

For KCC Use:
Effective Date: _____
District # _____
SGA? Yes No

NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: _____
month day year

OPERATOR: License# _____
Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Contact Person: _____
Phone: _____

CONTRACTOR: License# _____
Name: _____

Well Drilled For: Oil Gas Seismic ; _____ # of Holes Other: _____
Well Class: Enh Rec Storage Disposal Infield Pool Ext. Wildcat Other _____
Type Equipment: Mud Rotary Air Rotary Cable

If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? Yes No
If Yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DKT #: _____

Spot Description: _____
_____ - _____ - _____ - _____ Sec. _____ Twp. _____ S. R. _____ E W
(00000) _____ feet from N / S Line of Section
_____ feet from E / W Line of Section

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 No

Target Formation(s): _____
Nearest Lease or unit boundary line (in footage): _____

Ground Surface Elevation: _____ feet MSL
Water well within one-quarter mile: Yes No

Public water supply well within one mile: Yes No
Depth to bottom of fresh water: _____

Depth to bottom of usable water: _____
Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: _____
Length of Conductor Pipe (if any): _____

Projected Total Depth: _____
Formation at Total Depth: _____

Water Source for Drilling Operations:
 Well Farm Pond Other: _____

DWR Permit #: _____
(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No
If Yes, proposed zone: _____

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office **prior** to spudding of well;
2. A copy of the approved notice of intent to drill **shall be** posted on each drilling rig;
3. The minimum amount of surface pipe as specified below **shall be set** by circulating cement to the top; in all cases surface pipe **shall be set** through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary **prior to plugging**;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 DAYS** of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **In all cases, NOTIFY district office** prior to any cementing.

Submitted Electronically

For KCC Use ONLY
API # 15 - _____
Conductor pipe required _____ feet
Minimum surface pipe required _____ feet per ALT. I II
Approved by: _____
This authorization expires: _____
(This authorization void if drilling not started within 12 months of approval date.)
Spud date: _____ Agent: _____

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);
- Obtain written approval before disposing or injecting salt water.
- 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: _____
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: _____

Lease: _____

Well Number: _____

Field: _____

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - _____ - _____ - _____

Location of Well: County: _____

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Sec. _____ Twp. _____ S. R. _____ E W

Is Section: Regular or Irregular

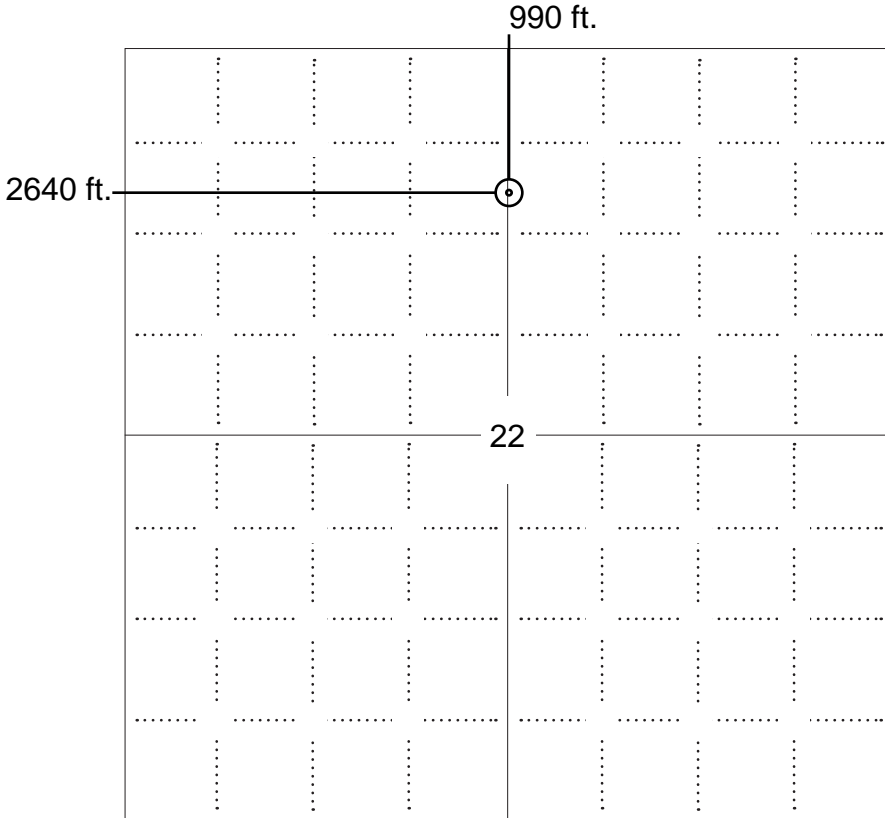
If Section is Irregular, locate well from nearest corner boundary.

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.)



SEWARD CO.

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

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).

