

For KCC Use:	
Effective Date: _	
District #	

Spud date: _

Agent:

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1023874

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

Expected Spud Date:	Spot Description:
month day year	
OPERATOR: License#	(0/0/0/0) feet from N / S Line of Section
Name:	feet from E / W Line of Section
Address 1:	Is SECTION: Regular Irregular?
Address 2:	
City: State: Zip: +	(Note: Locate well on the Section Plat on reverse side)
Contact Person:	County:
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 MS
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:
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
	Length of Conductor Pipe (if any):
Operator:	Projected Total Depth:
Well Name:	Formation at Total Depth:
Original Completion Date: Original Total Depth:	·
Directional, Deviated or Horizontal wellbore?	Water Source for Drilling Operations:
If Yes, true vertical depth:	Well Farm Pond Other:
Bottom Hole Location:	DWR Permit #:(<i>Note:</i> Apply for Permit with DWR)
KCC DKT #:	
	Will Cores be taken? Yes No
	· · · · · · · · · · · · · · · · · · ·
	FIDAVIT
The undersigned hereby affirms that the drilling, completion and eventual plu	igging 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 The minimum amount of surface pipe as specified below <i>shall be set</i> through all unconsolidated materials plus a minimum of 20 feet into th If the well is dry hole, an agreement between the operator and the dis The appropriate district office will be notified before well is either plugged. If an ALTERNATE II COMPLETION, production pipe shall be cemented or pursuant to Appendix "B" - Eastern Kansas surface casing order #" 	by circulating cement to the top; in all cases surface pipe shall be set e underlying formation. Trict office on plug length and placement is necessary prior to plugging ; yed or production casing is cemented in;
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Signature of Operator or Agent:



IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

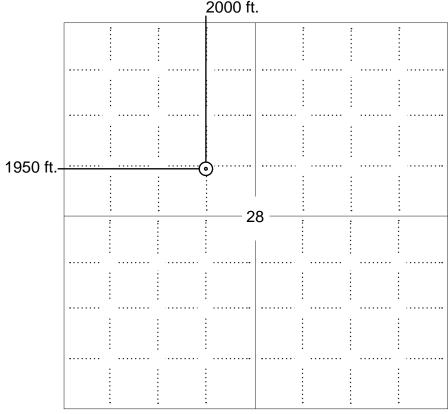
Plat of acreage attributable to a well in a prorated or spaced field

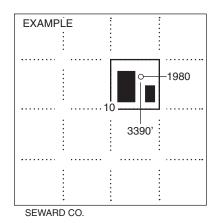
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please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

