BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

| | APPLICATION | COURT CLERK S OF THE COMMISSION COMMISSION OF OKLAHOMA |
|----------------|-------------------------|--|
| | OKLAHOMA | COURT CLERK'S OFFICE - TULSA |
| | WASHINGTON COUNTY, |) |
| | NORTH, RANGE 12 EAST, | S(P) \$ 2008 |
| DESCRIPTION: | SECTION 13, TOWNSHIP 23 |) FILED I AEGE MAD |
| LEGAL | NORTHEAST QUARTER OF | SEP 1 2 2008 |
| | | REPLACEMENT FOR FAX FILED ON |
| | ORDER NO. 523071 |) CAUSE CD NO. 200806535T |
| RELIEF SOUGHT: | CHANGE OF OPERATOR |)) |
| | CORPORATION |) |
| APPLICANT: | PANOAK OIL & GAS |) |

COMES NOW the Applicant and alleges and states:

- 1. <u>Parties</u>: Applicant is Panoak Oil & Gas Corporation ("Panoak"), 403 S. Cheyenne Ave., Suite 1000, Tulsa, Oklahoma 74103, (918) 622-3442, by and through its attorney, William H. Huffman, Stonebridge Office Park, 1743 East 71st Street, Tulsa, Oklahoma 74136-5108, (918) 599-8000, the owner of the right to drill a well to the common sources of supply named in this Application underlying the captioned property. The name and address of each party being made a respondent to this Application is set forth on Exhibit "A" attached hereto and made a part hereof.
- 2. <u>Allegation of Facts</u>: Applicant is an owner of the right to drill for oil and gas in and under the captioned property. Newfield Exploration Mid-Continent Inc. ("Newfield") obtained Order No. 523071 from this Commission pooling the unit and designating Newfield as operator. Applicant participated in the drilling of said well pursuant to Order No. 523071. Newfield has sold all of its interest in said unit and CEP Mid-Continent LLC, ("CEP") 500 Dallas St., 33rd Floor, Houston, TX 77002 has assumed operations of said well. No order of the Commission has been issued modifying Order No. 523071 and designating CEP as operator. Applicant desires to delete Newfield as the designated of operator from said order and name Panoak as the designated operator.
 - 3. <u>Legal Authority</u>: OCC-OAC Rule 165:5-7-11.
- 4. <u>Relief Sought</u>: The Applicant requests that an Order issue modifying Order No. 523071 and designating Panoak Oil & Gas Corporation as operator.

WHEREFORE, Applicant prays that, after notice and hearing as required by law, the change of operator as requested by Applicant be ordered.

Respectfully submitted,

WILLIAM H. HUFFMAN, OBA #4457

Attorney at Law Southbridge Office Park

1743 E. 71st Street

Tulsa Oklahoma 74136-5108

EXHIBIT "A"

- Panoak Gas Company, Inc.
 Panoak Oil & Gas Corporation
 403 S. Cheyenne Ave., Suite 1000
 Tulsa, Oklahoma 74103
- 2. Katie Cochran Rackliff
 Address Unknown
 c/o Cherokee Nation
 Realty Department
 PO Box 948
 Tahleguah, OK 74465
- Estate of Mary Elizabeth McDannald Delrick c/o Robert McDannald PO Box 56007 Houston, TX 77256
- Ron M. Barnes, Esq.
 Crutchmer, Browers & Barnes, PLLC
 1648 S. Boston Avenue, Suite 100
 Tulsa, Oklahoma 74119
- Lee I. Levinson, Esq.
 Southbridge Office Park
 1743 E. 71st Street
 Tulsa, Oklahoma 74136-5108
- 6. CEP Mid-Continent LLC 500 Dallas St., 33rd Floor Houston, TX 77002
- 7. Newfield Exploration Mid-Continent Inc. One Williams Center, Suite 1900 Tulsa, OK 74172

If any named person is deceased, then the known or unknown heirs, executors, administrators, trustees, devisees, and assigns, immediate and remote of such decedent, are made respondents to this Application. If any named respondent is a corporation which does not continue to have legal existence, then the known or unknown successors, trustees or assigns, if any of such entity, are made respondents to this Application.