

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

010116_Mazza.pdf

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 _____ **
- ☒ 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: 1/1/2016

KS Dept of Revenue Lease No.: 230075 ✓

Lease Name: Mazza

Sec. 16 Twp. 16 R. 25 ☒ E ☐ W

Legal Description of Lease: SE SW NW; NW SE NW; SE SE NW
of Sec 16-16S-25E

County: Miami

Production Zone(s): Cherokee, Marmaton

Injection Zone(s): _____

Surface Pit Permit No.: _____

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

Type of Pit: ☐ Emergency ☐ Burn ☐ Settling

☐ Haul-Off ☐ Workover OR ☐ Drilling

Past Operator's License No. 34570 Exp. 6/30/15

Past Operator's Name & Address: Central States Energy LLC

24850 Farley Bucyrus KS 66013

Title: Director of Operation

Contact Person: _____

Phone: 913-238-2261

Date: _____

Signature: "see attached lease agreement"

New Operator's License No. 34971 ✓

New Operator's Name & Address: Eastern Kansas Operating LLC

9532 E Riggs Road Sun Lakes AZ 85248

Title: Agent

Contact Person: LaDawn Ferrell

Phone: 620-672-9700

Oil/Gas Purchaser: Laclede Energy

Date: 2/14/2016

Signature: [Signature]

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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 3-29-16 PRODUCTION 3-30-16 UIC 3-30-16
Mail to: Past Operator _____ New Operator _____ District _____

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 # 34971
Name: Eastern Kansas Operating LLC
Address 1: 9532 E Riggs Road
Address 2: _____
City: Sun Lakes State: AZ Zip: 85248 + _____
Contact Person: LaDawn Ferrell
Phone: (620) 672-9700 Fax: (620) 672-5280
Email Address: lferrell@profsecservices.com

Well Location:
____ - ____ - ____ Sec. 16 Twp. 16 S. R. 25 ☒ East ☐ West
County: Miami
Lease Name: Mazza Well #: Multiple

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

Mazza 2-16 Sec 16-16S-25E SE SW NW
Mazza 3 Sec 16-16S-25E NW SE NW
Mazza 4-16 Sec 16-16S-25E SE SE NW

Surface Owner Information:

Name: Robert R & Carol M Mazza
Address 1: 25795 Rockville Rd
Address 2: _____
City: Louisburg State: KS Zip: 66053 + 7281

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: 3/3/16 Signature of Operator or Agent: LaDawn Ferrell Agent Title: _____

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MAR 28 2016

LEGAL SECTION

Kansas Energy Partners I, LLC
9532 E. Riggs Rd.
Sun Lakes, AZ 85248

March 23, 2016


Kansas Corporation Commission
Conservation Division
266 N. Main St., Ste 220
Wichita, KS 67202-1513

To Whom It May Concern:

Please be advised that Kansas Energy Partners I, LLC, hereby appoints Eastern Kansas Operating LLC as the Operator of all of our leases.

If you should have any questions or need further information, please contact LaDawn Ferrell at 620-672-9700.

Very truly yours,



Steve Robson

SR/ms

Enclosure

EXHIBIT I

To

GAS LEASE

DATED THIS 4th DAY OF January, 2016

Between Robert R. Mazza II and Carol M. Mazza

and

Kansas Energy Partners I, LLC, LESSEE

The lands subject to the referenced Gas Lease are situated in the county of Miami, State of Kansas
In Section 16, Township 16S, Range 25E, and containing 80.00 acres more or less and described as follows:

Township 16 South Range 25 East:
Section 16: The South Half of the Northwest Quarter (S/2NW/4)

ADDENDUM

Notwithstanding anything in the GAS LEASE, the following conditions shall apply and prevail:

- 1) LESSEE and LESSOR shall mutually agree upon routes of ingress and egress, well locations, and pipeline right-of ways prior to Lessee commencing any operations.
- 2) There shall be no pump jacks placed on the above described premises without LESSOR'S prior written approval.
- 3) LESSEE shall pay for all damages caused by its operation, including but not limited to restoring surface to original condition as nearly as is practicable, reseeding, repacking, and contouring the surface of all lands disturbed by its operations, removing any debris left behind by its operations, and backfilling pits when dried out. LESSOR shall have the right to instruct LESSEE in all reclamation efforts, including dirt work.
- 4) LESSEE agrees to bury all pipelines a minimum of three feet (3") below the surface.
- 5) LESSEE shall obtain prior written approval from LESSOR before using water from any ponds on leased premises.
- 6) LESSEE is not allowed to produce oil on the premises without prior written approval of LESSOR. This is a gas lease only.
- 7) LESSEE shall install pipe fence around well heads.
- 8) LESSEE shall have 2 wells producing within 60 days of contract signing and the 3rd well 90 days of contract signing or LESSEE will pay LESSOR 500.00 per month for each non producing well until it is producing or capped.
- 9) LESSEE understands that this is not a unitized lease.
- 10) LESSEE will put a readable meter on the wells after 90 days of a well that produces.
- 11) This lease is for 3 wells only. Written approval from LESSOR must be obtained for any other wells.