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

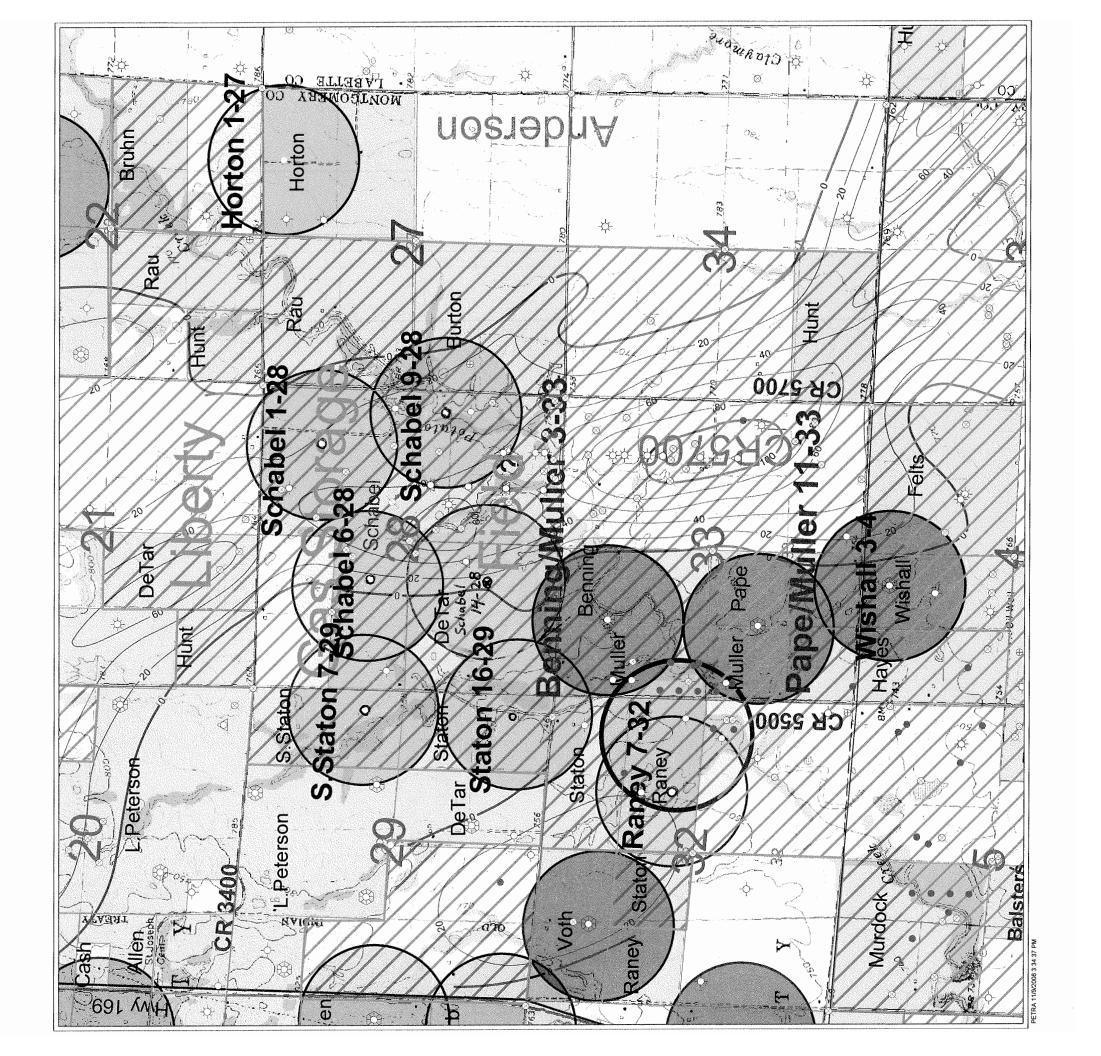
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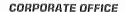
Form CDP-1 April 2004 Form must be Typed

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):	Artificial Liner? Yes Length (feom ground level to de	No No eet) eepest point: Describe proce	SecTwpR East West Feet from North / South Line of Section Feet from East / West Line of Section County Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) How is the pit lined if a plastic liner is not used? Width (feet) N/A: Steel Pits		
Distance to nearest water well within one-mile of pit		Depth to shallo	owest fresh waterfeet.		
Distance to flearest water well within one-fille of pit		Source of infor	mation:		
feet Depth of water well	feet		ured well owner electric log KDWR		
Emergency, Settling and Burn Pits ONLY:		Drilling, Workover 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 ONLY Steel Pit RFAC RFAS					
Date Received: Permit Num	ber:	Permi	it Date: Lease Inspection: Yes No		







ENERGY, INC.

Sunday, November 09, 2008

P.O. Box 388 • 1112 Rhode Island Rd. • Iola, Ks. 66749-0338 Phone (620) 365-3111 • Fax (620) 365-3170

Attn:Doug Shatas Atmos Energy Corporation 25090 W. 110th Terrace Olathe, KS, 66061

Dear Mr. Shatas,

This letter serves as a **30 day notification** to Atmos Energy as required by Kansas Corporation Commission Regulation 82-3-311 concerning the Schabel 1-28, Schabel 6-28, Schabel 9-28 and Schabel 14-28 wells to be drilled within the boundaries of the Liberty Gas Storage Field. A copy has been sent to your Independence, Kansas office.

