

For KCC	Use:	
Effective	Date:	
District #	<u> </u>	
0040		

Kansas Corporation Commission Oil & Gas Conservation Division

Form C-1 October 2007 Form must be Typed

PERATOR: Liconse#	Expected Spud Date:	da:			_	Spot Description:
Section Sect	month	day	year			Sec Twp S. R E \
arrow. State Zip	PERATOR: License#					
SECTION: Regular Iregular?					_	feet from E / W Line of Section
Wolf Prison: State: Zip: # County: Lease Name: Well #; Teld Name: Field Name: Fi						Is SECTION: Regular Irregular?
State: Zip: +						(Note: Locate well on the Section Plat on reverse side)
Lease Name:	ty: State:	Zip:	+		_	•
Field Name: Well Drilled For: Well Class: Type Equipment: Well Drilled For: Well Class: Type Equipment: Well Class: Type Equipment: Well Class: Type Equipment: Well Class: Type Equipment: Gas Storage Pool Ext. Air Rotary Well Air Rotary Well Class: Wildcat Cable Disposal Wildcat Cable Disposal Wildcat Cable Despite to bottom of fresh water: Dopth to bottom of fresh water: Water	ontact Person:				_	
Striss a Prorated / Spaced Field? String S	none:				_	
Target Formation(s): Nearest Lass or unit boundary line (in footage): Storage Pool Ext. Air Rotary Disposal Wildcat Cable Disposal Wildcat Disposal	ONTRACTOR: License#				_	
Well Drilled For: Well Class: Type Equipment: Ground Surface Elevation: Ground Surface Ploe Planned to be set: Ground Surface Ploe Planned to be set: Ground Surface Ploe Planned to be set: Ground Surface Planned Su	ame:				_	
Ground Surface Elevation:	Wall Drillad Fare Wall Classe	Tim	o Equipments			
Gas Storage Pool Ext. Air Rotary Storage Pool Ext. Air Rotary Pool Ext. Air Ro		Тур	1			
Gas Storage Pool Ext. Air Hotary Disposal Wildcat Cable Depth to bottom of fresh water: Depth to bottom of tresh water: Depth to Bottom of washe water: Surface Pipe by Alternate: I II Length of Surface Pipe Planned to be set: Length of Surface Pipe by Alternate: I II Length of Surface Pipe Planned to be set: Length of Conductor Pipe (if any): Projected Total Depth: Promation at Total Depth: Water Source for Drilling Operations: Water		_	i ,			
Depth to bottom of fresh water: Depth to bottom of usable water Depth to be water Depth to bottom of the water Depth to bottom of usable water Depth to bottom of usabl		_	4			·
Depth to bottom of usable water: Depth to bottom of usable water:			Cable			Depth to bottom of fresh water:
Surface Pipe by Alternate:						Depth to bottom of usable water:
Length of Surface Pipe Planned to be set: Coperator:						
Deperator: Well Name: Original Completion Date: Original Total Depth: Projected Total Depth: Formation at Total Depth: Formation at Total Depth: Water Source for Drilling Operations: Well Farm Pond Other: DWR Permit #: Water Source for Drilling Operations: (Note: Apply for Permit with DWR) Will Cores be taken? If Yes, proposed zone: Well Farm Pond Other: Well Farm Pon	If OWWO: old well information as follo	ows:				
Well Name: Original Completion Date: Original Total Depth: Poriginal Completion Date: Original Total Depth: Poriginal Completion Date: Original Total Depth: Pormation at Total Depth: Water Source for Drilling Operations: Water Source for Permit ##. Wat	Operator					· ·
Formation at Total Depth: water Source for Drilling Operations: wettion Hole Location: DCD EXT #: ### Wetting Formation at Total Depth: Wetting Formation at Total Depth:						Projected Total Depth:
Water Source for Drilling Operations: Water Source for Drilling Operation of the Suble Devented in: Will Cores be taken? Will Cores be taken? Will Cores be taken? Will Cores be taken? Water Source for Brill Vith Cores be taken? Will Cores be taken? Water Source for Brill Vith DWR Will Cares be taken? Will Cores be taken? Will Cores be taken? Will Cores be taken? Will Cores be taken? Water Source for Brill Vith K.S.A. 55 et. seq. Seq. Seq. Seq. Seq. Seq. Seq. Seq. Seq.						Formation at Total Depth:
rectional, Deviated or Horizontal wellbore? Yes No Well Farm Pond Other: DWR Permit #: Will Cores be taken? If Yes, proposed zone: AFFIDAVIT The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq. Is agreed that the following minimum requirements will be met: Notify the appropriate district office prior to spudding of well; 2. A copy of the approved notice of intent to drill shall be posted on each drilling rig; 3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging; The appropriate district office will be notified before well is either plugged or production casing is cemented in; If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 DAYS of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-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. **Remember to:** File Completion Form ACO-1 with Intent to Drill; File Completion Form ACO-1 within 120 days of spud date; File Completion Form ACO-1 within 120 days of spud date; File Completion Form ACO-1 within 120 days of spud date; File Completion Form ACO-1 within 120 days of spud date; File Completion Form ACO-1 within 120 days of spud date; File Completion Form ACO-1 within 120 days of spud date; File Completion Form ACO-1 within 120 days of spud date; File Completion Form ACO-1 within 120 days of spud date; File acreage attribution plat according to field proration orders; Notify appropriate dist	- 3	3				·
Will Cores be taken? Will Cores be taken? Yes Will Cores be taken? Yes Yes Will Cores be taken? Yes Yes				No)	
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bmitted Electronically For KCC Use ONLY API # 15	 is agreed that the following minimum requ Notify the appropriate district office p A copy of the approved notice of inte The minimum amount of surface pipe through all unconsolidated materials If the well is dry hole, an agreement I The appropriate district office will be If an ALTERNATE II COMPLETION, Or pursuant to Appendix "B" - Easter 	uirements worior to spuce nt to drill she as specific plus a minimulative notified beforeduction production profuss as si	ill be met: Iding of well; Itali be posted Itali be posted Itali be osted Itali be osted	on ea	ach of the distriction of the di	drilling rig; y circulating cement to the top; in all cases surface pipe shall be set underlying formation. ct office on plug length and placement is necessary prior to plugging; d or production casing is cemented in; from below any usable water to surface within 120 DAYS of spud date. 3,891-C, which applies to the KCC District 3 area, alternate II cementing
Minimum surface pipe requiredfeet per ALT. I II - Submit plugging report (CP-4) after plugging is completed (within 60 days);	For KCC Use ONLY API # 15 -				_	 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;
Obtain within annually before dispersion on injecting cold water						
			•	•	"	
	Approved by:				-	- If this permit has expired (See: authorized expiration date) please

