

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 1 **
- ☐ Gas Lease: No. of Gas Wells _____ **
- ☐ Gas Gathering System: _____
- ☒ Saltwater Disposal Well - Permit No.: D23614.0 *Application pending*
- Spot Location: 1650 feet from ☒ N / ☐ S Line
- 800 feet from ☐ E / ☒ W Line
- ☐ Enhanced Recovery Project Permit No.: _____
- Entire Project: ☐ Yes ☐ No
- Number of Injection Wells 1 **

Field Name: _____

**** Side Two Must Be Completed.**Effective Date of Transfer: October, 27th 2014KS Dept of Revenue Lease No.: 121527Lease Name: Bahr- 1 w/2 - 1 sw1/4 Sec. 3 Twp. 2 R. 14 ☒ E ☐ WLegal Description of Lease: w/2 sw1/4sec 3-2-14ECounty: NemahaProduction Zone(s): ViolaInjection Zone(s): ViolaSurface Pit Permit No.: P09392

(API No. if Drill Pit, WO or Haul)

200 feet from ☐ N / ☒ S Line of Section5200 feet from ☒ E / ☐ W Line of SectionType of Pit: ☒ Emergency ☐ Burn ☐ Settling☐ Haul-Off☐ Workover *OR*☐ DrillingReceived
KANSAS CORPORATION COMMISSIONPast Operator's License No. N/A

Contact Person: _____

Past Operator's Name & Address: N/A**KCC WICHITA**

Phone: _____

CONSERVATION DIVISION
WICHITA, KS

Title: _____

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Date: _____

Signature: Oil + Gas Lease AttachedNew Operator's License No. 34651 ✓Contact Person: Kent GrimmNew Operator's Name & Address: Rock Creek Crude, LLCPhone: 785 547 6702570 280th st Morrill, KS 66515Oil / Gas Purchaser: Kelly MacLaskey Oilfield Services Inc.Date: 11-25-2014Title: co ownerSignature: Kent Grimm

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 1-13-15 PRODUCTION JAN 14 2015 UIC 1-14-15
Mail to: Past Operator _____ New Operator _____ 1-14-15 District (3) 1-14-15

* Location: W2 sw4 3-2-14E

* 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
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**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)

Received
KANSAS CORPORATION COMMISSION
OPERATOR: License # 34651
Name: Rock Creek Crude
Address 1: 570 280th st
Address 2: _____
City: Morrill State: ks Zip: 66515
Contact Person: Kent Grimm
Phone: (785) 547 6702 Fax: (_____) _____
Email Address: rockcreekcrude@gmail.com

Well Location:
C W2 SW4 SW4 Sec. 3 Twp. 2 S. R. 14 ☒ East ☐ West
County: Nemaha
Lease Name: Bahr Well #: #1 & #2

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

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Surface Owner Information:

DEC 22 2014
Name: Phil Bahr
Address 1: 35332 Banbury
Address 2: _____
City: Livonia State: MI Zip: 48152

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: 11-25-2014 Signature of Operator or Agent: [Signature] Title: Co Owner

OIL AND GAS LEASE

THIS AGREEMENT, made and entered in to this 27th day of October, 2014, by and between Mark Bahr, Successor Trustee of the Willard Bahr Trust UTA Dated September 24, 1991, party of the first part, hereinafter called Lessor (whether one or more), and Rock Creek Crude, LLC, a Kansas limited liability company, party of the second part, hereinafter called Lessee.

For and in consideration of Ten Dollars, cash in hand paid, Lessee's agreements contained in the Lease, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee hereby agree as follows:

Lessor has granted, demised, leased and let and hereby does grant, demise, lease and let unto Lessee, the lands described below, with any reversionary rights therein (the "Lands"), for the sole and exclusive right to explore by geophysical and other methods, for (without limitation) drilling, completing and operating for oil (including but not limited to distillate and condensate), gas (including casinghead gas and helium and all other constituents), and, for laying pipelines, building drill sites, access roads, tanks, power stations and structures thereon, to produce, save and take care of said products, all of the "Lands", situated in the County of Nemaha, State of Kansas, described as follows, to wit:

The West Half of the Southwest Quarter of Section 3, Township 2 South, Range 14 East of the 6th P.M., Nemaha County, Kansas,

And containing 80 acres, more or less, Lessor hereby grants to Lessee a first option to lease any other lands or interests in lands presently owned by Lessor or any lands owned in the future by Lessor which may adjoin the Lands which lie in the section herein specified, whether or not completely and accurately described, together with and including any accretions or riparian rights appurtenant thereto.