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2016-00049

KATIE FORCK

MIAMI COUNTY REGISTER OF DEEDS

DATE RECORDED: 01/05/2016 02:46:58PM

TOTAL FEES: 37.00

MTG AMOUNT: 0.00

PAGES: 3

RECEIPT: 59459

GAS LEASE

This Agreement entered into this 4th day of January, 2016, between Robert R Mazza II and Carol M. Mazza, Husband and Wife, (hereinafter called "LESSOR", whether one or more) and Kansas Energy Partners I, LLC, (hereinafter called "LESSEE"), who hereby agree that:

1. The LESSOR, for and in consideration of the sum of \$10.00 and other valuable consideration in hand paid, the receipt and sufficiency of which is hereby acknowledged, hereby grant, demise, lease, and let exclusively unto LESSEE for the purposes of its investigating, exploring by geophysical and other means, prospecting, drilling and carrying on of geological and other exploratory work, including core drilling, operating for and producing all gasses, all hydrocarbons, and their respective constituent products as well as any natural resources produced with them, and for all operations associated therewith, including construction of roads, laying pipelines or the economical operation of said exploration, operations and production of said resources, including dewatering of shale or coal bed gas wells, on said land, all on that certain tract of land situated in the county of Miami, State of Kansas, and any reversionary rights therein, described in Exhibit 1 attached hereto and incorporated by reference.
2. This is a **PAID-UP LEASE** and shall remain in force and effect for a term of One (1) Year ("Primary Term") from this date and as long thereafter as gas or its constituent products or other hydrocarbons are produced from said land, or as long as LESSEE is conducting operations on said land. If, at the expiration of the Primary Term, gas is not being produced from the premises, but LESSEE is engaged in drilling, reworking or de-watering operations thereon, then this Lease shall continue in full force and effect as long as operations are being continuously prosecuted. Operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If, after the discovery of gas on the subject lands, the production therefrom ceases for any cause after the expiration of the Primary Term, this Lease shall not terminate if LESSEE commences additional drilling, reworking or dewatering operations within one hundred twenty (120) days from the date of the cessation of said production or from the date of the completion of the drilling of a dry hole. Notwithstanding anything in this lease contained to the contrary, it is expressly agreed that if LESSEE shall commence operations for drilling or production at any time while this lease is in force, this lease shall remain in force and its term shall continue so long as such operations are prosecuted and, if production results therefrom, then as long as production continues.
3. The LESSEE shall pay to LESSOR for gas of whatever nature or kind, including all of its constituent parts, hydrocarbon or otherwise, produced, as royalty, three sixteenths (3/16th) of the proceeds received from the sale of such produced substances after deducting LESSOR's proportionate share of the costs of preparing and transporting same to the point of sale and delivery, including the costs of compression, dehydration, denitrofication, processing, treating, gathering and applicable taxes. LESSOR shall have the privilege, at his own risk and expense, of using gas from any gas well on said premises for heating and cooking in one residential dwelling located on the leased premises by making his own connections thereto by using good and safe industry practices in full compliance with all applicable pipeline safety rules and regulations, including K.A.R. 82-11-4, in effect at the time of connection including, but not limited to, odorization of the gas.
4. Notwithstanding anything else herein, If, at any time, while there is a gas well or wells on the above land and such well or wells are shut in, and if this lease is not continued in force by some other provisions hereof or if a well has been completed but dewatering operations have commenced, then it shall, nevertheless, only continue in force for 90 days if there is no production into a pipeline from a well.
5. If LESSOR owns a lesser interest in the above-described lands than the entire in undivided fee simple estate, then the royalties and rentals herein provided shall be paid to the LESSOR only in the proportion which his interest bears to the whole and undivided fee. However, such rental shall be increased at the next rental succeeding rental anniversary after any reversion occurs to cover any such interest so acquired by LESSOR.
6. LESSEE shall have the right to use, free of cost, gas, for operations thereon, except water from wells used for domestic purposes by LESSOR. LESSEE agrees to bury its pipelines below plow depth and shall pay for damages caused by its operations to said land. LESSEE shall have the right at any time during, or after the expiration of this lease, however not the obligation, to remove all machinery, fixtures, buildings or other structures placed on said premises including the right to draw and remove all casings. LESSEE agrees, upon the completion of any test, as a dry hole, or upon the abandonment of any producing well, to fill well and restore the premises to their original contour as nearly as practical.
7. If the estate of other parties hereto is assigned, and the privilege of assigning in whole or in part is expressly permitted, the covenants herein shall extend to the heirs, devisees, executors, administrators, successors and assigns, but no change of ownership in the land or in the rentals or royalties or any sum due under this lease shall be binding upon the LESSEE until it has been furnished with either the original recorded instrument of conveyance, or a duly certified copy thereof, or a certified copy of an order of a probate court showing the appointment of an executor or administrator of any deceased owner together with all other original recorded instruments or duly certified copies thereof necessary in showing the complete chain of title back to the LESSOR to the full interest claimed, and all advance payments of rentals made hereunder before receipt of said document shall be binding on any direct or indirect assignee, grantee, devisee, administrator, executor or heir of the LESSOR.

