

For KCC Use:	
Effective Date: _	
District #	
0040 🖂	

# Kansas Corporation Commission Oil & Gas Conservation Division

Form C-1 October 2007 Form must be Typed

	ITENT TO DRILL  e (5) days prior to commencing well
Expected Spud Date:	Spot Description:
month day year	· · · Sec Two S.B. F. W
	(a/a/a/a) feet from N / S Line of Section
OPERATOR: License#	feet from E / W Line of Section
Name: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:
Name:	Is this a Prorated / Spaced Field?  Yes No
realite.	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:
If OWWO: old well information as follows:	Surface Pipe by Alternate: III
II 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:
5 5	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 )
που Βιτί π.	Will Cores be taken?
	If Yes, proposed zone:
AFF	FIDAVIT
The undersigned hereby affirms that the drilling, completion and eventual plu	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;	
<ol> <li>A copy of the appropriate district of intent to drill <i>shall be</i> posted on each</li> </ol>	drillina ria:
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	, ,
4. If the well is dry hole, an agreement between the operator and the dist	, , , , , , , , , , , , , , , , , , , ,
5. The appropriate district office will be notified before well is either plugg	
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented.  Or pursuant to Appendix "B" - Fastern Kansas surface casing order #1	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	• • • • • • • • • • • • • • • • • • • •
,	,
Submitted Electronically	
January 2.00th of mounty	Damamhayta
For KCC Use ONLY	Remember to:
	- 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	
Approved by:	Obtain written approval before disposing or injecting salt water.
	- If this permit has expired (See: authorized expiration date) please
This authorization expires:	check the box below and return to the address below.

Well Not Drilled - Permit Expired Date: Signature of Operator or Agent:

(This authorization void if drilling not started within 12 months of approval date.)

\_ Agent: \_

Spud date: \_



### IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

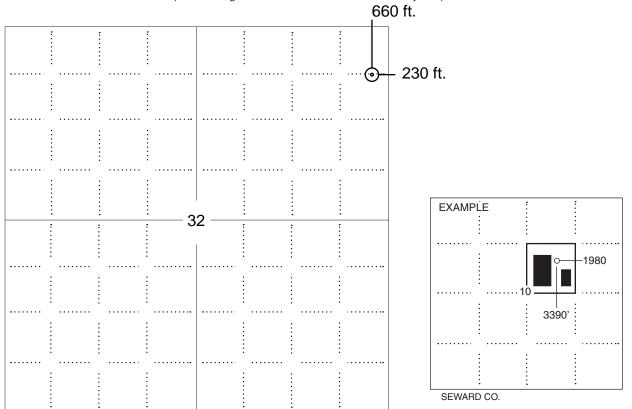
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please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

#### 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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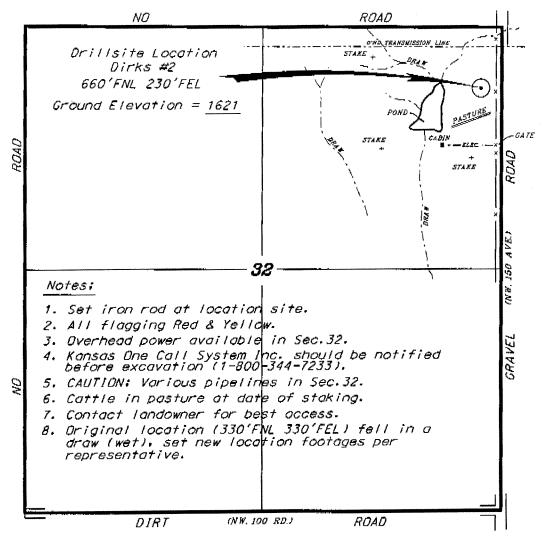
Form CDP-1 April 2004 Form must be Typed

