

Jackson Legal Group, LLC

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Filed Date: 01/02/2025
State Corporation Commission
of Kansas

25-CONS-3222-CUNI

Received by
Kansas Corporation Commission

JAN 02 2025

Conservation Division, Wichita, KS

December 30, 2024

Ben Jackson
325 S. Main St.
Scott City, KS 67871
(620) 874-9844
Fax: (307) 369-1781
ben@jacksonlegallgroup.net
*Licensed in Wyoming, Colorado and Kansas

Kansas Corporation Commission
Attn: Legal Department
266 N. Main St., Ste. 220
Wichita, KS 67202

RE: Sunray-Young Waterflood Unit (WFU),
Greeley County, Kansas
American Warrior, Inc.
Filed pursuant to K.S.A. 55-1301

Ashley M. Jackson
325 S. Main St.
Scott City, KS 67871
(620) 874-9844
Fax: (307) 369-1781
ashley@jacksonlegallgroup.net
*Licensed in Wyoming and Kansas

Greetings,

Please find enclosed the following documents for the captioned Sunray-Young Waterflood Unit, which we are asking to be filed pursuant to the provisions of K.S.A. 55-1317. Please note that American Warrior, Inc. is the only working interest owner in the unit. American Warrior, Inc. has obtained ratifications from all royalty owners. As such, we do not anticipate any further proceedings in this matter. Submitted herewith are the following documents:

1. Unit Agreement executed by 100% of the working interest owners;
2. Ratifications and Approvals of Unit Agreement by a 100% of the Royalty Owners and Working Owners; and
3. Notice of Intent to Conduct Unit Operations, which includes a Proof of Publication of our Notice.

As I have noted, we are submitting this Unitization pursuant to K.S.A. 55-1317 and request that you acknowledge our filing and assign it a Docket Number.

Should you have any questions or concerns feel free to contact us.

Thank You,


Ashley Jackson
Jackson Legal Group, L.L.C.

**BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS
NOTICE OF INTENT TO CONDUCT UNIT OPERATION**

RE: AMERICAN WARRIOR, INC – INTENT TO CONDUCT UNIT OPERATION PURSUANT
TO UNIT AGREEMENT, SUNRAY-YOUNG WATERFLOOD UNIT (WFU), GREELEY
COUNTY, KANSAS

TO: ALL INTERESTED PARTIES

All are hereby notified that all mineral and royalty owners and not less than 90% of the working interest owners have approved, in writing, a contract for the unit operation of the Sunray-Young Waterflood Unit, Greeley County, Kansas, with the intention to conduct the unit operation provided therein; namely to unitize the Oil and Gas Rights in and to the Unitized Formations from the wildcat field in Greeley County, Kansas, in order to conduct a secondary recovery, pressure maintenance, or other recovery programs within the unit area, all located within Greeley County, Kansas, and described as follows:

Township 16 South, Range 42 West, 6th P.M.

Section 12: SW/4

Section 12: NW/4

American Warrior, Inc. has filed a copy of the UNIT AGREEMENT, SUNRAY-YOUNG WATERFLOOD UNIT (WFU), GREELEY COUNTY, KANSAS, with the State Corporation Commission.

Any Working Interest Owner who objects to or protests such unit operation has the right to institute proceedings, within 30 days after receipt of this notice, to have the matter determined by the State Corporation Commission in accordance with the provisions of K.S.A. 55-1301 et seq., and amendments thereto. If no such proceedings are instituted, the Unit Agreement shall become effective upon expiration of the 30-day period.

All parties interested or concerned shall take notice of the foregoing and shall govern themselves accordingly.

American Warrior, Inc.
P.O. Box 399
Garden City, KS 67846

Protests may be filed by any party having a valid interest in the application. Petitions for protests shall be in writing and shall clearly identify the name and address of the protestant and the title of the application. The petition shall include a clear and concise statement of the direct and substantial interest of the protestant in the proceedings, including the manner in which the protestant may be affected, and the nature, extent, character and grounds of the protest. Protestants shall serve the protests upon American Warrior, Inc., by mail or personal service at the same time or before the protestant files the protest with the Conservation Division [KCC-Conservation Division, 130 S. Market – Room 2078; Wichita KS 67202].

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RATIFICATION AND APPROVAL OF UNIT AGREEMENT
SUNRAY-YOUNG WATERFLOOD UNIT
GREELEY COUNTY, KANSAS

Conservation Division, Wichita, KS

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, an Agreement entitled, "UNIT AGREEMENT, SUNRAY-YOUNG WATERFLOOD UNIT, GREELEY COUNTY, KANSAS", dated October 30, 2024, provides that any owner of a royalty interest in and to any tract identified therein may approve such Agreement by signing an instrument of approval; and

WHEREAS, each of the undersigned represents that they are owners of a royalty interest in and to one or more of the tracts identified in said Agreement, namely the tracts below identified opposite their respective signatures; and

WHEREAS, each of the undersigned desires to approve of the Unit Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned owner(s) of a royalty interest hereby approves the Unit Agreement and hereby acknowledges receipt of a full and true copy of such.

IN WITNESS WHEREOF, each of the undersigned has executed this instrument on the date set forth opposite his signature.

Tract 2 - .12500000 RI

SUNRAY FARMS, INC., by:

Carol Bloesser, Pres.
By: Carol Bloesser
Title: President
Date: November 5, 2024

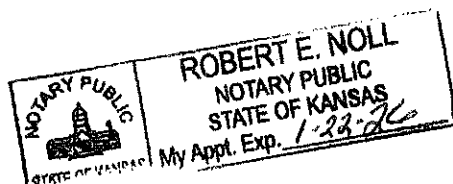
ACKNOWLEDGMENT

STATE OF Kansas)
COUNTY OF Greeley) ss:

BE IT REMEMBERED, that before me, the undersigned, a Notary Public, duly commissioned, in and for the County and State aforesaid, came Carol Bloesser, President of Sunray Farms, Inc., a corporation of the State of Kansas, personally known to me to be such officer, and to be the same person who executed as such officer the foregoing instrument of writing in behalf of said LLC, and he/she duly acknowledged the execution of the same for himself/herself and for said LLC or the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto subscribed my hand and affixed my seal on November 5th, 2024.

