

For KCC Use:	
Effective Date:	
District #	

Kansas Corporation Commission Oil & Gas Conservation Division

Form C-1 October 2007 Form must be Typed Form must be Signed

	ITENT TO DRILL All blanks must be Filled (5) days prior to commencing well			
Fire cated Could Date:	Short Department			
Expected Spud Date:	Spot Description:			
OPERATOR: License#	feet from N / S Line of Section			
Name:	feet from E / W Line of Section			
Address 1:	Is SECTION: Regular Irregular?			
Address 2:	(Note: Locate well on the Section Plat on reverse side)			
Contract Paragram State: Zip: +	County:			
Contact Person:Phone:	Lease Name: Well #:			
Titorie	Field Name:			
CONTRACTOR: License#	Is this a Prorated / Spaced Field?			
Name:	Target Formation(s):			
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary line (in footage):			
Oil Enh Rec Infield Mud Rotary	Ground Surface Elevation:feet MSL			
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile:			
Disposal Wildcat Cable	Public water supply well within one mile:			
Seismic : # of Holes Other	Depth to bottom of fresh water:			
Other:	Depth to bottom of usable water:			
	Surface Pipe by Alternate: II			
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:			
Operator:	Length of Conductor Pipe (if any):			
Well Name:	Projected Total Depth:			
Original Completion Date: Original Total Depth:	Formation at Total Depth:			
	Water Source for Drilling Operations:			
Directional, Deviated or Horizontal wellbore? Yes No	Well Farm Pond Other:			
If Yes, true vertical depth:	DWR Permit #:			
Bottom Hole Location:	(Note: Apply for Permit with DWR)			
KCC DKT #:	Will Cores be taken?			
	If Yes, proposed zone:			
The undersigned hereby affirms that the drilling, completion and eventual plu It is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on each 3. The minimum amount of surface pipe as specified below <i>shall be set</i> I through all unconsolidated materials plus a minimum of 20 feet into the 4. If the well is dry hole, an agreement between the operator and the district. 5. The appropriate district office will be notified before well is either plugg 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #1 must be completed within 30 days of the spud date or the well shall be	drilling rig; by circulating cement to the top; in all cases surface pipe <i>shall be set</i> a underlying formation. rict office on plug length and placement is necessary <i>prior to plugging;</i> ed or production casing is cemented in; d from below any usable water to surface within <i>120 DAYS</i> of spud date. 33,891-C, which applies to the KCC District 3 area, alternate II cementing			
Submitted Electronically	Remember to:			
For KCC Use ONLY	- File Drill Pit Application (form CDP-1) with Intent to Drill;			
API # 15 -	- File Completion Form ACO-1 within 120 days of spud date;			

	Remember to:	
For KCC Use ONLY	- File Drill Pit Application (form CDP-1) with Intent to Drill;	
API # 15	- File Completion Form ACO-1 within 120 days of spud date;	
Conductor pipe requiredfeet	 File acreage attribution plat according to field proration orders; Notify appropriate district office 48 hours prior to workover or re-entry; 	
Minimum surface pipe requiredfeet per ALT. I II	- Submit plugging report (CP-4) after plugging is completed (within 60 days);	
Approved by:	- Obtain written approval before disposing or injecting salt water.	
This authorization expires: (This authorization void if drilling not started within 12 months of approval date.)	- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below. - Well Not Drilled - Permit Expired Date: - Date:	
Spud date: Agent:	Signature of Operator or Agent:	



IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

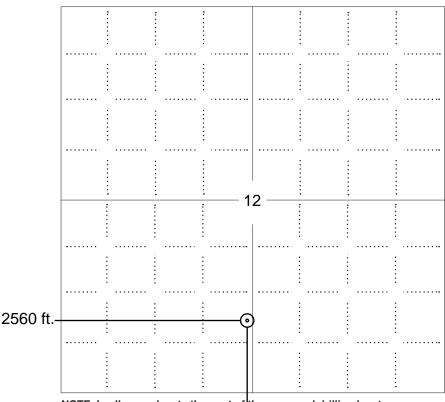
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

