

For KCC Use:
Effective Date: 04/05/2010
District # 1
SGA? ☐ Yes ☐ No

KANSAS CORPORATION COMMISSION 1036182
OIL & GAS CONSERVATION DIVISION

Form C-1
October 2007
Form must be Typed
Form must be Signed
All blanks must be Filled

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: 4/15/2010
month day year

OPERATOR: License# 32811
Name: OSAGE Resources, LLC
Address 1: 6209 N K61 HWY
Address 2:
City: HUTCHINSON State: KS Zip: 67502 + 8608
Contact Person: Brooke Maxfield
Phone: 620-664-9622

CONTRACTOR: License#
Name: Advise on ACO-1 --Must be licensed by KCC

Well Drilled For: Well Class: Type Equipment:
☐ Oil ☐ Enh Rec ☐ Infield ☐ Mud Rotary
☒ Gas ☐ Storage ☐ Pool Ext. ☐ Air Rotary
☐ Disposal ☐ Wildcat ☐ Cable
☐ Seismic ; # of Holes ☐ Other
☐ Other:

☐ If OWWO: old well information as follows:

Operator:
Well Name:
Original Completion Date: Original Total Depth:

Directional, Deviated or Horizontal wellbore? ☐ Yes ☐ No
If Yes, true vertical depth:
Bottom Hole Location:
KCC DKT #:

Spot Description:
SE - NW - NE - SW Sec. 25 Twp. 33 S. R. 15 ☐ E ☐ W
(Q/Q/Q/Q) 1983 feet from ☐ N / ☐ S Line of Section
1970 feet from ☐ E / ☐ W Line of Section

Is SECTION: ☐ Regular ☐ Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Barber
Lease Name: Osage No. Well #: 127
Field Name: Aetna Gas Area

Is this a Prorated / Spaced Field? ☐ Yes ☐ No

Target Formation(s): Mississippian

Nearest Lease or unit boundary line (in footage): 684

Ground Surface Elevation: 1828 Surveyed Surveyed feet MSL

Water well within one-quarter mile: ☐ Yes ☐ No

Public water supply well within one mile: ☐ Yes ☐ No

Depth to bottom of fresh water: 100

Depth to bottom of usable water: 180

Surface Pipe by Alternate: ☐ I ☐ II

Length of Surface Pipe Planned to be set: 200

Length of Conductor Pipe (if any):

Projected Total Depth: 5330

Formation at Total Depth: Viola

Water Source for Drilling Operations:

☐ Well ☐ Farm Pond ☐ Other:

DWR Permit #: (Note: Apply for Permit with DWR ☐)

Will Cores be taken? ☐ Yes ☐ No

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.

It is agreed that the following minimum requirements will be met:

1. 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.
4. 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**;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. 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.

Submitted Electronically

For KCC Use ONLY

API # 15 - 15-007-23527-00-00

Conductor pipe required 0 feet

Minimum surface pipe required 200 feet per ALT. ☐ I ☐ II

Approved by: Rick Hestermann 03/31/2010

This authorization expires: 03/31/2011

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

Spud date: Agent:

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.
- 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:



1036182

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 - 15-007-23527-00-00

Operator: OSAGE Resources, LLC

Lease: Osage No.

Well Number: 127

Field: Aetna Gas Area

Number of Acres attributable to well:

QTR/QTR/QTR/QTR of acreage: SE - NW - NE - SW

Location of Well: County: Barber

1983

feet from ☐ N / ☐ S Line of Section

1970

feet from ☐ E / ☐ W Line of SectionSec. 25 Twp. 33 S. R. 15 ☐ E ☐ WIs Section: ☐ Regular or ☐ Irregular