Robert E. Noll
Notary Public



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RATIFICATION AND APPROVAL OF UNIT AGREEMENT
SUNRAY-YOUNG WATERFLOOD UNIT
GREELEY COUNTY, KANSAS

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, an Agreement entitled, "UNIT AGREEMENT, SUNRAY-YOUNG WATERFLOOD UNIT, GREELEY COUNTY, KANSAS", dated October 30, 2024, provides that any owner of a royalty interest in and to any tract identified therein may approve such Agreement by signing an instrument of approval; and

WHEREAS, each of the undersigned represents that they are owners of a royalty interest in and to one or more of the tracts identified in said Agreement, namely the tracts below identified opposite their respective signatures; and

WHEREAS, each of the undersigned desires to approve of the Unit Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned owner(s) of a royalty interest hereby approves the Unit Agreement and hereby acknowledges receipt of a full and true copy of such.

IN WITNESS WHEREOF, each of the undersigned has executed this instrument on the date set forth opposite his signature.

Tract 1 – .06875000 RI

CV Lands, LLC

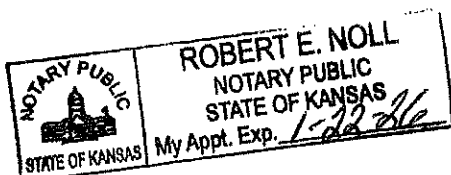
Hazel Young
By: Hazel Young
Title: Manager
Date: November 11, 2024

ACKNOWLEDGMENT

STATE OF Kansas)
COUNTY OF Greeley) ss:

BE IT REMEMBERED, that before me, the undersigned, a Notary Public, duly commissioned, in and for the County and State aforesaid, came Hazel Young, Manager of CV Lands, LLC, a limited liability company of the State of Kansas, personally known to me to be such officer, and to be the same person who executed as such officer the foregoing instrument of writing in behalf of said LLC, and he/she duly acknowledged the execution of the same for himself/herself and for said LLC or the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto subscribed my hand and affixed my seal on November 11th, 2024.



Robert E. Noll
Notary Public

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RATIFICATION AND APPROVAL OF UNIT AGREEMENT
SUNRAY-YOUNG WATERFLOOD UNIT
GREELEY COUNTY, KANSAS

Conservation Division, Wichita, KS

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, an Agreement entitled, "UNIT AGREEMENT, SUNRAY-YOUNG WATERFLOOD UNIT, GREELEY COUNTY, KANSAS", dated October 30, 2024, provides that any owner of a royalty interest in and to any tract identified therein may approve such Agreement by signing an instrument of approval; and

WHEREAS, each of the undersigned represents that they are owners of a royalty interest in and to one or more of the tracts identified in said Agreement, namely the tracts below identified opposite their respective signatures; and

WHEREAS, each of the undersigned desires to approve of the Unit Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned owner(s) of a royalty interest hereby approves the Unit Agreement and hereby acknowledges receipt of a full and true copy of such.

IN WITNESS WHEREOF, each of the undersigned has executed this instrument on the date set forth opposite his signature.

Tract 1 - .01875000 RI

Judy A. Roberston:

Judy A. Roberston
Judy A. Roberston
Date: 11/19/24

ACKNOWLEDGMENT

STATE OF Kansas)
COUNTY OF Greeley) ss:

BE IT REMEMBERED, that before me, the undersigned, a Notary Public, duly commissioned, in and for the County and State aforesaid, came Judy A. Roberston, personally known to me to be such person, and to be the same person who executed the foregoing instrument of writing on behalf of herself, and she duly acknowledged the execution of the same for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto subscribed my hand and affixed my seal on Nov. 19, 2024.

Micaela J. Waggoner
Notary Public



RATIFICATION AND APPROVAL OF UNIT AGREEMENT
SUNRAY-YOUNG WATERFLOOD UNIT
GREELEY COUNTY, KANSAS

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Conservation Division, Wichita, KS

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, an Agreement entitled, "UNIT AGREEMENT, SUNRAY-YOUNG WATERFLOOD UNIT, GREELEY COUNTY, KANSAS", dated October 30, 2024, provides that any owner of a royalty interest in and to any tract identified therein may approve such Agreement by signing an instrument of approval; and

WHEREAS, each of the undersigned represents that they are owners of a royalty interest in and to one or more of the tracts identified in said Agreement, namely the tracts below identified opposite their respective signatures; and


WHEREAS, each of the undersigned desires to approve of the Unit Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned owner(s) of a royalty interest hereby approves the Unit Agreement and hereby acknowledges receipt of a full and true copy of such.

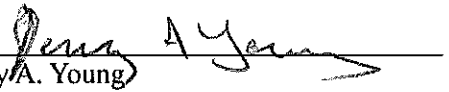
IN WITNESS WHEREOF, each of the undersigned has executed this instrument on the date set forth opposite his signature.

