

For KCC Use:	
Effective Date:	
District #	
0040 🗆 🗸	DN-

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

	TENT TO DRILL (5) days prior to commencing well		
Expected Spud Date:	Spot Description:		
ODEDATOD: License#	(Q/Q/Q/Q) feet from N / S Line of Section		
OPERATOR: License# 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 #:		
CONTRACTOR: License#	Field Name:		
	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: Yes No		
Seismic ; # of Holes Other	Depth to bottom of fresh water:		
Other:	Depth to bottom of usable water:		
	Surface Pipe by Alternate: III		
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:		
If Yes, true vertical depth:	DWR Permit #:		
Bottom Hole Location:	(Note: Apply for Permit with DWR)		
KCC DKT #:	Will Cores be taken?		
	If Yes, proposed zone:		
AFF The undersigned hereby affirms that the drilling, completion and eventual plug	IDAVIT 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 shall be posted on each of the approved notice of intent to drill shall be posted on each of the appropriate district office will be notified below shall be set be through all unconsolidated materials plus a minimum of 20 feet into the If the well is dry hole, an agreement between the operator and the district. The appropriate district office will be notified before well is either plugges. If an ALTERNATE II COMPLETION, production pipe shall be cemented. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #13 	y circulating cement to the top; in all cases surface pipe shall be set underlying formation. ict office on plug length and placement is necessary prior to plugging ; ed or production casing is cemented in; 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 a Submitted Electronically For KCC Use ONLY API # 15 -	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;		
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



1027

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

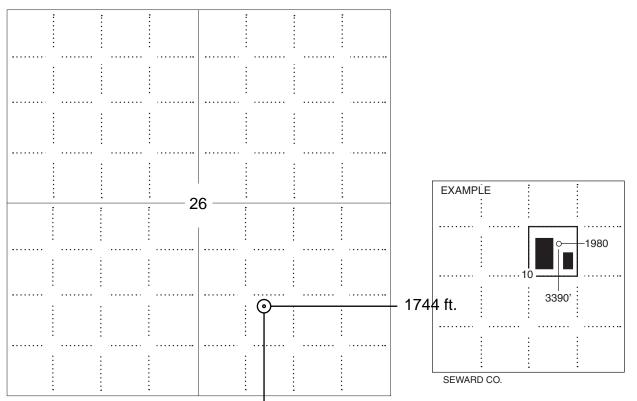
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please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

1226 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

027475

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:	Pit is:					
Emergency Pit Burn Pit	Proposed Existing If Existing, date constructed:		SecTwp R East West Feet from North / South Line of Section			
Settling Pit Drilling Pit						
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity: (bbls)		Feet from East / West Line of Section County			
Is the pit located in a Sensitive Ground Water	Area? Yes	No	Chloride concentration:	,		
is the pit located in a Sensitive Ground water Area? res 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 (feet)		Width (feet)	N/A: Steel Pits		
Depth fro	om ground level to de	epest point:	(feet)	No Pit		
If the pit is lined give a brief description of the material, thickness and installation procedure		•	dures for periodic maintena ncluding any special monito			
Distance to nearest water well within one-mile of pit		Depth to shallowest fresh waterfeet. Source of information:				
feet Depth of water wellfeet		measu	redwell owner	electric logKDWR		
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?		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	t Date: L	ease Inspection: Yes No		



BOX 8604 - PRATT, KS 67124 (620) 672-6491

OIL FIELD SURVEYORS

Staked 03/18/09

318091 INVOICE NO.

VAL ENERGY INC 1-26 Brown/Rolfe Unit OPERATOR 26 34s 11w 100' NE of NW NE SW SE LOCATION COUNTY ELEVATION: 13091 gr VAL ENERGY INC 200 W Douglas, Ste 520 Wichita KS 67202-3005 AUTHORIZED BY: Todd Allam SCALE: 1" = 1000' Set 5' & 2' wood stakes. Slight slope feed stubble. On alternate location due to close proximity to trees. Company Rep present. STAKE 1226



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

April 10, 2009

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

Re: Drilling Pit Application BROWN/ROLFE UNIT Lease Well No. 1-26 SE/4 Sec.26-34S-11W Barber County, Kansas

Dear K. 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. KEEP PITS away from draw/drainage.

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.