

RECEIVED
KCC DISTRICT #2

NOV 30 2010

WICHITA, KS

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form T-1
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:

- ☒ Oil Lease: No. of Oil Wells 11 **
- ☐ Gas Lease: No. of Gas Wells _____ **
- ☐ Gas Gathering System: _____
- ☒ Saltwater Disposal Well - Permit No.: D-20,455
- Spot Location: 3960 feet from ☐ N / ☒ S Line
- 3960 feet from ☒ E / ☐ W Line
- ☐ Enhanced Recovery Project Permit No.: _____
- Entire Project: ☐ Yes ☐ No
- Number of Injection Wells _____ **

Field Name: Cabin Valley

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

Effective Date of Transfer: November 1, 2010

KS Dept of Revenue Lease No.: 112221

Lease Name: Berry

W - 1/2 - _____ Sec. 32 Twp. 34S R. 5 ☒ E ☐ W

Legal Description of Lease: West Half of Section 32-T34S-R5E

County: Cowley

Production Zone(s): Mississippi, Layton

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 OK

Past Operator's License No. 33146 ✓

Past Operator's Name & Address: Hembree Energy LLC
1801 E 56th Ave, Hutchinson, KS 67502-8729

Title: Manager

Contact Person: Fred J. Hembree

Phone: 620-802-7960

Date: November 1, 2010

Signature: Fred J. Hembree

New Operator's License No. 34470 ✓

New Operator's Name & Address: Victory Minerals LLC
PO Box 414931, Kansas City, MO 64141

Title: Manager

Contact Person: Carmon Decker Bonanno

Phone: 816-223-3712

Oil / Gas Purchaser: Pacer Energy Marketing LLC

Date: November 1, 2010

Signature: Carmon Decker Bonanno

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.

Victory Minerals, LLC is acknowledged as
the new operator and may continue to inject fluids as authorized by

Permit No.: D-20,455 Recommended action: _____

Violation 43C 2005-2009

Date: 11-29-10 Cheryl L. Bayler
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 11/24/10 PRODUCTION _____ UIC 11-29-10
Mail to: Past Operator 11-29-10 New Operator 11-29-10 District 2 11-29-10

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

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* Lease Name:	<u>Berry</u>	* Location:	<u>W 1/2 Sec 32-33-6E</u>	<u>Cowley County</u>
Well No.	API No. (YR DR/LD/PRE '67)	Footage from Section Line (i.e. FSL = Feet from South Line)	Type of Well (Oil/Gas/J/NJ/WSW)	Well Status (PROD/T/A/D/Abandoned)

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.