Tract 1 - .01875000 RI

Joyce M. Young and Jerry A. Young, as Trustees of the
Joyce M. Young No. 1 Trust, dated March 1, 2020:



Joyce M. Young
Date: November 11, 2024



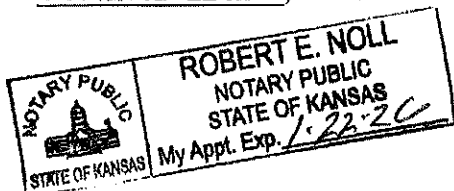
Jerry A. Young
Date: November 11, 2024

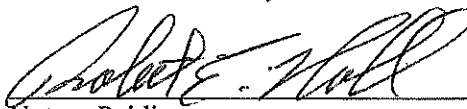
ACKNOWLEDGMENT

STATE OF Kansas)
COUNTY OF Greeley) ss:

BE IT REMEMBERED, that before me, the undersigned, a Notary Public, duly commissioned, in and for the County and State aforesaid, came Joyce M. Young and Jerry A. Young, Trustees of the Joyce M. Young No. 1 Trust, dated March 1, 2020, personally known to me to be such trustees, and to be the same persons who executed as such trustees the foregoing instrument of writing on behalf of said trust, and they duly acknowledged the execution of the same for themselves and for said trust or the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto subscribed my hand and affixed my seal on
November 11th, 2024.





Notary Public

RATIFICATION AND APPROVAL OF UNIT AGREEMENT
SUNRAY-YOUNG WATERFLOOD UNIT
GREELEY COUNTY, KANSAS

Received by
Kansas Corporation Commission

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Conservation Division, Wichita, KS

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, an Agreement entitled, "UNIT AGREEMENT, SUNRAY-YOUNG WATERFLOOD UNIT, GREELEY COUNTY, KANSAS", dated October 30, 2024, provides that any owner of a royalty interest in and to any tract identified therein may approve such Agreement by signing an instrument of approval; and

WHEREAS, each of the undersigned represents that they are owners of a royalty interest in and to one or more of the tracts identified in said Agreement, namely the tracts below identified opposite their respective signatures; and

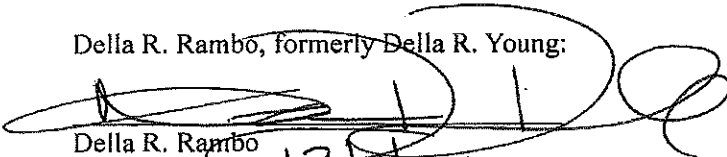
WHEREAS, each of the undersigned desires to approve of the Unit Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned owner(s) of a royalty interest hereby approves the Unit Agreement and hereby acknowledges receipt of a full and true copy of such.

IN WITNESS WHEREOF, each of the undersigned has executed this instrument on the date set forth opposite his signature.

Tract 1 - .01875000 RI

Della R. Rambo, formerly Della R. Young:


Della R. Rambo
Date: 12/14/24


ACKNOWLEDGMENT

STATE OF KANSAS)
COUNTY OF JOHNSON) ss:

BE IT REMEMBERED, that before me, the undersigned, a Notary Public, duly commissioned, in and for the County and State aforesaid, came Della R. Rambo, personally known to me to be such person, and to be the same person who executed the foregoing instrument of writing on behalf of herself, and she duly acknowledged the execution of the same for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto subscribed my hand and affixed my seal on December 12th, 2024.





Notary Public

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UNIT AGREEMENT
SUNRAY-YOUNG WATERFLOOD UNIT (WFU)
GREELEY COUNTY, KANSAS

THIS AGREEMENT, is hereby entered into, effective October 30, 2024, by the parties who have signed the original of this instrument, a counterpart thereof, or other instrument agreeing to be bound by the provisions hereof;

WHEREAS, in the interest of public welfare and to promote conservation, prevent waste and increase the ultimate recovery of oil, gas and associated minerals from a Wildcat Field in Greeley County, Kansas, and to protect the correlative rights of the owners of interests therein, it is deemed necessary and desirable to enter into this Agreement to unitize the Oil and Gas Rights in and to the Unitized Formation in order to conduct a secondary recovery, pressure maintenance, or other recovery programs as herein provided:

NOW, THEREFORE, in consideration of the premises and of the mutual agreements herein contained, it is agreed as follows:

ARTICLE 1
DEFINITIONS

As used in this Unit Agreement, the terms herein contained shall have the following meaning:

Unit means the Sunray-Young WFU (Waterflood Unit).

Unit Area means the lands described by Tracts in Exhibit "A" and shown on Exhibit "B" as to which this Agreement becomes effective or to which it may be extended as herein provided.

Unitized Formation means the subsurface portion of the Unit Area generally occurring between the depths of 4950' and 5050' which includes the Upper Morrow Sandstone formation, sometimes called the Morrow A Sandstone.

Unitized Substances means all oil, gas, gaseous substances, sulfur contained in gas, condensate, distillate, and all associated and constituent liquid or liquefiable hydrocarbons, other than Outside Substances within or produced from the Unitized Formation.

Working Interest means an interest in Unitized Substances by virtue of a lease, operating agreement, declaration of pooling, fee title, or otherwise, including a carried interest, which interest is chargeable with and obligated to pay or bear, either in cash or out of production or otherwise, all or a portion of the cost of drilling, developing, producing, and operating the Unitized Formation.

Royalty Interest means a right to or interest in any portion of the Unitized Substances or proceeds thereof other than a Working Interest.

Royalty Owner means a party hereto who owns a Royalty Interest.

Working Interest Owner means a party hereto who owns a Working Interest.

Tract means each parcel of land or well described as such and given a Tract number in Exhibit "A".

Unit Operating Agreement means any subsequent operating agreement, entered into by the Working Interest Owners, which governs the operations of the Unit by and between such Working Interest Owners; at the time of execution of this Agreement, no such Unit Operating Agreement exists as Unit Operator is the sole Working Interest Owner in the Unit.

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Unit Operator means American Warrior Inc., and any subsequently designated operator as designated by the Working Interest Owners under a Unit Operating Agreement to develop and operate the Unitized Formation.

Tract Participation means the percentage shown on Exhibit "A" for allocating Unitized Substances to a particular Tract under this Agreement.

