

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 2 **
- ☐ 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: SOUTH HAVEN FIELD

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

Effective Date of Transfer: 05/07/2016

KS Dept of Revenue Lease No.: 143683

Lease Name: HELSEL

_____ Sec. 3 Twp. 35S R. 1 ☐ E ☒ W

Legal Description of Lease: S/2 NE and N/2 SE Sec 3 T35S R1W

County: SUMNER

Production Zone(s): WILCOX

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 OR ☐ Drilling

Past Operator's License No. 35193 ✓

Past Operator's Name & Address: STRATEX OPERATING, INC
175 S MAIN, STE 900, SALT LAKE CITY, UTAH 84111

Title: EXECUTIVE VICE PRESIDENT

Contact Person: MICHAEL CEDERSTROM

Phone: 801-519-8500

Date: 06/15/2015

Signature: NEW LEASE ATTACHED

New Operator's License No. 35327 ✓

New Operator's Name & Address: LU-MAR LLC
300 W DOUGLAS STE 1000
WICHITA, KS 67202

Title: OWNER/OPERATOR

Contact Person: MICHAEL V MADDEN

Phone: 316-247-1401

Oil / Gas Purchaser: COFFEYVILLE **KCC WICHITA**

Date: 05/01/2016 **MAY 17 2016**

Signature: _____ **RECEIVED**

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 6-1-16 PRODUCTION 6-2-16 UIC 6-2-16
Mail to: Past Operator _____ New Operator _____ District _____

* Lease Name: HELSEL

* Location: S/2 NE and N/2 SE Sec 3, T35S R1W

KCC WICHITA
MAY 17 2016
RECEIVED

* 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

July 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 # 35327
Name: LU-MAR LLC
Address 1: 300 W DOUGLAS STE 1000
Address 2: _____
City: WICHITA State: KS Zip: 67202 + _____
Contact Person: MICHAEL V MADDEN
Phone: (316) 347-1401 Fax: (316) 262-1463
Email Address: mmadden@teamlegal.com

Well Location:
____ - ____ - ____ Sec. 3 Twp. 35S S. R. 1 ☐ East ☒ West
County: SUMNER
Lease Name: HELSEL Well #: 3-1 & 1-3

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

S/2 NE and N/2 SE Sec 3 T35S R1W

Surface Owner Information:

Name: ALLAN & KATHRYN HELSEL
Address 1: 1817 S HOOVER RD
Address 2: _____
City: SOUTH HAVEN State: KS Zip: 67140 + _____

**KCC WICHITA
MAY 17 2016
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.

05/01/2016

Date: _____ Signature of Operator or Agent: _____ Title: OPERATOR

Recorded at the request of and
After recording return to:

Michael V. Madden
MADDEN & ORSI
300 W. Douglas, Ste 1000
Wichita, KS 67202

State of Kansas, Sumner County SS:
Filed for record on the 2nd Day of
May, 2016 A.D. at 11:56
o'clock A M and recorded in photo
Book 976 at page 695
fees \$ 48.00

Jessica D. Anderson
Jessica D. Anderson

INDEXED ☒
DIRECT ☒
INDIRECT ☒
PHOTO ☒
COMPARED WITH
COPY ☒

**RELEASE OF EXPIRED
OIL & GAS LEASES**

THIS RELEASE OF EXPIRED OIL & GAS LEASES ("Release") is given by **Stratex Oil & Gas Holdings, Inc.**, acting on behalf of itself and as the successor in interest by merger to, and sole shareholder or member of, **Richfield Oil & Gas Company** and **HOI Kansas Property Series, LLC – South Haven Series** (collectively, "**Stratex**").

Stratex acknowledges that each of the oil and gas leases described on attached Exhibit "A" ("**Leases**") is past its original primary term and has now expired as the result of cessation of production of oil or gas as required under the terms of each Lease.

NOW THEREFORE, in compliance with its obligations upon termination of the Leases, Stratex hereby releases to the respective Lessors under each of the Leases, or to their respective successors in interest, assigns, heirs, devisees or any other person or persons entitled thereto, ALL of Stratex's right, title and interest as Lessee in, to and under each of the Leases, including without limitation all rights to remove any machinery and fixtures and to draw any casing or downhole equipment remaining on the following described properties located in Sumner County, Kansas:

THE LEASES AND PROPERTY DESCRIBED ON ATTACHED EXHIBIT "A"

[Signature page follows.]

KCC WICHITA
MAY 17 2016
RECEIVED

Exhibit "A"
to
Release of Expired
Oil & Gas Leases

South Haven Wells

| | | |
|-----------------|-------------------------------|--------------------|
| Rusk #2 | T35S - R1W, Sec 3 SW¼SE¼NE¼ | API # 15-191-01334 |
| RFO Helsel #3-1 | T35S - R1W, Sec 3 SE¼SE¼NE¼ | API # 15-191-22670 |
| Yearout #1 SWD | T35S - R1W, Sec 2 N½SW¼SW¼NW¼ | API # 15-191-21531 |

