

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION**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.: _____
- 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: PANOMA**** Side Two Must Be Completed.**Effective Date of Transfer: NOVEMBER 1, 2016KS Dept of Revenue Lease No.: 207784 *KR*Lease Name: SAUER 1A_____ SW _____ SE _____ NW Sec. 25 Twp. 23S R. 37 ☐ E ☒ WLegal Description of Lease: 2500 FNL & 1450 FWL"See Attachment 1"County: KEARNYProduction Zone(s): COUNCIL GROVE

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 ☐ Drilling

Past Operator's License No. 5249 ✓Past Operator's Name & Address: OSBORN HEIRS COMPANY, LTDP.O. Box 17968, San Antonio, Texas 78217Title: Vice-PresidentContact Person: Nancy FitzSimonPhone: (210) 826-0700Date: October 31, 2016Signature: Nancy A. FitzSimonReceived
KANSAS CORPORATION COMMISSION

NOV 28 2016

CONSERVATION DIVISION
WICHITA, KSNew Operator's License No. 34832 ✓New Operator's Name & Address: Scout Energy Management LLC4901 LBJ Freeway, Ste. 300, Dallas, Texas 75244JON PIOTTitle: MANAGING DIRECTOR /SR. REGULATORY SPECIALISTContact Person: Kim Brand, Sr. Regulatory SpecialistPhone: (972) 865-7597Oil / Gas Purchaser: "See Attachment 1"Date: OCTOBER 31, 2016Signature: Kim Brand

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 2/21/17 PRODUCTION FEB 22 2017 UIC FEB 22 2017
Mail to: Past Operator _____ New Operator _____ District _____

* Lease Name: SAUER 1A * Location: SEC. 25, T23S R37W

A separate sheet may be attached if necessary

* 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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WICHITA, KS

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OIL & GAS CONSERVATION DIVISION

Form KSONA-1

July 2010

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 # 5249
Name: OSBORN HEIRS COMPANY, LTD.
Address 1: P.O. BOX 17968
Address 2: _____
City: SAN ANTONIO State: TX Zip: 78217 + 0968
Contact Person: MARI CASTORENO
Phone: (210) 826-0700 Fax: (210) 826-7559
Email Address: maric@osbornheirs.com

Well Location:
____ - ____ - ____ C ____ W/2 Sec. 25 Twp. 23 S. R. 37 ☐ East ☒ West
County: KEARNY
Lease Name: SAUER Well #: 1A

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

SAUER 1B NE SW SW SEC. 25-23S-37W KEARNY

Surface Owner Information:

Name: CEB INC.
Address 1: P.O. BOX 363
Address 2: _____
City: LAKIN State: KS Zip: 67860 + _____

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 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: 10/31/16 Signature of Operator or Agent: Nancy A. Folsom Title: VICE-PRESIDENT

ATTACHMENT I

Form T-1

Well: Sauer 1A**County:** Kearny**API:** 15-093-20329**Legal Description of Unit:** all Sec 25-23S-37W**Oil/Gas Purchaser:** Energy Transfer Partners, LP**Leases Included *:**

LESSOR	LESSEE	LEASE DATE	EFFECT. DATE	VOL	PAGE	LEGAL DESCRIPTION
Sauer, J.A., Et Ux	Beymer, C. E.	5/10/1945	5/10/1945	12	585	T-23-S, R-37-W SECTION 25: ALL KEARNY COUNTY, KANSAS

**Insofar as to rights conveyed from surface to 100 feet below the Council Grove.*

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