

MAY 26 2016

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

CONSERVATION DIVISION  
WICHITA, KS

**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 6 / 2 \*\*

Gas Lease: No. of Gas Wells 5 \*\*

Gas Gathering System: \_\_\_\_\_

Saltwater Disposal Well - Permit No.: D-21,940

Spot Location: 1605 feet from  N /  S Line

1086 feet from  E /  W Line

Enhanced Recovery Project Permit No.: \_\_\_\_\_

Entire Project:  Yes  No

Number of Injection Wells \_\_\_\_\_ \*\*

Field Name: Landon-Floyd ✓

Effective Date of Transfer: August 7, 2014

KS Dept of Revenue Lease No.: NA

Lease Name: Knox (aka DJK Ranch) ✓

E2 Sec. 24 Twp. 32S R. 10  E  W

Legal Description of Lease: Section 24: All that part of the section lying East of Kansas Highway No. 99 ✓

County: Chautauqua ✓

Production Zone(s): Mississippi Chat

Injection Zone(s): Arbuckle + Mississippi ✓

\*\* Side Two Must Be Completed.

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

Past Operator's License No. 7759, 31834

Past Operator's Name & Address: Peak Resources, LLC and Nemaha Oil & Gas, LLC

Title: \_\_\_\_\_

Contact Person: No Longer in Business

Phone: \_\_\_\_\_

Date: Additional Documents

Signature: On File

New Operator's License No. 35116

New Operator's Name & Address: S M Oil & Gas, Inc. P. O. Box 189 Skiatook, Oklahoma 74070

Title: Owner

Contact Person: Stanley J. Miller, Sr.

Phone: 918-629-2151

Oil / Gas Purchaser: Coffeyville Resources Crude Transportation, LLC

Date: 5/26/2016

Signature: [Signature]

**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.

SM Oil + Gas Inc is acknowledged as the new operator and may continue to inject fluids as authorized by Permit No.: D-21,940. Recommended action: None

Date: 10-20-16 Cheryl R. Beyers  
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 10-18-16 PRODUCTION 10-25-16 UIC 10-20-16

Mail to: Past Operator 10-20-16 New Operator 10-20-16 District (3) 10-20-16



O'Brien

Received  
KANSAS CORPORATION COMMISSION

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form KSONA-1  
July 2014  
Form Must Be Typed  
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MAY 26 2016

CERTIFICATION OF COMPLIANCE WITH THE  
KANSAS SURFACE OWNER NOTIFICATION ACT

CONSERVATION DIVISION  
WICHITA, KS

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 # 35116  
Name: S M Oil & Gas, Inc.  
Address 1: P. O. Box 189  
Address 2:  
City: Skiatook State: OK Zip: 74070  
Contact Person: Stanley J. Miller  
Phone: ( 918 ) 629-2151 Fax: ( 918 ) 396-1232  
Email Address: millersjsr@aol.com

Well Location:  
- - E2 Sec. 24 Twp. 32 S. R. 10  East  West  
County: Chautauqua  
Lease Name: Knox (aka DJK Ranch) Well #:

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

Section 24: All that part of the section lying East of Kansas Highway No. 99

Surface Owner Information:

Name: DJK Ranch, L.P., a Kansas Limited Partnership  
Address 1: 4027 N. 112th Street  
Address 2:  
City: Kansas City State: KS Zip: 66109

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: 5/26/2016 Signature of Operator or Agent: [Signature] Title: Owner

*KNOX LOISE*

STATE OF KANSAS }  
Chautauqua County } ss \$108.00  
This instrument was filed for  
record this 22 day of Aug.  
2014 at 9:40 o'clock AM and  
duly recorded in book 170  
of records on page 456.

