

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: James

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

Effective Date of Transfer: 04/01/2018

KS Dept of Revenue Lease No.: 143227

Lease Name: Penney

SW - NE - NE - SW Sec. 16 Twp. 19 R. 12 ☐ E ☒ W

Legal Description of Lease: N/2 SW/4 Sec 16 T19S R12W

County: Barton

Production Zone(s): Arbuckle

Injection Zone(s): _____

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

Type of Pit: ☐ Emergency ☐ Burn ☐ Settling

☐ Haul-Off ☐ Workover ☐ Drilling

Past Operator's License No. 35533

Past Operator's Name & Address: Collins Oil, LLC
113 W. 6th St, Ellinwood, KS 67526

Title: Manager

Contact Person: Deborah Long

Phone: (620)564-2450

Date: 4-11-18

Signature: Deborah Long

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KANSAS CORPORATION COMMISSION

APR 16 2018

CONSERVATION DIVISION
WICHITA, KS

New Operator's License No. 3208

New Operator's Name & Address: K & N Petroleum, Inc.
1105 Walnut

Great Bend, KS 67530

Title: President

Contact Person: Edward S. Nemnich

Phone: (620)793-6005

Oil / Gas Purchaser: CHS

Date: 4/12/18

Signature: Edward S. Nemnich

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 5/4/18 PRODUCTION _____ UIC _____
Mail to: Past Operator _____ New Operator _____ District _____

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
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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 # 3208
Name: K & N Petroleum, Inc.
Address 1: 1105 Walnut
Address 2: _____
City: Great Bend State: KS Zip: 67530 + _____
Contact Person: Edward S. Nemnich
Phone: (620) 793-6005 Fax: (620) 793-6025
Email Address: edbobkn@ruraltel.net

Well Location:
SW NE NE SW Sec. 16 Twp. 19 S. R. 12 ☐ East ☒ West
County: Barton
Lease Name: Penney Well #: 1-16

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

N/2 SW/4 Sec 16 T19S R12W

Surface Owner Information:

Name: Nancy May Penney
Address 1: 16463 Hunters Trail
Address 2: _____
City: Montgomery State: TX Zip: 77356 + 7330

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CONSERVATION DIVISION
WICHITA, KS

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: 4/12/18 Signature of Operator or Agent: Edward S. Nemnich Title: President

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KANSAS CORPORATION COMMISSION

APR 16 2018

CONSERVATION DIVISION
WICHITA, KS

ASSIGNMENT OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, COLLINS OIL, LLC, a Kansas limited liability company, hereinafter called "ASSIGNOR", for and in consideration of One Dollar (\$1.00), the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer and set over unto K & N PETROLEUM, INC., hereinafter called "ASSIGNEE", the entire working interest (.83000 net revenue interest), subject to overriding royalty interests, as of record, in and to the following described oil and gas lease:

Oil and gas lease dated June 27, 2011, from Nancy M. Penney and Roy W. Penney, wife and husband, lessors, to Shelby Resources, LLC, lessee, recorded August 25, 2011, in Book 616, page 6379, in the office of the Register of Deeds of Barton County, Kansas, covering the following described land, to-wit:

North Half of the Southwest Quarter (N/2 SW/4) of Section Sixteen (16), Township Nineteen (19) South, Range Twelve (12) West, Barton County, Kansas, including tank batteries, pumping unit, motors and other equipment located thereon

together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith.

This Assignment is subject to the terms and conditions of the lease, above referred, and is made without warranty of title, either expressed or implied.

This Assignment is effective April 1, 2018.

EXECUTED this 11th day of April, 2018.

COLLINS OIL, LLC

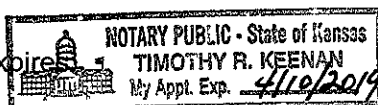
By Deborah Long, Manager
Deborah Long, Manager

STATE OF KANSAS, COUNTY OF BARTON, ss:

BE IT REMEMBERED that on this 11th day of April, 2018, before me, the undersigned, a notary public in and for the County and State aforesaid, came Deborah Long, Manager of Collins Oil, LLC, who is personally known to me to be the same person who executed the foregoing instrument of writing, and duly acknowledged the execution of the same.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year last above written.

My appointment expires



Timothy R. Keenan
Notary Public