For KCC Use:

Eff	e	ct	iv	е	Date:

District	±	
DISTINCT	TT .	

SGA?	Yes	No

Forn

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

1047200

NOTICE OF INTENT TO DRILL

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

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: Water well within one-quarter mile: 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 Length of Surface Pipe Planned to be set: Length of Conductor Pipe (if any): Projected Total Depth: Formation at Total Depth: Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?	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:

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	
Conductor pipe required	feet
Minimum surface pipe required	feet per ALT.
Approved by:	
This authorization expires:	
Spud date: Age	ent:

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:

ш

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



For KCC Use ONLY

API # 15 - ____

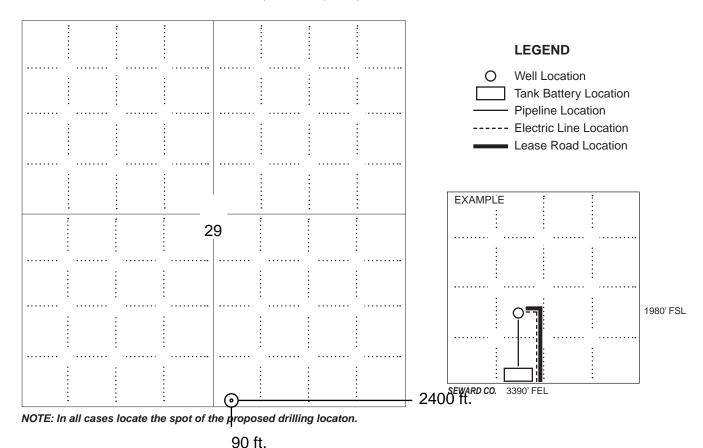
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.



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 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: _ - ____ - ____ - ____ Pit is: **Emergency Pit** Burn Pit Proposed Existing Sec.____Twp.____R.___ East West Settling Pit **Drilling Pit** If Existing, date constructed: Feet from North / South Line of Section Haul-Off Pit Workover Pit ____Feet from ___ East / ___ West Line of Section Pit capacity: (If WP Supply API No. or Year Drilled) County _(bbls) Is the pit located in a Sensitive Ground Water Area? Yes No Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) Is the bottom below ground level? Artificial Liner? How is the pit lined if a plastic liner is not used? Yes Yes No No ____Length (feet) ___ _____Width (feet) Pit dimensions (all but working pits): N/A: Steel Pits Depth from ground level to deepest point: __ __ (feet) No Pit If the pit is lined give a brief description of the liner Describe procedures for periodic maintenance and determining material, thickness and installation procedure. liner integrity, including any special monitoring. Depth to shallowest fresh water ____ Distance to nearest water well within one-mile of pit: feet. Source of information: KDWR measured well owner electric log _feet Depth of water well ____ __ feet Emergency, Settling and Burn Pits ONLY: Drilling, Workover 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 spilled fluids to 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 Liner RFAC RFAS Permit Number: No Date Received: Permit Date: Lease Inspection: Yes

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
Address 1:	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
Address 2:	county, and in the real estate property tax records of the county treasurer.
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:

