

For KCC Use:	
Effective Date: _	
District #	

This authorization expires: \_\_\_

Spud date: \_

(This authorization void if drilling not started within 12 months of approval date.)

\_ Agent: \_

## KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 October 2007 Form must be Typed

ERATOR: License#	feet from N / S Line of Sect feet from E / W Line of Sect feet from E / W Line of Sect feet from E / W Line of Sect Is SECTION: Regular Irregular?  (Note: Locate well on the Section Plat on reverse side)  County:  Lease Name: Well #:  Field Name: Is this a Prorated / Spaced Field?  Target Formation(s):  Nearest Lease or unit boundary line (in footage):  Ground Surface Elevation: feet M Water well within one-quarter mile:  Public water supply well within one mile: Yes Depth to bottom of fresh water:  Depth to bottom of usable water:
State:	feet from N / S Line of Sect feet from E / W Line of Sect Is SECTION: Regular Irregular?  (Note: Locate well on the Section Plat on reverse side)  County:  Lease Name: Well #:  Field Name: Is this a Prorated / Spaced Field? Yes It Target Formation(s):  Nearest Lease or unit boundary line (in footage):  Ground Surface Elevation: feet M Water well within one-quarter mile:  Public water supply well within one mile: Yes Depth to bottom of fresh water:  Depth to bottom of usable water:
State:	Is SECTION: Regular Irregular?  (Note: Locate well on the Section Plat on reverse side)  County: Well #: Field Name: Well #: Field Name: Is this a Prorated / Spaced Field? Yes I Target Formation(s): Searest Lease or unit boundary line (in footage): Ground Surface Elevation: feet M Water well within one-quarter mile: Yes Depth to bottom of fresh water: Depth to bottom of usable water: Depth to bottom of usable water:
State:   Zip:   +	(Note: Locate well on the Section Plat on reverse side)  County:  Lease Name: Well #:  Field Name:  Is this a Prorated / Spaced Field?  Target Formation(s):  Nearest Lease or unit boundary line (in footage):  Ground Surface Elevation: feet M  Water well within one-quarter mile:  Public water supply well within one mile:  Depth to bottom of fresh water:  Depth to bottom of usable water:
State: Zip: +  Intact Person:	County:
State: Zip: +  Intact Person:	County:
NTRACTOR: License#	Lease Name:
NTRACTOR: License#	Field Name:
Well Drilled For: Well Class: Type Equipment:  Oil Enh Rec Infield Mud Rotary  Gas Storage Pool Ext. Air Rotary  Disposal Wildcat Cable  Seismic; # of Holes Other  Other:	Target Formation(s):
Well Drilled For: Well Class: Type Equipment:  Oil Enh Rec Infield Mud Rotary  Gas Storage Pool Ext. Air Rotary  Disposal Wildcat Cable  Seismic; # of Holes Other  Other:	Target Formation(s):
Oil Enh Rec Infield Mud Rotary  Gas Storage Pool Ext. Air Rotary  Disposal Wildcat Cable  Seismic; # of Holes Other  Other:	Nearest Lease or unit boundary line (in footage):  Ground Surface Elevation:  Water well within one-quarter mile:  Public water supply well within one mile:  Depth to bottom of fresh water:  Depth to bottom of usable water:
Oil Enh Rec Infield Mud Rotary  Gas Storage Pool Ext. Air Rotary  Disposal Wildcat Cable  Seismic; # of Holes Other  Other:	Ground Surface Elevation:feet M Water well within one-quarter mile:Yes Public water supply well within one mile:Yes Depth to bottom of fresh water: Depth to bottom of usable water:
Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable Seismic ; # of Holes Other Other:	Public water supply well within one mile:  Depth to bottom of fresh water:  Depth to bottom of usable water:
Disposal Wildcat Cable Seismic ; # of Holes Other Other:	Depth to bottom of fresh water:
Seismic ; # of Holes Other Other:	Depth to bottom of fresh water:  Depth to bottom of usable water:
Other:	Depth to bottom of usable water:
If OWWO: old well information as follows:	Surface Pipe by Alternate:     I   II
	Length of Surface Pipe Planned to be set:
Operator:	Length of Conductor Pipe (if any):
Well Name:	
Original Completion Date: Original Total Depth:	Formation at Total Depth:
	Water Source for Drilling Operations:
ectional, Deviated or Horizontal wellbore?	Well Farm Pond Other:
s, true vertical depth:	DWR Permit #:
om Hole Location:	( <b>Note:</b> Apply for Permit with DWR )
C DKT #:	Will Cores be taken?
	If Yes, proposed zone:
<ol> <li>The appropriate district office will be notified before well is either plugger.</li> <li>If an ALTERNATE II COMPLETION, production pipe shall be cemented or pursuant to Appendix "B" - Eastern Kansas surface casing order #</li> </ol>	h drilling rig; by circulating cement to the top; in all cases surface pipe <b>shall be set</b> le underlying formation. trict office on plug length and placement is necessary <b>prior to plugging</b> ;
For KCC Use ONLY  API # 15  Conductor pipe required feet  Alinimum surface pipe required feet per ALT. I II	Remember to:  - File Drill Pit Application (form CDP-1) with Intent to Drill; - File Completion Form ACO-1 within 120 days of spud date; - File acreage attribution plat according to field proration orders; - Notify appropriate district office 48 hours prior to workover or re-entry; - Submit plugging report (CP-4) after plugging is completed (within 60 days);

