

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 24 **
- ☐ 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.: E24615 ✓
- Entire Project: ☒ Yes ☐ No
- Number of Injection Wells 4 **

Field Name: Wayside-Havana
** Side Two Must Be Completed.

Effective Date of Transfer: 2-20-2017

KS Dept of Revenue Lease No.: 123680 ✓

Lease Name: Ferguson ✓

_____ - S2 - SW Sec. 16 Twp. 34S R. 14 ☒ E ☐ W

Legal Description of Lease: S2 SW4 Sec 16-34S-14E ✓

County: Montgomery ✓

Production Zone(s): Weiser & Bartlesville

Injection Zone(s): Weiser + Bartlesville

Surface Pit Permit No.: P03419
(API No. if Drill Pit, WO or Haul)

Added - T. Doty 3/27/17

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

Past Operator's License No. 34251 ✓

Past Operator's Name & Address: Thornton Energy, LLC
P.O. Box 478 Caney, KS 67333

Title: Managing Member

Contact Person: Don Thornton

Phone: 620-879-5377

Date: 3-20-17

Signature: David Thornton

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New Operator's License No. 35368 ✓

New Operator's Name & Address: Jones Oil Exploration, LLC
P.O. Box 68 Sedan, KS 67361

Title: Managing Member

Contact Person: Matt Jones

Phone: 620-725-3636

Oil / Gas Purchaser: Coffeyville Resources

Date: 3-20-17

Signature: Matt Jones

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.

Jones Oil Exploration LLC is acknowledged as the new operator and may continue to inject fluids as authorized by Permit No.: E-24615. Recommended action: None

Date: 3-27-17 Cheryl L. Boyer
Authorized Signature

Jones Oil Exploration, LLC is acknowledged as the new operator of the above named lease containing the surface pit permitted by No.: P03419

Date: 3/27/17 Olivia Laigosa
Authorized Signature CC: Kathy

DISTRICT _____	EPR <u>3/24/17</u>	PRODUCTION <u>3/27/17</u>	UIC <u>3-27-17</u>
Mail to: Past Operator <u>3-27-17</u>	New Operator <u>3-27-17</u>	District <u>3</u>	<u>3-27-17</u>

Must Be Filed For All Wells

GPS Figs.