1. Lessor and Lessee agree that the Lease shall remain in force for a term of five (5) years from the date hereof, (herein after called Primary Term and so long thereafter as oil or gas, or either of them, is produced from said land or lands pooled therewith.

2. As part of the consideration for the Lease, Lessee covenants and agrees:

A. To deliver to the credit of Lessor free of cost, in the pipeline to which it may connect its wells, a 1/8 (12.5%) part of all oil (including but not limited to condensate and distillate) produced and saved from the Lands.

B. To pay Lessor for gas (including casinghead gas) and all other substances covered hereby, a royalty of 1/8 (12.5%) of the proceeds realized by Lessee from the sale thereof less a proportionate part of the production, severance and other excise taxes, said payments to be made monthly.

C. During any period after expiration of the Primary Term when gas or oil is not being sold or used and the well or wells are shut in and there is no current production of gas or oil or operations on the Lands (or Lands pooled or unitized therewith), sufficient to keep this Lease in force (to include any mechanical failures making either gas or oil unable to produce in paying quantities), Lessee shall pay or tender to Lessor as a shut in royalty One Dollar (1.00) per year per net mineral acre retained under this Lease ("Shut-in Royalty"). Payment of the Shut-in Royalty shall be made on or before the anniversary date of this Lease next ensuing after the expiration of 90 days from the date such well is shut-in and thereafter on or before the anniversary date of this Lease, during the period such well is shut in. When Lessee pays the Shut-in-Royalty, it will be considered that gas or oil is being produced on the Lease within the meaning of the entire Lease; however such extension shall not extend more than two years beyond the expiration date of the lease. Lessee's failure to properly pay Shut-in Royalty shall render Lessee liable for the amount due, but shall not operate to terminate the Lease.

3. At the expiration of the Primary Term, if there is no production in paying quantities on the Lands or on lands pooled therewith, but Lessee is conducting operations for drilling, competing or reworking a well, this Lease nevertheless shall continue as long as such operations are prosecuted with reasonable diligence and dispatch or additional operations are commenced and prosecuted (whether on the same or successive wells) with no cessation of more than 90 days, and if production is discovered, this Lease shall continue as long thereafter as oil or gas are produced. In addition, if at any time or times after the Primary Term, there is a total cessation of all production from the Lands for any cause (other than force majeure), this Lease shall not terminate if Lessee commences or resumes any drilling or reworking operations or production within 90 days after such cessation. Drilling or reworking operations shall be deemed to be commenced when the first material is placed on the Lands or when the first work, other than surveying or staking the location, is done on the Lands that is necessary for such operations. However, this term may be extended an additional 90 days, if Lessee has been unable to secure the goods or services necessary to conduct operations on the Lease, such goods and services to include, without limitation, drilling, completion or recompletion services, crews, equipment, water supply resources, water disposal resources, water supply or disposal infrastructure, regulatory approvals, third-party approvals, any additional Lessor required approvals.

4. If said Lessor owns a less interest in the Lands than the entire and undivided fee simple estate, then the royalties herein provided shall be paid to the Lessor only in the proportion which his interest in the Lands bears to the whole and undivided fee interest in the Lands.

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5. Lessee shall have the right to use, free of cost, gas, oil and water produced on the Lands for its operations, except water from water wells drilled and used by Lessor.

6. Lessor shall have the right at any time to remove all machinery and fixtures placed on the Lands, including the right to draw and remove casing.

7. Lessor and Lessee may assign its respective interests in this Lease in whole or in part, the terms of the Lease shall be binding upon and extend to their respective heirs, executors, administrators, successors, or assigns. Lessee agrees to provide written notice to Lessor of any assignment of its interests herein within 30 days of such assignment. If Lessor assigns its interest in the Lease or Lands, no change or division in ownership of the Lands or royalties shall enlarge the obligations or diminish the rights of Lessee. No change in the ownership of the Land or royalties shall be binding on the Lessee until after the Lessee has been furnished with a true copy of the assignment or transfer, recorded in the county in which the Lands are located. If Lessee assigns this Lease, in whole or in part, the assignee of Lessee's interest shall assume all of Lessee's obligations under the Lease, and Lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

