



1044436

For KCC Use ONLY

API # 15 - _____

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: _____

Lease: _____

Well Number: _____

Field: _____

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - _____ - _____ - _____

Location of Well: County: _____

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Sec. _____ Twp. _____ S. R. _____ E W

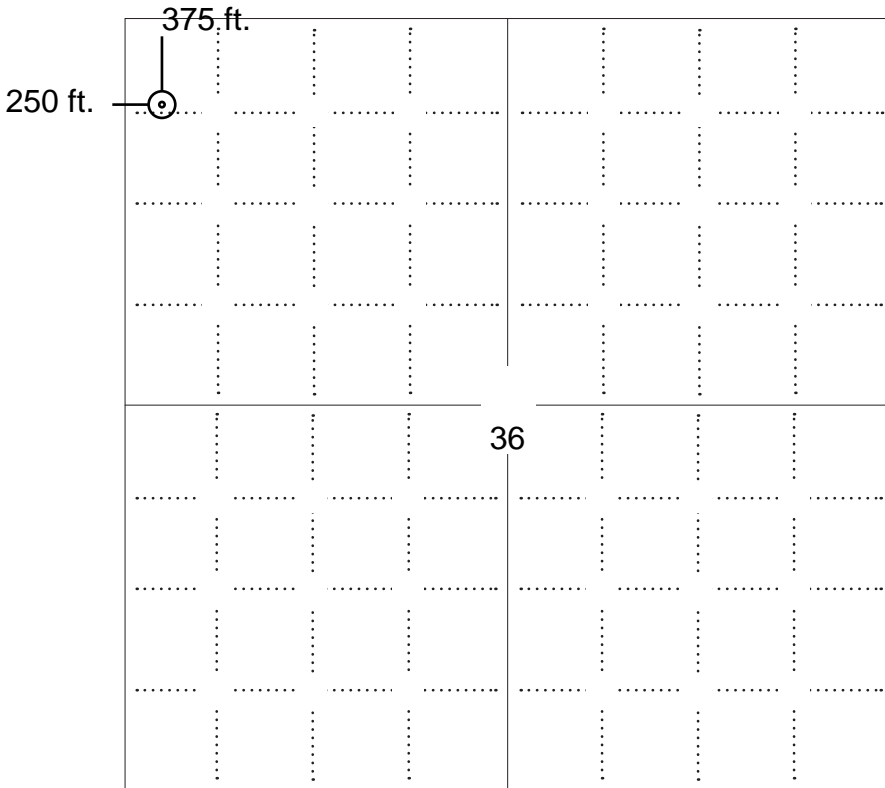
Is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

PLAT

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired.



LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location



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

In plotting the proposed location of the well, you must show:

- 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.
- The distance of the proposed drilling location from the south / north and east / west outside section lines.
- The distance to the nearest lease or unit boundary line (in footage).
- 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).
- The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.



KANSAS CORPORATION COMMISSION 1044436
OIL & GAS CONSERVATION DIVISION

Form CDP-1
May 2010
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: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	
How is the pit lined if a plastic liner is not used?			
Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) <input type="checkbox"/> 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: _____ feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> 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? <input type="checkbox"/> Yes <input type="checkbox"/> No		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.	
<p>Submitted Electronically</p>			

KCC OFFICE USE ONLY

Liner Steel Pit RFAC RFAS

Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: Yes No



CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License # _____
Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Contact Person: _____
Phone: (_____) _____ Fax: (_____) _____
Email Address: _____

Well Location: _____
_____ - _____ - _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____
Lease Name: _____ Well #: _____

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____

When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I Submitted Electronically

I

**THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

Before Commissioners: Thomas E. Wright, Chairman
 Joseph F. Harkins
 Ward Loyd

In the matter of the Application of Orca)	Docket No. 10-CONS-324-CHOR
Operating Company LLC for a well location)	
exception, for authorization to drill two)	
horizontal wellbores in the Alfred #1-36 well)	
located in the West Half of Section 36,)	CONSERVATION DIVISION
Township 19 South, Range 1 West,)	
McPherson County, Kansas and for the)	
assignment of an allowable to said well.)	License No. 34358
)	

ORDER GRANTING APPLICATION

Now, the above captioned matter comes on before the State Corporation Commission of the State of Kansas ("Commission") on the Application of Orca Operating Company LLC ("Applicant"). The Commission, after reviewing its files and records and being fully advised in the premises, finds and concludes as follows:

1. An Application was filed on May 24, 2010, by Applicant seeking an Order permitting the drilling of a well having two (2) wellbores with the deviation exceeding seven degrees pursuant to K.A.R. 82-3-103a. The subject well, the Alfred #1-36, will be completed into the Mississippian formation upon certain lands and at a location described as follows:

Surface location will be approximately 375 feet from the North line and 250 feet from the West line of Section 36, Township 19 South, Range 1 West, McPherson County, Kansas.

