

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form T-1

March 2010

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 50 33 oil - 1 WSW
- ☒ 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.: E 19329
- Entire Project: ☐ Yes ☐ No
- Number of Injection Wells 11 **

Field Name: Bronson-Xenia**** Side Two Must Be Completed.**Effective Date of Transfer: 3-1-2010KS Dept of Revenue Lease No.: 113860Lease Name: ERMEL BSec. 18 Twp. 24 R. 22 ☒ E ☐ WLegal Description of Lease: N/2SEC 18, TWP 24S, R 22ECounty: BOURBONProduction Zone(s): BEVIER COAL BED

Injection Zone(s): _____

Surface Pit Permit No.: _____
(API No. if Drill Pit, WO or Haul)Type of Pit: ☐ Emergency ☐ Burn ☐ Settling ☐ Haul-Off ☐ Workover OR ☐ DrillingPast Operator's License No. 33247 Exp 5/30/10Past Operator's Name & Address: Petrol Oil and Gas, Inc.
11020 King Street, Suite 108, Overland Park, KS 66210Title: Assignment AttachedContact Person: *none available see copy of Assignment

Phone: _____

Date: _____

Signature: _____

RECEIVED
KANSAS CORPORATION COMMISSION

MAY 03 2013New Operator's License No. 5786New Operator's Name & Address: McGown Drilling, Inc.
P.O. Box K, Mound City, KS 66056Title: PresidentContact Person: Chris McGownPhone: 913-795-2259Oil / Gas Purchaser: Plains Marketing, L.P.Date: 4-24-13Signature: Ronde S. McGown

CONSERVATION DIVISION
WICHITA, KS

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.

McGown Drilling Inc is acknowledged as
the new operator and may continue to inject fluids as authorized by
Permit No.: E-19,329 Recommended action: _____
Need USC's for 2010-2012
Date: 6-14-13 Cheryl L. Boyer
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 _____ | PRODUCTION <u>6-19-13</u> | UIC <u>6-14-13</u> |
| Mail to: Past Operator _____ | New Operator <u>6-14-13</u> | District <u>③</u> | <u>6-14-13</u> |

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

Must Be Filed For All Wells

KDOR Lease No.: 113860

* Lease Name: ERMEL B

* Location: N/2 SEC 18, TWP 24S, R 22E

| 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) |
|----------|------------------------------|--|-----------------------------------|--------------------------------------|
| 1 | 15011205460001 | 4960 ^{Circle} FSL/ FSL 910 ^{Circle} FEL/ FEL | EOR | PROD |
| 2 | 1501120547 ✓ | 4960 FSL/ FSL 580 FEL/ FEL | OIL | PROD |
| 3 | 1501120548 ✓ | 4960 FSL/ FSL 250 FEL/ FEL | OIL | PROD |
| 6 | 1501120603 ✓ | 4970 FSL/ FSL 1310 FEL/ FEL | OIL | PROD |
| 7 | 1501120764 ✓ | 5110 FSL/ FSL 950 FEL/ FEL | WSW | ACTIVE |
| 8 | 1501120765 ✓ | 4260 FSL/ FSL 180 FEL/ FEL | OIL | PROD |
| 9 | 1501120766 ✓ | 3930 FSL/ FSL 180 FEL/ FEL | OIL | PROD |
| 11 | 1501120780 ✓ | 4210 FSL/ FSL 780 FEL/ FEL | OIL | PROD |
| 13 | 15011207840001 ✓ | 3866 FSL/ FSL 1150 FEL/ FEL | EOR | ACTIVE |
| 14 | 1501120785 ✓ | 4080 FSL/ FSL 1180 FEL/ FEL | OIL | PROD |
| 15 | 15011207860001 ✓ | 3765 FSL/ FSL 1550 FEL/ FEL | OIL / INJ | PROD |
| 16 | 1501120787 ✓ | 4080 FSL/ FSL 1580 FEL/ FEL | OIL | PROD |
| 17 | 1501120844 ✓ | 3810 FSL/ FSL 480 FEL/ FEL | OIL | PROD |
| 18 | 1501120843 ✓ | 3673 FSL/ FSL 750 FEL/ FEL | OIL | PROD |
| 19 | 1501120842 ✓ | 3566 FSL/ FSL 1150 FEL/ FEL | OIL | PROD |
| 20 | 1501120840 ✓ | 3465 FSL/ FSL 1550 FEL/ FEL | OIL | PROD |
| 21 | 1501120841 ✓ | 3765 FSL/ FSL 1880 FEL/ FEL | OIL | PROD |
| 22 | 1501120881 ✓ | 4910 FSL/ FSL 1610 FEL/ FEL | OIL | PROD |
| 23 | 1501120882 ✓ | 4860 FSL/ FSL 1910 FEL/ FEL | OIL | PROD |
| 24 | 15011209390001 ✓ | 5210 FSL/ FSL 4040 FEL/ FEL | EOR | ACTIVE |
| 25 | 15011209400001 ✓ | 4880 FSL/ FSL 1760 FEL/ FEL | EOR | ACTIVE |
| 27 | 15011215870001 ✓ | 3180 FSL/ FSL 1300 FEL/ FEL | EOR | ACTIVE |
| 28 | 1501121634 ✓ | 5115 FSL/ FSL 165 FEL/ FEL | OIL | PROD |
| 29 | 1501121635 ✓ | 4785 FSL/ FSL 165 FEL/ FEL | OIL | PROD |

