

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 Gas Area

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

Effective Date of Transfer: 4/30/13

KS Dept of Revenue Lease No.: 207934

Lease Name: Kropp

SE Sec. 8 Twp. 24 R. 37 ☐ E ☒ W

Legal Description of Lease: SE of Sec 8 T24S R37W

County: Kearny

Production Zone(s): Council Grove 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

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KANSAS CORPORATION COMMISSION

Past Operator's License No. 33190

Past Operator's Name & Address: Noble Energy, Inc.

100 Glenborough Drive, Suite 100, Houston, TX 77067

Title: J. Michael Brown, Attorney-in-Fact

Contact Person: Liz Lindow

Phone: 303-228-4342

Date: 4/30/13

Signature: J. Michael Brown

MAY 20 2013

CONSERVATION DIVISION
WICHITA, KS

New Operator's License No. 33725

New Operator's Name & Address: Foundation Energy Management, LLC

16000 Dallas Parkway, Suite 875, Dallas, TX 75248

Title: Joel P. Sauer, Vice President

Contact Person: Richard L. Payne

Phone: 918-585-1650

Oil / Gas Purchaser: Duke

Date: 4/30/13

Signature: Joel P. Sauer

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 5/29/13 PRODUCTION 6.4.13 UIC 5-30-13
Mail to: Past Operator _____ New Operator _____ District _____

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

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KDOR Lease No.: 207934

* Location: SE of Sec 8 T24S R37W

[illegible]

* 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

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 # 33725
Name: FOUNDATION ENERGY MANAGEMENT, LLC
Address 1: 16000 DALLAS PARKWAY
Address 2: SUITE 875
City: DALLAS State: TX Zip: 75248 + _____
Contact Person: JOEL SAUER
Phone: (303) 861-0504 Fax: (303) 861-0604
Email Address: jsauer@foundationenergy.com

Well Location:
____ - ____ - SE Sec. 8 Twp. 24 S. R. 37 ☐ East ☒ West
County: KEARNY
Lease Name: KROPP Well #: 1-2

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

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KANSAS CORPORATION COMMISSION

MAY 20 2013

Surface Owner Information:

Name: SEE EXHIBIT "B"
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____

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 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: 5/15/2013 Signature of Operator or Agent: Joel Sauer Title: VICE PRESIDENT

KANSAS SURFACE OWNER NOTIFICATION ACT

EXHIBIT "B"

County **SPOT**
KEARNEY SE

S 8

T 24S
R 37W
Owner GROPP FARMS, LLC

C/O CLINT PEARSON

Address
509 WAYNE

City
SCOTT CITY

ST
KS

Zip
67871

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KANSAS CORPORATION COMMISSION

MAY 20 2013
CONSERVATION DIVISION
WICHITA, KS