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KDOR Lease No.: 123680 ✓

* Lease Name: Ferguson

* Location: S2 SW4 Sec 16-34S-14E

Well No.	API No. (YR DRLD/PRE '67)	Footage from Section Line (i.e. FSL = Feet from South Line)	Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/TA'D/Abandoned)	
KF-1	15-125-27874-00-01 ✓	216 <u>Circle</u> FSL/FNL	2908 <u>Circle</u> FEL/FWL	INJ	Active
KF-2	15-125-27907-00-02 ✓	562 <u>Circle</u> FSL/FNL	3272 <u>Circle</u> FEL/FWL	Oil	Inactive
KF-3	15-125-27910-00-00 ✓	240 <u>Circle</u> FSL/FNL	3238 <u>Circle</u> FEL/FWL	Oil	Inactive
KF-5	15-125-27980-00-01 ✓	872 <u>Circle</u> FSL/FNL	2908 <u>Circle</u> FEL/FWL	INJ	Active
KF-6	15-125-27981-00-00 ✓	880 <u>Circle</u> FSL/FNL	3229 <u>Circle</u> FEL/FWL	Oil	Inactive
KF-7	15-125-27982-00-00 ✓	922 <u>Circle</u> FSL/FNL	3581 <u>Circle</u> FEL/FWL	Oil	Inactive
KF-8	15-125-27983-00-00 ✓	577 <u>Circle</u> FSL/FNL	3573 <u>Circle</u> FEL/FWL	Oil	Inactive
KF-9	15-125-27984-00-00 ✓	176 <u>Circle</u> FSL/FNL	3533 <u>Circle</u> FEL/FWL	Oil	Inactive
KF-10	15-125-28055-00-00 ✓	903 <u>Circle</u> FSL/FNL	3900 <u>Circle</u> FEL/FWL	Oil	Inactive
KF-11	15-125-28057-00-00 ✓	591 <u>Circle</u> FSL/FNL	3880 <u>Circle</u> FEL/FWL	Oil	Inactive
KF-12	15-125-28122-00-00 ✓	176 <u>Circle</u> FSL/FNL	3848 <u>Circle</u> FEL/FWL	Oil	Inactive
KF-13	15-125-28167-00-00 ✓	1166 <u>Circle</u> FSL/FNL	2847 <u>Circle</u> FEL/FWL	Oil	Inactive
KF-14	15-125-28168-00-00 ✓	1178 <u>Circle</u> FSL/FNL	3180 <u>Circle</u> FEL/FWL	Oil	Inactive
KF-15	15-125-28169-00-00 ✓	1177 <u>Circle</u> FSL/FNL	3520 <u>Circle</u> FEL/FWL	Oil	Inactive
KF-17	15-125-28171-00-00 ✓	1162 <u>Circle</u> FSL/FNL	4166 <u>Circle</u> FEL/FWL	Oil	Prod
KF-18	15-125-28172-00-00 ✓	828 <u>Circle</u> FSL/FNL	4215 <u>Circle</u> FEL/FWL	Oil	Inactive
KF-19	15-125-28173-00-01 ✓	492 <u>Circle</u> FSL/FNL	4214 <u>Circle</u> FEL/FWL	INJ	Active
KF-20	15-125-28174-00-00 ✓	175 <u>Circle</u> FSL/FNL	4182 <u>Circle</u> FEL/FWL	Oil	Inactive
KF-21	15-125-28190-00-00 ✓	1149 <u>Circle</u> FSL/FNL	4491 <u>Circle</u> FEL/FWL	Oil	Prod
KF-22	15-125-28191-00-02 ✓	834 <u>Circle</u> FSL/FNL	4511 <u>Circle</u> FEL/FWL	INJ	Active
KF-23	15-125-28192-00-00 ✓	542 <u>Circle</u> FSL/FNL	4531 <u>Circle</u> FEL/FWL	Oil	Inactive
KF-24	15-125-28193-00-00 ✓	165 <u>Circle</u> FSL/FNL	4455 <u>Circle</u> FEL/FWL	Oil	Inactive
KF-25	15-125-28204-00-00 ✓	1160 <u>Circle</u> FSL/FNL	4817 <u>Circle</u> FEL/FWL	Oil	Inactive
KF-26	15-125-28205-00-00 ✓	195 <u>Circle</u> FSL/FNL	4831 <u>Circle</u> FEL/FWL	Oil	Prod

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.

Must Be Filed For All Wells

GPS Figs.

* Lease Name: Ferguson

* Location: S2 SW4 Sec 16-34S-14E

[illegible]

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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
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 # 35368
Name: Jones Oil Exploration, LLC
Address 1: P.O. Box 68
Address 2: _____
City: Sedan State: KS Zip: 67361 + _____
Contact Person: Matt Jones
Phone: (620) 725-3636 Fax: (620) 725-3662
Email Address: jonesbuck103@yahoo.com

Well Location:
_____ S2 SW Sec. 16 Twp. 34 S. R. 14 ☒ East ☐ West
County: Montgomery
Lease Name: Ferguson Well #: _____

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

S2 SW4 Sec 16-34S-14E

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Surface Owner Information:

Name: Kevin Clubine
Address 1: 1765 CR 2600
Address 2: _____
City: Havana State: KS Zip: 67347 + _____

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: 3-20-17 Signature of Operator or Agent: [Signature] Title: Operator

feet	meters
10	3
20	6
30	9
40	12
50	15
60	18
70	21
80	24
90	27
100	30

1000

500

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ASSIGNMENT OF OIL AND GAS LEASE,
CONSENT TO ASSIGNMENT,
AND MODIFICATION OF OIL AND GAS LEASE

This Agreement is entered into by and between Kevin L. Clubine and Gina L. Clubine (hereafter Lessor), Donald Thornton, dba Thornton Energy (hereafter Thornton), and Jones Oil Exploration, LLC (hereafter Jones), to be effective on the 20 day of February, 2017.

