



For KCC Use:  
 Effective Date: \_\_\_\_\_  
 District # \_\_\_\_\_  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION 1050164  
 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**

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

*Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.*

Expected Spud Date: \_\_\_\_\_  
month day year

OPERATOR: License# \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Address 1: \_\_\_\_\_  
 Address 2: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_  
 Contact Person: \_\_\_\_\_  
 Phone: \_\_\_\_\_

CONTRACTOR: License# \_\_\_\_\_  
 Name: \_\_\_\_\_

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic ; _____ # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Mud Rotary
<input type="checkbox"/> Other: _____		<input type="checkbox"/> Air Rotary
		<input type="checkbox"/> Cable
<input type="checkbox"/> 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: \_\_\_\_\_  
 \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  E  W  
(Q/Q/Q/Q)  
 \_\_\_\_\_ feet from  N /  S Line of Section  
 \_\_\_\_\_ feet from  E /  W Line of Section  
 Is SECTION:  Regular  Irregular?

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

County: \_\_\_\_\_  
 Lease Name: \_\_\_\_\_ Well #: \_\_\_\_\_  
 Field Name: \_\_\_\_\_  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): \_\_\_\_\_  
 Nearest Lease or unit boundary line (in footage): \_\_\_\_\_  
 Ground Surface Elevation: \_\_\_\_\_ 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: \_\_\_\_\_  
 Depth to bottom of usable water: \_\_\_\_\_  
 Surface Pipe by Alternate:  I  II  
 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:  
 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**

<p><b>For KCC Use ONLY</b></p> <p>API # 15 - _____</p> <p>Conductor pipe required _____ feet</p> <p>Minimum surface pipe required _____ feet per ALT. <input type="checkbox"/> I <input type="checkbox"/> II</p> <p>Approved by: _____</p> <p><b>This authorization expires:</b> _____  <small>(This authorization void if drilling not started within 12 months of approval date.)</small></p> <p>Spud date: _____ Agent: _____</p>
--

