

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:

| For KCC | Use: | |
|------------|--------|--|
| Effective | Date: | |
| District # | | |
| SGA? | Yes No | |

SGA?

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 March 2010 Form must be Typed Form must be Signed All blanks must be Filled

NOTICE OF INTENT TO DRILL

| • | Surface Owner Notification Act, MUST be submitted with this form. |
|---|--|
| Expected Spud Date: | Spot Description: |
| o.a udy you. | Sec Twp S. R E |
| OPERATOR: License# | feet from N / S Line of Section |
| Name: | feet from E / W Line of Section |
| Address 1: | Is SECTION: Regular Irregular? |
| Address 2: | (Note: Locate well on the Section Plat on reverse side) |
| City: | 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: | Nearest Lease or unit boundary line (in footage): |
| | Ground Surface Elevation:feet MSL |
| Oil Enh Rec Infield Mud Rotary Gas Storage Pool Ext. Air Rotary | Water well within one-quarter mile: |
| Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable | Public water supply well within one mile: |
| Seismic ;# of Holes Other | Depth to bottom of fresh water: |
| Other: | Depth to bottom of usable water: |
| | Surface Pipe by Alternate: I III |
| If OWWO: old well information as follows: | Length of Surface Pipe Planned to be set: |
| Operator: | Length of Conductor Pipe (if any): |
| Well Name: | Projected Total Depth: |
| Original Completion Date: Original Total Depth: | Formation at Total Depth: |
| | Water Source for Drilling Operations: |
| Directional, Deviated or Horizontal wellbore? Yes No | 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: |
| A E. | EIDAV/IT |
| | FIDAVIT |
| The undersigned hereby affirms that the drilling, completion and eventual plu | agging of this well will comply with K.S.A. 55 et. seq. |
| It is agreed that the following minimum requirements will be met: | |
| Notify the appropriate district office <i>prior</i> to spudding of well; | |
| 2. A copy of the approved notice of intent to drill shall be posted on each | 9 0, |
| The minimum amount of surface pipe as specified below shall be set through all unconsolidated materials plus a minimum of 20 feet into th | |
| 4. If the well is dry hole, an agreement between the operator and the dis | |
| 5. The appropriate district office will be notified before well is either plugg | , |
| 6. If an ALTERNATE II COMPLETION, production pipe shall be cemente | d from below any usable water to surface within 120 DAYS of spud date. |
| • | 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 | e plugged. In all cases, NOTIFY district office prior to any cementing. |
| | |
| | |
| ubmitted Electronically | |
| For KCC Use ONLY | Remember to: |
| For KCC Use ONLY | - File Certification of Compliance with the Kansas Surface Owner Notification |
| API # 15 | Act (KSONA-1) with Intent to Drill; |
| Conductor pipe requiredfeet | - File Drill Pit Application (form CDP-1) with Intent to Drill; |
| Minimum surface pipe requiredfeet per ALT. | - 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; |
| Approved by: | - Notify appropriate district office 46 flours prior to workover of re-entry, - Submit plugging report (CP-4) after plugging is completed (within 60 days); |
| This authorization expires: | |
| (This authorization void if drilling not started within 12 months of approval date.) | Obtain written approval before disposing or injecting salt water. |

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

Spud date: _

Side Two



SEWARD CO. 3390' FEL

| 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: | | | | | | 1 | feet from N / S Line of Section |
| Well Num | nber: | | | | | 1 | feet from E / W Line of Section |
| Field: | | | | | Sec | Twp | _S. R E W |
| | of Acres attributab R/QTR/QTR of acr | | | | Is Section: | Regular or | Irregular |
| | | | | | If Section is Section corr | | vell from nearest corner boundary. NW SE SW |
| | | nk batteries, pi _l | pelines and ele | ge to the neares | | nsas Surface Owner | e predicted locations of Notice Act (House Bill 2032). |
| | | | | | | | LEGEND |
| | | | | | | C | Well LocationTank Battery LocationPipeline Location |
| | | | | | | | Electric Line Location Lease Road Location |
| | | | 20 | | | EXAMP | LE : |
| 95 ft. | | | 36 | | | | |
| | | | | | | | 1980' FSL |
| | | | | | | | |

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.



