

| For KCC Use: | |
|-----------------|--|
| Effective Date: | |
| District # | |
| | |

Kansas Corporation Commission Oil & Gas Conservation Division

Form C-1 October 2007 Form must be Typed

| | TENT TO DRILL (5) days prior to commencing well Form must be Signed All blanks must be Filled |
|---|---|
| | |
| Expected Spud Date: month day year | 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) |
| City: State: Zip: + | County: |
| Contact Person: | Lease Name: Well #: |
| Phone: | |
| | 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): |
| | Ground Surface Elevation:feet MSL |
| Oil Enh Rec Infield Mud Rotary | Water well within one-quarter mile: |
| Gas Storage Pool Ext. Air Rotary | |
| Disposal Wildcat Cable | , |
| 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: |
| Original Completion Bate. | Water Source for Drilling Operations: |
| Directional, Deviated or Horizontal wellbore? Yes No If Yes, true vertical depth: | Well Farm Pond Other: |
| Bottom Hole Location: | DWR Permit #: |
| KCC DKT #: | (Note: Apply for Permit with DWR) |
| NOO BITT II. | Will Cores be taken? Yes No |
| | If Yes, proposed zone: |
| | IDAVIT |
| The undersigned hereby affirms that the drilling, completion and eventual plug | gging of this well will comply with K.S.A. 55 et. seq. |
| It is agreed that the following minimum requirements will be met: | |
| Notify the appropriate district office <i>prior</i> to spudding of well; A copy of the approved notice of intent to drill <i>shall be</i> posted on each of the copy of the approved notice of intent to drill <i>shall be</i> posted on each of the copy of the approved notice of intent to drill <i>shall be</i> posted on each of the copy of the approved notice of intent to drill <i>shall be</i> posted on each of the copy of the approved notice of intent to drill <i>shall be</i> posted on each of the copy of the approved notice of intent to drill <i>shall be</i> posted on each of the copy of the approved notice of intent to drill <i>shall be</i> posted on each of the copy of the approved notice of intent to drill <i>shall be</i> posted on each of the copy of the approved notice of intent to drill <i>shall be</i> posted on each of the copy of the approved notice of intent to drill <i>shall be</i> posted on each of the copy of the approved notice of intent to drill <i>shall be</i> posted on each of the copy of the copy of the approved notice of intent to drill <i>shall be</i> posted on each of the copy o | drillina ria: |
| The minimum amount of surface pipe as specified below shall be set by 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 distri | |
| 5. The appropriate district office will be notified before well is either plugge | ed 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. |
| | 33,891-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 p | plugged. In all cases, NOTIFY district office prior to any 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; |
| 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. |
| (This authorization void it drilling not started within 12 months of approval date.) | Well Not Drilled - Permit Expired Date: |
| Spud date: Agent: | Signature of Operator or Agent: |
| / igoriti | \ |



IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

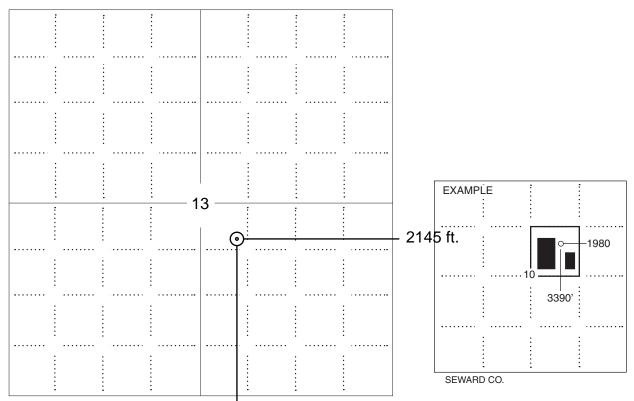
Plat of acreage attributable to a well in a prorated or spaced field

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.

2145 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

021015

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 Source of infor | | west fresh waterfeet. | | | |
| feet Depth of water well | | | redwell owner electric logKDWR | | |
| Producing Formation: Type of mate Number of producing wells on lease: Number of we Barrels of fluid produced daily: Abandonmen Does the slope from the tank battery allow all spilled fluids to | | 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: | | |



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

August 05, 2008

TODD ALLAM Val Energy, Inc. 200 W DOUGLAS AVE STE 520 WICHITA, KS67202-3005

Re: Drilling Pit Application
D. MEYER Lease Well No. 2
SE/4 Sec.13-34S-11W
Barber County, Kansas

Dear TODD ALLAM:

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 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 within 96 hours 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. Form CDP-5 (August 2004), Exploration and Production Waste Transfer, must be filed 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.