**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: \_\_\_\_\_

E  
 W



1050164

**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

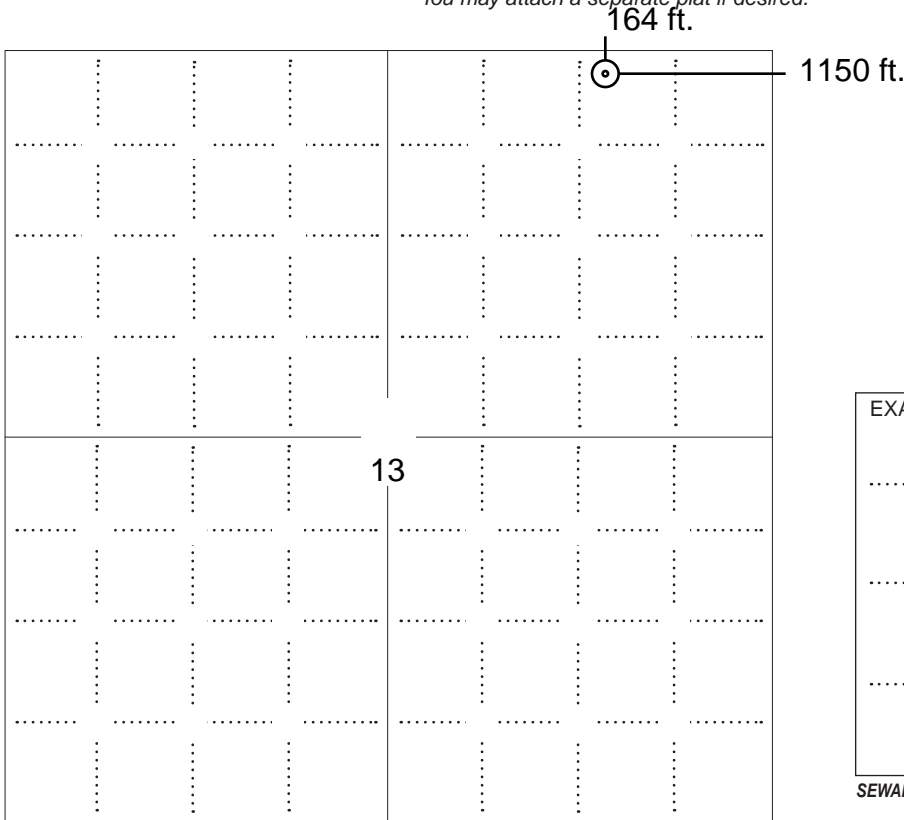
Is Section:  Regular or  Irregular

**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:**

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 1050164  
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	
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> 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><b>Submitted Electronically</b></p>			

<b>KCC OFFICE USE ONLY</b>			
Date Received: _____		Permit Number: _____	
Permit Date: _____		Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/> Liner		<input type="checkbox"/> Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS	