8. If at any time within the Primary Term of this Lease or any continuation thereof, Lessor receives a bona fide offer to grant an additional lease ("Top Lease") to a third party ("Third Party Lessee") covering all or part of the Lands that is acceptable to Lessor, Lessee shall have the option to acquire such Top Lease by meeting the terms offered by the Third Party Lessee. Any offer to top lease by the Third Party Lessee must be in writing and must set forth in detail the material terms of the Top Lease, including without limitation, the proposed lease term, bonus consideration, royalty, and shall include a copy of the lease form to be utilized ("Offer to Top Lease"). Lessor shall forward the Offer to Top Lease to Lessee as soon as it is received, and Lessor agrees not to sign the Top Lease unless and until it has offered Lessee the option to meet the Offer to Top Lease. Lessee shall have 15 days after receipt of the Offer to Top Lease to advise Lessor in writing of its election to enter into an oil and gas lease with Lessor on equivalent terms and conditions as set forth in the Top Lease. If Lessee elects not to meet the term of the Offer to Top Lease, or if Lessee fails to notify Lessor within the 15 day period of its election to meet the terms of the Offer to Top Lease, Lessor may accept the terms of the offer to Top Lease. Any top lease granted by Lessor in violation of this provision shall be null and void.

9. All express or implied covenants of this Lease shall be subject to all Federal and State Laws, Executive Orders, Rules and 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 such failure is the result of any such Law, Order, Rule or Regulation, or operation of force majeure.

10. Lessee may at any time and from time to time surrender this Lease as to any part or parts of the Lands by delivering or mailing a release thereof to Lessor, or by placing a release of record in the proper County.

11. Notwithstanding anything to the contrary contained in this Lease, no litigation shall be initiated by Lessor for damages, forfeiture, termination or cancellation with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default within such period. If the matter is litigated and there is final judicial determination that a breach or default has occurred, the Lessee shall be required and obligated to specifically comply with the judicial determination including but not limited to the removal of its equipment and restoration of the Lands in accordance with applicable rules and regulation.

12. Lessor hereby warrants and agrees to defend the title to the Lands. In the event of default of payment by Lessor, Lessor 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 Lands, and thereafter, be subrogated to the rights of the holder thereof, and the Lessor, for themselves and their heirs, successors, and assigns. Lessor hereby surrenders and releases all rights of dower and homestead in the Lands, insofar as said right of dower and homestead may in anyway affect the purposes for which this Lease is made.

13. Lessee shall have the exclusive right to explore the Lands by geological, geophysical or other methods, whether similar to those herein specified or not and whether now known or not, including the drilling of holes, use of torsion balance, seismograph, explosions, magnetometer, or other geophysical or geological instruments, tests, or procedures, for the purposes of securing geological and geophysical information. All information obtained by Lessee as a result of the activity shall be the exclusive property of Lessee, and Lessee may disseminate or sell such information without Lessor's consent. Lessor and Lessee herein agree that a portion of the consideration paid herein is for advance payment of usual and customary damages associated with seismograph operations (i.e., tire tracks in the wheat, pasture, or fields, road use, etc.). If any extraordinary damages occur, Lessor (or its tenant, if Lessor has a tenant) will be compensated accordingly, or at Lessee's discretion, Lessee may elect to repair the damages in lieu of compensation. Lessee agrees to restore Lessor's property reasonably close to original condition as soon as reasonably possible upon completion of testing and/or drilling activities. Lessee agrees to indemnify and hold harmless Lessor from any damages, injuries, or claims of damages for any of Lessee's activities on Lessor's property pursuant to this lease agreement.

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In Testimony whereof, we sign this lease the 27 day of October, 2014.

LESSOR
The Willard Bahr Trust UTA Dated 9/24/91

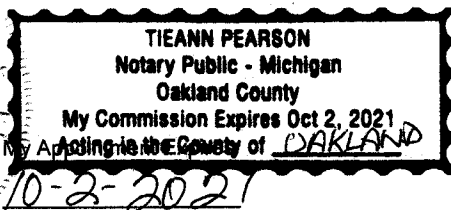
By: Mark Bahr
By: Mark Bahr, Successor Trustee

LESSEE
Rock Creek Crude, LLC

By: Rodney Grimm
By: Rodney Grimm, Member

STATE OF MICHIGAN, COUNTY OF OAKLAND ss:

ACKNOWLEDGED on this 5 day of DECEMBER, 2014, before the undersigned Notary Public, by Mark Bahr, Successor Trustee, The Willard Bahr Trust UTA Dated September 24, 1991.



[Signature]
Notary Public

STATE OF KANSAS, COUNTY OF NEMAHA ss:

ACKNOWLEDGED on this 12 day of DEC, 2014, before the undersigned Notary Public, by Rodney Grimm, Member, Rock Creek Crude, LLC, a Kansas limited liability company.

[Signature]
Notary Public

My Appointment Expires:

9-28-18

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WICHITA, KS



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