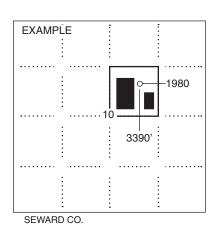
API No. 15				
Operator:	Location of Well: County:			
Lease:	feet from N / S Line of Section			
Well Number:	feet from E / W Line of Section			
Field:	SecTwpS. R 🗌 E 📗 W			
Number of Acres attributable to well:	Is Section: Regular or Irregular			
	If Section is Irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW			

PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

(Show footage to the nearest lease or unit boundary line.)





NOTE: In all cases locate the spot of the proposed drilling locaton.

990 ft.

In plotting the proposed location of the well, you must show:

- 1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
- 2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
- 3. The distance to the nearest lease or unit boundary line (in footage).
- 4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

016557

Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name:		License Number:			
Operator Address:					
Contact Person:			Phone Number:		
Lease Name & Well No.:			Pit Location (QQQQ):		
Type of Pit: Emergency Pit Burn Pit Settling Pit Drilling Pit Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit is: Proposed Existing If Existing, date constructed: Pit capacity:		SecTwpR East WestFeet from North / South Line of Section Feet from East / West Line of Section		
		(bbls)	County		
Is the pit located in a Sensitive Ground Water	Area? Yes	No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)		
Is the bottom below ground level? Yes No	Artificial Liner?		How is the pit lined if a plastic liner is not used?		
Pit dimensions (all but working pits):	Length (fe	eet)	Width (feet) N/A: Steel Pits		
Depth fr	om ground level to de	eepest point:	(feet) No Pit		
material, thickness and installation procedure	ł.	liner integrity, in	ncluding any special monitoring.		
Distance to nearest water well within one-mile of pit		Depth to shallowest fresh waterfeet. Source of information:			
feet Depth of water well	feet		redwell owner electric logKDWR		
Emergency, Settling and Burn Pits ONLY:		Drilling, Work	over and Haul-Off Pits ONLY:		
Producing Formation:		Type of material utilized in drilling/workover:			
Number of producing wells on lease:		Number of working pits to be utilized:			
Barrels of fluid produced daily:		Abandonment procedure:			
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No		Drill pits must be closed within 365 days of spud date.			
Submitted Electronically					
	KCC	OFFICE USE O	NLY Steel Pit RFAC RFAS		
Date Received: Permit Num	ıber:	Perm	it Date: Lease Inspection:		

(Prod. Pooling)(Oklahoma)(640 Shut-In)(Paid-Up)(COI)

OIL AND GAS LEASE
(Paid-up)

AGREEMENT, made and entered into this 9th day of August, 2003, by and between, Donna Decker and Galen Decker, her husband, 3000 Greenfield Drive, Marietta, GA 30068 party of the first part, hereinafter called Lessor (whether one or more), and Wint Harris, P. O. Box 489, Elkhart, KS 67950, party of the second part, hereinafter called Lessee.

for laying pipelines, and building tanks, power stations and structures thereon, to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situated in the County of Clark, State of Kansas, described valuable consideration receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of Lessee to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease oil (including but not limited to distillate and condensate), gas (including casinghead gas and helium and all other constituents), and and let unto the said Lessee, for the sole and only purpose of exploring by geophysical and other methods, mining and operating for WITNESSETH, that the said Lessor, for and in consideration of Ten Dollars, cash in hand paid, and other good and

All of Section 12 and the Northeast Quarter of the Northeast Quarter (NE/4 NE/4) of Section 13, Township 31 South, Range 22 West. Containing 680.00 acres more or less.

