

For KCC U	lse:			
Effective Da	ate:			
District # _				
0040	٦.,	п. .		

This authorization expires: ___

Spud date: _

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

_ Agent: _

Kansas Corporation Commission Oil & Gas Conservation Division

1032957

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

	ITENT TO DRILL All blanks must be Filled a (5) days prior to commencing well
Expected Spud Date:	Spot Description:
month day year	
	(0/0/0/0/0) seet from N / S Line of Section
OPERATOR: License#	feet from E / W Line of Section
Name:	
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):
7,7 4.7	Ground Surface Elevation:feet MSL
Oil Enh Rec Infield Mud Rotary	Water well within one-quarter mile:
Gas Storage Pool Ext. Air Rotary	Public water supply well within one mile: Yes No
Disposal Wildcat Cable	
Seismic ;# of HolesOther	Depth to bottom of fresh water:
Other:	Depth to bottom of usable water:
If OWWO: old well information as follows:	Surface Pipe by Alternate: I I II
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:
	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:
The undersigned hereby affirms that the drilling, completion and eventual plug. It is agreed that the following minimum requirements will be met: 1. 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 3. The minimum amount of surface pipe as specified below <i>shall be set</i> to through all unconsolidated materials plus a minimum of 20 feet into the set of the well is dry hole, an agreement between the operator and the district. The appropriate district office will be notified before well is either pluggers. If an ALTERNATE II COMPLETION, production pipe shall be cemented.	drilling rig; by circulating cement to the top; in all cases surface pipe <i>shall be set</i> e underlying formation. rict office on plug length and placement is necessary <i>prior to plugging;</i> ed or production casing is cemented in; d from below any usable water to surface within <i>120 DAYS</i> of spud date. 33,891-C, which applies to the KCC District 3 area, alternate II cementing
For KCC Use ONLY API # 15 Conductor pipe required feet Minimum surface pipe required feet per ALT. I II Approved by:	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; - Notify appropriate district office 48 hours prior to workover or re-entry; - Submit plugging report (CP-4) after plugging is completed (within 60 days); - Obtain written approval before disposing or injecting salt water.
/ ipprovod by	If this permit has expired (See: authorized expiration data) places

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

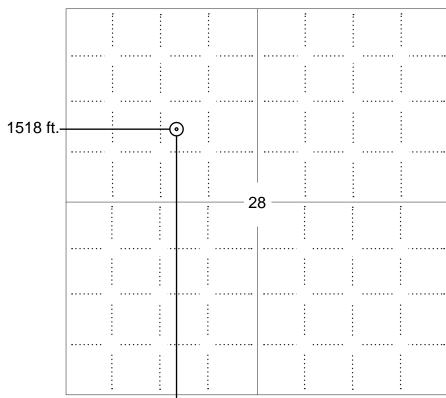
Plat of acreage attributable to a well in a prorated or spaced field

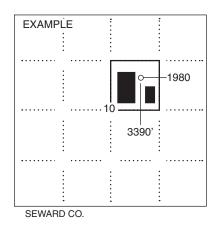
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please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

3630 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

032957

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: Pit capacity:		SecTwpR		
Settling Pit Drilling Pit			Feet from North / South Line of Section		
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)			Feet from East / West Line of Section		
		(bbls)		County	
Is the pit located in a Sensitive Ground Water	Area? Yes] No	Chloride concentration:	•	
Is the bottom below ground level?	Artificial Liner?			Pits and Settling Pits only)	
Yes No	Yes No		How is the pit lined if a plastic liner is not used?		
Pit dimensions (all but working pits):	Pit dimensions (all but working pits): Length (fe		Width (feet)	N/A: Steel Pits	
Depth fro	om ground level to de	eepest point:	(feet)	No Pit	
If the pit is lined give a brief description of the material, thickness and installation procedure			dures for periodic maintenance ncluding any special monitoring	ŭ	
Distance to nearest water well within one-mile	Depth to shallor Source of infor	west fresh watermation:	feet.		
feet Depth of water well	feet	measu	redwell owner	electric logKDWR	
Emergency, Settling and Burn Pits ONLY:		Drilling, Work	over 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 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	t Date: Leas	e Inspection: Yes No	

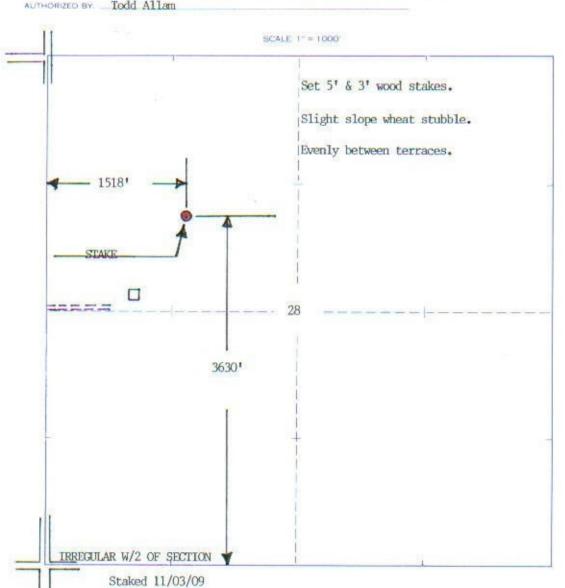


BOX 8604 - PRATT, KS 67124 (620) 672-6491

1103094 INVOICE NO

VAL ENERGY INC 12-28 Paxton/Kubik W/2 NW SE NW LOCATION Rarber 34s 11w ELEVATION 1388' gr VAL ENERGY INC 200 W Douglas, Ste 520 Wichita, KS 67202-3005

AUTHORIZED BY. _ Todd Allam





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

November 18, 2009

K. TODD ALLAM Val Energy, Inc. 200 W DOUGLAS AVE STE 520 WICHITA, KS 67202-3005

Re: Drilling Pit Application PAXTON KUBIK 12-28 NW/4 Sec.28-34S-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.

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. 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 (620) 225-8888.