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1047570

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: Emergency Pit Burn Pit | Pit is: | | SecTwp R | |
| Settling Pit Drilling Pit | If Existing, date con | | Feet from North / South Line of Section | |
| Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) | Pit capacity: | (bbls) | Feet from East / West Line of Section County | |
| Is the pit located in a Sensitive Ground Water A | rea? Yes N | No | Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) | |
| Is the bottom below ground level? Yes No | Artificial Liner? | 0 | How is the pit lined if a plastic liner is not used? | |
| Pit dimensions (all but working pits): | Length (fee | t) | Width (feet) N/A: Steel Pits | |
| Depth fro | om ground level to deep | pest point: | (feet) No Pit | |
| If the pit is lined give a brief description of the line material, thickness and installation procedure. | itei | | dures for periodic maintenance and determining ncluding any special monitoring. | |
| Distance to nearest water well within one-mile of | of pit: | Depth to shallo | west fresh water feet. mation: | |
| feet Depth of water well | feet | measured | well owner electric log KDWR | |
| Emergency, Settling and Burn Pits ONLY: | | Drilling, Worko | over and Haul-Off Pits ONLY: | |
| Producing Formation: | | Type of materia | al utilized in drilling/workover: | |
| Number of producing wells on lease: | | Number of working pits to be utilized: | | |
| Barrels of fluid produced daily: | | Abandonment p | procedure: | |
| Does the slope from the tank battery allow all spilled fluids to flow into the pit? | | Drill pits must be closed within 365 days of spud date. | | |
| Submitted Electronically | | | | |
| | ксс | OFFICE USE OI | NLY Liner Steel Pit RFAC RFAS | |
| Date Received: Permit Numb | ber: | Permi | t Date: Lease Inspection: Yes No | |



Kansas Corporation Commission Oil & Gas Conservation Division

1047570

Form KSONA-1
July 2010
Form Must Be Typed
Form must be Signed
All blanks must be Filled

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 # | Well Location: |
| Name: | |
| Address 1: | Lease Name: Well #: |
| City: State: 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:+ | |
| the KCC with a plat showing the predicted locations of lease roads, tank are preliminary non-binding estimates. The locations may be entered of Select one of the following: I certify that, pursuant to the Kansas Surface Owner Notice A owner(s) of the land upon which the subject well is or will be I CP-1 that I am filing in connection with this form; 2) if the form form; and 3) my operator name, address, phone number, fax, a I have not provided this information to the surface owner(s). I a KCC will be required to send this information to the surface owner. | Act (House Bill 2032), I have provided the following to the surface ocated: 1) a copy of the Form C-1 or Form CB-1, the plat(s) required by this and email address. Acknowledge that, because I have not provided this information, the wner(s). To mitigate the additional cost of the KCC performing this gree, payable to the KCC, which is enclosed with the surface wind the surface ocated: 1). |
| If choosing the second option, submit payment of the \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CP- | fee with this form. If the fee is not received with this form, the KSONA-1 will be returned. |
| Submitted Electronically | |

| WARD McGIN | NI S | <u>#1</u> | CARLSON | - | NW SW |
|------------|---------------------------------------|-----------|--|------------------|--------|
| Contr | · · · · · · · · · · · · · · · · · · · | | | 10RR S | County |
| E 1451 Co | mm | Comp | 12~1=50 IP_3 | 2 BOPD | |
| Tops | Depth | Datum | Casing | | |
| | | | 4" 2192 PMP | 25 B OP D | |
| | | | | | |
| | | | | | |
| | | | | | |
| MISS | 2191 | - 7.70 | LOST SPRINGS E | EAST POOL | |
| T.D. | 2219 | -6.7 | -+++- | | |
| INDEPEND | ENT OIL & GAS VICHITA, KANSAS | SERVICE | | | |

.

,

WELL LOG BUREAU-KANSAS GEOLOGICAL SOCIETY 508 East Murdock, 🗇 Wichita, Kansaş

WARD MC GINNIS No. Company-

Farm-Carlson

36 **T.** 16 SEC.

R. 5E

NW NW SW

Total Depth.

2219'

Comm. 9-27-50

Comp. 11-29-50

Shot or Treated. Contractor.

tsound. 7-15-61

CASING:

5" 21851

County Morris

KANSAS

1446 Elevation.

Production. Pmp 32 BO - NW

Figures Indicate Bottom of Formations.

COMPLETE DRILLERS LOG NOT AVIALABLE.