ASSIGNMENT OF OIL AND GAS LEASES

*Lana C. Beal*  
REGISTER OF DEEDS

STATE OF KANSAS }  
COUNTY OF CHAUTAUQUA } KNOW ALL MEN BY THESE PRESENTS THAT:

Nemaha Oil and Gas, LLC, a Delaware limited liability company ("Assignor"), for and in consideration of ONE HUNDRED DOLLARS (\$100.00) and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby assign, transfer, grant and convey unto

SM Oil & Gas, Inc., an Oklahoma corporation  
P.O. Box 189  
Skiatook, Oklahoma 74070

("Assignee"), all of Assignor's right, title and interest in and to the following (collectively, the "Assets"):

- a. the oil and gas leases described on Exhibit A (the "Lease" or "Leases"), together with the lands covered thereby; and
- b. all files, records and data relating solely to the Leases maintained by Assignor including, without limitation, the following, if and to the extent that such files exist: all books, records, reports, manuals, files, title documents, including correspondence, records of production and maintenance, revenue, sales, expenses, warranties, lease files, land files, abstracts, title opinions, assignments, reports, property records, contract files, copies of tax and accounting records (but excluding Federal and state income tax returns and records) and files.

**Assumption of Liabilities.** Assignee shall assume and shall fulfill, perform, pay and discharge (or cause to be fulfilled, performed, paid or discharged) all of the obligations and liabilities of Assignor, known or unknown, arising from, based upon or associated with the Assets, whether such obligations or liabilities arose or which arise prior to or on or after the Effective Time, including all obligations and liabilities relating in any manner to (x) the use, ownership or operation of the Assets and (y) the environmental condition of the Assets, whether such condition existed before, on or after the Effective Time, including the clean-up, restoration and remediation of such Assets in accordance with applicable laws, including all environmental laws. (collectively, the "Assumed Obligations").

**Representation regarding Liabilities.** Assignor represents and warrants that, as of the Effective Time, to the actual knowledge of the officers of Assignor and except as set forth in the Leases, there are no obligations or liabilities associated with the Leases.

**Indemnity.** Assignee shall indemnify, defend and hold harmless Assignor, its affiliates and their respective directors, officers, employees, agents and representatives, REGARDLESS OF FAULT, from and against any and all claims, liabilities, losses, costs and expenses (including court costs and reasonable attorneys' fees) that are attributable to the Assumed Obligations.

**Disclaimer.** ASSIGNEE ACKNOWLEDGES THAT ASSIGNOR HAS NOT MADE, AND ASSIGNEE HEREBY EXPRESSLY DISCLAIMS AND NEGATES, AND ASSIGNEE HEREBY EXPRESSLY WAIVES, ANY REPRESENTATION OR WARRANTY REGARDING THE ASSETS, EXPRESS, IMPLIED, AT COMMON LAW, BY STATUTE OR OTHERWISE, INCLUDING (WITHOUT LIMITATION) ANY REPRESENTATION OR WARRANTY RELATING TO (A) PRODUCTION RATES, RECOMPLETION OPPORTUNITIES, SECONDARY OR TERTIARY RECOVERY OPPORTUNITIES, DECLINE RATES, OR THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES OF HYDROCARBONS, IF ANY, ATTRIBUTABLE TO THE ASSETS, (B) THE ACCURACY, COMPLETENESS OR MATERIALITY OR SIGNIFICANCE OF ANY INFORMATION, DATA, GEOLOGICAL OR GEOPHYSICAL DATA (INCLUDING ANY INTERPRETATIONS OR DERIVATIVES BASED THEREON) OR OTHER MATERIALS (WRITTEN OR ORAL) CONSTITUTING PART OF THE ASSETS, NOW, HERETOFORE OR HEREAFTER FURNISHED TO ASSIGNEE BY OR ON BEHALF OF ASSIGNOR, (C) THE CONDITION, INCLUDING, THE ENVIRONMENTAL CONDITION OF THE ASSETS, (D) THE COMPLIANCE OF ASSIGNOR'S PAST PRACTICES WITH THE TERMS AND PROVISIONS OF ANY LEASE, AND (E) ASSIGNOR'S TITLE TO THE ASSETS.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS ASSIGNMENT OF OIL AND GAS LEASES, ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AND ASSIGNEE HEREBY WAIVES, AS TO ALL OF THE ASSETS (I) ANY IMPLIED OR EXPRESS

