For KCC Use:

Eff	e	ct	iv	е	Date

District	#	

SGA?	Yes	No

KANSAS CORPORATION COMMISSION **OIL & GAS CONSERVATION DIVISION**

March 2010 Form must be Typed Form must be Signed All blanks must be Filled

Form C-1

1046884

NOTICE OF INTENT TO DRILL

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

Form KSONA-1, Certification of Com	pliance with	the Kansas	Surface Owner	Notification Act, MUS	F be submitted with this form

Expected Spud Date:	Spot Description:
month day year	
OPERATOR: License#	feet from N / S Line of Section
Name:	feet from L E / W Line of Section
Address 1:	Is SECTION: Regular Irregular?
Address 2:	(Note: Locate well on the Section Plat on reverse side)
City: State: Zip: +	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: Oil Enh Rec Infield Mud Rotary Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable Seismic ; # of Holes Other Other:	Nearest Lease or unit boundary line (in footage): Ground Surface Elevation: Yearest Lease or unit boundary line (in footage): Ground Surface Elevation: Yearest Lease or unit boundary line (in footage): Ground Surface Elevation: Yes No Public water supply well within one mile: Yes No Depth to bottom of fresh water: Depth to bottom of usable water: Surface Pipe by Alternate: I Il Length of Surface Pipe Planned to be set: Length of Conductor Pipe (if any): Projected Total Depth: Formation at Total Depth:
Directional. Deviated or Horizontal wellbore?	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?	Well Farm Pond Other:
Bottom Hole Location:	DWR Permit #:
KCC DKT #:	(Note: Apply for Permit with DWR)
	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.

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 E	Electronically
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For KCC Use ONLY	
API # 15	
Conductor pipe required	feet
Minimum surface pipe required	feet per ALT.
Approved by:	
This authorization expires:	
Spud date: Agent:	

Remember to:

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
- 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 well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.
 - Well will not be drilled or Permit Expired Date: _ Signature of Operator or Agent:

Mail to: KCC - Conservation Division. 130 S. Market - Room 2078, Wichita, Kansas 67202



For KCC Use ONLY

API # 15 - ____

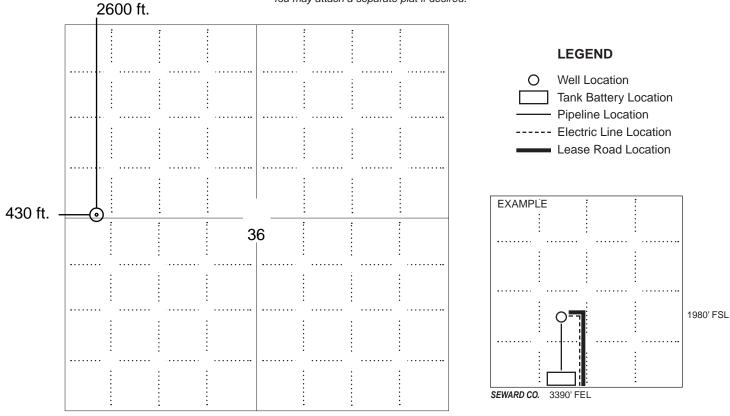
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

Operator:	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 E 📃 W
Number of Acres attributable to well: QTR/QTR/QTR/QTR of acreage:	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.



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).
- 5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

Side Two



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1046884

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name:		ionni în Duplicat	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	SecTwpR East 🦳 West	
Settling Pit Drilling Pit	If Existing, date co	nstructed:	Feet from North / South Line of Section	
Workover Pit Haul-Off Pit			Feet from East / West Line of Section	
(If WP Supply API No. or Year Drilled)	Pit capacity:	(bbls)	County	
Is the pit located in a Sensitive Ground Water A	vrea?	No	Chloride concentration:	cy Pits and Settling Pits only)
Is the bottom below ground level?	Artificial Liner?	No	How is the pit lined if a plasti	, , , , , , , , , , , , , , , , , , , ,
Pit dimensions (all but working pits):	Length (fe	et)	Width (feet)	N/A: Steel Pits
Depth fro	om ground level to dee	epest point:	(feet)	No Pit
Distance to nearest water well within one-mile of pit:		Source of inforr	west fresh water nation:	
feet Depth of water wellfeet		measured	well owner	electric log KDWR
Emergency, Settling and Burn Pits ONLY:		over and Haul-Off Pits ONLY:		
Producing Formation:		Type of material utilized in drilling/workover:		
Number of producing wells on lease: Barrels of fluid produced daily:		Number of working pits to be utilized: Abandonment procedure:		
Does the slope from the tank battery allow all s flow into the pit?	Drill pits must be closed within 365 days of spud date.			
Submitted Electronically				
	КСС	OFFICE USE OI		eel Pit RFAC RFAS
Date Received: Permit Num	ber:	Permi		ise Inspection: Yes No

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT Form KSONA-1 July 2010 Form Must Be Typed Form must be Signed All blanks must be Filled

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 #	Well Location:		
Name:			
Address 1:	County:		
Address 2:	Lease Name: Well #:		
City: Zip: Contact Person:	If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:		
Phone: () Fax: ()			
Email Address:			
Surface Owner Information:			
Name:	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.		
Address 1:			
Address 2:			
City: State: Zip:+			

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.