Unit Participation of each Working Interest Owner means the sum of the percentages obtained by multiplying the Working Interest of such Working Interest Owner in each Tract by the Tract Participation of such Tract.

Outside Substances means all substances obtained from any source other than the Unitized Formation and which are injected into the Unitized Formation.

Oil and Gas Rights means the right to explore, develop, and operate lands within the Unit Area for the production of Unitized Substances, or to share in the production so obtained or the proceeds thereof, as provided by any Oil and Gas Lease, Unitization Agreement and Declaration of Pooling, or other document affecting oil, gas or mineral rights and the exploration and production of them. This term includes the rights of Working Interest and Royalty Interest owners as herein defined.

Unit Operations means all operations conducted by Working Interest Owners or Unit Operator pursuant to this Agreement and any Unit Operating Agreement entered into by the Working Interest Owners for or on account of the development and operation of the Unitized Formation for the production of Unitized Substances.

Unit Equipment means all personal property, lease and well equipment, plants and other facilities and equipment taken over or otherwise acquired for the joint account for use in Unit Operations.

Unit Expense means all costs, expense, or indebtedness incurred by Working Interest Owners or Unit Operator pursuant to this Agreement and the Unit Operating Agreement for or on account of Unit Operations.

Person means any individual, corporation, partnership, common law or statutory trust, association of any kind, the State of Kansas, or any subdivision or agency thereof acting in a proprietary capacity, guardian, executor, administrator, fiduciary of any kind, or any entity capable of holding an interest in the Unitized Formation.

Singular and Plural – Gender. Unless the context otherwise clearly indicates, words used in the singular include the plural, the plural include the singular, and the neuter gender include the masculine and the feminine.

Effective Date is the time and date this Agreement becomes effective as provided in Article 17.1.

ARTICLE 2 **EXHIBITS**

2.1 Exhibits. Attached hereto are the following exhibits which are incorporated herein by reference:

Exhibit "A" which is a schedule that describes each Tract in the Unit Area and shows its Tract Participation.

Exhibit "B" which is a map that shows the boundary lines of the Unit Area and the Tracts therein.

Exhibit "C" which is a list of Oil and Gas Leases within the Unit Area.

2.2 Reference to Exhibits. When reference herein is made to an exhibit, the reference is to the Exhibit as originally attached or, if revised, to the latest revision.

2.3 Exhibits Considered Correct. An exhibit shall be considered to be correct until revised as herein provided.

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2.4 Correcting Errors. The shapes and descriptions of the respective Tracts have been established by using the best information available. If it subsequently appears that any Tract, because of diverse royalty or working interest ownership on the effective date hereof, should be divided into more than one Tract, or that any mechanical miscalculation has been made, Unit Operator, with the approval of Working Interest Owners as provided for in any effective Unit Operating Agreement, shall correct the mistake by revising the exhibits to conform to the facts. The revision shall not include any re-evaluation of engineering or geological interpretations used in determining Tract Participation. Each such revision of an exhibit shall be effective at 7:00 a.m. on the first day of the calendar month next following the filing for record of the revised exhibit or on such other date as may be determined by Working Interest Owners and set forth in the revised exhibit.

2.5 Filing Revised Exhibits. If an exhibit is revised pursuant to this Agreement, Unit Operator shall certify and file the revised exhibit for record in the County in which this Agreement is filed.

ARTICLE 3 CREATION AND EFFECT OF UNIT

3.1 Oil and Gas Rights Unitized. Subject to the provisions of this Agreement, all Oil and Gas Rights of Royalty Owners in and to the lands described in Exhibit "A", and all Oil and Gas Rights of Working Interest Owners in and to said lands as provided by Oil and Gas Leases, prior Unitization Agreements and Declarations of Pooling or any other Agreements or Documents that affect Oil and Gas Rights of the Royalty and Working Interest Owners, are hereby unitized insofar as the respective Oil and Gas Rights pertain to the Unitized Formation, so that operations may be conducted as if the Unitized Formation had been included in a single lease executed by all Royalty Owners, as lessors, in favor of all Working Interest Owners, as lessees, and as if the lease had been subject to all of the provisions of this Agreement.

3.2 Personal Property Excepted. All lease and well equipment, materials, and other facilities heretofore or hereafter placed by any of the Working Interest Owners on the lands covered hereby shall be deemed to be and shall remain personal property belonging to the Working Interest Owners. The rights and interests therein as among Working Interest Owners shall be covered by a Unit Operating Agreement.

3.3 Amendment of Leases and Other Agreements. The provisions of the various leases, agreements, division and transfer orders, or other instruments covering the respective Tracts or the production therefrom are hereby amended to the extent necessary to make them conform to the provisions of this Unit Agreement, but otherwise shall remain in effect.

3.4 Continuation of Leases and Term Interests. Operations, including drilling operations, conducted with respect to the Unitized Formation on any part of the Unit Area, or production from any part of the Unitized Formation, except for the purpose of determining payments to Royalty Owners, shall be considered as operations upon or production from each Tract, and such operations or production shall continue in effect on each lease or term mineral or royalty interest as to all lands and formations covered thereby just as if such operations had been conducted and a well had been drilled on and was producing from each Tract.

3.5 Titles Unaffected by Unitization. Nothing herein shall be construed to result in the transfer of title to the Oil and Gas Rights by any party hereto to any party or to Unit Operator. The intention is to provide for the

cooperative development and operation of the Tracts for the sharing of Unitized Substances as herein provided.

3.6 Injection Rights. Royalty Owners hereby grant unto Working Interest Owners the right to inject into the Unitized Formation any substances in whatever amounts Working Interest Owners deem expedient for Unit Operations, including the right to drill and maintain injection wells in the Unit Area and to use producing or abandoned oil or gas wells or any dry hole that was drilled for oil and gas for such purposes or for production or water supply purposes.

