

For KCC Use:	
Effective Date:	
District #	
CC 42 \ \	no No

Spud date:

Agent:

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1029176

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

	ITENT 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#	feet from E / W Line of Section
Name:	Is SECTION: Regular Irregular?
Address 1:	
Address 2: State: Zip: +	(Note: Locate well on the Section Plat on reverse side)
Contact Person:	County:
Phone:	Lease Name: Well #:
CONTRACTOR: License#	Field Name:
CONTRACTOR: License# Name:	Is this a Prorated / Spaced Field?
ivanie.	Target Formation(s):
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary line (in footage):
Oil Enh Rec Infield Mud Rotary	
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile: Public water supply well within one mile: Yes No
Disposal Wildcat Cable	,
Seismic ;# of Holes Other	Depth to bottom of fresh water: Depth to bottom of usable water:
Other:	Surface Pipe by Alternate: I II
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
<u> </u>	Length of Conductor Pipe (if any):
Operator:	Projected Total Depth:
Well Name: Original Completion Date: Original Total Depth:	Formation at Total Depth:
Original Completion Date Original Total Deptil	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?	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	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;	
2. A copy of the approved notice of intent to drill <i>shall be</i> posted on each	drilling rig;
3. The minimum amount of surface pipe as specified below shall be set	
through all unconsolidated materials plus a minimum of 20 feet into the	, 0
 If the well is dry hole, an agreement between the operator and the dist The appropriate district office will be notified before well is either plugg 	
The appropriate district office will be notified before well is either plugg If an ALTERNATE II COMPLETION, production pipe shall be cemented	
	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	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; Submit plugging report (CR 4) offer plugging is completed (within 60 days);
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.
Approved by:	- If this permit has expired (See: authorized expiration date) please
This authorization expires:	check the box below and return to the address below.
(This authorization void if drilling not started within 12 months of approval date.)	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

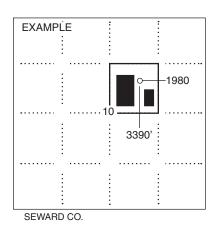
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please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

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330 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

1029176

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 No Length (feet) om ground level to deepest point: liner Describe proce		Feet from North / South Line of Section Feet from East / West Line of Section County Now is the pit lined if a plastic liner is not used?		
Distance to nearest water well within one-mile	of pit	Depth to shallo	owest fresh waterfeet.		
·		Source of infor			
feet Depth of water well	feet		uredwell owner electric logKDWR		
Emergency, Settling and Burn Pits ONLY:		.	cover and Haul-Off Pits ONLY:		
Producing Formation:			al utilized in drilling/workover:		
Number of producing wells on lease:			rking pits to be utilized:		
Barrels of fluid produced daily: Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No		Abandonment procedure: Drill pits must be closed within 365 days of spud date.			
Submitted Electronically					
	ксс	OFFICE USE OF	NLY Steel Pit RFAC RFAS		
Date Received: Permit Num	ber:	Permi	nit Date: Lease Inspection: Yes No		

601 L



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

OIL FIELD SURVEYORS

___<u>68094</u> INVOICE NŌ

VAL ENERGY INC	3-21 Diel & Co
	LAM
Barber 21 34s 11w	330' FSL & 4620' FWL LOCATION
VAL ENERGY INC 200 W Douglas Ste 520 Wichita KS 67202-3005	ELEVATION: _1319' gr
AUTHORIZED BY: Todd Allam	
SCAL	F- 1" = 1000:
Set 5' iron & wood stake. Level pasture.	21 ————————————————————————————————————
4620' Staked 06/08/09	STAKE ** 330'



Mark Parkinson, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

June 17, 2009

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

Re: Pit Application
DIEL & CO Lease Well No. 3-21
SE/4 Sec.21-34S-11W
Barber County, Kansas

Dear K. TODD ALLAM:

According to the drilling pit application referenced above, no earthen pits will be used at this location. Steel pits will be used. Please inform the Commission in writing as to which disposal well you utilized to dispose of the contents in the steel pits and the amount of fluid that was disposed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal.

Should a haul-off pit be necessary please file form CDP-1 (April 2004), Application for Surface Pit, through SOLAR. This location will have to be inspected prior to approval of the haul-off pit application.

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.