TOPS: SCOUT

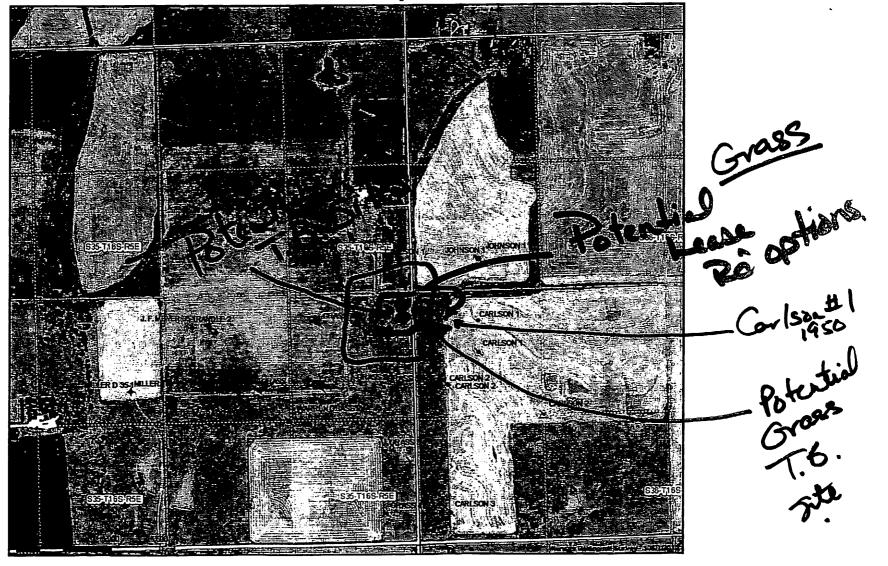
1800 Kansas City 2185 Mississippi chert

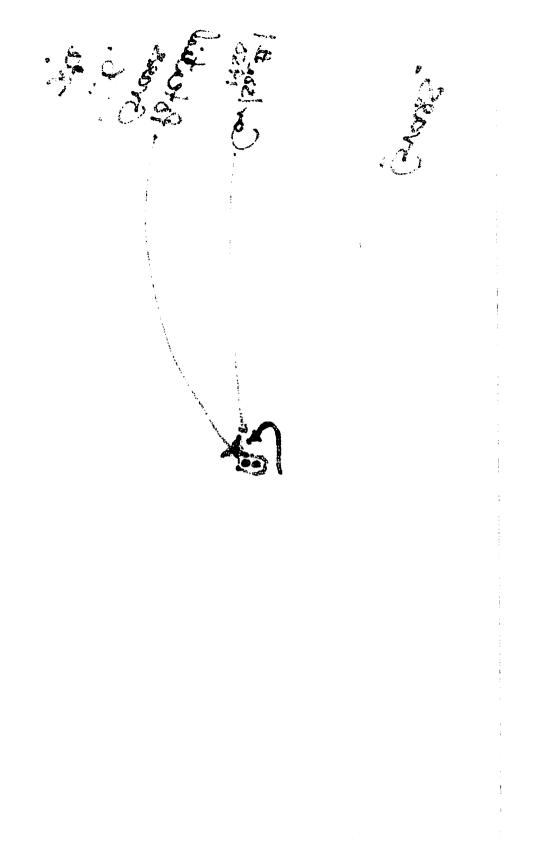
KANSAS TION COMMISSION Completely

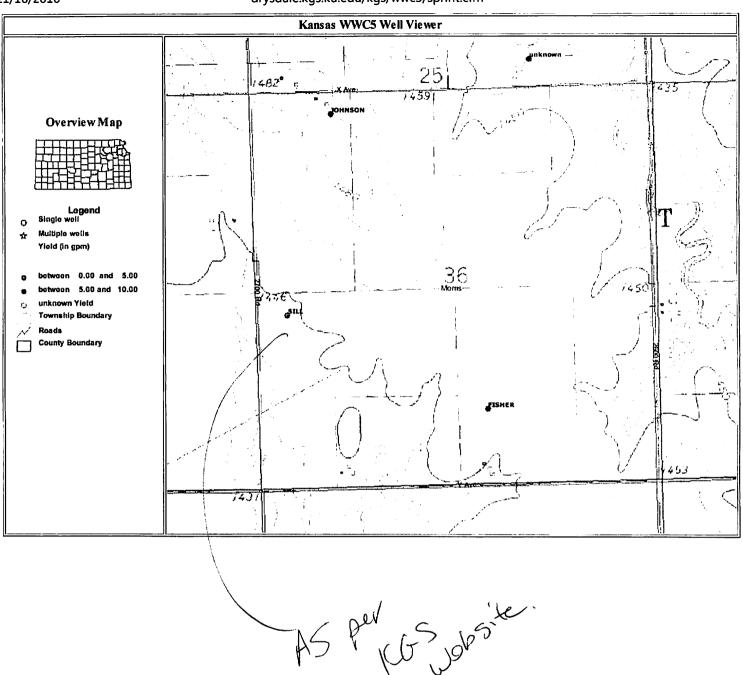
WELL PLUGGING RECORD

| NORTH | | 30 | _ | - 0/ | 2.6 | • | |
|---|---|---|--|-------------------------------|--|---|----------------------------|
| | | Morris | County | Sec_CC_ | Twp16_ Age | <u>、 (E) _X</u> | _(W) |
| NONTH | | VE/CNWXSWX" o | | | I NW SW | · · · · · · · · · · · · · · · · · · · | |
| | Lease Owner_ Lease Name_ | · · · · · · · · · · · · · · · · · · · | r roman | | | Well No. # | 1 |
| ' i i | | | n Notice | nal Dida | Michigan 2 | | ц. |
| i i | | 820 Unio | | | WICHIGA Z | , Kansas | |
| | | Well (completed a | s Oil, Ges or | Dry Hole) _ | | | |
| 1 1 | Date well con | | | | | |) |
| _ i | 4 | r plugging filed | | | | |) |
| ! | 1 | r plugging approv | | 2 (2 | | 19 | } |
| | Plugging com | | <u> </u> | 13-62 | · · · · · · · · · · · · · · · · · · · | 1 | |
| i i | Plugging com | - | <u> </u> | 15-62 | | 1 | |
| | Reason for abs | andonment of well | or producing | formation | | | |
| · • ! | · · · · · · · · · · · · · · · · · · · | | | | | | |
| | | g well is abandone | | | | 1 [,] | |
| Lecate well correctly on above | | on obtained from | the Conserve | ation Division | or its agents bei | ore plugging we | s com |
| Locate well correctly on above Section Plat | menced? | | | | | | |
| of Conservation Agent who su | | | | | | | |
| ing formation | | Depth to top | Botton | L | . Total Depth of | Well 221 | 8 Fee |
| depth and thickness of all wat | 7 | DOS. | | | | | |
| L, CAS OR WATER RECO | | | 1" | | | CASING RECO | RD |
| FORMATION | CONTENT | FROM | 10 | BIZE | PUT IN | PULLED OU | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | 1 | | | | | |
| | | | | | <u> </u> | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Midded hole to | 301 - mixed and | dumped 7 s | acks cem | ent for t | op cap. | | |
| | | | ····· | | Dr. | | |
| | | | | | STATE | | M |
| | | | | | | | LJ- |
| | | | | | طائنها عسم | ORATION COMM | 001- |
| | | | | | disense | ORATION COMM | SE104 |
| | | | | | | ORATION COMM | SS/04 |