### 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.*

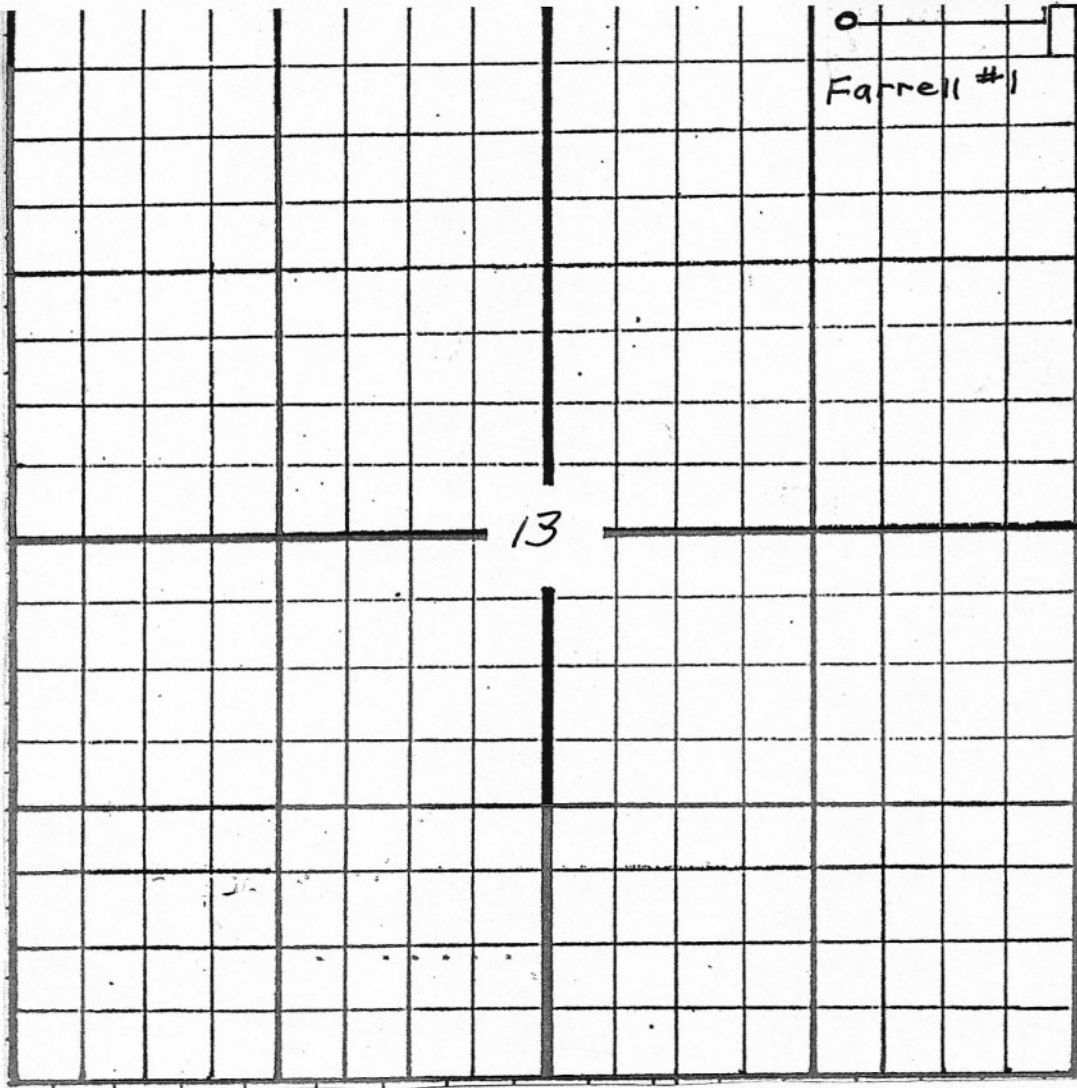
**Select one of the following:**

- 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.*

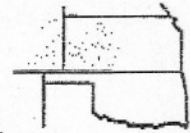
I Submitted Electronically

I





**Pro-Stake LLC**  
 Oil Field & Construction Site Staking  
 P.O. Box 2324  
 Garden City, Kansas 67846  
 Office/Fax: (620) 276-6159  
 Cell: (620) 272-1499



**b012411a**  
 FLAT NO.

**9157**  
 INVOICE NO.

**R. L. Investments**

OPERATOR

**Gove Co. Ks**  
 COUNTY

**13 12s 28w**  
 Sec. Twp. Rng.

**Farrell #1**  
 LEASE NAME  
 Main loc. = 164° FNL - 1150° FEL = 2732.8' gr. elev.  
 Alt loc. = 0° FNL - 1150° FEL = 2734.1' gr. elev.