- 1. It is agreed that this lease shall remain in force for a term of Three (3) years from date (herein called primary term) and so long thereafter as oil or gas, or either of them, is produced from said land or lands pooled therewith
- In consideration of the premises the said Lessee covenants and agrees:
- A. To deliver to the credit of Lessor free of cost, in the pipeline to which it may connect its wells, a 1/8th part of all oil (including but not limited to condensate and distillate) produced and saved from the leased premises.
- One Dollar (\$1.00) per year per net royalty acre retained hereunder, such payment or tender to be made, on or before the later of ninety (90) days following the date of shut in or the anniversary date of this lease during the period such well is shut in, to the Lessor. When such payment or tender is made it will be considered that gas is being produced within the meaning of the entire production of oil or operations on said leased premises sufficient to keep this lease in force, Lessee shall pay or tender a royalty of and the cost incurred by lessee in producing, compressing, dehydrating, transporting, and marketing, or otherwise making such gas or other substances ready for sale or use, said payments to be made monthly. During any period (whether before or after expiration of the primary term hereof) when gas is not being so sold or used and the well or wells are shut in and there is no current B. To pay Lessor for gas (including casinghead gas) and all other substances covered hereby, a royalty of 1/8th of the proceeds realized by Lessee from the sale thereof, less a proportionate part of the production, severance and other excise taxes
- production, for any cause (other than an event of force majeure), this lease shall not terminate if Lessee commences or resumes any drilling or reworking operations or production within one hundred eighty (180) days after such cessation. Drilling operations or mining operations shall be deemed to be commenced when the first material is placed on the leased premises or when the first work other than surveying or staking the location is done thereon which is necessary for such operations. 3. If, at the expiration of the primary term, there is no production in paying quantities on the leased land or on lands pooled therewith but Lessee is conducting operations for drilling, completing or reworking a well, this lease nevertheless shall continue as long as such operations are prosecuted or additional operations are commenced and prosecuted (whether on the same or successive wells) with no cessation of more than one hundred eighty (180) days, and if production is discovered, this lease shall continue as thereafter as oil or gas are produced. In addition, if at any time or times after the primary term, there is a total cessation of all
- acreage placed in the unit, or his royalty interest therein on an acreage basis bears to the total acreage in the unit the unit shall be as below provided, and except that in calculating the amount of any shut in gas royalties, only the part of the acreage originally leased and then actually embraced by this lease shall be counted. In respect to production from the unit, Lessee shall pay Lessor, in lieu of other royalties thereon, only such proportion of the royalties stipulated herein as the amount of his designation shall be required. Operations upon and production from the unit shall be treated as if such operations were upon or such production were from the leased premises whether or not the well or wells are located thereon. The entire acreage within a unit shall be treated for all purposes as if it were covered by and included in this lease except that the royalty on production from leased premises are located unless the pooling or unitization results from governmental order or rule, in which case no such written designation shall be required. Operations upon and production from the unit shall be treated as if such operations were upon or prescribed or as may be used in such allocation of allowable. Lessee shall file written unit designations in the county in which the governmental regulation shall permit or prescribe a spacing pattern for the development of the field or allocate a product allowable based on acreage per well, then any such unit may embrace as much additional acreage as may be so permitted more than 160 acres, or for the production primarily of gas with or without distillate more than 640 acres; provided that if any governmental regulation shall permit or prescribe a spacing pattern for the development of the field or allocate a producing primarily of 4. Lessee is hereby granted the right at any time and from time to time to unitize the leased premises or any portion or portions thereof, as to all strata or any stratum or strata, with any other lands as to all strata or any stratum or strata, for the production oil or primarily of gas with or without distillate. However, no unit for the production primarily of oil shall embrace
- 5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided shall be paid to the Lessor only in the proportion which his interest bears to the whole and undivided
- 6. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the portion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on the part of the lessee to offset wells on separate tracts into which the land covered by this lease may now or hereafter be divided by

sale, devisee, descent or otherwise, or to furnish separate measuring or receiving tanks.