| | | | | | COMOR | PATION COMM | SS/0# |
| | | 3 | | | CONSERV | TION DIVIS | A0122 |
| | | | | | CONSERV | ORATION COMM. 1) 1962 ATION DIVISI | SEION MOIS |
| | | | | | CONSERV Wich | ATION DIVISI | SSION ON |
| | | | | | CONSERV Wich | ATION COMM 1) 1962 ATION DIVISI ita, Kansas | SSIOA ON |
| | | | | | CONSERV Wich | ATION COMM. 1) 1962 ATION DIVISI itu, Kansas | S8104 |
| | | | | | CONSERV Wich | ATION COMM. 1) 1962 ATION DIVISI | ON |
| | | | | | CONSERV Wich | ATION COMM. 1) 1962 ATION DIVISI | ON. |
| | | | | | CONSERV Wich | 1) 1962 ATION DIVISI | ON. |
| | | | | | CONSERV Wich | 1) 1962 ATION DIVISI | ON |
| | | nai description is neoce | | | CONSERV Wich | 1) 1962 ATION DIVISI | ON |
| | Southwest Cas | sing_Pulling | Co., In | | CONSERV Wich | ORATION COMM. 1) 1962 ATION DIVISI | ON |
| | | sing_Pulling | Co., In | | CONSERV Wich | ORATION COMM. 1) 1962 ATION DIVISI | ON |
| | Southwest Cas | sing_Pulling | Co., In | | CONSERV | ORATION COMM. 1) 1962 ATION DIVISI | ON |
| :55 | Southwest Cas Box 36h, Gre | eing Pulling eat Bend, Ka | Co., In | | | ORATION COMM. 1) 1962 ATION DIVISI | ON |
| E OF Kansas | Southwest Cas Box 36h, Gre | eing Pulling eat Bend, Ka | Co., In | c. | , \$s. | - Notisas | |
| E OF Kansas Southwest Casing P | Southwest Cas Box 36h, Gre | eing Pulling eat Bend, Ke DUNTY OF | Barton | Owner) or (ov | , 8s. |) of the above-d | escribe |
| E OF Kansas Southwest Casing Poteing first duly sworn on eath | Southwest Cas Box 36h, Gre , co nlling Co., Inch, says: That I have l | ounty OF(knowledge of the | Barton employee of facts, statem | owner) or (owners, and mati | , 8s. |) of the above-d | escribe |
| S OF Kansas Southwest Casing Precing first duly sworn on oat | Southwest Cas Box 36h, Gre , co nlling Co., Inch, says: That I have l | ounty OF(knowledge of the | Barton employee of facts, statem | owner) or (owners, and mati | , 8s. |) of the above-d | escribe |
| Southwest Casing Procing first duly sworn on oat | Southwest Cas Box 36h, Gre , co nlling Co., Inch, says: That I have l | ounty OF(knowledge of the and correct. So h | Barton employee of facts, statem | owner) or (owners, and mati | , 8s. |) of the above-d | escribe g of th |