3.7 Development Obligation. Nothing herein shall relieve Working Interest Owners from the obligation to develop reasonably as a whole the lands and leases committed hereto.

ARTICLE 4 **PLAN OF OPERATIONS**

4.1 Unit Operator. Working Interest Owner hereby designate American Warrior, Inc., as Unit Operator. Unit Operator shall have the exclusive right to conduct Unit Operations. The operations shall conform to the provisions of this Agreement and any Unit Operating Agreement entered into by Working Interest Owners. If there is any conflict between such agreements, this Agreement shall govern.

4.2 Operating Methods. To the end that the quantity of Unitized Substances ultimately recoverable may be increased and waste prevented, Working Interest Owners shall, with diligence and in accordance with good engineering and production practices, engage in secondary recovery operations by injecting into the Unitized Formation, gas, water, or other fluids or combinations thereof deemed necessary or desirable to efficiently and economically increase the ultimate recovery of Unitized Substances.

4.3 Change of Operating Methods. Nothing herein shall prevent Working Interest Owners from discontinuing or changing in whole or in part any method of operation which, in their opinion, is no longer in accord with good engineering or production practices. Other methods of operation may be conducted, or changes may be made by Working Interest Owners from time to time if determined by them to be feasible, necessary, or desirable to increase the ultimate recovery of Unitized Substances.

ARTICLE 5 **TRACT PARTICIPATION**

5.1 Tract Participation. The Tract Participation for each Tract is shown on Exhibit "A" and is arrived at by mutual consent of all the Working Interest Owners and the Royalty Interest Owners.

5.2 Relative Tract Participation. If the Unit Area is enlarged or reduced, the revised Tract Participation of the Tracts remaining in the Unit Area and which were within the Unit Area prior to the enlargement or reduction shall remain in the same ratio one to another.

ARTICLE 6 **ALLOCATION OF UNITIZED SUBSTANCES**

6.1 Allocation to Tracts. All Unitized Substances produced and saved shall be allocated to the several Tracts in accordance with the respective Tract Participation effective during the period that the Unitized Substances were produced. The amount of Unitized Substances allocated to each Tract, regardless of whether it is more or less than the actual production of Unitized Substances from the well or wells, if any, on such Tract, shall be deemed for all purposes

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to have been produced from such Tract.

6.2 Distribution Within Tracts. The Unitized Substances allocated to each Tract shall be distributed among, or accounted for, to the parties entitled to share in the production from such Tract in the same manner, in the same proportions, and upon the same conditions as they would have participated and shared in the production from such Tract, or in the proceeds thereof, had this Agreement not been entered into, and with the same legal effect. Such distribution will be specifically subject to prior Unitization Agreements and Declarations of Pooling.

6.2.1 If the amount of production or the proceeds thereof accruing to any Royalty Owner in a Tract depends upon the average production per well or the average pipe line runs per well from such Tract during any period of time, then the production shall be determined from and after the effective date hereof by dividing the quantity of Unitized Substances allocated hereunder to such Tract during such period of time by the number of wells located thereon capable of producing as of the effective date hereof.

6.2.2 If any Oil and Gas Rights in a Tract are now or hereafter become divided and owned in severalty as to different parts of the Tract, the owners of the divided interests shall share in the Unitized Substances allocated to the Tract, or in the proceeds thereof, in proportion to the surface acreage of their respective parts of the Tract.

ARTICLE 7 PRODUCTION AS OF THE EFFECTIVE DATE

7.1 Oil in Lease Tanks. Unit Operator shall gauge all tanks within the Unit Area to ascertain the amount of merchantable oil produced from the Unitized Formation in such tanks, above the pipeline connections, as of 7:00 a.m. on the effective date hereof. The oil that is a part of the prior allowable of the wells from which it was produced shall remain the property of the parties entitled thereto the same as if the Unit has not been formed. Any such oil not promptly removed may be sold by the Unit Operator for the account of the parties entitled thereto, subject to the payment of all royalties, overriding royalties, production payments, and all other payments under the provisions of the applicable lease or other contracts. The oil that is in excess of the prior allowable of the wells from which it was produced shall be regarded as Unitized Substances produced after the effective date hereof.

ARTICLE 8 USE OF UNITIZED SUBSTANCES

8.1 Use of Unitized Substances. Working Interest Owners may use as much of the Unitized Substances as they deem necessary for Unit Operations, including but not limited to the injection thereof into the Unitized Formation.

8.2 Royalty Payments. No royalty, overriding royalty, production, or other payments shall be payable upon, or with respect to, Unitized Substances used or consumed in Unit Operations, or which otherwise may be lost or consumed in the production, handling, treating, transportation, or storing of Unitized Substances.

ARTICLE 9 TITLES

9.1 Working Interest Titles. If title to a Working Interest fails, the rights and obligations of Working Interest Owners by reason of the failure of title shall be governed by the Unit Operating Agreement, if such agreement exists;

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otherwise, if title to a Working Interest fails, the party whose title failed shall not be entitled to share hereunder with respect to such interest.

9.2 Royalty Interest Title. If title to a Royalty Interest fails, the party whose title failed shall not be entitled to share hereunder with respect to such interest.

9.3 Production Where Title is in Dispute. If title or right of any party claiming the right to receive in kind all or any portion of the Unitized Substances allocated to a Tract is in dispute, Unit Operator shall withhold and market the portion of Unitized Substances with respect to which title or right is in dispute, and impound the proceeds thereof until such time as the title or right thereto is established by a final judgment of a court of competent jurisdiction or otherwise to the satisfaction of Working Interest Owners, whereupon the proceeds so impounded shall be paid to the party rightfully entitled thereto.