2. Notice of the application was timely and properly published in *The Wichita Eagle* and *The McPherson Sentinel* newspapers stating that the application would be granted by the Commission if no protests were received within 15 days. One protest was filed by Steve

McCullough on June 9, 2010, on behalf of the Velma P. Becker Trust, but that protest was withdrawn on June 21, 2010. No other protests were filed.

3. Applicant proposes to drill two horizontal wellbores in the subject well. One horizontal wellbore will proceed in a Southerly direction to a bottom hole location as follows:

Approximately 405 feet from the South line and approximately 560 feet from the West line in Section 36, Township 19 South, Range 1 West, McPherson County, Kansas.

The other horizontal wellbore will proceed in a Southerly direction to a bottom hole location as follows

Approximately 405 feet from the South line and approximately 2090 feet from the West line in Section 36, Township 19 South, Range 1 West, McPherson County, Kansas.

4. The West Half of Section 36, Township 19 South, Range 1 West, McPherson County, Kansas, will be attributed to this well.

5. KCC Staff informed Applicant subsequent to the filing of the Application that the well location exception for this well appears unnecessary based on the provided description of the location of the well and wellbores. KCC Staff informed Applicant that Staff would recommend an Order Granting Application that authorized the horizontal wellbores but that did not include the well location exception. Applicant did not object to the dismissal of the Application for a well location exception without prejudice.

6. The Commission finds that granting the application for a horizontal wellbore, and the dismissal without prejudice of the well location exception, will prevent waste and will not adversely affect any parties' correlative rights; and therefore the application for a horizontal wellbore should be granted.

IT IS, THEREFORE, BY THE COMMISSION ORDERED: That the application of Orca Operating Company LLC for an Order permitting the drilling of a well having two (2) wellbores with the deviation exceeding seven degrees, pursuant to K.A.R. 82-3-103a in the Mississippian formation upon certain lands in McPherson County, Kansas, is hereby granted in accordance with the above findings, and the subject well will be assigned a full allowable. The Application for a well location exception is dismissed without prejudice.

IT IS FURTHER ORDERED, that the Applicant will be required to provide directional surveys to ensure compliance with the Commission's general rules and regulations governing the location of the well from the nearest lease or unit boundary.

Any party affected by this Order may file with the Commission a petition for reconsideration pursuant to K.S.A. 77-529(a). Such petition shall be filed within fifteen (15) days after service of this Order and must state the specific grounds upon which relief is requested. This petition for reconsideration shall be filed with the Executive Director of the Conservation Division, Finney State Office Building, 130 S. Market, Room 2078, Wichita, Kansas 67202-3802.

The Commission retains jurisdiction of the subject matter and the parties for the purpose of entering such further Order or Orders as from time-to-time it may deem proper.

BY THE COMMISSION IT IS SO ORDERED.

Wright, Chmn.; Harkins, Com., Loyd, Com.

Date: JUL 16 2010



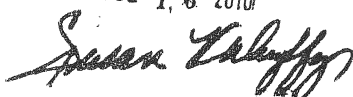
Susan K. Duffy
Executive Director

Date Mailed: 7/16/10

LRP

I CERTIFY THE ORIGINAL
COPY IS ON FILE WITH
The State Corporation Commission

3

JUL 16 2010


CERTIFICATE OF SERVICE

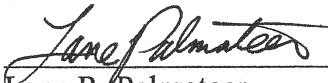
I hereby certify that on 7/16/10, I caused a true and correct copy of the foregoing "Order Granting Application" to be served by placing the same in the United States mail, postage prepaid, to the following parties:

Jason Andrews
Orca Operating Company LLC
427 S. Boston, Ste. 929
Tulsa, Oklahoma 74103

Jeff Kennedy
Martin, Pringle, Oliver, Wallace & Bauer, LLP
100 N. Broadway, Ste. 500
Wichita, Kansas 67202