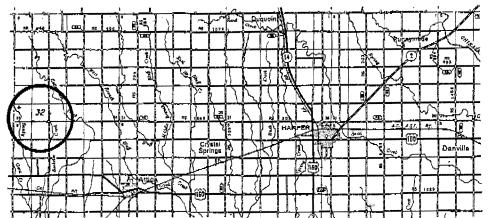
# **APPLICATION FOR SURFACE PIT**

## 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):  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			
		ccgy,			
Distance to nearest water well within one-mile of pit		Depth to shallo	west fresh waterfeet.		
feet Depth of water wellfeet			redwell owner electric logKDWR		
Emergency, Settling and Burn Pits ONLY:  Producing Formation:  Number of producing wells on lease:  Barrels of fluid produced daily:  Does the slope from the tank battery allow all spilled fluids to flow into the pit?  Yes No  Submitted Electronically		Drilling, Workover and Haul-Off Pits ONLY:  Type of material utilized in drilling/workover:  Number of working pits to be utilized:  Abandonment procedure:  Drill pits must be closed within 365 days of spud date.			
KCC OFFICE USE ONLY Steel Pit RFAC RFAS					
Date Received: Permit Num	ber:	Permi	it Date: Lease Inspection:		

# PIONEER EXPLORATION, LLC DIRKS LEASE NE-1/4. SECTION 32. T315. R9W HARPER COUNTY, KANSAS





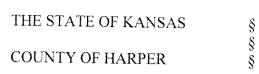
- e Controlling data is based upon the best maps and photographs available to us and upon a requier section of land containing 640 occurs.
- Approximate from containing one occasion.

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October 30, 2009

# Designation of Oil Unit Dirks Unit No.1

Date Recorded: 10/16/2009 3:00:00 PM





That, Whereas, Pioneer Exploration, LLC, whose address is 15603 Kuykendahl, Suite 200, Houston, Texas 77090, hereinafter called "Lease Owner", is the owner and holder of the following Oil and Gas Leases, covering the lands and rights described herein, in Harper County, Kansas, all of which leases are recorded in the Register of Deeds Office of Harper County, Kansas:

- 1. Oil and Gas Lease dated January 25, 2006 from Joe Dirks and wife, Betty Dirks to J. Fred Hambright, Inc., recorded in Book 88, Page 1564 of the Register of Deeds Office of Harper County, Kansas, covering 240 acres of land, described as the SW/4SW/4 of Section 28, SE/4SE/4 of Section 32, and the W/2W/2 of Section 33, T-31-S, R-9-W, Harper County, Kansas, herein called the "Joe Dirks Lease".
- 2. Oil and Gas Lease dated January 25, 2006 from Glen Dirks to J. Fred Hambright, Inc., recorded in Book 88, Page 1563 of the Register of Deeds Office of Harper County, Kansas, covering 240 acres of land, described as the SW/4SW/4 of Section 28, SE/4SE/4 of Section 32, and the W/2W/2 of Section 33, T-31-S, R-9-W, Harper County, Kansas, herein called the "Glen Dirks Lease".
- 3. Oil and Gas Lease dated January 31, 2006 from Kenneth Rogers and wife, Nancy Rogers to J. Fred Hambright, Inc., recorded in Book 88, Page 1481 of the Register of Deeds Office of Harper County, Kansas, covering 234.5 acres of land, described as the N/2S/2 of Section 32 and a tract of land beginning at the SE corner of the NE/4 of Section 32; running thence to the SW corner of NW/4 Section 32; thence North along the section line 507'; thence East paralleling the South line of said tract to the East line of the SW/4NW/4; thence North to a point 480' South of the NW corner of the SE/4NW/4; thence East to a point 480' South of the NE/4 corner of the SE/4NW/4; thence South to a point 481.6' North of the SE corner of the NW/4; thence East to a point 481.6' North of the POB; thence South to POB, T-31-S, R-9-W, Harper County, Kansas, herein called the "Rogers Lease"; and
- 4. Oil and Gas Lease dated January 9, 2009 from Adeline C. Green to J. Fred Hambright, Inc., recorded in Book G90, Page 870 of the County Records of Harper County, Kansas, as corrected by Correction of Lease Description dated January 26, 2009, Recorded in Book G90, Page 874, of the County Records of Harper County, Kansas, covering 417 acres of land, described as the S/2S/2 of

Section 29 and the N/2 of Section 32, all in T-31-S, R-9-W, Harper County, Kansas, <u>Less</u> a tract beginning in the SE corner of the NE/4 of Section 32, running thence to the SW corner of the NW/4 of Section 32, thence N. along the Section line 507', thence E. paralleling the south line of said tract to the E. line of the SW/4NW/4, thence N. to a point 480' south of the NW corner of the SE/4NW/4, thence E. to a point 480' south of the NE corner of the SE/4NW/4, thence S. to a point 481.6' north of the POB, thence E. to a point 481.6' north of the POB, therein called the "Green Lease".