WARRANTY OF MERCHANTABILITY, (II) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, (III) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS, (IV) ANY IMPLIED OR EXPRESS WARRANTY THAT ANY DATA TRANSFERRED PURSUANT HERETO IS NONINFRINGEMENT, (V) ANY RIGHTS OF PURCHASERS UNDER APPROPRIATE STATUTES TO CLAIM DIMINUTION OF CONSIDERATION OR RETURN OF THE PURCHASE PRICE, (VI) ANY IMPLIED OR EXPRESS WARRANTY OF FREEDOM FROM DEFECTS, WHETHER KNOWN OR UNKNOWN, (VII) ANY AND ALL IMPLIED WARRANTIES EXISTING UNDER APPLICABLE LAWS, (VIII) ANY IMPLIED OR EXPRESS WARRANTY REGARDING ENVIRONMENTAL LAWS, OR LAWS RELATING TO THE PROTECTION OF THE ENVIRONMENT, HEALTH, SAFETY OR NATURAL RESOURCES OF RELATING TO THE RELEASE OF MATERIALS INTO THE ENVIRONMENT, INCLUDING ASBESTOS CONTAINING MATERIAL, LEAD BASED PAINT OR MERCURY AND ANY OTHER HAZARDOUS SUBSTANCES OR WASTES AND (IX) ANY IMPLIED OR EXPRESS WARRANTY OF TITLE, IT BEING THE EXPRESS INTENTION OF ASSIGNOR AND ASSIGNEE THAT THE ASSETS SHALL BE CONVEYED TO ASSIGNEE, AND ASSIGNEE SHALL ACCEPT THE SAME, "AS IS", "WHERE IS", WITH ALL FAULTS AND IN THEIR PRESENT CONDITION AND STATE OF REPAIR.

ASSIGNEE REPRESENTS AND WARRANTS TO ASSIGNOR THAT ASSIGNEE HAS MADE OR CAUSED TO BE MADE SUCH INSPECTIONS WITH RESPECT TO SUCH ASSETS AS ASSIGNEE DEEMS APPROPRIATE. ASSIGNOR AND ASSIGNEE AGREE THAT, TO THE EXTENT REQUIRED BY APPLICABLE LAWS (INCLUDING ENVIRONMENTAL LAWS AND LAWS RELATING TO THE PROTECTION OF NATURAL RESOURCES, HEALTH, SAFETY OR THE ENVIRONMENT) TO BE EFFECTIVE, THE DISCLAIMERS OF THE WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR ALL PURPOSES.

ASSIGNEE ACKNOWLEDGES THAT IT HAS BEEN INFORMED THAT OIL AND GAS PRODUCING FORMATIONS CAN CONTAIN NATURALLY OCCURRING RADIOACTIVE MATERIAL ("NORM"). SCALE FORMATION OR SLUDGE DEPOSITS CAN CONCENTRATE LOW LEVELS OF NORM ON EQUIPMENT AND OTHER ASSETS. THE ASSETS SUBJECT TO THIS ASSIGNMENT OF OIL AND GAS LEASES MAY HAVE LEVELS OF NORM ABOVE BACKGROUND LEVELS, AND A HEALTH HAZARD MAY EXIST IN CONNECTION WITH THE ASSETS BY REASON THEREOF, THEREFORE, ASSIGNEE MAY NEED TO AND SHALL FOLLOW SAFETY PROCEDURES WHEN HANDLING THE EQUIPMENT AND OTHER ASSETS.

**Assignment.** This Assignment of Oil and Gas Leases shall be binding upon and inure to the benefits of the parties hereto and their respective successors and assigns.

**Counterpart Execution.** This Assignment of Oil and Gas Leases may be executed in counterparts. If counterparts of this Assignment of Oil and Gas Leases are executed, the signature pages from each counterpart may be combined into one composite instrument for all purposes. All counterparts together shall constitute only one Assignment of Oil and Gas Leases, but each counterpart shall be considered an original.