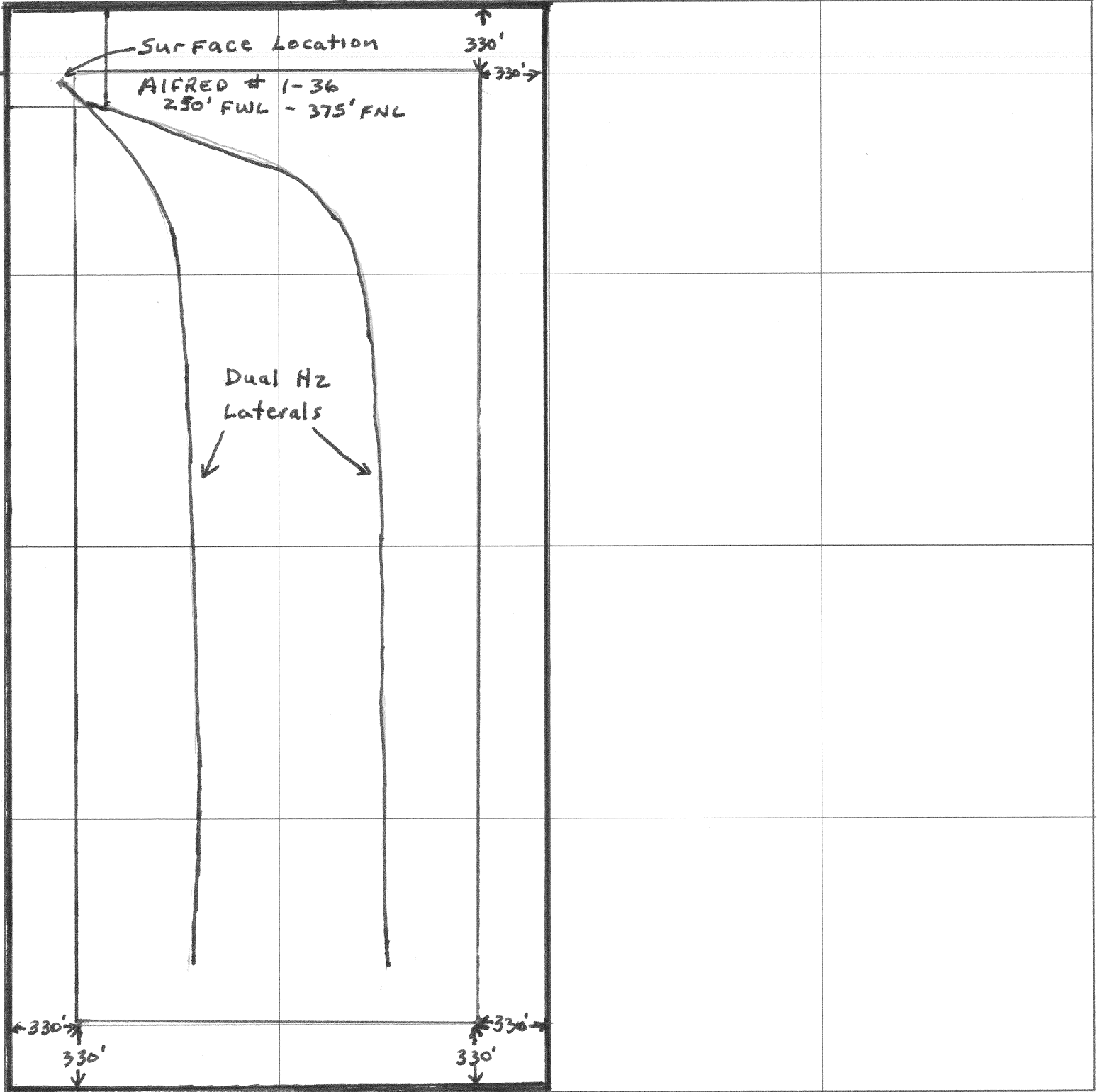
And delivered by hand to:

Jim Hemmen
Conservation Division Central Office



Lane R. Palmateer
Litigation Counsel
Kansas Corporation Commission

SECTION 36 TOWNSHIP 195 RANGE 1 W COUNTY McPherson STATE Kansas



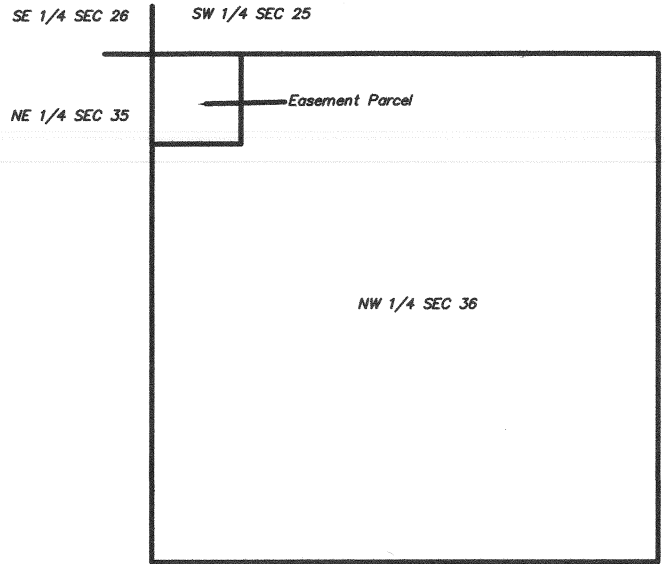
Producing unit - W/2 OF SEC 36

Staking For: CIMARRON SERVICES, INC.
20 East 5th, suite 1403
Tulsa, Oklahoma 74103