9.4 Title Information. Upon request of the Unit Operator, the Lessees of a Tract shall furnish and make available to the Unit Operator an abstract brought up to the date as of the request, together with all other title information in the possession of such Lessees, affecting their title and that of their Royalty Owners to the Oil and Gas Rights in and to such Tract.

9.5 Warranty and Indemnity. Each person who may claim to own a Working Interest or Royalty Interest in and to any Tract or the Unitized Substances allocated thereto, shall be deemed to have warranted its title to such interest, and, upon receipt of the Unitized Substances or the proceeds thereof to the credit of such interest, shall indemnify and hold harmless all other Persons in interest from any loss due to failure, in whole or in part, of its title to any such interest, except failure of title arising out of Unit Operations. Each failure of title will be deemed to be effective, insofar as this Plan of Unitization is concerned, as of the first day of the calendar month in which such failure is finally determined, and there shall be no retroactive adjustment of Unit expense or retroactive allocation of Unitized Substances or the proceeds therefrom as a result of title failure.

9.6 Payment of Taxes to Protect Title. The owners of (1) the surface rights to lands within the Unit Area, (2) the severed mineral or Royalty Interest in the lands, and (3) the improvements not utilized for Unit Operations, shall individually be responsible for the rendition and assessment for ad valorem tax purposes of all such property, and for payment of such taxes, except as otherwise provided in any contract or agreement between such owners and a Working Interest Owner. If any such taxes are not paid by any owner responsible therefore when due, Unit Operator may, with approval of Working Interest Owners, at any time prior to tax sale, or expiration of period of redemption after tax sale, pay the same, redeem such property and discharge such tax liens as may arise through nonpayment. Any such payment shall be treated as an item of Unit Expense. Unit Operator shall, if possible, withhold from any proceeds derived from the sale of Unitized Substances otherwise due to any delinquent taxpayer or taxpayers the costs of such payment or redemption. Such withholding shall be without prejudice to any other remedy, either at law or at equity, which may be available for exercise by the Unit Operator or by the Working Interest Owners.

ARTICLE 10 **EASEMENTS OR USE OF SURFACE**

10.1 Grant of Easements. The parties hereto, to the extent of their rights and interests, hereby grant to Working Interest Owners and the Unit Operator the right to use as much of the surface of the land within the Unit Area as may

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reasonably be necessary for Unit Operations.

10.2 Use of Water. The Unit Operator shall have and is hereby granted free use of water from the Unit Area for Unit Operations, including the right to drill water supply wells, provided that Unit Operator shall not use water from any well, lake, pond, or irrigation ditch of a landowner. Unit Operator is not granted use of the Ogallala Aquifer or formations shallower than 500 feet subsurface.

10.3 Surface Damages. Working Interest Owners shall pay the rightful owners for damages to growing crops, pasture, timber, fences, improvements, and structures on the Unit Area that result from Unit Operations; all payments will be made in accordance with any lease or other agreement covering such owner's interests in the Unit Area.

ARTICLE 11 ENLARGEMENT OF UNIT AREA

11.1 Enlargements of Unit Area. The Unit Area may only be enlarged to include acreage reasonably proved to be productive of Unitized Substances, in accordance with Kansas Law K.S.A. 15-1307, as amended, and upon such terms as may be determined by the Unit Operator, including but not limited to, the following:

11.1.1 The participation to be allocated to the acreage shall be reasonable, fair, and based on all available information.

11.1.2 There shall be no retroactive allocation or adjustment of operating expense or of interests in the Unitized Substances produced or proceeds thereof.

11.2 Determination of Tract Participation. Upon any enlargement of the area as agreed to by the parties, Unit Operator, subject to Section 5.2, shall determine the Tract Participation of each Tract within the Unit Area as enlarged, and shall revise Exhibits "A", "B" and "C" accordingly.

11.3 Effective Date. The effective date of any enlargement of the Unit Area shall be 7:00 am on the first day of the calendar month following compliance with conditions for enlargement as specified by Working Interest Owners, approval of the enlargement by the appropriate governmental authority, if required, and the filing for record of revised Exhibits "A", "B" and "C" in the records of the County in which this agreement is recorded.

ARTICLE 12 CHANGE OF TITLE

12.1 Covenant Running With the Land. This Agreement shall extend to, be binding upon, and inure to the benefit of, the respective heirs, devisees, legal representatives, successors, and assigns of the parties hereto, and shall constitute a covenant running with the lands, leases, and interests covered hereby.

12.2 Notice of Transfer. Any conveyance of all or any part of any interest owner by any party hereto with respect to any Tract shall be made expressly subject to this Agreement. No change of title shall be binding on the Unit Operator, or upon any party thereto other than the party so transferring, until the first day of the calendar month next succeeding the date of receipt by Unit Operator of a photocopy or a certified copy of the recorded instrument evidencing such change in ownership.

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12.3 Waiver of Rights to Partition. Each Working Interest Owner hereto covenants that, during the existence of this Agreement, it will not resort to any action to partition the Unit Area, Unitized Formation, Unitized Substances or the Unit Equipment, and to that extent waives the benefits of all statutory and common laws authorizing such partition.

ARTICLE 13
RELATIONSHIP OF PARTIES

13.1 No Partnership. The duties, obligations, and liabilities of the parties hereto are intended to be several and not joint or collective. This Agreement is not intended to create, and shall not be construed to create, an association or trust, or to impose a partnership duty, obligation, or liability with regard to any one or more of the parties hereto. Each party hereto shall be individually responsible for its own obligations as herein provided.

13.2 No Sharing of Market. This Agreement is not intended to provide, and shall not be construed to provide, either directly or indirectly, for any cooperative refining, joint sale, or marketing of the Unitized Substances.