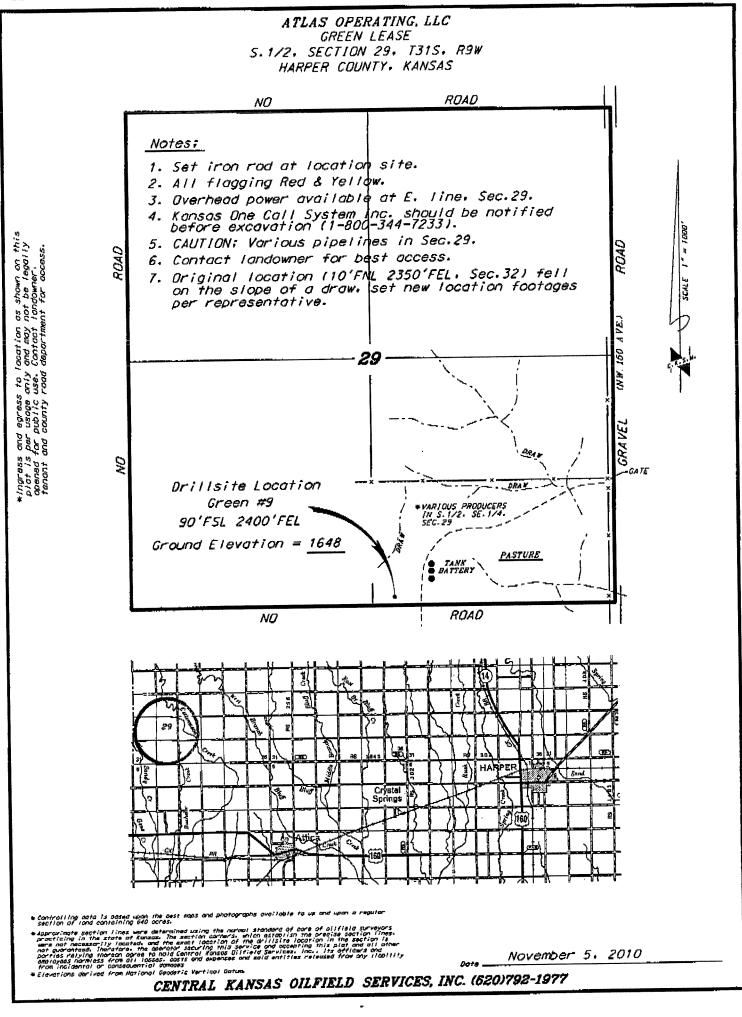
- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this 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.

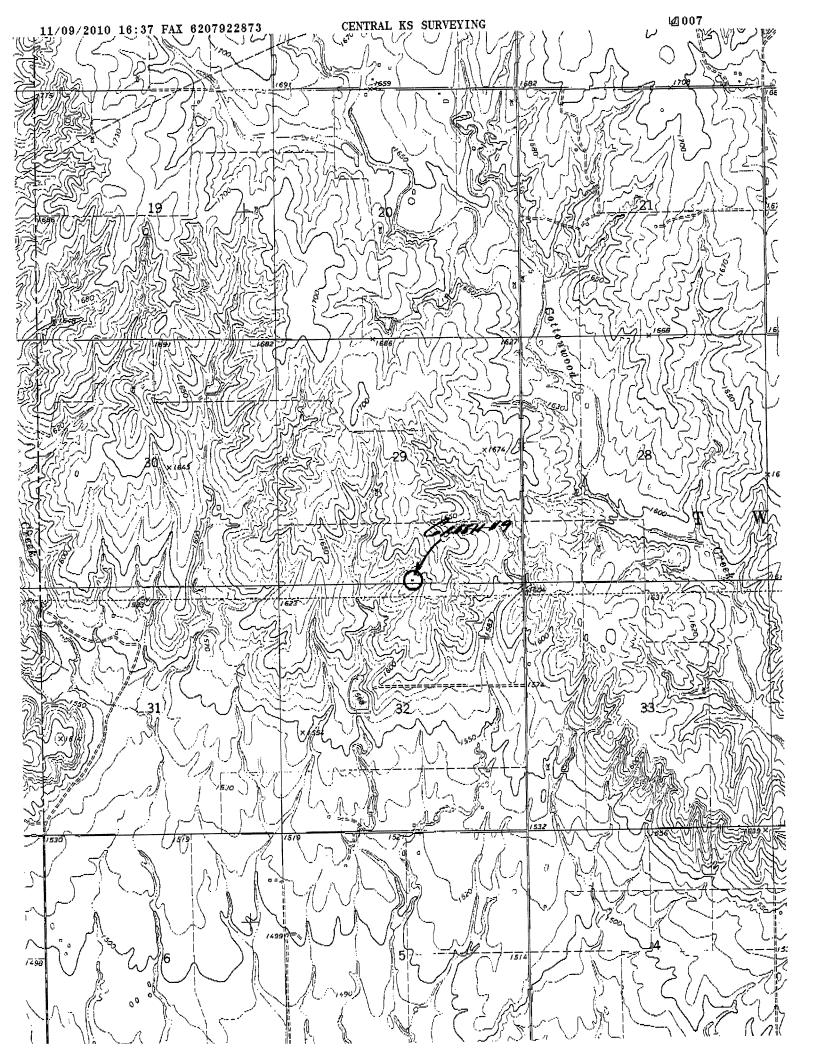
If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