Whereas, each of the above described Oil and Gas Leases vests in the lessee therein and lessee's successors and assigns, the right and power to pool or combine such leases and land covered thereby with other land or leases to form a unit or units for the production of gas to the extent and in the manner hereinafter provided; and

Whereas, it is the judgment of Lease Owner that the unitization, pooling and consolidation of the above described leases to the extent and in the manner hereinafter provided, is advisable to operate properly and develop the land hereinafter described and will promote the conservation of the oil in and under said land;

NOW, THEREFORE, in accordance with the authority granted by the above described Oil and Gas Leases, Lease Owner does hereby designate and establish an oil unit containing 80 acres of land consisting of the above described leases and hereby POOLS, UNTIZES AND CONSOLIDATES the above described leases, insofar only as said leases cover and apply to oil produced or that may be produced from said 80 unit being comprised of the following tracts of land situated in Township 31 South, Range 9 West, Harper County, Kansas:

Tract 1: 30 acres of land, more or less, being the W/2NW/4NW/4 and NW/4SW/4NW/4 of Section 33 and the described in the Joe Dirks and Glen Dirks Leases.

Tract 2: 1.25 acres of land, more or less, being the N/2NE/4SE/4SE/4 of Section 32 described in the Rogers Lease.

Tract 3: 48.75 acres of land, more or less, being the NE/4NE/4 of Section 32, (SAVE and EXCEPT the N/2N/2N/2NE/4NE/4 of Section 32) and the E/2E/2E/2, NW/4NE/4 of Section 32, (SAVE and EXCEPT the NE/4NE/4NE/4NW/4NE/4) and the NE/4NE/4NE/4SE/4NE/4; the N/2N/2N/2SE/4NE/4 and the E/2NE/4SE/4NE/4 of Section 32 described in the Green Lease.

Said lands and the leases covered thereby, together with all royalties, overriding royalties and payments out of production and reversionary rights thereunder, if any, are hereby unitized, pooled and consolidated for the development, production and conservation of the oil in, under and that may be produced from the above describe land.

This Designation of Oil Unit shall not exhaust the pooling and unitization rights and powers of Lease Owner, its successors and assigns under the above-described leases and the right to amend this Designation of Oil Unit is hereby reserved by Lease Owner, its successors and assigns. If the lands included in this unit are subsequently surveyed or resurveyed or other data is provided showing an error has been made in the description or acreage content of such lands, Lease Owner may execute an amendment revising the description or acreage content of the unit pursuant to such survey, re-survey or other data.

IN WITNESS WHEREOF, this instrument is executed this 12th day of October, 2009, but made effective the date of first runs from the unit.

Pioneer Exploration, LLC

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Vice Presiden

THE STATE OF TEXAS

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COUNTY OF HARRIS

This instrument was acknowledged before me this 12th day of October, 2009, by George E. Ruff, Vice President of Pioneer Exploration, LLC, on behalf of said company.

MY COMMISSION EXPIRES
September 10, 2012

Notary Public

When recorded mail to: Pioneer Exploration LLC 15603 Kuykendahl Suite 200 Houston, TX 77090



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

November 04, 2009

John Houghton Pioneer Exploration, LLC 15603 KUYKENDAHL STE 200 HOUSTON, TX 77090-3655

Re: Drilling Pit Application Dirks 2 NE/4 Sec.32-31S-09W Harper County, Kansas

# Dear John Houghton:

District staff has inspected the above referenced location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has recommended that the reserve pit be lined with bentonite or native clay, 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 72 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 (316) 630-4000 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through SOLAR within 30 days of fluid removal.

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 (316) 630-4000.