Enclosed with this letter is a map evidencing Colt Energy's proposed and existing wellsites in and around your Liberty, Kansas Gas Storage Field. Colt Energy, Inc. is planning to drill four more wells, at this time, within the limits of leased storage land. The Schabel 1-28 well is located approximately 1070 feet from the north section line and 1000 feet from the east section line of Section 28, Township 33 South, Range 17 East, in Montgomery County, Kansas. The Schabel 6-28 well is located approximately 2000 feet from the north section line and 1950 feet from the west section line of Section 28, Township 33 South, Range 17 East. The Schabel 9-28 well is located approximately 2075 feet from the south section line and 375 feet from the east section line of Section 28, Township 33 South, Range 17 East. The Schabel 14-28 well is located approximately 1300 feet from the south section line and 1900 feet from the west section line of Section 28, Township 33 South, Range 17 East. Our primary purpose for drilling is to exploit and produce coalbed methane gas in numerous coal seams in the Cherokee Group of Pennsylvanian age.

It is our understanding that there could be buried gas storage gathering lines or transmission lines near these well locations. Colt Energy will contact Kansas One Call (1-800-DIG-SAFE) to have lines located by December 5, 2008.

Colt Energy, Inc. intends to comply fully with state regulations and requirements of Atmos Energy within the gas storage unit. In addition, we are willing to share information with Atmos only, regarding any wells drilled surrounding your storage field.

The spud date and anticipated drilling is between December 15, 2008 and December 27, 2008. Timing of drilling depends on your response to us and rig availability. Kurt Finney Drilling has been contacted and has stated he is now available. This driller has drilled in the Liberty Gas Storage with mud within the past 1 year.

In addition to attempting to contact you, Colt Energy has contacted your Independence office. We certainly can move the locations if we find pipelines too close to the proposed wellsites.

In the event of a blow-out, Colt's procedure is to close the BOP, kill the well with gelled and weighted mud and finish drilling the well to total depth 60- 100 feet into the Mississippian Limestone. An open hole log will be attempted (CDL and DIL) and the well will be cemented with a thixotropic cement using Consolidated Oil Well Services. This will be done by maintaining the mudweight required to kill the well.

Drilling intents are filed at the time of this notice.

I look forward to your reply.

Respectfully,

Jim Stegeman

Director of Geology

Colt Energy, Inc.

913-236-0016 620-365-9807 (c)

jstegeman@coltenergyinc.com

CC: Atmos Energy

Independence Field Office

1509 W. Maple St.

Independence, KS 67301-8423



November 12, 2008

Mr. Rick Hestermann Kansas Corporation Commission 130 S Market, Room 2078 Wichita, KS 67202

RE: Horton 1-27; Schabel 1-28; Schabel 6-28; Schabel 9-28; Schabel 14-28; Staton 16-29; S. Staton 8-29; Raney 7-32;

Dear Mr. Hestermann:

Atmos Energy Corporation, operator of the North Liberty Storage Field, does not protest the drilling of the aforementioned wells if the attached conditions are strictly followed. Colt Energy has been made aware of the restrictions and has agreed to their strict adherence.

Please advise if you require any further information.

11 h

Sincerety

Doug Shatas

Manager Compliance

ATMOS GAS STORAGE REQUIREMENTS

- Completion Requirements allow for completing 50 feet below Squirrel or 200 below base of Oswego
 - Copy of Intent To Drill 5 days prior to drilling w/proposed depth and zones of interest
 - 3 Drill with chemical mud only exceptions outside active storage w/ permission
 - 4 No well within 400 feet of gas storage well
 - Free access to wellsite
- 7 Supply daily drilling and progress reports
 - Run open hole CDL and DIL logs
- 9 10 foot drill cutting samples from 200 feet to TD
- 10. Atmos may request at their expense a core of the squirrel section
 - 1 4 1/2 inch casing requirement
- 2 Centralizers to straddle the storage sandstone
 - 3 Bond Log
- 4 Copy of complete file to Atmos
- 15 3 day prior notification of plans to drill and 5 days for plugging plus copy of plugging affidavit
 - 16 Option to take possession of well to Atmos at salvage value
- 17 Do not complete any wells in the gas storage reservoir, the squirrel sandstone
- 18 If a zone is completed, prior to sales provide copy of gas analysis, SIP, flow test, & perfs
 - 19 Shut-in or squeeze or plug any well in communication with the storage sandstone
- 20 To furnish upon request: drilling samples, cores, and reports, copies of drillstem or prod tests reports
 - 21 GRN logs to total depth and furnish two field and two final copies to Atmos 22 \$250 dollars per well damages prior to drilling operations
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