13.3 Royalty Owners Free of Costs. This Agreement is not intended to impose, and shall not be construed to impose, upon any Royalty Owner any obligation to pay for Unit Expense unless such royalty is otherwise so obligated.

13.4 Information to Royalty Owners. Each Royalty Owner shall be entitled to all information in possession of Unit Operator to which such Royalty Owner is entitled by an existing agreement with any Working Interest Owner.

ARTICLE 14
GENERAL POWERS OF UNIT

14.1 General Powers of Unit. The Unit is authorized for the account of all owners of Oil and Gas Rights within the Unit Area, without profit to the Unit, to supervise and conduct the further development and operation of the Unit Area for the production of Oil and Gas from the Unitized Formation, pursuant to the Powers conferred and subject to the limitations imposed by the Laws and Statutes of the State of Kansas, or any amendments thereof, and by this Unit Agreement.

ARTICLE 15
LAWS AND REGULATIONS

15.1 Laws and Regulations. This Agreement shall be subject to the conservation laws of the State of Kansas; to the valid rules, regulations, and orders of the Corporation Commission of the State of Kansas; and to all other applicable federal, state, and municipal laws, rules; regulations and orders.

ARTICLE 16
FORCE MAJEURE

16.1 Force Majeure. All obligations imposed by this Agreement on each party, except for the payment of money, shall be suspended while compliance is prevented, in whole or in part, by a strike, fire, war, civil disturbance, act of God; by federal, state, or municipal laws; by any rule, regulation, or order of a governmental agency; by inability to secure materials, or by any other cause or causes beyond reasonable control of the party. No party shall be required against its will to adjust or settle any labor dispute. Neither this Agreement nor any lease or other instrument subject hereto shall be terminated by reason of suspension of Unit Operations due to any one or more of the causes set forth in this Article.

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ARTICLE 17
EFFECTIVE DATE

17.1 Effective Date. This Agreement shall become binding upon each party as of the date such party signs the instrument by which it becomes a party hereto. This Agreement shall become effective thirty (30) days after the filing of notification of the Agreement with the Kansas Corporation Commission, in accordance with K.S.A. 15-1317, as amended.

17.2 Certificate of Effectiveness. Unit Operator shall file for record in the office or offices where a counterpart of this Agreement is recorded a certificate or notice specifying that the Agreement has become effective according to its terms and designating the effective date after the State Corporate Commission approval is obtained.

ARTICLE 18
TERM

18.1 Term. The term of this Agreement shall be for the time that Unitized Substances are produced in paying quantities and as long thereafter as Unit Operations are conducted without a cessation of more than one hundred eighty (180) consecutive days, unless sooner terminated by Working Interest Owners in the manner herein provided, or by order of the Kansas Corporation Commission.

18.2 Termination by Working Interest Owners. This Agreement may also be terminated by the Working Interest Owners either: (i) by the agreement of Working Interest Owners having a combined Unit Participation of at least sixty five percent (65%) whenever such Working Interest Owners determine that Unit Operations are no longer profitable or feasible; or (ii) as may be provided for in an effective Unit Operating Agreement entered into by the Working Interest Owners.

18.3 Effect of Termination. Upon termination of this Agreement, the further development and operation of the Unitized Formation as a Unit shall be abandoned, Unit Operations shall cease, and thereafter the parties shall be governed by the provisions of the leases and other instruments affecting the separate Tracts. Upon termination of this Agreement in the manner set out herein, the Royalty Owners hereby agree to a ninety (90) day extension of their leases and contracts covering the lands which were committed to the Unit Area, to permit the lessees holding such lands to resume operations thereupon, and if so resumed, such lease or contract shall remain in force and effect in accordance with the provisions thereof.

18.4 Salvaging Equipment Upon Termination. If not otherwise granted by the leases or other instruments affecting each Tract unitized under this Agreement, Royalty Owners hereby grant Working Interest Owners a period of six (6) months after the date of termination of this Agreement within which to salvage and remove Unit Equipment.

18.5 Certificate of Termination. Upon termination of this Agreement as provided in either Section 18.1 or Section 18.2 above, the Unit Operator shall file for record in Lane County, Kansas, a certificate evidencing such termination.

ARTICLE 19
EXECUTION

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19.1 Original, Counterpart, or Other Instrument. A person may become a party to this Agreement by signing the original of this instrument, a counterpart thereof, or other instrument agreeing to be bound by the provisions hereof. The signing of any such instrument shall have the same effect as if all the parties had signed the same instrument.

19.2 Joinder in Dual Capacity. Execution as herein provided by any party as either a Working Interest Owner or a Royalty Interest Owner shall commit all interests that may be owned or controlled by such party.

ARTICLE 20
GENERAL

20.1 Amendments Affecting Working Interest Owners. Amendments hereto relating wholly to Working Interest Owners may be made if signed by all Working Interest Owners.


20.2 Lien of Unit Operator. Unit Operator shall have a lien upon the interests of Working Interest Owners in the Unit Area to the extent provided in an effective Unit Operating Agreement covering the Unit, and the Laws of the State of Kansas.

20.3 Action by Working Interest Owners. Any action or approval required by Working Interest Owners hereunder shall be in accordance with the provisions of any effective Unit Operating Agreement covering the Unit.

20.4 Creation of Carved Out Interest. If any Working Interest Owner shall, after executing this Agreement, create any overriding royalty, production payment or similar interest, hereafter referred to as "Carved Out Interest", out of its interest subject to this Agreement, such Carved Out Interest shall be subject to all the terms and provisions of this Agreement and any and all articles of an effective Unit Operating Agreement entered into by the Working Interest Owners.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement before a Notary Public by executing instruments attached hereto on the dates set out therein.

Unit Operator/Working Interest Owner
American Warrior, Inc.