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Page 1 of 6

↓ Sec. 1st

GAS LEASE (Con't)

8. If the leased premises are now or shall hereinafter be owned in severalty or in separate tracts, the premises nevertheless shall be developed and operated as one lease, and all royalties accruing hereunder shall be treated as an entirety and shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. 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 be hereafter divided by sale, devise, descent or otherwise, or to furnish separate measurement facilities. It is hereby agreed that in the event this lease shall be assigned as to a part or as to parts of the above-described land and the holder or owner of any such part or parts shall default in the payment of the proportionate part of the rents or royalties due, such default shall not operate to defeat or affect this lease insofar as it covers a part of said land upon which the LESSEE or any assigned thereof shall make due payment of said rents and royalties. If at any time there may be as many as four parties entitled to rents or royalties, the LESSEE may withhold payment thereof unless and until all the parties designate, in writing, in a recordable instrument to be recorded, and a copy of which provided with the LESSEE, a common agent to receive all payments due hereunder, and to execute division and transfer orders on behalf of said parties and their respective successors in title.

9. LESSEE may, at any time, cancel or surrender this lease in whole or in part by delivering or mailing such release to the LESSOR, or by placing the same of record in the Register of Deed's Offices in the above-referenced county or counties. In case such lease is surrendered and canceled as to only a portion of the acreage covered hereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion cancelled shall cease and any rentals or royalties thereafter paid may be proportioned on an acreage basis, but as to the portion of acreage not released, the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

10. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially, nor shall the LESSEE be liable in damages for failure to comply with any of the expressed or implied provisions if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If LESSEE is delayed or prevented from complying with any of the express or implied terms of this lease by virtue of any storm, or other act of God or event of *force majeure* or if such failure is a result of any federal and state law, executive order, rule or regulation, then the delay occasioned by the same shall not be counted against LESSEE and the period for the performance of the obligations under this lease shall be extended for the period of time equal to the time that the LESSEE was so prevented, anything in this lease to the contrary notwithstanding.

11. Any Notice provided under the terms of this Lease shall be provided by registered mail, return receipt requested as follows:

LESSOR: Robert R. Mazza II and Carol M. Mazza
Louisburg, KS 66053
913-837-2626

LESSEE: Kansas Energy Partners I, LLC

7301 2579 S Rockville Rd

IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.

By:

Robert R. Mazza II

By:

Carol M. Mazza

LESSOR: Robert R. Mazza II

LESSOR: Carol M. Mazza

INDIVIDUAL ACKNOWLEDGMENT

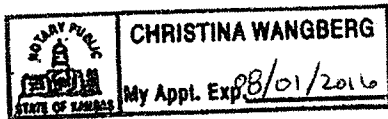
STATE OF KANSAS
COUNTY OF Johnson) ss:

The foregoing instrument was acknowledged before me this 4 day of January, 2015, ²⁰¹⁶

By: Robert R. Mazza II and Carol M. Mazza.

My Commission Expires: 08/01/2016

Notary Public:



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