Submitted Electronically

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For KCC Use ONLY

API # 15 -.

Side Two

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

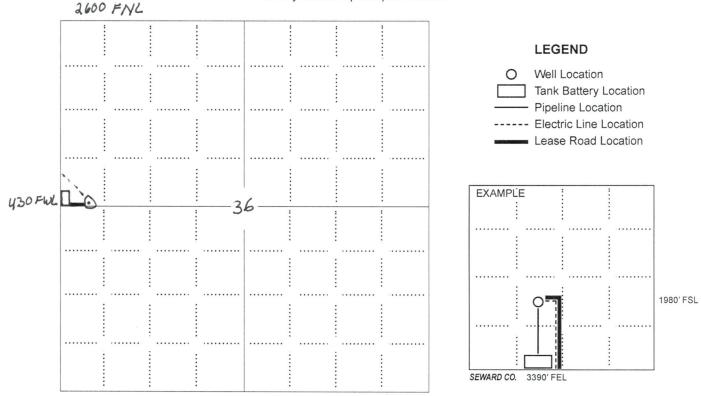
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: Baird Oil Company LLC	Location of Well: County: Norton
Lease: Esslinger-Graham Unit	2,600 feet from X N / S Line of Section
Well Number: 1-36	430 feet from E / 🔀 W Line of Section
Field: Wildcat	Sec. <u>36</u> Twp. <u>3</u> S. R. <u>22</u> 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. 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.



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).
- 5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

DECLARATION OF UNITIZATION

STATE OF KANSAS COUNTY OF GRAHAM

WHEREAS, the undersigned, Baird Oil Company, LLC, is the operator of the following described Oil and Gas Leases, to-wit:

Oil and Gas Lease dated January 14, 2010, from KSM Ranch, A General Partnership, as Lessor, to Baird Oil Company, LLC, as Lessee, recorded in book 163A, pages 491 et seq. in the office of the Register of Deeds in Norton County, Kansas,

Said lease covering the following described land, to-wit:

The Northwest Quarter (NW/4) of Section 36, Township 3, Range 22, Norton County, Kansas

Oil and Gas Lease dated January 14, 2010, from John K. Nicholson and Jane Nicholson, his wife, as Lessors, to Baird Oil Company, LLC, as Lessee, recorded in book 164A, page 272-273, in the office of the Register of Deeds in Norton County, Kansas,

Oil and Gas Lease dated January 14, 2010, from Janice Otto, a single person a/k/a Janice G. Otto, as Lessor, to Baird Oil Company, LLC, as Lessee, recorded in book 164A, page 274-275, in the office of the Register of Deeds in Norton County, Kansas,

Oil and Gas Lease dated January 14, 2010, from Hunter S. Graham and Teresa Graham, his wife, as Lessors, to Baird Oil Company, LLC, as Lessee, recorded in book 164A, page 276-277 in the office of the Register of Deeds in Norton County, Kansas,

Said leases covering the following described land, to-wit:

The South Half of the Southeast Quarter (S/2 SE/4), and the Southwest Quarter (SW/4) of Section 36, Township 3, Range 22, Norton County, Kansas

WHEREAS, said Oil and Gas Leases contain the following pooling provision, to-wit:

"Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well......"

WHEREAS, the undersigned intends to pool the acreage covered by the above described Oil and Gas Leases to form a unit consisting of approximately 10 acres and being described as:

A 10 acre square, the center of which is located 2600 feet from the North Line and 430 feet from the West Line of the NW/4 of Section 36-3-22, Norton County, Kansas: including a tract 370 feet by 660 feet from the

Baird Oil Company, LLC

Jim K. Baird, President By:

ACKNOWLEDGMENT

STATE OF KANSAS) COUNTY OF PHILLIPS) ss:

The foregoing instrument was acknowledged before me this 10th day of November , 2010, by Jim R. Baird, as President of Baird Oil Company, LLC.



Rolent B. Hartman Notary Public