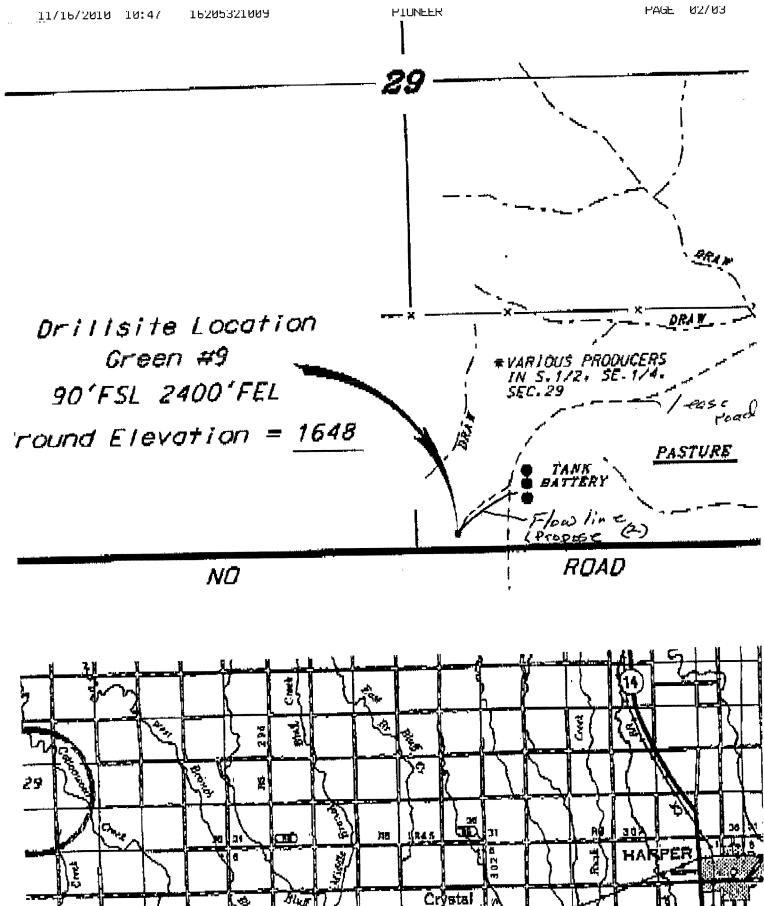
Submitted Electronically

I

I











Date Recorded: 2/23/2009 10:50:00 AM

<u>Amendment to</u> <u>Designation of Gas Unit</u> <u>Dirks Unit No.1</u>



THE STATE OF KANSAS	
COUNTY OF HARPER	

That, Whereas, Pioneer Exploration, LLC, whose address is 15603 Kuykendahl, Suite 200, Houston, Texas 77090, hereinafter called "Lease Owner", is the owner and holder of the following Oil and Gas Leases, covering the lands and rights described herein, in Harper County, Kansas, all of which leases are recorded in the Register of Deeds Office of Harper County, Kansas:

§ § §

- 1. Oil and Gas Lease dated January 25, 2006 from Joe Dirks and wife, Betty Dirks to J. Fred Hambright, Inc., recorded in Book 88, Page 1564 of the Register of Deeds Office of Harper County, Kansas, covering 240 acres of land, described as the SW/4SW/4 of Section 28, SE/4SE/4 of Section 32, and the W/2W/2 of Section 33, T-31-S, R-9-W, Harper County, Kansas, herein called the "Joe Dirks Lease".
- 2. Oil and Gas Lease dated January 25, 2006 from Glen Dirks to J. Fred Hambright, Inc., recorded in Book 88, Page 1563 of the Register of Deeds Office of Harper County, Kansas, covering 240 acres of land, described as the SW/4SW/4 of Section 28, SE/4SE/4 of Section 32, and the W/2W/2 of Section 33, T-31-S, R-9-W, Harper County, Kansas, herein called the "Glen Dirks Lease".
- 3. Oil and Gas Lease dated January 31, 2006 from Kenneth Rogers and wife, Nancy Rogers to J. Fred Hambright, Inc., recorded in Book 88, Page 1481 of the Register of Deeds Office of Harper County, Kansas, covering 234.5 acres of land, described as the N/2S/2 of Section 32 and a tract of land beginning at the SE corner of the NE/4 of Section 32; running thence to the SW corner of NW/4 Section 32; thence North along the section line 507'; thence East paralleling the South line of said tract to the East line of the SW/4NW/4; thence North to a point 480' South of the NW corner of the SE/4NW/4; thence East to a point 480' South of the NE/4 corner of the SE/4NW/4; thence South to a point 481.6' North of the SE corner of the NW/4; thence East to a point 481.6' North of the POB; thence South to POB, T-31-S, R-9-W, Harper County, Kansas, herein called the "Rogers Lease"; and
- 4. Oil and Gas Lease dated January 9, 2009 from Adeline C. Green to J. Fred Hambright, Inc., recorded in Book G90, Page 870 of the County Records of Harper County, Kansas, as corrected by Correction of Lease Description dated January 26, 2009, Recorded in Book G90, Page 874, of the County Records of