**Recording.** In addition to filing this Assignment of Oil and Gas Leases of record in the applicable county and state, the parties hereto shall execute and file with the appropriate authorities, whether federal, state or local, all forms or instruments required by applicable law to effectuate the conveyance contemplated hereby. Said instruments shall be deemed to contain all of the exceptions, reservations, rights, titles and privileges set forth herein as fully as though the same were set forth in each such instrument. The interests conveyed by such separate assignments are the same, and not in addition to the Assets conveyed herein.

**Exhibits.** Exhibits referred to herein are hereby incorporated in and made a part of this Assignment of Oil and Gas Leases for all purposes by such reference.

**Governing Law; Jurisdiction; Waiver of Jury Trial.** This Assignment of Oil and Gas Leases (including all claims or causes of action (whether in contract or tort) that may be based upon, arise out of or relate to this Assignment of Oil and Gas Leases, or the negotiation, execution or performance of this Assignment of Oil and Gas Leases) and the legal relations among Assignor and Assignee shall be governed and construed in accordance with the laws of the State of Texas, excluding any conflicts of law rule or principle that might refer construction of such provisions to the laws of another jurisdiction; provided, however, that any matter related to the interpretation of real property laws shall be governed, construed and enforced in in accordance with the laws of the State of Kansas, excluding any conflicts of law rule or principle that might refer construction of such provisions to the laws of another jurisdiction. All of the Parties consent to the exercise of jurisdiction in personam by the courts of the State of Texas

for any dispute. EACH PARTY HERETO WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY DISPUTE.

*[The remainder of this page is left intentionally blank. Signature pages follow.]*

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IN WITNESS WHEREOF, this instrument is executed the \_\_ day of August, 2014, to be effective as of 7:00 a.m. (Central Time) on the 1st day of August, 2014 (the "Effective Time").

ASSIGNOR:

NEMAHA OIL AND GAS, LLC

By: [Signature]  
Name: MAURICE STORM  
Title: PRESIDENT, CEO

ACKNOWLEDGMENT

STATE OF Oklahoma  
COUNTY OF Tulsa }

BEFORE ME, the undersigned authority, on this day personally appeared Maurice Storm, President, CEO of Nemaha Oil and Gas, LLC, a Delaware limited liability company, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said limited liability company.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE on this 4 day of August, 2014.

MY COMMISSION EXPIRES:

[Signature]  
Notary Public

L. J. MARTINEZ  
Notary Public, State of Oklahoma  
Commission # 12008180  
My Commission Expires August 29, 2016

ASSIGNEE

SM OIL & GAS, INC.

By:   
Name: Stanley J. Miller  
Title: President

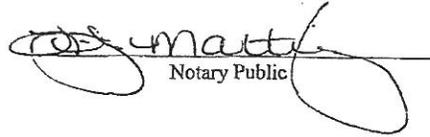
ACKNOWLEDGMENT

STATE OF Oklahoma  
COUNTY OF Tulsa }

BEFORE ME, the undersigned authority, on this day personally appeared Stanley J. Miller, President of SM Oil & Gas, Inc., an Oklahoma corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said corporation.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE on this 4 day of August, 2014.

MY COMMISSION EXPIRES:

  
Notary Public

L.J. MARTINEZ  
Notary Public, State of Oklahoma  
Commission # 12008180  
My Commission Expires August 29, 2016

**EXHIBIT "A"**

See attached.