State of Kansas SS
County of McPherson

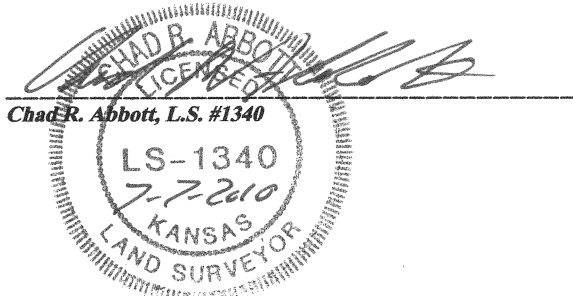
I, Chad R. Abbott, L.S. #1340 do hereby certify that this drawing is a true representation of a Easement Survey performed by me or under my direct supervision and that I am a duly licensed Land Surveyor in the State of Kansas.

Parcel described as:
A tract located in the Northwest Quarter (NW/4) of Section 36, Township 19 South, Range 1 West, described as beginning at the Northwest corner of said NW/4, thence South 466.7 feet, thence East 466.7 feet, thence North 466.7 feet to the North line of said NW/4, thence West 466.7 feet to the point of beginning, and containing approximately 5 acres, more or less. Sedgwick County, Kansas.



Vicinity Map

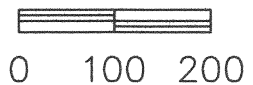
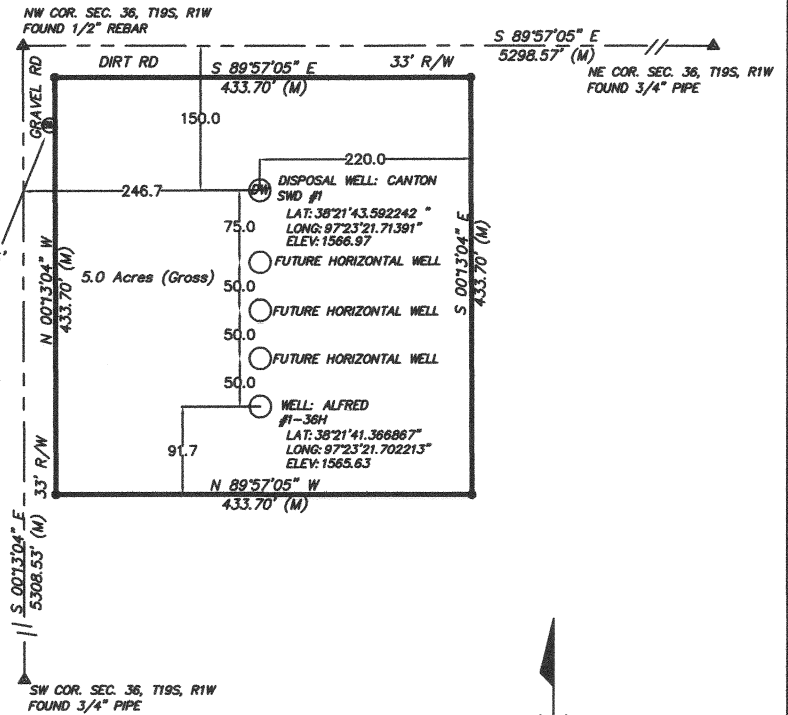
Date of Survey: July 1, 2010



BENCHMARK = 1/2" rebar (69.5' S. & 26.5' S. of the NE cor. of sec. 36)
Coordinates of rebar:
Datum: North American (NAD83/NAVD88)
Latitude: 38°21'44.33938"
Longitude: 97°23'24.47756"
Elevation = 1565.83'

NOTES:

- 1) Unplatted Easements of Record if any, are not shown hereon
- 2) Property Improvements, including Fences, are not shown hereon
- 3) All bearings and distances are measured
- 4) Date of survey = 7-01-2010
- 5) Date of Preparation = 7-07-2010



FILE: C: drawings/boundary/12000/A12016Rev4

LEGEND:

- (M) = MEASURED OR CALCULATED FROM MEASUREMENT
- = SET 1/2" REBAR
- ▲ = FOUND SECTION CORNER (AS NOTED)
- ⊙ = DISPOSAL WELL

Dwn. By: CRA	Aprvd. By: CRA
Dwg. No. A12016	Scale: 1" = 200'

Benchmark
LAND SURVEY, P.A.
416 S. MARKET WICHITA, KS 67202
PH 316.262.2262 FAX 316.262.2268
surveyors@benchmarkls.net

September 20, 2010

Lee Francis
Orca Operating Company LLC
427 S. BOSTON, STE 929
TULSA, OK 74103

Re: Drilling Pit Application
Alfred 1-36H
NW/4 Sec.36-19S-01W
McPherson County, Kansas

Dear Lee Francis:

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 **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 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 KOLAR 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.