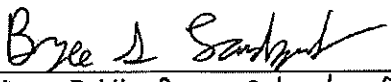

By: H.J. Swender, Jr.
Title: VP Operations
Date: 10/30/2024

ACKNOWLEDGMENT

STATE OF Kansas)
COUNTY OF Finney) ss:

BE IT REMEMBERED, that before me, the undersigned, a Notary Public, duly commissioned, in and for the County and State aforesaid, came H.J. Swender, Jr., President of American Warrior, Inc., a corporation of the State of Kansas, personally known to me to be such officer, and to be the same person who executed as such officer the foregoing instrument of writing in behalf of said corporation, and he duly acknowledged the execution of the same for himself and for said corporation or the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto subscribed my hand and affixed my seal on October 30, 2024.


Notary Public Bryce S Landgraf



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Exhibit "A" – Tracts and Tract Participation

	<u>Legal Description</u>	<u>Tract Participation</u>
Tract 1	SW/4 Sec. 12-16S-42W	16.8%
Tract 2	NW/4 Sec. 12-16S-42W	83.2%

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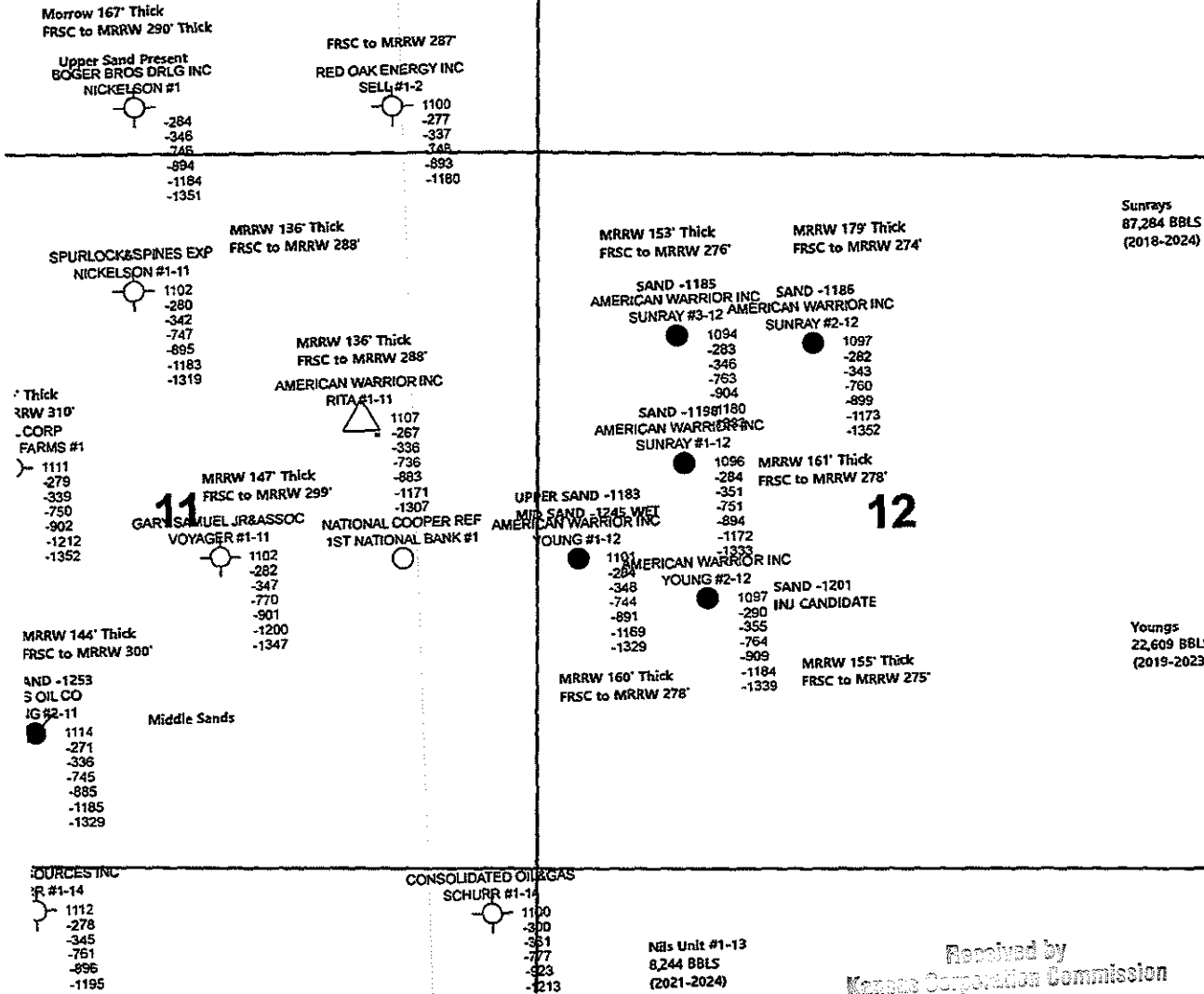
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Exhibit "B" - Map depicting Unit Boundary and Wells

Sunray-Young Unit
12-16s-42w
Greeley Co, KS
10/18/2024

Anhydrite
Heebner
Lansing
Marmaton
Fort Scott
Morrow
Miss



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Exhibit "C" - List of Oil and Gas Leases in Unit Area

Lessor: Carol Bloesser, President of Sunray Farms, Inc.
Lessee: J. Fred Hambright, Inc.
Date: April 21, 2014
Recorded: Book 171, Page 518
Description: Township 16 South, Range 42 West
Tract 1: Section 12: NW/4

Lessor: Verdell Young and Hazel Young, Trustees of the Verdell Young Trust No. 1, dated
January 23, 1995
Lessee: American Warrior, Inc.
Date: October 3, 2017
Recorded: Book 184, Page 108
Description: Township 16 South, Range 42 West
Section 13: The Southwest Quarter (SW¼)

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