

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 _____ **
- ☒ Gas Lease: No. of Gas Wells 1 **
- ☐ Gas Gathering System: _____
- ☒ Saltwater Disposal Well - Permit No.: D30832.0 ☒
- Spot Location: 3640 feet from ☐ N / ☒ S Line
- 2313 feet from ☒ E / ☐ W Line
- ☐ Enhanced Recovery Project Permit No.: _____
- Entire Project: ☐ Yes ☐ No
- Number of Injection Wells _____ **

Field Name: Rodeo Road ☒

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

Effective Date of Transfer: 12/01/2016

KS Dept of Revenue Lease No.: 232413, D30832.0 140399 KR

Lease Name: Dearden ☒

____ - ____ - ____ NE Sec. 18 Twp. 19 R. 31 ☐ E ☒ W

Legal Description of Lease: _____

T-19S, R-31W, Sec. 18, NE/4 ☒

County: Scott ☒

Production Zone(s): Krider

Injection Zone(s): Cedar Hills ☒

Surface Pit Permit No.: _____
(API No. if Drill Pit, WO or Haul)

Type of Pit: ☐ Emergency ☐ Burn ☐ Settling ☐ Haul-Off ☐ Workover ☐ Drilling KH ☒

Past Operator's License No. 33476 ☒

Past Operator's Name & Address: Discovery Natural Resources LLC
410 17th St. Ste. 900 Denver, CO 80202

Title: Land & Business Development Manager

Contact Person: Greg Ryan

Phone: 303-571-6149

Date: 12/1/16

Signature: [Signature]

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New Operator's License No. 6044 ☒

New Operator's Name & Address: Stelbar Oil Corporation, Inc.
1625 N. Waterfront Pkwy, Suite 200

Wichita, KS 67206

Title: Edward C. Hill / Vice President

Contact Person: Roscoe Mendenhall / Operations

Phone: 316-264-8378

Oil / Gas Purchaser: Oneok Field Services LLC

Date: 12/1/16

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.

Stelbar Oil Corporation Inc is acknowledged as
the new operator and may continue to inject fluids as authorized by
Permit No.: D-30,832 . Recommended action: NONE

Date: 1-9-17 Cheryl L Bayer
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 1/6/17 PRODUCTION JAN 10 2017 UIC 1-9-17
Mail to: Past Operator 1-9-17 New Operator 1-9-17 District 1 1-9-17

* Lease Name: Dearden

* Location: T-19S, R-31W, Sec. 18 NE/4

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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.

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**CERTIFICATION OF COMPLIANCE WITH THE
KANSAS SURFACE OWNER NOTIFICATION ACT**

Form KSONA-1

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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 # 33476
Name: Discovery Natural Resources LLC
Address 1: 410 17th Street, Suite 900
Address 2: _____
City: Denver State: CO Zip: 80202 + _____
Contact Person: Greg Ryan
Phone: (303) 571-6149 Fax: (_____) _____
Email Address: greg.ryan@discoverynr.com

Well Location: _____
____ NW ____ SW ____ NE Sec. 18 Twp. 19 S. R. 31 ☐ East ☒ West
County: Scott
Lease Name: Dearden SWD Well #: 07B-18R-1931

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

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Surface Owner Information:

Name: Clifford M Dearden Jr. and Virginia Dearden Co-Trustees
Address 1: of the Clifford M Jr and Virginia Dearden Revoc Trust
Address 2: 1308 Myrtle Street
City: Scott City State: KS Zip: 67871 + _____

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: 12/5/2016 Signature of Operator or Agent: _____ Title: Manager, Land and Business Development

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