| E OF Kansas Southwest Casing Poteing first duly sworn on eath | Southwest Cas Box 36h, Gre , co nlling Co., Inch, says: That I have l | ounty OF(knowledge of the | Barton employee of facts, statem ielp me God | owner) or (ovents, and matter | , ss. //ner or operator ers herein conta |) of the above-d | escribe |
| E OF Kansas Southwest Casing Poteing first duly sworn on eath | Southwest Cas Box 36h, Gre , co nlling Co., Inc h, says: That I have l | ounty OF(knowledge of the and correct. So h | Barton employee of facts, statem | owner) or (ovents, and matt | , ss. //ner or operator; ers herein conta |) of the above-d | escribe g of th |
| SOUTHWEST CASING Proceing first duly sworn on oat described well as filed and t | Southwest Cas Box 361, Gre Box 361, Gre , co nlling Co., Inc th, says: That I have I that the same are true | ounty OF(knowledge of the and correct. So h | Barton employee of facts, statem ielp me God | owner) or (owners, and matt | , ss. //ner or operator ers herein conta |) of the above-d | escribe t of th |
| S OF Kansas Southwest Casing Preing first duly sworn on oat described well as filed and to | Southwest Cas Box 361, Gre Coulling Co., The | ounty OF(knowledge of the and correct. So h | Barton employee of facts, statem ielp me God | owner) or (owners, and matt | , ss. //ner or operator; ers herein conta |) of the above-d | escribe t of th |
| S OF Kansas Southwest Casing Procing first duly sworn on oat described well as filed and to | Southwest Cas Box 36h, Gre Coulling Co., Inc. th, says: That I have I that the same are true | ounty OF | Barton employee of facts, statem ielp me God | owner) or (owners, and matt | , ss. //ner or operator; ers herein conta |) of the above-d | escribe t of th |
| Southwest Casing P being first duly sworn on oat e-described well as filed and t woan to be | Southwest Cas Box 36h, Gre Coulling Co., Inc. th, says: That I have I that the same are true | ounty OF(knowledge of the and correct. So h | Barton employee of facts, statem ielp me God | owner) or (owners, and matt | , ss. //ner or operator; ers herein conta |) of the above-d | escribe c of th Sec. |