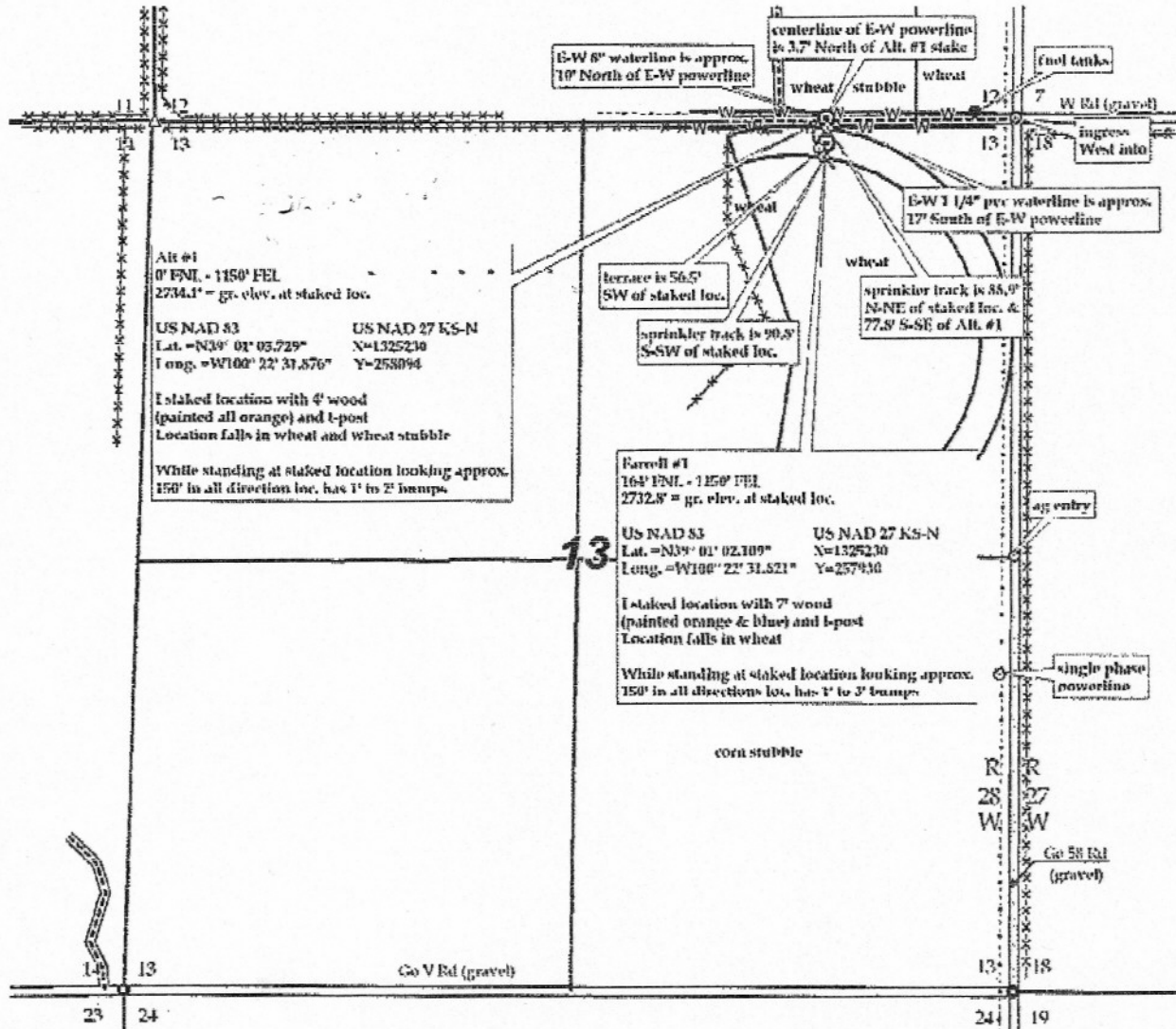
LOCATION SPOT

SCALE: 1" = 1000'  
 DATE STAKED: Jan. 24<sup>th</sup>, 2011  
 MEASURED BY: Luke R.  
 DRAWN BY: Luke R.  
 AUTHORIZED BY: Randal P. & Kirk R.



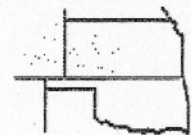
**Directions:** From the center of Gove KS at the intersection of Hwy 23 & 4<sup>th</sup> St - Now go 3.1 miles N-NE on Hwy 23 - Now go 5.9 miles East on Go. V Rd to the SE corner of section 13-12s-28w - Now go 1 mile North of Go. 58 Rd to ingress West into - Now go 0.2 mile East on Go. W Rd (trail) - Now go 153' South through irr. wheat into main staked location.  
 Final ingress must be verified with land owner or operator

*This drawing does not constitute a monumented survey or a land survey plat  
 This drawing is for construction purposes only*





**Pro-Stake LLC**  
 Oil Field & Construction Site Staking  
 P.O. Box 2324  
 Garden City, Kansas 67846  
 Office/Fax: (620) 276-6159  
 Cell: (620) 272-1499



**b012411a**  
 PLAT NO.

**9157**  
 INVOICE NO.

**R. L. Investments**

**Farrell #1**

OPERATOR

LEASE NAME

**Gove Co, Ks**  
 COUNTY

**13 12s 28w**  
 Sec. Top. Rng.

Main loc. = 164'FNL -1150'FEL = 2732.8' gr. elev.  
 Alt loc. = 0'FNL - 1150'FEL = 2734.1' gr. elev.