- Lessee shall have the right to use, free of cost, gas, oil, and water produced on said land for its operations thereon, except water from wells of Lessor.
- Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing
- covenants hereof shall extend to their heirs, executors, administrators, successors or assigns. However, no change or division in ownership of the land or royalties shall enlarge the obligations or diminish the rights of Lessee. No change in the ownership of the land or royalties shall be binding on the Lessee until after the Lessee has been furnished with a written transfer or assignment or a allowed, the true copy thereof. In case Lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly assigned portion or portions arising subsequent to the date of assignment.
- acceptable to Lessor, to grant an additional lease (top lease) covering all or part of the aforedescribed lands, Lessee shall have the proposed Lessee's name, bonus consideration and royalty consideration to be paid for such lease, and include a copy of the lease form to be utilized reflecting all pertinent and relevant terms and conditions of the top lease. Lessee shall have fifteen (15) days after receipt from Lessor of a complete copy of any such offer to advise Lessor in writing of its election to enter into an oil and gas lease with Lessor on equivalent terms and conditions. If Lessee fails to notify Lessor within the aforesaid fifteen (15) day period of its election to meet any such bona fide offer, Lessor shall have the right to accept said offer. Any top lease granted by Lessor in violation of this provision shall be null and void. Nothing in this paragraph shall interfere with Lessee's rights during the term of Any offer must be in writing and must set forth the If at any time within the primary term of this lease or any continuation thereof, Lessor receives any bona fide continuing option by meeting any such offer to acquire such top lease. this lease.
- Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or such failure is the result of any such Law, Order, Rule or Regulation, or operation of force majeure.
- 12. This lease shall be effective as to each Lessor on execution hereof as to his or her interest and shall be binding on those signing, notwithstanding some of the Lessors above named may not join in the execution hereof. The word "Lessor" as used in this lease means the party or parties who execute this lease as Lessor, although not named above.
- Lessee may at any time and from time to time surrender this lease as to any part or parts of the leased premises by delivering or mailing a release thereof to lessor, or by placing a release of record in the proper County.
- claims thereto, and all expenses incurred by Lessee in defending such claims, including reasonable attorney fees, and agrees that the Lessee shall have the right at any time to redeem for Lessor by payment any mortgages, taxes, or other liens on the above described lands, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof. Lessor hereby warrants and agrees to defend the title to the lands herein described and to indemnify Lessee of all adverse
- The Lessee's failure to comply with any covenant or obligation of this lease shall not result in the forfeiture of the lease unless and until lessor has provided lessee notice of such default and gives Lessee sixty (60) days in which to cure such default.

2003 کچا	Halen Doler		(ACKNOWLEDGMENT FOR INDIVIDUAL)		of SWN 20
IN TESTIMONY WHEREOF, we sign this the \ day of \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	Jali	(Galen Decker)			The foregoing instrument was acknowledged before me this O day of WW 200 UNF 200 na Decker and Galen Decker, her husband.
ONY WHEREOF, we sign thi	Danna Delle		GIA torpostation procedures and the control of the	COUNTY OF ALLS () SS.	The foregoing instrument was acknowledged by Donna Decker and Galen Decker, her husband.
IN TESTIM	Donna	(Donna Decker)	STATE OF GEORGIA	COUNTY OF	The forego by Donna Decker an

My Commission expires:

OFFICIAL SEAL Notary Public, Georgia Futton County
WINNIE TANG
My Commission Expires May 8, 2005

ofary Rublic



Kathleen Sebelius, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

February 15, 2008

MIKE MITCHELL Falcon Exploration, Inc. 125 N MARKET STE 1252 WICHITA, KS67202-1719

Re: Drilling Pit Application
DECKER Lease Well No. 6
SW/4 Sec.12-31S-22W
Clark County, Kansas

Dear MIKE MITCHELL:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, the bottom shall be flat and reasonably level **and be lined** with bentonite or native clay and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: kcc.ks.gov/conservation/forms/

A copy of this letter should be posted in the doghouse along with the approved Intent to **Drill**. If you have any questions or concerns please feel free to contact the District Office at (620) 225-8888.