Grass Lease Map









Water Well Database Query

Specific Water Well Detail

Well T16S, R5E, Sec. 36, NWNWSW, Action: Constructed

| Location Info | | | | | |
|---|--|--------|-----------------|--|--|
| County: Morris | Location: T16S | , R5E, | Sec. 36, NWNWSW | | |
| Owner: SILL | Owner: SILL Status: Constructed | | | | |
| Directions: 3 N. BURD | Directions: 3 N. BURDICK | | | | |
| Longitude: -96.83656 | Longitude: -96.83656 Latitude : 38.61576 | | | | |
| Longitude and latitude calculated by Survey from township-range-section-quarter calls. Only good to within the quarter call accuracy. | | | | | |
| View section on interactive map | | | | | |
| General Info | | | | | |
| Well Depth: 63 ft. | | Eleva | tion: ft. | | |
| Static Water Level: 17 | ft. | Well | Use: Domestic | | |
| Est. Yield: 0 gpm. | | Othe | r ID: | | |
| Driller Info | | | | | |
| Driller: Paul H. Backhus | Drilling | | License #: 180 | | |
| Comp. Date: 06-Jun-19 | 96 | | DWR Applic. #: | | |
| Chemical Sample Subm | Chemical Sample Submitted?: N | | | | |
| Casing Info | | | | | |
| Casing Type: PVC | Casing Type: PVC | | | | |
| Diam: 5 in. to 50 ft. | Diam: 5 in. to 50 ft. | | | | |
| Diam: 0 in. to 0 ft. | | | | | |
| Diam: 0 in. to 0 ft. | Diam: 0 in. to 0 ft. | | | | |
| Grout Info | | | | | |
| Grout used: BENTONI | Grout used: BENTONITE | | | | |
| From: 0 to 20 ft. | From: 0 to 20 ft. | | | | |
| From: 0 to 0 ft. | | | | | |
| From: 0 to 0 ft. | | | | | |
| Contamination Info | | | | | |
| Contamination type: none | | | | | |

Wrong Wocalion Vell rest Weit Rot.

| Direction: | Distance: 0 | | |
|---|--------------------------|--|--|
| Screen and Perforation Info | | | |
| Screen Type: TORCH CUT | Screen Openings: SAW CUT | | |
| From: 50 ft. to 63 ft. | From: 0 ft. to 0 ft. | | |
| From: 0 ft. to 0 ft. | From: 0 ft. to 0 ft. | | |
| Lithologic Log (log data not edited or checked by the l | KGS.) | | |
| From: 0 ft. to 15 ft. | Type: CLAY | | |
| From: 15 ft. to 22 ft. | Type: LIMESTONE | | |
| From: 22 ft. to 59 ft. | Type: SHALE | | |
| From: 59 ft. to 63 ft. | Type: ROCK | | |

Kansas Geological Survey

Comments to webadmin@kgs.ku.edu

URL=http://www.kgs.ku.edu/Magellan/WaterWell/index.html

Display Programs Updated July 29, 2004

Data added continuously.

| Shawmar Oil and Gas Company Inc. |
|---|
| Re: Request for exemption on surface casing |
| |
| To Whom It May Concern: |
| Shawmar Oil and Gas Co., Inc. are requesting an exemption to the 200'surface casing depth as per District II rules. The Carlson #1 well was originally completed in November 1950 and was plugged September 15, 1962. We are attempting to do a washover/extension of this well to see if production can be re-established. Due to insufficient well/drilling records, the surface casing on this well is unknown. Other wells in the area drilled at this time and the Grass well that we drilled out across the road, were drilled around the same time, November of 1950 and used between 150' to 200' of 8". At this point we are assuming that surface is in this range. I have spoken with Rick Hestermann as to what procedures to follow and will probably need to contact Jeff Klock, once we can establish what casing is there. We would utilize whatever existing surface pipe is in place. |
| Sincerely, |
| |
| Beau J Cloutier |
| President |
| Shawmar Oil and Gas Co., Inc. |
| |

Wedensday, December 1, 2010



December 10, 2010

Beau Cloutier Shawmar Oil & Gas Co., Inc. PO Box 9 Marion, KS 66861-1230

RE: Carslon #1 OWWO, NE-NE-SE Sec.36-T16S-R5E, Morris County, Kansas

Dear Mr. Cloutier:

The Kansas Corporation Commission has received your request, dated December 1, 2010, for an exception to the Table 1 minimum surface pipe requirement of setting surface pipe through the Barneston formation plus 20 feet. From your request, the KCC understands that you are requesting to utilize the existing estimated 150 feet of 8 5/8" surface casing in this well bore and Alternate II cementing rules.

After review of this matter by technical staff it was determined that:

- 1. Bedrock at this location is the Upper Chase Group and is located at or near surface.
- 2. The deepest water well of record within one mile of the proposed location is 115 feet.
- 3. The Base of the Barneston formation at this location is at a depth of approximately 190 feet.

Based on this information, an exception is granted for the Table 1 Minimum Surface Casing Requirements with the following stipulations:

- Upon completion of the well, the production or long string casing nearest the formation wall shall be immediately cemented from a depth of at least 250 feet back to the surface. Notify the KCC District #2 office prior to spudding the well and one day before cementing the longstring so they may have the opportunity to witness the procedure.
- In the event the well is dry and no additional production pipe has been cemented inplace, plugging will be performed according to KCC rules per KCC District #2 requirements.

Sincerely Yours,

Doug Louis Director

cc: Steve Bond 158

Jeff Klock - Dist #2 Via e-mail