

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 13 **
- ☐ Gas Lease: No. of Gas Wells 1 **
- ☐ 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. E22147
- Entire Project: ☒ Yes ☐ No
- Number of Injection Wells 7 **

Field Name: Paola Rantoul**** Side Two Must Be Completed.**Effective Date of Transfer: 8/11/15KS Dept of Revenue Lease No.: 101273 ✓Lease Name: East Evans Lease ✓Sec. 7 Twp. 17 R. 21 ☒ E ☐ WLegal Description of Lease: Sec.7 Twp.17S R.21E ✓County: Franklin ✓Production Zone(s): SquirrelInjection Zone(s): Squirrel ✓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 SectionType of Pit: ☐ Emergency ☐ Burn ☐ Settling ☐ Haul-Off ☐ Workover OR ☐ DrillingPast Operator's License No. 33051 ✓Contact Person: Clay HughesPast Operator's Name & Address: C.D. Oil, Inc.Phone: 785-979-9493 913-963-91273236 Virginia Rd. Wellsville, KS 66092Date: 8/11/15Title: OperatorSignature: Clay HughesNew Operator's License No. 34817 ✓Contact Person: Isaac BurbankNew Operator's Name & Address: HB Energy LLCPhone: 785-979-94933236 Virginia Rd.Oil / Gas Purchaser: PacerWellsville, KS 66092Date: 8/11/15Title: OperatorSignature: [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.

HB Energy LLC is acknowledged as the new operator and may continue to inject fluids as authorized by Permit No.: E-22147. Recommended action: None

Date: 8-26-15 Cheryl R. Beyer
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 8-26-15 PRODUCTION 8-26-15 UIC 8-26-15
Mail to: Past Operator 8-26-15 New Operator 8-26-15 District (3) 8-26-15

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

Must Be Filed For All Wells

KDOR Lease No.: 101273 ✓

* Lease Name: East Evans Lease * Location: Sec.7 Twp.17S R.21E

Well No.	API No. (YR DRLD/PRE '67)	Footage from Section Line (i.e. FSL = Feet from South Line)	Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/TA'D/Abandoned)
1	15-059-19742-00-00 /	2040 ^{Circle} FSL/FNL	4190 ^{Circle} FEL/FWL Gas	PROD
10	15-059-20112-00-00 /	2340 FSL/FNL	4520 FEL/FWL Oil	PROD
11	15-059-20348-00-00 /	2040 FSL/FNL	4630 FEL/FWL Oil	PROD
12	15-059-20349-00-00 /	2340 FSL/FNL	4165 FEL/FWL Oil	PROD
14	15-059-21622-00-00 /	2065 FSL/FNL	3120 FEL/FWL Oil	PROD
15	15-059-21627-00-00 /	2500 FSL/FNL	3615 FEL/FWL Oil	PROD
2	15-059-20077-00-00 /	2290 FSL/FNL	3810 FEL/FWL Oil	PROD
3	15-059-20079-00-00 /	1400 FSL/FNL	4495 FEL/FWL Oil	PROD
4	15-059-20097-00-00 /	1600 FSL/FNL	4130 FEL/FWL Oil	PROD
5	15-059-20098-00-00 /	1060 FSL/FNL	4100 FEL/FWL Oil	PROD
6	15-059-20101-00-00 /	2065 FSL/FNL	3440 FEL/FWL Oil	PROD
7	15-059-20102-00-00 /	1590 FSL/FNL	3580 FEL/FWL Oil	PROD
8	15-059-20108-00-00 /	1020 FSL/FNL	4570 FEL/FWL Oil	PROD
CD-2	15-059-25101-00-00 /	1140 FSL/FNL	1900 FEL/FWL Oil	PROD
I-10	15-059-24732-00-00 /	1545 FSL/FNL	4880 FEL/FWL EOR	Active
I-11	15-059-24739-00-00 /	2340 FSL/FNL	4180 FEL/FWL EOR	Active
I-5	15-059-24727-00-00 /	1980 FSL/FNL	4290 FEL/FWL EOR	Active
I-6	15-059-24728-00-00 /	2145 FSL/FNL	5100 FEL/FWL EOR	Active
I-7	15-059-24729-00-00 /	1945 FSL/FNL	4780 FEL/FWL EOR	Active
I-8	15-059-24730-00-00 /	2645 FSL/FNL	4780 FEL/FWL EOR	Active
I-9	15-059-24731-00-00 /	2510 FSL/FNL	5005 FEL/FWL EOR	Active
		FSL/FNL	FEL/FWL	
		FSL/FNL	FEL/FWL	
		FSL/FNL	FEL/FWL	

A separate sheet may be attached if necessary

* 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

January 2014

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 # 33051
Name: C.D. Oil, Inc.
Address 1: 3236 Virginia Rd.
Address 2: _____
City: Wellsville State: KS Zip: 66092 + _____
Contact Person: Clay Hughes
Phone: (785) 979-9493 Fax: (_____) _____
Email Address: NA

Well Location:
____ - ____ - ____ Sec. 7 Twp. 17 S. R. 21 ☒ East ☐ West
County: Franklin
Lease Name: East Evans Lease Well #: ALL

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

Sec.7 Twp.17S R.21E

KCC WICHITA

AUG 24 2015

RECEIVED

Surface Owner Information:

Name: See Attached
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____

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: 8/11/15 Signature of Operator or Agent: Clay Hughes Title: pres.

East Evans Lease

Middle Creek Farms LLC
12839 Century St.
Overland Park, KS 66213

Darrel & Carl Hughes
3236 Virginia Rd
Wellsville, KS 66092

KCC WICHITA
AUG 24 2015
RECEIVED