South Haven LeasesHelsel Lease

| | |
|--------------------------------|--|
| Date: | December 15, 2009 |
| Lessor: | Allan Helsel and his wife, E. Kathryn Helsel |
| Lessee: | J. Fred Hambright, Inc. |
| Recorded: | Book 799, Page 690 |
| Assigned to Hewitt: | Book 804, Page 25 |
| Assigned to Richfield: | Book 838, Pages 76-77 |
| Assigned to South Haven Series | Book 910, Pages 343-344 |
| Description: | T35S-R1W, Sec. 3: N½SE¼, Excluding that portion of the SE¼ lying North of Shoo Fly Creek; T35S-R1W, Sec. 3: S½NE¼, Including that portion of the SE¼ lying North of Shoo Fly Creek. |

Dwain & Peggy Yearout Lease

| | |
|--------------|--|
| Date: | May 29, 2014 |
| Lessor: | Dwain L. Yearout and Peggy F. Yearout, Husband and Wife |
| Lessee: | HOI Kansas Property Series, LLC--South Haven Series |
| Recorded: | Book 0932, Page 0545 |
| Description: | T35S-R1W, Sec. 2: N½SW¼ |

Keith & Eva Yearout Lease

| | |
|--------------|--|
| Date: | May 29, 2014 |
| Lessor: | Keith D. Yearout and Eva Yearout, Husband and Wife |
| Lessee: | HOI Kansas Property Series, LLC--South Haven Series |
| Recorded: | Book 0932, Page 0669 |
| Description: | Parcel Number 096-341-02-0-00-00-003.00-0; T35S-R1W, Sec. 2: Beg. 30 ft E & 138 ft N SW Cor. N½SW¼; N 140 ft, NE'ly 150 ft, N 120 ft, E 300 ft, S'ly along creek 410 ft to Beg. |

KCC WICHITA
MAY 17 2016
RECEIVED

Daryl Yearout SWD Lease

| | |
|---------------------------------|---|
| Date: | December 31, 2012 |
| Lessor: | Daryl Yearout |
| Lessee: | Richfield Oil and Gas Company |
| Recorded: | |
| Assigned to South Haven Series: | |
| Description: | Yearout #1 SWD (API 15-191-21531); C W $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 2—T35S—R1W |

KCC WICHITA

MAY 17 2016

RECEIVED

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

63U (Rev. 1993)

OIL AND GAS LEASE

Reorder No.
09-115Kansas Blue Print
700 S. Broadway, PO Box 793
Wichita, KS 67201-0793
316-264-9344 264-5165 fax
www.kbp.com kbp@kbp.comAGREEMENT, Made and entered into the 29th day of February, 2016by and between Allan Helsel and his wife, E. Kathryn Helsel
1817 S. Hoover Rd.South Haven, KS 67140~~whose mailing address is~~and LU-MAR LLC, 300 W. Douglas, STE 1000 Wichita, KS 67202

hereinafter called Lessor (whether one or more),

hereinafter called Lessee:

Lessor, in consideration of ten and more Dollars (\$ 10.00 +) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of Sumner State of Kansas described as follows to-wit:

Township 35 South, Range 1 West:

Section 3: N1/2SE1/4 EXCEPT 10 acres attached to S1/2NE1/4, S1/2NE1/4, that portion of
SE1/4 lying North of Shoo Fly Creek

~~183636~~ ~~XXXXXX~~ ~~XXXXXX~~ and containing 166.8 acres, more or less, and all accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of 3 years years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said land is pooled.

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-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas of whatever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8), at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender 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 that gas is being produced within the meaning of the preceding paragraph.

This lease may be maintained during the primary term hereof without further payment or drilling operations. 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 like effect as if such well had been completed within the term of years first mentioned.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the 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 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.

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 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 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.

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 640 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.

KCC WICHITA

MAY 17 2016

RECEIVED

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

Witnesses:

Allan Helsel

E. Kathryn Helsel

STATE OF Kansas

BOOK 0973 PAGE 0423

COUNTY OF Sumner

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this 29th day of February, 2016
by Allan Helsel and his wife, E. Kathryn Helsel and _____

My commission expires _____



Erik Kusnerus

Notary Public

STATE OF _____

COUNTY OF _____

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this _____ day of _____
by _____ and _____

My commission expires _____

Notary Public

STATE OF _____

COUNTY OF _____

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this _____ day of _____
by _____ and _____

My commission expires _____

Notary Public

STATE OF _____

COUNTY OF _____

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)

The foregoing instrument was acknowledged before me this _____ day of _____
by _____ and _____

My commission expires _____

Notary Public

No. _____
OIL AND GAS LEASE

FROM

TO

Date

Section

Twp.

Rge.

No. of Acres

Term

County

STATE OF

County

This instrument was filed for record on the _____

day of _____

at _____ o'clock _____ M., and duly recorded

in Book _____ Page _____ of _____

the records of this office.

Register of Deeds.

By

When recorded, return to _____

KCC WICHITA

MAY 17 2016

RECEIVED

STATE OF _____

COUNTY OF _____

ACKNOWLEDGMENT FOR CORPORATION (KsOkCoNe)

The foregoing instrument was acknowledged before me this _____ day of _____
by _____
of _____ a _____

corporation, on behalf of the corporation.

My commission expires _____

Notary Public

BOOK 0973 PAGE 0423