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WHEREAS, this document is intended to memorialize an assignment of the following described oil and gas lease (hereafter Lease) from Thornton to Jones; the consent of Lessor to the assignment; and subsequent modification of the terms of the Lease by Lessor and Jones:

Lessor:	Lynell C. Clubine Revocable Trust Dated August 31, 1993
Lessee:	Thornton Energy
Date:	January 21, 2009
Recorded:	Book 582 at Page 449
Legal Description:	S/2 SW/4 of Section 16, Township 34 South, Range 14 East, Montgomery County, Kansas
Primary Term:	3 years

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained, the parties agree to the following:

1. Assignment: Thornton, for and in consideration of the sum of One Dollar (1.00) and other valuable consideration, the receipt of which is hereby acknowledged, does hereby sell, assign, transfer and convey unto Jones all Thornton's right, title and

interest in and to the Lease together with all rights incident thereto, and all oil field equipment, pipes, supplies, equipment and personal property located thereon, appurtenant thereto, or used or obtained in connection therewith.

2. Consent to Assignment: Lessor hereby consents to assignment of the Lease from Thornton to Jones and acknowledges that the Lease is valid and full force and effect at this time.

3. Modification: Lessor and Jones agree to modify the Lease as follows:

- a. Paragraph 5 of the Lease pertaining to assignment is amended to read as follows in its entirety:

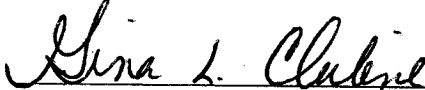
On or after the date of this assignment, any and all future assignment(s) of any portion of the working interest of the Lease shall trigger a \$5,000.00 payment to Lessor, and any such assignment shall not be considered valid and completed until such payment is made to Lessor.

4. Binding Effect: This agreement shall be binding upon the heirs, successors and assigns of the parties hereto and shall constitute a covenant running with the land.

LESSOR:



Kevin L. Clubine



Gina L. Clubine

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Donald Thornton, dba Thornton Energy

By: Donald Thornton
Donald Thornton, Owner

Jones Oil Exploration, LLC

By: Darrell Matthew Jones
Darrell Matthew Jones, Managing Member

STATE OF KANSAS)
) SS:
COUNTY OF Chautauqua)

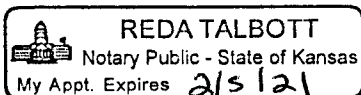
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BE IT REMEMBERED that this 20th day of February, 2017, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Kevin L. Clubine and Gina L. Clubine, husband and wife, who are personally known to me to be the same persons who executed the within instrument of writing and such persons duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal, the day and year last above written.

Reda Talbott
Notary Public

My commission expires: 2/5/2021



State of Kansas, Montgomery County
This instrument was filed for
Record on February 27, 2017 8:56 AM
Recorded in Book 657 Page 661 - 664
Fee: \$60.00 201700635
Marilyn Calhoun
Marilyn Calhoun, Register of Deeds



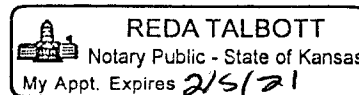
STATE OF KANSAS)
) SS:
COUNTY OF Chautauqua)

BE IT REMEMBERED that this 20th day of February, 2017, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Donald Thornton, dba Thornton Energy, Owner, who is personally known to me to be the same person who executed the within instrument of writing and such person duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal, the day and year last above written.

Reda Talbott
Notary Public

My commission expires: 2/5/21



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STATE OF KANSAS)
) SS:
Chautauqua COUNTY)

BE IT REMEMBERED that this 20th day of February, 2017, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Darrell Matthew Jones, Managing Member of Jones Oil Exploration, LLC, who is personally known to me to be the same person who executed the within instrument of writing and such person duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal, the day and year last above written.

Reda Talbott
Notary Public

My commission expires: 2/5/21