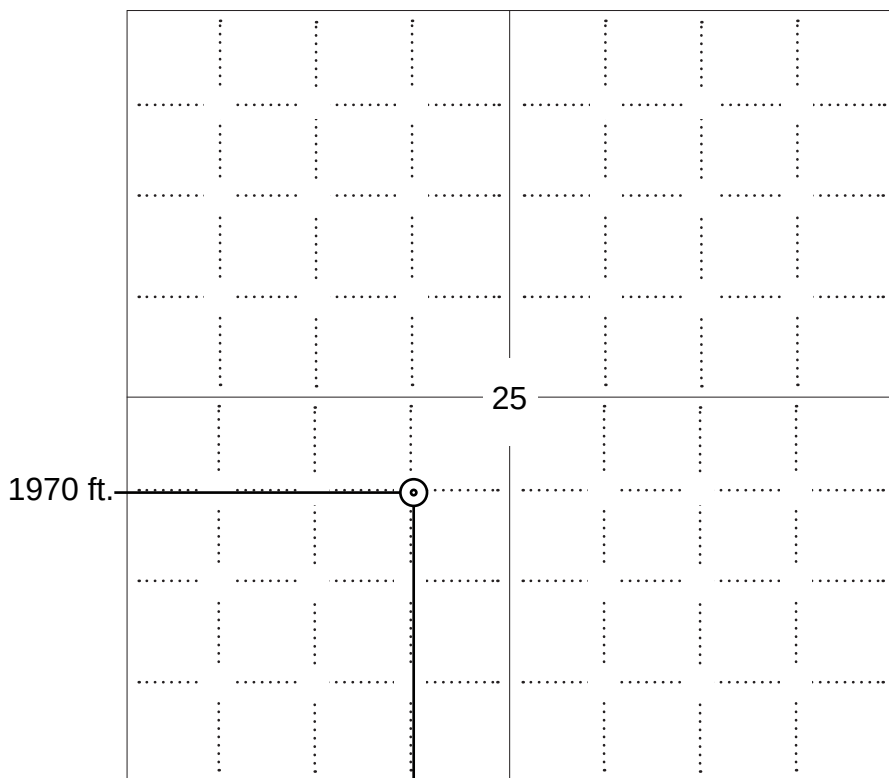
If Section is Irregular, locate well from nearest corner boundary.

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.)

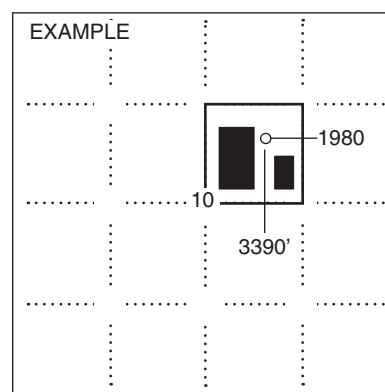


NOTE: In all cases locate the spot of the proposed drilling location.

1983 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).



SEWARD CO.



KANSAS CORPORATION COMMISSION 1036182
OIL & GAS CONSERVATION DIVISION

Form CDP-1
April 2004
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: OSAGE Resources, LLC		License Number: 32811	
Operator Address: 6209 N K61 HWY		HUTCHINSON KS 67502	
Contact Person: Brooke Maxfield		Phone Number: 620-664-9622	
Lease Name & Well No.: Osage No. 127		Pit Location (QQQQ): SE - NW - NE - SW Sec. 25 Twp. 33 R. 15 ☐ East ☐ West 1983 Feet from ☐ North / ☐ South Line of Section 1970 Feet from ☐ East / ☐ West Line of Section Barber County	
Type of Pit: ☐ Emergency Pit ☐ Burn Pit ☐ Settling Pit ☐ Drilling Pit ☐ Workover Pit ☐ Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: ☐ Proposed ☐ Existing If Existing, date constructed: 7/02/2007 Pit capacity: 4500 (bbls)	
Is the pit located in a Sensitive Ground Water Area? ☐ Yes ☐ No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? ☐ Yes ☐ No		Artificial Liner? ☐ Yes ☐ No	
How is the pit lined if a plastic liner is not used? surface clay/shale fill			
Pit dimensions (all but working pits): 60 Length (feet) 40 Width (feet) ☐ N/A: Steel Pits Depth from ground level to deepest point: 5 (feet) ☐ No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit 3950 feet Depth of water well 67 feet		Depth to shallowest fresh water 15 feet. Source of information: ☐ measured ☐ well owner ☐ electric log ☒ KDWR	
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		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Bentonite Drilling Mud Number of working pits to be utilized: 3 Abandonment procedure: Pits allowed to evaporate until dry, then backfill. Drill pits must be closed within 365 days of spud date.	
Submitted Electronically			