A separate sheet may be attached if necessary

RECEIVED
KANSAS CORPORATION COMMISSION

* 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.

MAY 03 2013

CONSERVATION DIVISION
WICHITA, KS

* Lease Name: ERMEL B

* Location: N/2 SEC 18, TWP 24S, R 22E

[illegible]

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.

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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

Form KSONA-1
July 2010
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 # 5786
Name: McGOWN DRILLING, INC.
Address 1: P.O. BOX K
Address 2: _____
City: MOUND CITY State: KS Zip: 66056 + _____
Contact Person: CHRIS McGOWN
Phone: (913) 795-2259 Fax: (913) 795-2258
Email Address: mcgowndrilling@gmail.com

Well Location:
_____ Sec. _____ Twp. _____ S. R. _____ ☐ East ☐ West
County: BOURBON
Lease Name: ERMEL B Well #: _____
If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:
N/2
SEC 18, TWP 24S, R 22E

Surface Owner Information:

Name: LAYTON GOODSON
Address 1: 25101 STATE HIGHWAY EE
Address 2: _____
City: MARYVILLE State: MO Zip: 64468 + _____

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.

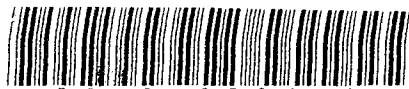
I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 4-24-13 Signature of Operator or Agent: Chris S. McGown Title: President

RECEIVED
KANSAS CORPORATION COMMISSION

MAY 03 2013

CONSERVATION DIVISION
WICHITA, KS



* 2 0 1 0 - 0 3 0 4 4 *

CARA BARKDOLL, REGISTER OF DEEDS

ALLEN COUNTY, KS

2010-0304

DATE RECORDED: 03/03/2010 11:40:48AM ✓

MTG INDEBT: 0.00 RECEIPT#: 5205

REC FEE: \$ 12.00

TECH FEE: \$ 8.00

ORIGINAL COMPARED WITH RECORD



State of Kansas, Bourbon County SS

Sharon Elder Register of Deeds

Book: 365 Page: 626

Receipt #: 18447
Pages Recorded: 4

Recording Fee: \$20.00

Date Recorded: 3/2/2010 10:00:01 AM

ASSIGNMENT OF OIL & GAS LEASES

For valuable consideration, **Petrol Oil and Gas, Inc.** ("Petrol"), conveys by assignment to **McGown Drilling, Inc.** ("McGown"), all of its rights, title, and interest to the oil and gas leases listed in the attached Exhibit A.

It is the parties' intention to convey Petrol's full interest to all the leases it owns in Bourbon and Allen Counties, Kansas, and the omission or improper transcription of a lease or its legal description shall not limit McGown's rights under the parties' agreement. Petrol agrees to execute any necessary correction documents if an error or omission occurs. *Petrol further conveys any interest it later acquires to McGown, including overriding royalty interests, in the leases in Exhibit A.* This assignment is supplemented by and expressly incorporates the terms of the parties' agreement to purchase these leases, titled "Petrol Oil and Gas, Inc. Bronson Oil Production Purchase Contract." But together, these two documents represent the parties' complete agreement.

Executed: March 01, 2010

Signed:

Petrol Oil and Gas, Inc.

By: 
Loren Moll, President

ACKNOWLEDGEMENT

State of Kansas

County of Johnson

RECEIVED
KANSAS CORPORATION COMMISSION

MAY 03 2013

CONSERVATION DIVISION
WICHITA, KS

This assignment was acknowledged before me on March 1, 2010 by Loren Moll as President of Petrol Oil and Gas, Inc.


Notary Public

My commission expires: 9/2/12



NOTARY PUBLIC-STATE OF KANSAS

PATRICK EVERETT

MY COMMISSION EXPIRES 9/2/12

EXHIBIT A

Leases subject to the Assignment and Purchase Contract between Petrol Oil and Gas, Inc. and McGown Drilling, Inc.:

Ermel B

Lease executed by Elwin D. Ermel and Joan L. Ermel, husband and wife, and Richard H. Ermel and Dorothy Ermel, husband and wife, in favor of Hillenburg Oil Company, dated November 30, 1978, covering:

North ½ of Section 18, Township 24 South, Range 22 East, Bourbon County, Kansas
recorded in Book M63, Page 452 in the Bourbon County Register of Deeds Office.

