

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

**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 _____ **
- ☒ Gas Lease: No. of Gas Wells 1 **
- ☐ Gas Gathering System: _____
- ☐ Saltwater Disposal Well - Permit No.: _____
- Spot Location: _____ feet from ☐ N / ☐ S Line
- _____ feet from ☐ E / ☐ W Line
- ☐ Enhanced Recovery Project Permit No.: _____
- Entire Project: ☐ Yes ☐ No
- Number of Injection Wells _____ **

Field Name: _____

**** Side Two Must Be Completed.**Effective Date of Transfer: 3/1/2013KS Dept of Revenue Lease No.: 209005Lease Name: Chester #1_____ SE Sec. 19 Twp. 17S R. 40 ☐ E ☒ WLegal Description of Lease: SECounty: GreeleyProduction Zone(s): Winfield

Injection Zone(s): _____

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 SectionType of Pit: ☐ Emergency ☐ Burn ☐ Settling ☐ Haul-Off ☐ Workover OR ☐ DrillingPast Operator's License No. 6471Contact Person: R. C. BanksPast Operator's Name & Address: R. C. BanksPhone: (432) 682-8296P. O. Box 242 Midland, TX 79701Date: 5/28/13Title: PresidentSignature: R. C. BanksNew Operator's License No. 4894Contact Person: S. L. BurnsNew Operator's Name & Address: Horseshoe Operating, Inc.Phone: (432) 683-1448110 W. Louisiana, Ste. 200Oil / Gas Purchaser: DCP MidstreamMidland, TX 79701Date: 5/28/13Title: Vice PresidentSignature: Skippis 213 Burns

RECEIVED
KANSAS CORPORATION COMMISSION

MAY 30 2013

CONSERVATION DIVISION
WICHITA, KS

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.

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

Date: _____

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 6/17/13 PRODUCTION 6-18-13 UIC 6-18-13
Mail to: Past Operator _____ New Operator _____ District _____

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

* Lease Name: Chester

* Location: SE Sec 19-17S-40W

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.

RECEIVED
KANSAS CORPORATION COMMISSION
MAY 30 2013
CONSERVATION DIVISION
WICHITA, KS

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

**CERTIFICATION OF COMPLIANCE WITH THE
KANSAS SURFACE OWNER NOTIFICATION ACT**

Form KSONA-1
July 2010
Form Must Be Typed
Form must be Signed
All blanks must be Filled

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-1 (Cathodic Protection Borehole Intent) ☒ T-1 (Transfer) ☐ CP-1 (Plugging Application)

OPERATOR: License # 04894
Name: Horseshoe Operating, Inc.
Address 1: 110 W. Louisiana, Ste. 200
Address 2: _____
City: Midland State: TX Zip: 79701 + _____
Contact Person: Janice Ripley
Phone: (432) 683-1448 Fax: (432) 686-9449
Email Address: jripley@horseshoeinc.com

Well Location:
_____ SE Sec. 19 Twp. 17S S. R. 40 ☐ East ☒ West
County: Greeley
Lease Name: Chester Well #: 1

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: SEE ATTACHED
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____

When filing a Form T-1 involving multiple surface owners, attach an additional 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.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

☒ I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.

☐ I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 5/28/13 Signature of Operator or Agent: Stephen J. Burns Title: V.P.

RECEIVED
KANSAS CORPORATION COMMISSION

MAY 30 2013

CHESTER LEASE SURFACE OWNERS:

Barbara A. Decker, Trustee
1831 Jansen
Wichita, KS 67212

Rae Jean Hunt Trust
2212 St. Andrews Circle
Manhattan, KS 66502

ATTN: Mineral Section
CO Bank, FCB
P. O. Box 2940
Wichita, KS 67201

Sherrilyn I. Coakes Living Trust
26465 N. Paso Trail
Scottsdale, AZ 85255

GTD Land Company LLP
12122 W. Atlantic Drive
Lakewood, CO 80228

RECEIVED
KANSAS CORPORATION COMMISSION
MAY 30 2013
CONSERVATION DIVISION
WICHITA, KS