**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: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i> | | Pit is: <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls) | |
| Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input type="checkbox"/> No | | Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i> | |
| Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No | | Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| How is the pit lined if a plastic liner is not used? | | | |
| Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) _____ N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) No Pit | | | |
| If the pit is lined give a brief description of the liner material, thickness and installation procedure. | | Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. | |
| Distance to nearest water well within one-mile of pit _____ feet Depth of water well _____ feet | | Depth to shallowest fresh water _____ feet. Source of information: _____ measured _____ well owner _____ electric log _____ KDWR | |
| 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? <input type="checkbox"/> Yes <input type="checkbox"/> No | | Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ _____ Drill pits must be closed within 365 days of spud date. | |
| Submitted Electronically | | | |

KCC OFFICE USE ONLY

Steel Pit

RFAC

RFAS

Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: Yes No

**DECLARATION OF POOLING & UNITIZATION
PURSUANT TO LEASE AUTHORITY**

KNOW ALL PERSONS BY THESE PRESENTS:

THAT, WHEREAS, Vess Oil Corporation is the operator of the following described oil and gas lease, to-wit:

Oil and Gas Lease dated December 13, 1934, by Paul E. Darnell, and wife, Elsie M. Darnell, as Lessors, in favor of Empire Oil and Refining Company, as Lessee, said Lease being recorded in Book 8, Page 284 of the Records of Graham County, Kansas, and covering the following described property, to-wit:

Township 9 South, Range 21 West
Section 22: NW/4

AND WHEREAS Vess Oil Corporation is the operator of the following described oil and gas lease, to-wit:

Oil and Gas Lease dated December 20, 1934, by Joseph Morel, et ux, as Lessors, in favor of Empire Oil and Refining Company, as Lessee, said Lease being recorded in Book 8, Page 440 of the Records of Graham County, Kansas, covering the following described property, to-wit:

Township 9 South, Range 21 West
Section 22: NE/4

the operation of which are subject to certain Agreements authorizing Operator to prepare, execute and place of record certain documents on behalf of the Lessee working interest owners;

AND WHEREAS, each of the above described oil and gas lease has been amended to provide that Lessee, at its option, is hereby given the right and power to pool or combine into one or more units the land covered by this lease, or any portion thereof, with other land covered by another lease, or leases 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 such minerals in and under said land, such pooling to be in a unit or units not exceeding 10 acres each in the event of an oil well, or into a unit or units not exceeding 160 acres each in the event of a gas and /or condensate or distillate well, plus a tolerance of ten percent (10%) to conform to Governmental Survey quarter sections. Lessee shall execute in writing and file for record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units shall be treated for all purposes, except the payments of royalties on production from the pooled unit, as if it were included in this lease. If production is found on any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on such unit shall be and constitute a well hereunder. In lieu of the royalties elsewhere herein specified Lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

AND WHEREAS, Vess Oil Corporation, on behalf or the Lessee working interest owners, desires to exercise said right and power to pool and consolidate a portion of the lands covered by said oil and gas leases and to give notice of its exercise of said right and power by the filing for record of a written designation of such unit with a description of the unit so created.

NOW, THEREFORE, in consideration of the premises and of the original considerations given for the granting of said oil and gas leases, Vess Oil Corporation does hereby pool and consolidate the oil leasehold estate under each of the above-described oil and gas leases so as to hereby form a single consolidated oil unit consisting of the following lands, to-wit:

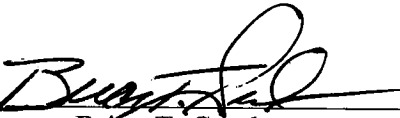
The West Half of the Southwest Quarter of the Northwest Quarter of the Northeast Quarter (W/2 SW/4 NW/4 NE/4) of Section 22, and the East Half of the Southeast Quarter of the Northeast Quarter of the Northwest Quarter (E/2 SE/4 NE/4 NW/4) of Section 22, all in Township 9 South, Range 21 West, Graham County, Kansas, containing ten (10) acres, more or less.

From and after the execution and recording of this instrument, such unit shall be effective and the drilling for and production of oil or gas therefrom shall perpetuate each of the above-described oil and gas leases for so long as production continues on the above-described unit area. Royalties on oil produced from said unit shall be payable to the several mineral owners in proportion to their respective mineral ownership under said unit and as provided for by said oil and gas leases.

The provisions hereof shall be deemed to be covenants running with the lands and leaseholds covered by this instrument and shall be available to and binding upon the respective successors in interest of lease owners and royalty owners under said unit.

EXECUTED this 7th day of May 2008.

VESS OIL CORPORATION

By: 
Brian T. Gaudreau
Vice President, Land

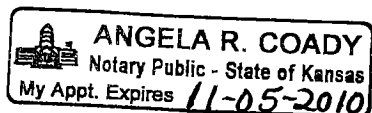
“ACKNOWLEDGEMENT”

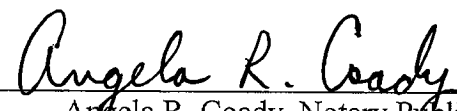
STATE OF KANSAS)
)SS:
COUNTY OF SEDGWICK)

Before me, Angela R. Coady, a Notary Public, within and for said county and state, on this day personally appeared Brian T. Gaudreau, Vice President, Land, of VESS OIL CORPORATION, a Kansas Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act of such company, and individual, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 7th day of May 2008.

My Commission Expires: 11-05-2010




Angela R. Coady, Notary Public

Summary of Changes

Lease Name and Number: MD Unit 1

API/Permit #: 15-065-23431-00-00

Doc ID: 1018774

Correction Number: 1

Approved By: Rick Hestermann 05/13/2008

| Field Name | Previous Value | New Value |
|--------------------------|--|--|
| KCC Only - Approved By | Rick Hestermann 05/09/2008 | Rick Hestermann 05/13/2008 |
| KCC Only - Date Received | 05/08/2008 | 05/13/2008 |
| KCC Only - Permit Date | 05/08/2008 | 05/13/2008 |
| SaveLink | ../kcc/detail/operatorEditDetail.cfm?docID=1018619&rand=dmdhcstq | ../kcc/detail/operatorEditDetail.cfm?docID=1018774&rand=ycBovVWt |