check the box below and return to the address below.

Well Not Drilled - Permit Expired Date: Signature of Operator or Agent:



#### IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

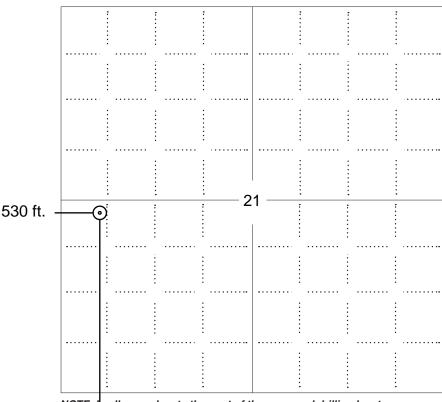
Plat of acreage attributable to a well in a prorated or spaced field

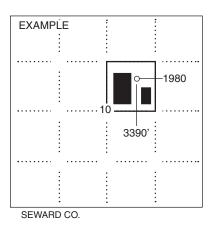
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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:	Sec Twp S. R
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.

## 2460 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,
- 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

1016680

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)  Is the pit located in a Sensitive Ground Water  Is the bottom below ground level?  Yes No  Pit dimensions (all but working pits):  Depth from If the pit is lined give a brief description of the material, thickness and installation procedure	Artificial Liner? Yes 1 Length (feom ground level to de	No No et)  Describe proce			
Distance to nearest water well within one-mile of pit		Depth to shallo	west fresh waterfeet.		
feet Depth of water well	feet		redwell owner electric logKDWR		
Emergency, Settling and Burn Pits ONLY:  Producing Formation:  Number of producing wells on lease:  Barrels of fluid produced daily:  Does the slope from the tank battery allow all spilled fluids to flow into the pit?  Yes No  Submitted Electronically		Type of material Number of work Abandonment	bover and Haul-Off Pits ONLY:  al utilized in drilling/workover:		
KCC OFFICE USE ONLY Steel Pit RFAC RFAS					
Date Received: Permit Num	ber:	Permi	it Date: Lease Inspection:  Yes No		

## DECLARATION OF POOLING AND CONSOLIDATION

THIS DECLARATION OF POOLING AND CONSOLIDATION is made and entered into this  $21^{th}$  day of January, 2008, by Pintail Petroleum, Ltd., lessee.

## KNOW ALL MEN BY THESE PRESENTS: That

WHEREAS, the following described oil and gas leases are owned by Pintail Petroleum, Ltd., as lessee, to wit:

Oil and Gas Lease dated March 27, 2004, by and between William H. Petersilie and Dolores Petersilie, his wife, as lessor, and J. Fred Hambright, Inc., as lessee, covering the lands situated in the South Half (S/2) Section 21, Township 20 South, Range 23 West, as recorded in the office of the Register of Deeds of Ness County, Kansas, in Book 286, at Page 485;

Oil and Gas Lease dated March 27, 2004, by and between Velma Petersilie, a single person, and Noel Kreg Petersilie, a single person, as lessor, and J. Fred Hambright, Inc., as lessee, covering the lands situated in the South Half (S/2) Section 21, Township 20 South, Range 23 West, as recorded in the office of the Register of Deeds of Ness County, Kansas, in Book 286, at Page 487;