Ermel D

Lease executed by Louis F. Ermel and Doris M. Ermel, husband and wife, in favor of Hillenburg Oil Company, dated December 14, 1976, covering:

Southeast ¼ and the South ½ of the Northeast ¼ of Section 7, Township 24 South, Range 22 East, Bourbon County, Kansas
recorded in Book M58, Page 216 in the Bourbon County Register of Deeds Office.

Foose

Lease executed by B.D. Foose, a single man, in favor Hillenburg Oil Company, dated December 10, 1976, covering:

South ½ of the Southwest ¼, South ½ of the Southeast ¼, and Northeast ¼ of the Southeast ¼, of Section 6, Township 24 South, Range 22 East, Bourbon County, Kansas
recorded in book M58, Page 224 in the Bourbon County Register of Deeds Office.

Humphrey

Lease executed by Fred D. Humphrey, a/k/a Fred DeMott Humphrey, and Helen L. Humphrey, husband and wife, and James Paul Humphrey and Patsy Ann Humphrey, husband and wife, in favor of C.R.A., Inc., dated February 4, 1966, covering:

All of Section 36, Township 24 South, Range 21 East, Bourbon County Kansas
recorded in Book M41, Page 65 in the Bourbon County Register of Deeds Office.

McCall

Lease executed by Wayne G. McCall and Thelma McCall, husband and wife, in favor of Hillenburg Oil Company, dated December 15, 1976, covering:

RECEIVED
KANSAS CORPORATION COMMISSION

West ½ of the Northwest ¼, Southeast ¼ of the Northwest ¼, Southwest ¼ of the Northeast ¼, and the East ½ of the Northeast ¼, of Section 17, Township 24 South, Range 22 East, Bourbon County, Kansas

recorded in Book M58, Page 212A in the Bourbon County Register of Deeds Office.

Wagner

Lease executed by J.V. Wagner and Audrey C. Wagner, in favor of Hillenburg Oil Company, dated October 9, 1989, covering:

Northwest ¼ of Section 15, Township 24 South, Range 21 East, Allen County, Kansas

recorded in Book M123, Page 280 in the Allen County Register of Deeds Office.

Woodward

Lease executed by Benjamin Franklin Woodward and Susie Woodward, husband and wife, in favor of Associated Oil and Gas Co., dated June 16, 1964, covering:

Southeast ¼ of Section 11, all of Section 12, and the North ½ of Section 13, all in Township 25 South, Range 21 East, Bourbon County, Kansas

recorded in Book M37, Page 125 in the Bourbon County Register of Deeds Office.

Lowe

Lease executed by B.F. Low and Lizzie H. Low, husband and wife, in favor of R.D. Holeman and L.A. Holeman, dated February 14, 1922, covering:

Northeast ¼ of Section 15, Township 24 South, Range 21 East, Bourbon County, Kansas

recorded in Book M33, Page 153 in the Allen County Register of Deeds Office.

Stewart / Honneus & Stewart #1

Lease executed by Frederick Honneus, a single man, in favor of Albert H. Markham, dated July 20, 1953, covering:

North ½ of Section 11, Township 24 South, Range 21 East, Bourbon County, Kansas,

recorded in Book M23, Page 543 in the Bourbon County Register of Deeds Office.

Lease executed by Fred Honneus, a single man, in favor of Lee McClimans, dated October 5, 1955, covering:

Southwest ¼ of Section 11, Township 24 South, Range 21 East, Bourbon County, Kansas

the record of this lease is established by decree of the Bourbon County District Court entered on September 19, 1958, in the case of Mary Ann Campbell, et. al., v. Homer R. Wright, et. al., Case No. 18141.

RECEIVED
KANSAS CORPORATION COMMISSION

MAY 03 2013

CONSERVATION DIVISION
WICHITA, KS

Lease executed by Florine Stewart, a single person, in favor of Norman R. Michael & Jack Cooper, dated May 15, 2002, covering:

Northeast ¼ of Section 11, Township 24 South, Range 21 East, Bourbon County,
Kansas

recorded in Book M118, Page 549 in the Bourbon County Register of Deeds Office.

Lease executed by Florine Stewart, a single person, in favor of Norman R. Michael & Jack Cooper, dated August 26, 2002, covering:

Northwest ¼ of Section 11, Township 24 South, Range 21 East, Bourbon County,
Kansas

recorded in Book M119, Page 141 in the Bourbon County Register of Deeds Office.