KCC OFFICE USE ONLY		Steel Pit ☐	RFAC ☐	RFAS ☒
Date Received: 03/29/2010	Permit Number: 15-007-23527-00-00	Permit Date: 03/30/2010	Lease Inspection: ☐ Yes ☐ No	



ADVANTAGE
ELEVATIONS

OIL FIELD SURVEYORS

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

323107

INVOICE NO.

OSAGE RESOURCES LLC
OPERATOR

127
NO.

Osage

FARM

Barber
COUNTY

25
S

33s
T

15w
R

1983' FSL & 1970' FWL
LOCATION

ELEVATION: 1828' gr

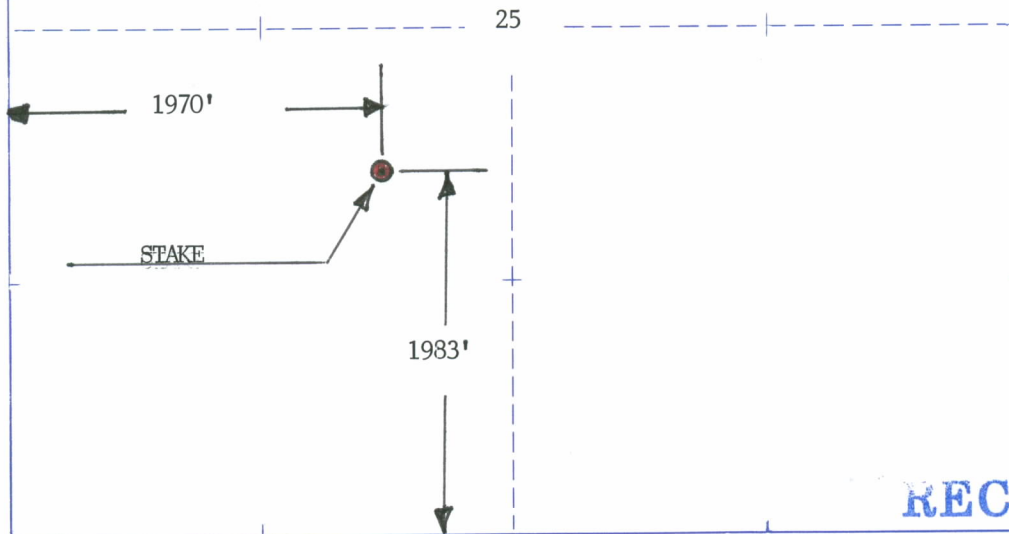


OSAGE RESOURCES LLC
6209 North K61 Highway
Hutchinson KS 67502-8608

AUTHORIZED BY: Jeff Dale

SCALE: 1" = 1000'

