

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

JUN 09 2006

Form T-1

April 2004

CONSERVATION DIVISION Form must be Typed

Form must be Signed

All blanks must be Filled

REQUEST FOR CHANGE OF OPERATOR WICHITA, KS
TRANSFER OF INJECTION OR SURFACE PIT PERMIT

Check Applicable Boxes:

☐ Oil Lease: No. of Oil Wells _____ **

☐ Gas Lease: No. of Gas Wells _____ **

☐ Gas Gathering System: _____

☒ Saltwater Disposal Well - Permit No.: D-26856

Spot Location: 1980 feet from ☒ N / ☐ S Line

660 feet from ☐ E / ☒ W Line

☐ Enhanced Recovery Project Permit No.: _____

Entire Project: ☐ Yes ☐ No

Number of Injection Wells _____ **

Field Name: West Caldwell

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

Effective Date of Transfer: 6/8/06 ~~02-01-86~~

KS Dept of Revenue Lease No.: None assigned *none*

Lease Name: Kolarik SWD #1

_____ C _____ SW _____ NW Sec. 6 Twp. 35 R. 3W ☐ E ☒ W

Legal Description of Lease: NW/4 Section 6-35S-3W

County: Sumner, County

Production Zone(s): None

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

Past Operator's License No. 04941 ✓

Past Operator's Name & Address: Union Valley Petroleum

10422 Pinto Lane, Enid, Ok 73701

Title: President

Contact Person: Paul J. Youngblood

Phone: 580-237-3959

Date: 06-01-06

Signature: *[Signature]*

New Operator's License No. 33796 ✓

New Operator's Name & Address: BC Operating, Inc.

P.O. Box 50820

Midland, TX 79710

Title: President

Contact Person: Mike Black

Phone: 432-683-2950

Oil / Gas Purchaser: Conoco / Western Gas Res.

Date: 6/6/06

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.

BC Operating is acknowledged as the new operator and may continue to inject fluids as authorized by Permit No.: D 26856. Recommended action: _____

Date: 6/9/06 *[Signature]*
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 6/9/04 PRODUCTION JUN 09 2006 UIC 6/09/06

Mail to: Past Operator 6/9/04 New Operator 6/9/04 District 6/9/04

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

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Must Be Filed For All Wells

KDOR Lease No.: None assigned

* Lease Name: Kolarik SWD #1 * Location: C SW NW Section 6-35-3W

[illegible]

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.