

For KCC	Use:		
Effective	Date:		
District #			
0040		п. .	

Approved by: _

Spud date: _

This authorization expires: ___

(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

	NTENT TO DRILL All blanks must be Filled at the signed at
Expected Spud Date:	Spot Description:
month day year	· · · · · <u> </u>
	Sec Twp S. R E W
OPERATOR: License#	
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)
City: + +	County:
Contact Person:Phone:	Lease Name: Well #:
	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: I 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:
f Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	(Note: Apply for Permit with DWR)
CCC DKT #:	Will Cores be taken?
	If Yes, proposed zone:
through all unconsolidated materials plus a minimum of 20 feet into th 4. If the well is dry hole, an agreement between the operator and the dis 5. The appropriate district office will be notified before well is either plugg 6. If an ALTERNATE II COMPLETION, production pipe shall be cemente Or pursuant to Appendix "B" - Eastern Kansas surface casing order #"	h drilling rig; t by circulating cement to the top; in all cases surface pipe shall be set the underlying formation. trict office on plug length and placement is necessary prior to plugging ; ged or production casing is cemented in;
ubmitted Electronically For KCC Use ONLY	Remember to: - File Drill Pit Application (form CDP-1) with Intent to Drill;
API # 15	- File Completion Form ACO-1 within 120 days of spud date;
	- File acreage attribution plat according to field proration orders;
Conductor pipe requiredfeet	- 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);

- Obtain written approval before disposing or injecting salt water.

check the box below and return to the address below.

Well Not Drilled - Permit Expired Date: _

Signature of Operator or Agent:

- If this permit has expired (See: authorized expiration date) please



IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

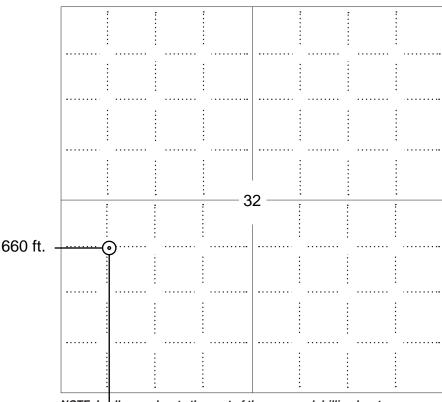
Plat of acreage attributable to a well in a prorated or spaced field

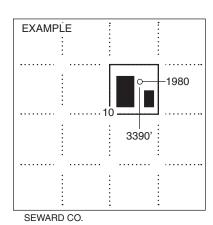
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please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

Location of Well: County:
feet from N / S Line of Section
feet from E / W Line of Section
Sec Twp S. R
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.

1980 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

1018390

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 West Feet 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	e of pit	Depth to shallo Source of infor	west fresh waterfeet.			
feet Depth of water wellfeet			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 flow into the pit? Yes No	spilled fluids to	Drill pits must be closed within 365 days of spud date.				
Submitted Electronically						
KCC OFFICE USE ONLY Steel Pit RFAC RFAS						
Date Received: Permit Num	ıber:	Perm	it Date: Lease Inspection:			



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

April 24, 2008

Karla Peterson Admiral Bay (USA) Inc. 7060 B S TUCSON WAY STE B CENTENNIAL, CO80112-3921

Re: Drilling Pit Application Nelson Motors Lease Well No. 12-32 SW/4 Sec.32-27S-18E Neosho County, Kansas

Dear Karla Peterson:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit within 72 hours of completion of drilling operations.

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) 432-2300 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) 432-2300.