

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 _____ **

Field Name: Utica Northwest

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

Effective Date of Transfer: January 1, 2017

KS Dept of Revenue Lease No.: 113139 *✓*

Lease Name: Miner

_____ - C - SE - NE Sec. 33 Twp. 16 R. 26 ☐ E ☒ W

Legal Description of Lease: NE/4 Sec. 33-16S-26W

County: Ness

Production Zone(s): Miss. Dolomite

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 *OK* ☐ Drilling

Past Operator's License No. 5030 *✓*

Past Operator's Name & Address: Vess Oil Corporation

Title: Vice President, Land

Contact Person: Brian T. Gaudreau

Phone: 316-682-1537, Ext 106

Date: 1/11/2017

Signature: *[Signature]*

KCC WICHITA

JAN 12 2017

RECEIVED

New Operator's License No. 30742 *✓*

New Operator's Name & Address: Palomino Petroleum, Inc.

4924 SE 84th St, Newton, KS 67114-8827

Title: President

Contact Person: Klee R. Watchous

Phone: 316-799-1000

Oil / Gas Purchaser: MV Purchasing LLC

Date: 1/11/2017

Signature: *[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.

_____ 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 1/17/17 PRODUCTION 1/18/17 UIC JAN 18 2017
Mail to: Past Operator _____ New Operator _____ District _____

* Lease Name: Miner * Location: C SE NE Sec. 33-16S-26W

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JAN 12 2017
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* 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
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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 # 30742
Name: Palomino Petroleum, Inc.
Address 1: 4924 SE 84th St
Address 2: _____
City: Newton State: KS Zip: 67114 + 8827
Contact Person: Klee R. Watchous
Phone: (316) 799-1000 Fax: (316) 799-2728
Email Address: krw@ppiks.com

Well Location:
C SE NE Sec. 33 Twp. 16 S. R. 26 ☐ East ☒ West
County: Ness
Lease Name: Miner Well #: 1

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

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JAN 12 2017

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Surface Owner Information:

Name: G and MJ and Kaylee Family Limited Partnership
Address 1: 1011 240th Ave
Address 2: _____
City: Hays State: KS Zip: 67601 + _____

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: 1/11/2017 Signature of Operator or Agent: [Signature] Title: Vice-President, Land
Vess Oil Corporation