Harper County, Kansas, covering 417 acres of land, described as the S/2S/2 of Section 29 and the N/2 of Section 32, all in T-31-S, R-9-W, Harper County, Kansas, <u>Less</u> a tract beginning in the SE corner of the NE/4 of Section 32, running thence to the SW corner of the NW/4 of Section 32, thence N. along the Section line 507', thence E. paralleling the south line of said tract to the E. line of the SW/4NW/4, thence N. to a point 480' south of the NW corner of the SE/4NW/4, thence E. to a point 480' south of the NE corner of the SE/4NW/4, thence S. to a point 481.6' north of the POB, thence E. to a point 481.6' north of the POB, herein called the "Green Lease".

Whereas, pursuant to the terms of said leases, a 320-acre gas unit was designated by Designation of Gas Unit, Dirks Unit No. 1 dated January 22, 2009, recorded in Book G90, Page 871 in the Office of the Register of Deeds of Harper County, Kansas, and,

Whereas, Lease Owner desires to amend said Designation of Gas Unit to correct the acreage description in the leases and tracts set out in said Unit.

Now, Therefore, Lease Owner does hereby amend said Dirks Gas Unit as formed by the above described Designation of Gas Unit to correct the description of the land set out in the leases described in said Dirks Gas Unit so as correctly to show the land covered by each lease described in said Dirks Gas Unit to be as described hereinabove. In addition, Lease Owner herby amends the description of the land in the Tracts described in said Designation of Gas Unit so that said 320 Unit shall be comprised of the following tracts of land situated in Township 31 South, Range 9 West, Harper County, Kansas:

Tract 1: 160 acres of land, more or less, being the SW/4SW/4 of Section 28 and the W/2NW/4 and NW/4SW/4 of Section 33 described in the Joe Dirks and Glen Dirks Leases.

Tract 2: 54.6 acres of land, more or less, being the NE/4SE/4 and the South 481.6 feet of the SE/4NE/4 of Section 32 described in the Rogers Lease.

Tract 3: 105.4 acres of land, more or less, being the E/2NE/4 of Section 32 (Less the South 481.6 feet of the SE/4NE/4 of Section 32) and the SE/4SE/4 of Section 29 described in the Green Lease.

Except as amended hereby, said Designation of Gas Unit shall remain in force and effect as originally written.

IN WITNESS WHEREOF, this instrument is executed this 19th day of February, 2009.

Pioneer Exploration, LLC

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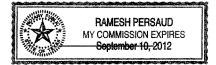
*** * * * #

By: Jerry Vice President

THE STATE OF TEXAS ş ş ş COUNTY OF HARRIS

This instrument was acknowledged before me this 19th day of February, 2009, by George E. Ruff, Vice President of Pioneer Exploration, LLC, on behalf of said company.

My commission expires:



Ramesh Persand, Notary Public

When recorded mail to: Pioneer Exploration LLC 15603 Kuykendahl, Suite 200 Houston, TX 77090



November 30, 2010

Zafar Ullah Atlas Operating LLC 15603 Kuykendahl, Ste 200 HOUSTON, TX 77090

Re: Drilling Pit Application Green 9 SE/4 Sec.29-31S-09W Harper County, Kansas

Dear Zafar Ullah:

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 <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 1 week after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. <u>NO</u> 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.