KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

March 2010 Form must be Typed Form must be Signed

All blanks must be Filled

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: Effective Date of Transfer: _ October 1, 2012 Oil Lease: No. of Oil Wells _ Gas Lease: No. of Gas Wells __1 KS Dept of Revenue Lease No.: 226160 Gas Gathering System: Lease Name: CASEY Saltwater Disposal Well - Permit No.: ___ SW - NW - SW - NW Sec, 16 Twp. 32 R, 16 ▼E W _ feet from N / S Line Legal Description of Lease: T32S, R16E Sec 16: feet from E / W Line (W/2 NW/4), (SW/4) except for cemetary in Southeast corner of SW/4 Enhanced Recovery Project Permit No.: ___ County: Montgomery Entire Project: Yes No Number of Injection Wells ___ Production Zone(s): MULTI-ZONE Field Name: Injection Zone(s):_ ** Side Two Must Be Completed. __ feet from __ N / __ S Line of Section Surface Pit Permit No.: _ (API No. if Drill Pit, WO or Haul) E / W Line of Section Workover of Drilling Haul-Off Burn Settling Type of Pit: Emergency Victor H. Dyal 33365 Contact Person: _ Past Operator's License No. Past Operator's Name & Address: Layne Energy Operating, LLC Phone: 913-362-0510 December 1, 2012 1900 Shawnee Mission Parkway, Mission Woods, KS 66205 Title: President Signature: Contact Person: John G. Burke 34779 New Operator's License No. . Phone: 214-691-5800 New Operator's Name & Address: LR Energy, Inc. RECEIVED 8150 N. Central Expressway, Suite 1605 Oil / Gas Purchaser: Enserco Energy Date: December 1, 2012 Dallas, TX 75206 **Chief Operating Officer** Acknowledgment of Transfer: The above request for transfer of injection authorization, surface pit permit #_ 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 _ is acknowledged as the new operator of the above named lease containing the surface pit the new operator and may continue to inject fluids as authorized by ______ . Recommended action: permitted by No.: ___ Date: Authorized Signature, PRODUCTION _ DISTRICT _ **New Operator** Mail to: Past Operator _

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

Side Two

Must Be Filed For All Wells

KDOR Lease No.: _	226160		

* Lease Name: CASEY		* Location: 16-32-16E				
Well No. API No. (YR DRLD/PRE '67)		Footage from Section Line (i.e. FSL = Feet from South Line)		Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/TA'D/Abandoned)	
5-16	15-125-30733-00-01/	1695 Circle	314 Circle	СМ	PROD	
		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL			
	***************************************	FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL	-		
		FSL/FNL	FEL/FWL			
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		FSL/FNL	FEL/FWL			
		FSL/FNL	FEL/FWL			
			FEL/FWL		RECEIVED	
			FEL/FWL		DEC 3 1 2012	
			FEL/FWL		KCC WICHITA	
			FEL/FWL		- WICHIA	

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.

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-	(Cathodic Protection Borehole Intent) X T-1 (Transfer) CP-1 (Plugging Application)			
OPERATOR: License # 33365 Name: Layne Energy Operating, LLC Address 1: 1900 Shawnee Mission Parkway	Well Location:			
Name: Layne Energy Operating, LLC	SW_NW_SW_NW Sec. 16 Twp. 32 S. R. 16 X East Wes			
Address 1: 1900 Shawnee Mission Parkway	County: Montgomery Lease Name: CASEY Well #: 5-16			
Address 2:	Lease Name: CASEY Well #: 3-10			
Address 2:	. If filing a Form T-1 for multiple wells on a lease, enter the legal description			
Contact Person: Victor H. Dyal Phone: (913) 362-0510 Fax: (913) 362-0133	the lease below:			
Phone: (913) 362-0510 Fax: (913) 362-0133				
Email Address:	DEC 3 1 2012			
Confess Comparing	KCC WICHITA			
Surface Owner Information: Name: ROBERT J CASEY	When filing a Form T-1 involving multiple surface owners, attach an additional			
Address 1: 4691 CR 4500	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.			
Address 2:				
City: INDEPENDENCE State: KS Zip: 67301 +	-			
the KCC with a plat showing the predicted locations of lease roads, to are preliminary non-binding estimates. The locations may be entered	hodic Protection Borehole Intent), you must supply the surface owners an ank batteries, pipelines, and electrical lines. The locations shown on the pla I on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted			
Select one of the following:				
owner(s) of the land upon which the subject well is or will b CP-1 that I am filing in connection with this form; 2) if the for form; and 3) my operator name, address, phone number, fax I have not provided this information to the surface owner(s). KCC will be required to send this information to the surface	I acknowledge that, because I have not provided this information, the owner(s). To mitigate the additional cost of the KCC performing this			
-	ing fee, payable to the KCC, which is enclosed with this form. Ing fee with this form. If the fee is not received with this form, the KSONA P-1 will be returned.			
I hereby certify that the statements made herein are true and correct	t to the best of my knowledge and belief.			
▽ 6	Λ.,·			
Date: 12/1/12 Signature of Operator or Agent:	Winner Title: President			