

MAY 25 2007

REQUEST FOR CHANGE OF OPERATOR
TRANSFER OF INJECTION OR SURFACE PIT PERMIT

CONSERVATION DIVISION
WICHITA, KS

Check Applicable Boxes:

- ☒ Oil Lease: No. of Oil Wells 3 **
- ☐ Gas Lease: No. of Gas Wells _____ **
- ☐ Gas Gathering System: _____
- ☒ Saltwater Disposal Well - Permit No.: D-28,352
- Spot Location: 2310 feet from ☒ N / ☐ S Line
- 1320 feet from ☒ E / ☐ W Line
- ☐ Enhanced Recovery Project Permit No.: _____
- Entire Project: ☐ Yes ☐ No
- Number of Injection Wells _____ **

Field Name: Dickman

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

Effective Date of Transfer: 6/1/07

KS Dept of Revenue Lease No.: 111774 *KLB*

Lease Name: Sidebottom

_____ - _____ - _____ NE/4 Sec. 20 Twp. 17S R. 24 ☐ E ☒ W

Legal Description of Lease: NE/4

County: Ness

Production Zone(s): Mississippian, Cherokee Sand

Injection Zone(s): Arbuckle

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 *or*

Past Operator's License No. 30742 ✓

Contact Person: Klee R. Watchous

Past Operator's Name & Address: Palomino Petroleum, Inc.
4924 SE 84th St., Newton, KS 67114-8827

Phone: (316) 799-1000

Date: 4/23/07

Title: President

Signature: *Klee R. Watchous*

New Operator's License No. 31788

Contact Person: Paul Veenker

New Operator's Name & Address: VEENKER RESOURCES, INC.

Phone: 405-751-1414

P.O. Box 14339
Oklahoma City, OK 73113

Oil / Gas Purchaser: National Cooperative Refinery Assoc.

Date: 5-21-07

Title: President

Signature: *P. Veenker*

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.

Veenker Resources, Inc. is acknowledged as the new operator and may continue to inject fluids as authorized by Permit No. D-28,352. Recommended action: _____

_____ is acknowledged as the new operator of the above named lease containing the surface pit permitted by No.: _____

Date: 6-5-07 *Barbara Montgomery*
Authorized Signature

Date: _____

DISTRICT _____ EPR 6-5-07 PRODUCTION JUN 05 2007 UIC 6-5-07
Mail to: Past Operator 6-5-07 New Operator 6-5-07 District 16-5-07

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

Sale No. 214C
Lot No. 27

* Location: NE/4 Sec. 20-17S-24W - Ness County, KS

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.