

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.: -
- 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 0 **

Field Name: -**** Side Two Must Be Completed.**Effective Date of Transfer: 04/10/2016KS Dept of Revenue Lease No.: 142008Lease Name: HortonNW - SE - NW - NW Sec. 32 Twp. 24 R. 09 ☐ E ☒ WLegal Description of Lease: SE/4 Sec 30 & N/2 Sec 32-T24S-R09WCounty: RenoProduction Zone(s): MississippianInjection Zone(s): NoneSurface 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 ☒ DrillingPast Operator's License No. 34320Contact Person: Bruce D. KelsoPast Operator's Name & Address: Lasso Energy, LLCPhone: 620-259-40001125 South Main, P.O. Box 465, Chase, KS 67524-0465Date: 04/10/2016Title: EngineerSignature: [Signature]New Operator's License No. 31528Contact Person: Mike D. KelsoNew Operator's Name & Address: Mike Kelso Oil, Inc.Phone: 620-938-29431125 South Main, P.O. Box 467Oil / Gas Purchaser: CHSChase, KS 67524-0467Date: 04/10/2016Title: PresidentSignature: [Signature]Received
KANSAS CORPORATION COMMISSION

SEP 19 2016

CONSERVATION DIVISION
WICHITA, KS

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 11/2/16 PRODUCTION 11-3-16 NOV 03 2016
Mail to: Past Operator _____ New Operator _____ District _____

* Location: NW SE NW NW 32-T24S-R09W

Received
KANSAS CORPORATION COMMISSION
SEP 19 2016
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 # 31528
Name: Mike Kelso Oil, Inc.
Address 1: 1125 South Main
Address 2: P.O. Box 467
City: Chase State: KS Zip: 67524 + 0467
Contact Person: Mike D. Kelso
Phone: (620) 938-2943 Fax: (620) 938-2945
Email Address: -

Well Location:
NW SE NW NW Sec. 32 Twp. 24 S. R. 09 ☐ East ☒ West
County: Reno
Lease Name: Horton Well #: 1

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

KCC WICHITA
SEP 19 2016

RECEIVED

Surface Owner Information:

Name: Horton Family, LLC
Address 1: 603 E. 16th Terrace
Address 2:
City: Hutchinson State: KS Zip: 67501 + 0000

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: 04/10/2016 Signature of Operator or Agent:  Title: President