

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: BRADSHAW GAS AREA

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

Effective Date of Transfer: March 7, 2017

KS Dept of Revenue Lease No.: 209025 *KR*

Lease Name: CLIFT

_____ SE Sec. 17 Twp. 17 R. 40 ☐ E ☒ W

Legal Description of Lease: SE/4 SECTION 17, T17S, R40W

County: GREELEY

Production Zone(s): CHASE GROUP

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 *KH*

Past Operator's License No. 4894

Past Operator's Name & Address: HORSESHOE OPERATING, INC.
110 W. LOUISIANA, STE 200, MIDLAND, TX 79701

Title: MANAGER

Contact Person: BLAINE SHEPPARD **KCC WICHITA**

Phone: 432-683-1448

Date: 3/7/2017 **MAR 24 2017**

Signature: *B. Sheppard* **RECEIVED**

New Operator's License No. 35442

New Operator's Name & Address: PRAIRIE GAS OPERATING, LLC
427 S. BOSTON, SUITE 520, TULSA, OK 74103

Title: MANAGER

Contact Person: STEVE RACKLEY

Phone: 918-734-7727

Oil / Gas Purchaser: DCP MIDSTREAM

Date: 3/7/2017

Signature: *Steve Rackley*

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 3/27/17 PRODUCTION MAR 28 2017 UP MAR 28 2017

Mail to: Past Operator _____ New Operator _____ District _____

* Location: SE/4 SECTION 17, T17S, R40W

KCC WICHITA
MAR 24 2017
RECEIVED

* 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 # 35442
Name: PRAIRIE GAS OPERATING, LLC
Address 1: 427 S. Boston Ave, Suite 520
Address 2: _____
City: Tulsa State: OK Zip: 74103 + _____
Contact Person: Steve Rackley
Phone: (918) 734-7727 Fax: (918) 398-6002
Email Address: srackley@pge-llc.com

Well Location:
_____ SE Sec. 17 Twp. 17 S. R. 40 ☐ East ☒ West
County: Greeley
Lease Name: CLIFT Well #: 1

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

KCC WICHITA
MAR 24 2017
RECEIVED

Surface Owner Information:

Name: PRESTON ALLEN SMITH
Address 1: 695 KANSAS 27
Address 2: _____
City: SHARON SPRINGS State: KS Zip: 67758 + _____

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: 3/16/17 Signature of Operator or Agent: Steve Rackley Title: MANAGER