

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form T-1
July 2014

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 5 **
- ☐ 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: _____

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

Effective Date of Transfer: 5-30-14

KS Dept of Revenue Lease No.: 143961

Lease Name: Biller Trust

_____ Sec. 16 Twp. 34 R. 15 ☒ E ☐ W

Legal Description of Lease: S/2 NW/4 SW/4 and SW/4 SW/4

Section 16, T34S, R15E

County: Montgomery

Production Zone(s): Wayside

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. N/A

Contact Person: _____

Past Operator's Name & Address: N/A

Phone: _____

Title: N/A

Date: _____

Signature: Oil + Gas Lease Attached

New Operator's License No. 34819 /

Contact Person: Rex Horning

New Operator's Name & Address: TR Crude LLC

Phone: 719-252-9352

501 South Park Blvd.

Independence KS 67301

Oil / Gas Purchaser: CVR

Date: 11-17-2014

Title: Superintendent

Signature: [Signature]

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 12-1-14 PRODUCTION DEC 02 2014 UIC DEC 02 2014
Mail to: Past Operator _____ New Operator _____ District _____

* Location: 16-34S-15E

CONSERVATION DIVISION
WICHITA, KS

* 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 2014
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 # 34819
Name: TR Crude LLC
Address 1: 501 S. Park Blvd.
Address 2: _____
City: Independence State: Ks Zip: 67301 + _____
Contact Person: Rex Horning
Phone: (719) 252-9352 Fax: (_____) _____
Email Address: rex182@hotmail.com

Well Location:
_____ Sec. 16 Twp. 34 S. R. 15 ☒ East ☐ West
County: Montgomery
Lease Name: Billir Trust Well #: 1,2,3,4,5

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

The south half of the northwest Quarter of the Southwest Quarter(S/2 NW/4 SW/4) and the Southwest Quarter of the Southwest Quarter (SW/4 SW/4) of Section 16 Township 34 South Range 15East

KCC WICHITA

NOV 25 2014

Surface Owner Information:

Name: John Ford
Address 1: 2136 Cowboy Rd
Address 2: _____
City: Peru State: Ks Zip: 67306 + 9084

RECEIVED

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 must provide the name and address of the surface owner by filling out the top section of this form and 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: 11/24/2014 Signature of Operator or Agent: [Signature] Agent Title: _____

COPY

OIL AND GAS LEASE

AGREEMENT, Made and entered into this _____ day of November by and between Doyle E. Biller, Trustee of the Biller family Trust B of 2007 being a part of the Doyle E. Biller Family Trust executed October 19, 1979. Party of the first part, hereinafter called lessor (whether one or more) and TR Crude, LLC _____ the second part, hereinafter called lessee. WITNESSETH. That the said lessor, for and in consideration of one or more 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, building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land situation in the County of Montgomery State of Kansas, described as follows, to wit:

The South Half of the Northwest Quarter of the Southwest Quarter (S/2 NW/4 SW/4) and the Southwest Quarter of the Southwest Quarter (SW/4 SW/4) of Section 16, Township 34 South, Range 15 East, also described as the South 60 acres of the West Half of the Southwest Quarter (W/2 SW/4)

of Section 16 Township 34S Range 15E and containing 60 acres more or less.

It is agreed that this lease shall remain in full force for a term of 3 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 (20%) 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 to (20%) of the gross proceeds at the prevailing market rate, (but, as to gas sold by lessee, in no event more than (20%) 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 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 in the manufacture of gasoline or any other product a royalty of (20%) of the market value, at the mouth of the well, (but, as to gas sold by lessee, in no event more than (20%) of the proceeds received by lessee from such sales), payable monthly at the prevailing market price.

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.

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.

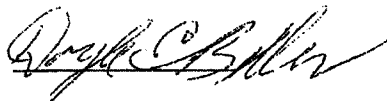
Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

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 on an acreage basis, such default shall not operate to defeat or affect this lease in so far as to covers a part or parts of said lands upon which the said lessee or any assignee thereof shall make due payments of said rentals. If the leased premises are now or hereafter owned in severalty or in separate tracts, the premises, nevertheless, may be developed and operated as an entirety, and the royalties shall be paid to each separate owner in the proportion that the acreage owned by him bears to the entire leased area. There shall be no obligation on the part of the lessee to offset wells on separate tracts into which the land covered by this lease may hereafter be divided by sale, devise, or otherwise, or to furnish separate measuring or receiving tanks for the oil produced from such separate tracts.

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.

Executed this 5th day of November, 2012



Doyle E. Biller, Trustee
of The Biller Family Trust B of 2007 being
a part of the Biller Family Trust executed
October 19, 1979

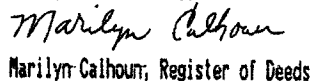
State of Kansas)
) SS:
County of Montgomery)

On this 5th day of November 2012, before me, appeared Doyle E. Biller, Trustee of The Biller Family Trust B of 2007 being a part of the Biller Family Trust executed October 19, 1979, who is personally known to me to be such persons who executed the foregoing instrument in writing for the uses and purpose therein set forth.

IN WITNESS WHEREOF, I have hereunto set my official signature and affix my notarial seal the day and year last above written.


MELODI C. JONES
Notary Public - State of Kansas
My Appointment Expires 9/14/13

State of Kansas, Montgomery County
This instrument was filed for
Record on November 05, 2012 12:24:00
Recorded in Book 610 Page 333-333
Fee: \$8.00 201204457


Marilyn Calhoun, Register of Deeds



KCC WICHITA
NOV 25 2014
RECEIVED