

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form CDP-5  
August 2008  
Form must be Typed

EXPLORATION & PRODUCTION WASTE TRANSFER

|   |  |   |  |
|---|--|---|--|
| Operator Name: <b>VAL ENERGY INC</b>  |  | License Number: <b>5822</b>   |  |
| Operator Address: <b>200 W. DOUGLAS SUITE 520</b>   |  |   |  |
| Contact Person: <b>K. TODD ALLAM</b>  |  | Phone Number: ( <b>316</b> ) <b>263 - 6688</b>  |  |
| Permit Number (API No. if applicable): <b>15-173-21001-00-00</b>  |  | Lease Name: <b>KONECNY</b>  |  |
| Source of Waste:  |  | Well Number: <b>1-23</b>  |  |
| <input type="checkbox"/> Emergency Pit<br><input type="checkbox"/> Workover Pit<br><input type="checkbox"/> Burn Pit<br><input type="checkbox"/> Steel Pit  |  | <input type="checkbox"/> Dike<br><input type="checkbox"/> Settling Pit<br><input checked="" type="checkbox"/> Drilling Pit<br><input type="checkbox"/> Haul-off Pit<br><input type="checkbox"/> Spill / Escape  |  |
|   |  | Source Location (QQQQ): <u>SE</u> - <u>NW</u> - <u>NE</u> - <u>SW</u><br>Sec. <u>23</u> Twp. <u>29</u> R. <u>4</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West<br><u>2040</u> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section<br><u>1905</u> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section<br><u>SEDGWICK</u> County |  |
| Type of waste to be disposed: <input type="checkbox"/> Fluid <input type="checkbox"/> Soil <input checked="" type="checkbox"/> Mud / Cuttings <input type="checkbox"/> Other: _____   |  |   |  |
| Amount of waste: <u>3</u> No. of loads <u>240</u> Barrels _____ Tons _____ YDS  |  |   |  |
| Destination of waste: <input type="checkbox"/> Reserve Pit <input type="checkbox"/> Haul Off Pit <input checked="" type="checkbox"/> Disposal Well <input type="checkbox"/> Lease Road <input type="checkbox"/> Dike / Berm <input type="checkbox"/> Other: _____ |  |   |  |
| If waste is transferred to another reserve pit, is the lease active? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |  |   |  |
| Location of waste disposal:   |  | Date of Waste Transfer: <u>1-8-10</u>   |  |
| Operator Name: <u>VAL ENERGY INC</u>  |  | License No.: <u>5822</u>  |  |
| Lease Name: <u>ORR SWD</u>  |  | Sec. <u>8</u> Twp. <u>31</u> R. <u>11</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West  |  |
| Docket No./API No.: <u>D06470, 0</u>  |  | County: <u>SUMNER</u>   |  |
| Comments:   |  |   |  |

RECEIVED  
JAN 26 2010  
KCC WICHITA

The undersigned hereby certifies that he / she is AGENT  
for VAL ENERGY INC (Co.), a duly authorized agent, that all information shown hereon is true  
and correct to the best of his / her knowledge and belief. [Signature]  
Agent Signature

Subscribed and sworn to before me on this 12 day of JANUARY, 2010

My Commission Expires: 2/24/2010 [Signature]  
Notary Public

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

NOTARY PUBLIC - State of Kansas  
BRANDI WYER  
My Appt. Expires 2/24/2010