EXHIBIT A

File Number	Lessor	Lessee	Contract Date	Contract Meters (Net Area)	Block	Range	County	Legal Description
F-1013	DJK Ranch, Leases 4	Nemaha Oil and Gas, LLC	2/22/2012	500	148	799	Cherokee	Traverse 22 South, Range 10 East, Section 14, 8E4
F-1014	DJK Ranch, Leases 5	Nemaha Oil and Gas, LLC	2/22/2012	720	148	879	Cherokee	Traverse 22 South, Range 10 East, Section 26, All except NW 1/4 of NE 1/4 NW 20, and East of a line beginning at the Northwest Corner of the Northeast Quarter and extending in a Southerly direction to the NE 1/4 of NE 1/4 NW 20
F-1015	DJK Ranch, Leases 6	Nemaha Oil and Gas, LLC	2/22/2012	140	148	502	Cherokee	Traverse 22 South, Range 9 East, Section 26, All except NW 1/4 NW 20 and NW 1/4 NW 20
F-1016	Geowant Kathryn J. Kelly	Nemaha Oil and Gas, LLC	2/22/2012	30	148	815	Cherokee	Traverse 22 South, Range 9 East, Section 26, All except NW 1/4 NW 20 and NW 1/4 NW 20
F-1017	Geowant Kathryn J. Kelly	Nemaha Oil and Gas, LLC	2/22/2012	172	148	815	Cherokee	The NW 1/4 of the NW 1/4 of Sec 26-24-10E
F-1018	Geowant Kathryn J. Kelly	Nemaha Oil and Gas, LLC	2/22/2012	40	148	815	Cherokee	The SW 1/4 of the NW 1/4 of the SW 1/4 of the NW 1/4 of Sec 26-24-10E
F-1019	Geowant Kathryn J. Kelly	Nemaha Oil and Gas, LLC	2/22/2012	10	148	817	Cherokee	The SW 1/4 of the NW 1/4 of Sec 26-24-10E
F-1020	E. Eugene (Ed) Woodcock Trust	Nemaha Oil and Gas, LLC	2/22/2012	160	148	816	Cherokee	The NW 1/4 of Sec 26-24-10E
F-1021	Carl Dreyer and Catherine M. Linder	Nemaha Oil and Gas, LLC	2/22/2012	40	148	821	Cherokee	Traverse 22 South, Range 9 East, Section 26, All except NW 1/4 NW 20 and NW 1/4 NW 20
F-1022	Raymond E. and Ruth Ann Johnson	Nemaha Oil and Gas, LLC	2/22/2012	240	148	821	Cherokee	Traverse 22 South, Range 9 East, Section 26, All except NW 1/4 NW 20 and NW 1/4 NW 20
F-1023	Edna M. and Michael A. Cook	Nemaha Oil and Gas, LLC	2/22/2012	180	148	820	Cherokee	Traverse 22 South, Range 9 East, Section 26, All except NW 1/4 NW 20 and NW 1/4 NW 20
F-1024	John O. Kelly and Trish D. Kelly	Nemaha Oil and Gas, LLC	3/17/2012	220	148	824	Cherokee	Traverse 22 South, Range 9 East, Section 26, All except NW 1/4 NW 20 and NW 1/4 NW 20
F-1025	William Leroy Stone	Nemaha Oil and Gas, LLC	3/17/2012	217.00	148	180	Cherokee	Traverse 22 South, Range 9 East, Section 12, NW 1/4 NW 20
F-1026	William Leroy Stone and Anderson Alberta Stone	Nemaha Oil and Gas, LLC	3/17/2012	160	148	143	Cherokee	Traverse 22 South, Range 9 East, Section 24, NE 1/4 NW 20
F-1027	William Leroy Stone and Anderson Alberta Stone	Nemaha Oil and Gas, LLC	3/17/2012	120	148	162	Cherokee	Traverse 22 South, Range 9 East, Section 23, NE 1/4 NW 20
F-1028	The Esop, Damiano Morgan 40A, PMA, Trust	Nemaha Oil and Gas, LLC	3/17/2012	72	148	827	Cherokee	Traverse 22 South, Range 9 East, Section 21, NE 1/4 NW 20
F-1029	Ronald L. and Rulo Ann Stodig	Nemaha Oil and Gas, LLC	3/17/2012	90	148	149	Cherokee	Traverse 22 South, Range 12 East, Section 6, Lot 1 (being the Northwest Quarter of the Northeast Quarter)
F-1030	Robert L. Hinkle, Charles E. and Margaret Hinkle	Nemaha Oil and Gas, LLC	3/17/2012	160	148	210	Cherokee	Traverse 22 South, Range 12 East, Section 8, NE 1/4 NW 20