

| For KCC | Use: | |
|------------|-------|--|
| Effective | Date: | |
| District # | | |
| 0040 | | |

Spud date: _

_ Agent: _

Kansas Corporation Commission Oil & Gas Conservation Division

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

| | TENT TO DRILL All blanks must be Filled (5) days prior to commencing well |
|--|---|
| Expected Spud Date: | Spot Description: |
| month day year | · · · Sec. Twp. S. R. E W |
| OPERATOR: License# | (a/a/a/a) 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: | 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 Gas Storage Pool Ext. Air Rotary | Water well within one-quarter mile: |
| Gas Storage Pool Ext. Air Rotary 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 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? YesNo | Well Farm Pond Other: |
| If Yes, true vertical depth: | DWR Permit #: |
| KCC DKT #: | (Note: Apply for Permit with DWR) |
| | Will Cores be taken? Yes No If Yes, proposed zone: |
| AFF | 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 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 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 plugge If an ALTERNATE II COMPLETION, production pipe shall be cemented. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #13 must be completed within 30 days of the spud date or the well shall be | by circulating cement to the top; in all cases surface pipe shall be set enunderlying formation. rict office on plug length and placement is necessary prior to plugging ; ed or production casing is cemented in; d 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 |
| 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; |
| | - 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); |
| Approved by: | Obtain written approval before disposing or injecting salt water. If this pormit has expired (See authorized expiration data places). |
| 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. |

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: | 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.)

| | : : | : | : | | | : | : | |
|---------------------------------------|------------|-------------|--|-------|------------|--------|------------|------------|
| | | | | •••• | | | | |
| | | : : : | : : : | | | • | • | |
| •••• | | : | : | ••••• | | : | O - | – 165 ft. |
| · · · · · · · · · · · · · · · · · · · | : : | : : | : : | •••• | : : | : : | | 100 10. |
| | : | : | <u>. </u> | | | : | | EXAMPLE |
| | | | | | | | | 1980 |
| | | | : : : | •••• | | : | | 3390' |
| | | | | | | | | |
| | | • | | | | | | SEWARD CO. |

3570 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

27805 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 well | feet | | redwell owner electric logKDWR | | |
| Emergency, Settling and Burn Pits ONLY: | | Drilling, Work | over and Haul-Off Pits ONLY: | | |
| Producing Formation: | | Type of materia | al utilized in drilling/workover: | | |
| Number of producing wells on lease: | | Number of wor | king 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 O | NLY 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

NOTICE TO OPERATORS FILING INTENT TO DRILL FOR DISPOSAL OR ENHANCED RECOVERY INJECTION WELLS, (CLASS II INJECTION WELL)

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved "Intent to Drill" does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in K.A.R. 82-3-400 et seq of our regulations. Associated regulations governing drilling, completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sandstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a "Design Approval" before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.



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

April 20, 2009

Dennis Kershner Colt Energy Inc PO BOX 388 IOLA, KS66749-0388

Re: Drilling Pit Application North Hazen Lease Well No. 23 - i NE/4 Sec.02-23S-16E Coffey County, Kansas

Dear Dennis Kershner:

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 as soon as practical 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) 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.