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

_ Agent: _

Spud date: _

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

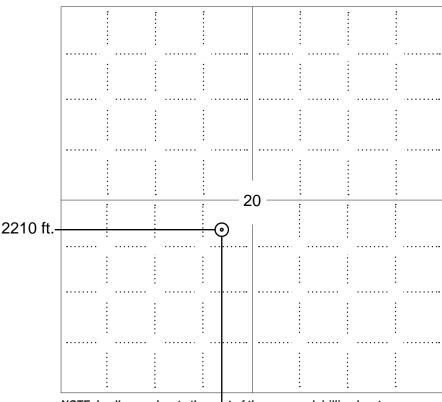
Plat of acreage attributable to a well in a prorated or spaced field

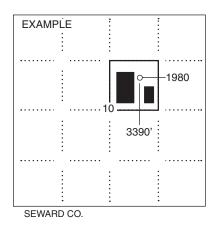
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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:							
_ease:	feet from N / S Line of Section							
Well Number:	feet from E / W Line of Section							
Field:	SecTwp S. 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.

2230 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

35785

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 Proposed Settling Pit Drilling Pit If Existing, date of Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) Is the pit located in a Sensitive Ground Water Area? Yes Is the bottom below ground level? Artificial Liner? Yes No Yes Pit dimensions (all but working pits): Length (fee Depth from ground level to defend the pit is lined give a brief description of the liner material, thickness and installation procedure.		No No et)epest point:	SecTwpR East West Feet from North / South Line of Sect Feet from East / West Line of Sect Cou Chloride concentration: mg (For Emergency Pits and Settling Pits only) How is the pit lined if a plastic liner is not used? Width (feet) N/A: Steel Pits No Pit No Pit Sedures for periodic maintenance and determining			
Distance to nearest water well within one-mile	of pit	Depth to shallo	west fresh waterfeet.			
feet Depth of water well	feet		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 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:			



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

215103 INVOICE NO.

VAL ENERGY INC	_4	Hill Trust		
OPERATOR	NO.		FARM	
Barber 20 34s 11w	2230	FSL & 2210'	FWL.	
COUNTY S T R		LOCATION		
•		ELEVATION:	1353' g	r
VAL ENERGY INC				,
200 W Douglas Ste 520				
Wichita KS 67202-2512				
AUTHORIZED BY:Todd				
	e			
SCAL	E: 1" = 1000'			
Set 5' & 3' wood stakes.	1			
Moderate slope pasture.				
* Relative datum is ± 10' lower	i			
than Topo.				
-	<u>i</u>			
				×
	1			
	*			
- 	20			
2210'	20 — — —	*		
2210				
1	4			
STAKE				
	+			
	2230'			
	1			
	+			-



March 05, 2010

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

Re: Drilling Pit Application HILL TRUST 4-20 SW/4 Sec.20-34S-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. Keep pits on north side of stake.

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.