, pipelines, and electrical lines. The locations shown on the plat
If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathod) the KCC with a plat showing the predicted locations of lease roads, tank are preliminary non-binding estimates. The locations may be entered on Select one of the following:	batteries, pipelines, and electrical lines. The locations shown on the plat
the KCC with a plat showing the predicted locations of lease roads, tank are preliminary non-binding estimates. The locations may be entered on Select one of the following: I certify that, pursuant to the Kansas Surface Owner Notice Ac	batteries, pipelines, and electrical lines. The locations shown on the plat the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. It (House Bill 2032), I have provided the following to the surface cated: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form caing filed is a Form C-1 or Form CB-1. the plat(s) required by this
the KCC with a plat showing the predicted locations of lease roads, tank to are preliminary non-binding estimates. The locations may be entered on Select one of the following: X I certify that, pursuant to the Kansas Surface Owner Notice Acowner(s) of the land upon which the subject well is or will be loce CP-1 that I am filling in connection with this form; 2) if the form be	batteries, pipelines, and electrical lines. The locations shown on the plat the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. It (House Bill 2032), I have provided the following to the surface cated: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form eing filed is a Form C-1 or Form CB-1, the plat(s) required by this d email address. It is a formation, the her(s). To mitigate the additional cost of the KCC performing this of the surface owner by filling out the top section of this form and
the KCC with a plat showing the predicted locations of lease roads, tank to are preliminary non-binding estimates. The locations may be entered on Select one of the following: I certify that, pursuant to the Kansas Surface Owner Notice Acowner(s) of the land upon which the subject well is or will be located 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 I have not provided this information to the surface owner(s). I ack KCC will be required to send this information to the surface own task, I acknowledge that I must provide the name and address of that I am being charged a \$30.00 handling fee, payable to the KC lift choosing the second option, submit payment of the \$30.00 handling fee.	batteries, pipelines, and electrical lines. The locations shown on the plat the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. It (House Bill 2032), I have provided the following to the surface cated: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form eing filed is a Form C-1 or Form CB-1, the plat(s) required by this d email address. It is knowledge that, because I have not provided this information, the her(s). To mitigate the additional cost of the KCC performing this of the surface owner by filling out the top section of this form and CC, which is enclosed with this form.
Select one of the following: I certify that, pursuant to the Kansas Surface Owner Notice Acowner(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 be form; and 3) my operator name, address, phone number, fax, and I have not provided this information to the surface owner(s). I ack KCC will be required to send this information to the surface own task, I acknowledge that I must provide the name and address of	batteries, pipelines, and electrical lines. The locations shown on the plat the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. It (House Bill 2032), I have provided the following to the surface cated: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form eing filed is a Form C-1 or Form CB-1, the plat(s) required by this demail address. It is considered that, because I have not provided this information, the her(s). To mitigate the additional cost of the KCC performing this of the surface owner by filling out the top section of this form and CC, which is enclosed with this form. If the fee is not received with this form, the KSONA-1 will be returned.

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

FORM 88 — (PRODUCER'S SPECIAL) (PAID-UP)

63U (Rev. 1993)

OIL AND GAS LEASE

Reorder No. 09-115

Kansas Blue Print 700 S. Broadway PO Box 793 Wichita, KS 67201-0793 316-264-9344-264-5185 fax www.kbp.com · kbp@kbp.com

AGREEMENT, Made and entered into the 14th day of January, 2014	
by and between	KCC WICHITA
Cody J. Ayers and Jennifer N. Ayers, husband and wife Ayres - C4 Ayres ya	MAR 3 1 2014
. 0	RECEIVED
whose mailing address is 511 Cheyenne Ct. Kechi, KS 67067 hereina	fter called Lessor (whether one or more),
and Lachenmayr Oil LLC	, hereinafter caller Lessee:
Lessor, in consideration of Nine thousand and no/100 Dollars (\$ 9.000 is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and less of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydro constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power station and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their reproducts manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversitherein situated in County of Sedqwick State of Kansas	on jin hand paid, receipt of which exclusively unto lessee for the purpose carbons, all gases, and their respective as, telephone lines, and other structures spective constituent products and other onary rights and after acquired insects.
The South Half (S $1/2$) of the Southeast Quarter (SE 4) of that part taken for floodway (Case #A-34049). The Northeast Quarter (NE4) lying North and West of WLT	Y Floodway,
In Section 26 Township 25S Range 1 W and containing 90 accretions thereto.	acres, more or less, and all
Subject to the provisions herein contained, this lease shall remain in force for a term of <u>three</u> years from this date (called as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said la 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 wells on said land, the equal one-eight	nd is pooled.
from the leased premises. 2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/4) of the proceeds received by lessee from supermises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered neaning of the preceding paragraph.	sch sales), for the gas sold, used off the sold or used, lessee may pay or tender
This lease may be maintained during the primary term hereof without further payment or drilling operations. If the lessee shall co of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed within the term of year	and if oil or gas, or either of them, be
If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the roy he said lessor only in the proportion which lessor's interest bears to the whole and undivided fee.	
Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operation thereon, except water from	m the wells of lessor.
When requested by lessor, lessee shall bury lessee's pipe lines below plow depth.	
No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of lessor.	
Lessee shall pay for damages caused by lessee's operations to growing crops on said land.	

with respect to the assigned portion or portions arising subsequent to the date of assignment. Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

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. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations

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.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

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, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 40 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

Lessee has the right to build and maintain roads to producing wells and tank battery.