Oil and Gas Lease dated March 24, 2004, by and between Darlene C. Bechthold Trust, Darlene C. Bechthold, Trustee, and a single person, as lessor, and J. Fred Hambright, Inc., as lessee, covering the lands situated in the Northwest Quarter (NW/4) Section 21, Township 20 South, Range 23 West, as recorded in the office of the Register of Deeds of Ness County, Kansas, in Book 286, at Page 299;

WHEREAS, said Oil and Gas Lease provides inter alia as follows:

"Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases, in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved."; and

WHEREAS, Pintail Petroleum, Ltd., as the owner and lessee of the above described oil and gas leases, has determined in its judgement that it is necessary and advisable to pool and combine the oil rights in and under a portion of the acreage and lands covered by the above described oil and gas leases in order to properly develop said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises as one oil operating unit, upon the terms and conditions hereinafter provided and as provided in said oil and gas leases;

NOW, THEREFORE, IN CONSIDERATION of the premises, the execution of this declaration and the mutual covenants herein to be performed, and other good and valuable consideration, lessee, acting pursuant to the above and foregoing recitals and the terms and conditions of the above described oil and gas leases, does hereby execute this declaration of pooling and consolidation and does hereby form an oil unit of said leases and land, including lessors' royalty interest, as to the oil rights, insofar and only insofar as said leases and the lands included within the pool and oil unit described are as follows:

Southwest Quarter of the Southwest Quarter of the Northwest Quarter (SW/4 SW/4 NW/4) and the Southeast Quarter of the Southwest Quarter of the Northwest Quarter (SE/4 SW/4 NW/4), and the Northwest Quarter of the Northwest Quarter of the Southwest Quarter (NW/4 NW/4 SW/4) and the Northeast Quarter of the Northwest Quarter of the Southwest Quarter (NE/4 NW/4 SW/4) Section 21, Township 20 South, Range 23 West, Ness County, Kansas, containing 40 acres more or less.

To the same extent as if said oil leasehold estate had originally been included in one oil and gas lease, which pooled and combined area is hereby designated as the Petersilie-Bechthold Unit #1-21, and which area shall include within the same all land covered by the above described oil and gas leases insofar and only insofar as the same are included within the above described oil unit.

Lessee does hereby state that drilling operations for oil and/or gas and production of oil and/or gas on any part of the oil unit shall be treated as if such drilling operations were had or such oil and/or gas production was obtained from land described in each of said leases, regardless of where the oil and/or gas well or wells may be located upon said oil unit, and that the entire acreage contained in said oil unit shall be treated for all purposes, except the payment of royalties on such production of oil from said oil unit, as if said lands were included in each of said oil and gas leases. In lieu of the oil royalty set forth in said oil and gas leases, and pursuant to the terms of the unitization clause in each said lease, each respective lessor shall receive on oil production, only such portion of the royalty stipulated in the pertinent oil and gas leases, as the amount of lessor's surface acreage contained in his/her oil and gas lease placed in the oil unit bears to the amount of the total surface acreage of the entire pooled area. Nothing herein contained shall authorize or affect any transfer of any title to any leasehold, royalty or other interest pooled pursuant hereto.

This declaration and the terms and conditions hereof shall extend to and be binding upon all persons having any right, title or interest of any kind or character in and to the above described oil and gas leases, including lessors' rights thereunder, their respective heirs, successors and assigns.

IN WITNESS WHEREOF, lessee has hereunto caused this Declaration of Pooling and Consolidation to be executed as of the day and year first above written.

	PINTAIL PETROLEUM, LTD.
	Walter Innes Phillips, President
STATE OF KANSAS }	
COUNTY OF SEDGWICK } ss:	

BE IT REMEMBERED that on this 21<sup>th</sup> day of January, 2008, before me the undersigned, a Notary Public duly commissioned in and for said County and State, came Walter Innes Phillips, President of Pintail Petroleum, Ltd., a corporation of the State of Kansas to me personally known to be such officer and to be the same person who executed as such officer the foregoing instrument of writing on behalf of said corporation, and acknowledged the execution of the same for himself and for said corporation for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this day and year last above written.

Patrica C. Byerlee, Notary Public

My Commission Expires: December 11, 2009