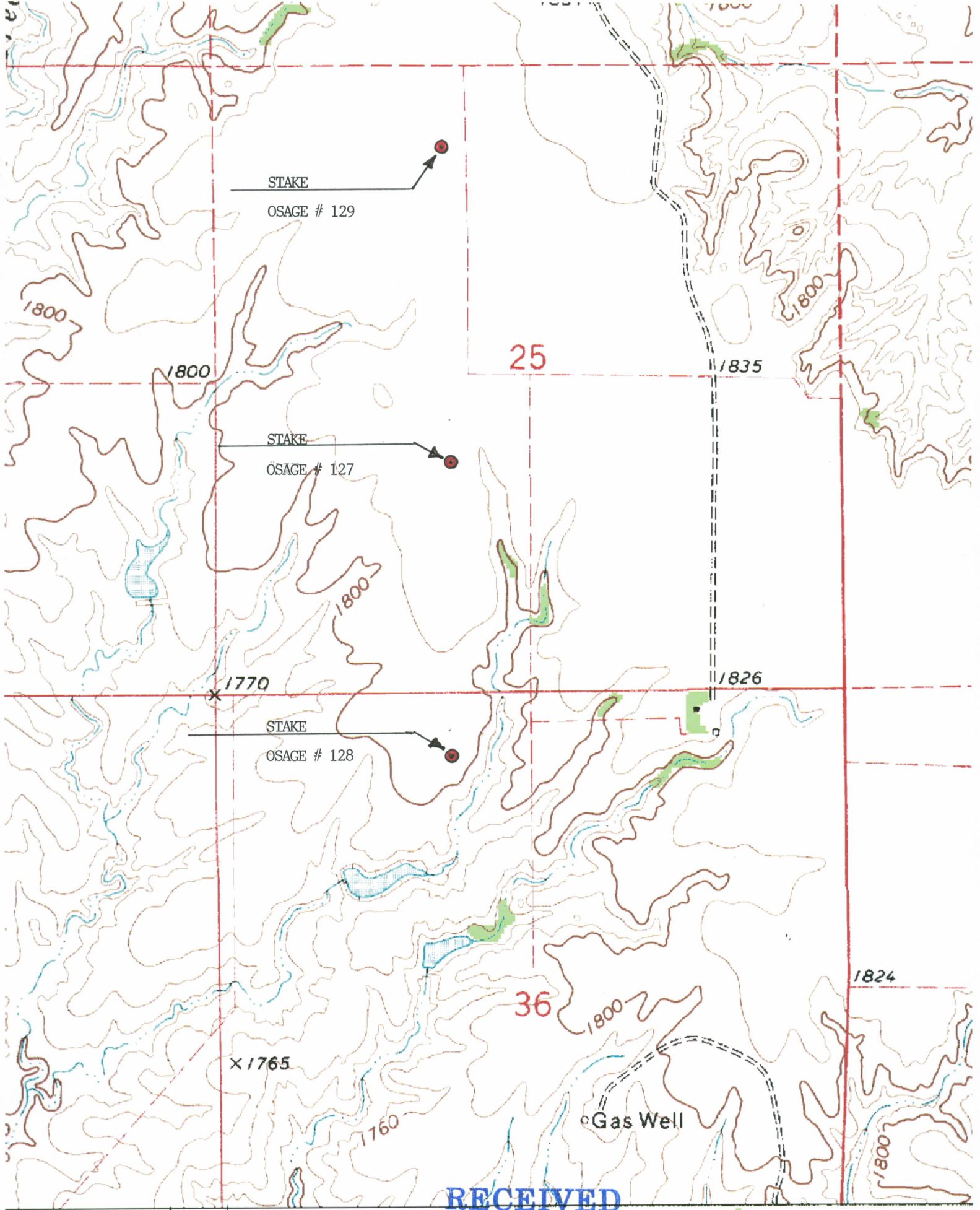
Verified location of 5' iron stake
& old pits.
Location originally staked 05/02/07.
Coordinates:
Lat. 37.142414
Long. -098.903879
Datum WGS 84



Staked 03/24/10

RECEIVED

MAR 29 2010



RECEIVED

MAR 29 2010

INTERIOR—GEOLOG
R 15 W R 14 W



*Mark Parkinson, Governor
Thomas E. Wright, Chairman
Joseph F. Harkins, Commissioner*

March 30, 2010

Brooke Maxfield
OSAGE Resources, LLC
6209 N K61 HWY
HUTCHINSON, KS 67502-8608

Re: Drilling Pit Application
Osage No. 127
SW/4 Sec.25-33S-15W
Barber County, Kansas

Dear Brooke Maxfield:

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 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.

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.