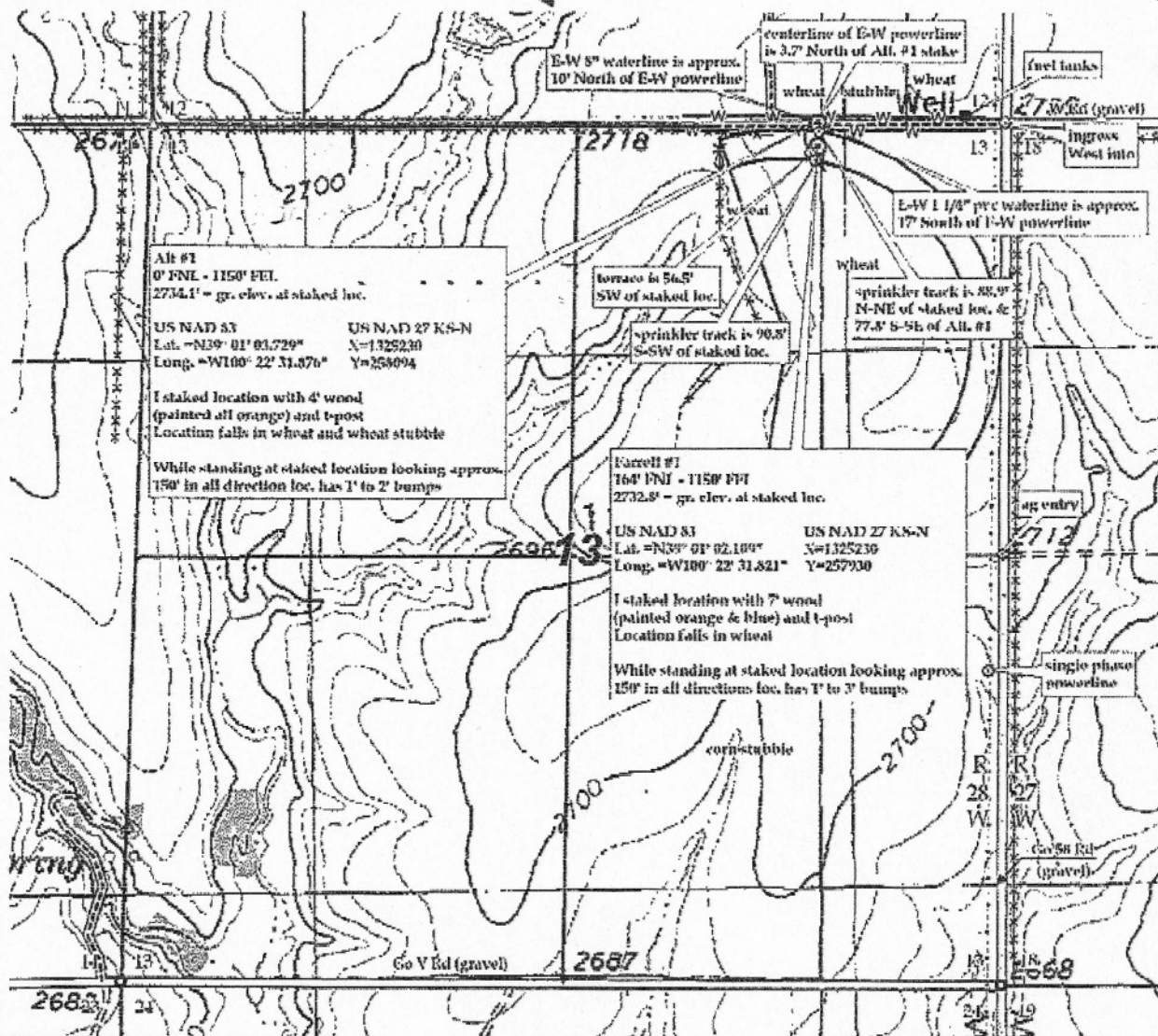
LOCATION SPOT

SCALE: **1" = 1000'**  
 DATE STAKED: **Jan. 24<sup>th</sup>, 2011**  
 MEASURED BY: **Luke R.**  
 DRAWN BY: **Luke R.**  
 AUTHORIZED BY: **Randal P. & Kirk R.**



**Directions:** From the center of Gove KS at the intersection of Hwy 23 & 4<sup>th</sup> St - Now go 3.1 miles N-NE on Hwy 23 - Now go 5.9 miles East on Go. V Rd to the SE corner of section 13-12s-28w - Now go 1 mile North of Go. 58 Rd to ingress West into - Now go 0.2 mile East on Go. W Rd (trail) - Now go 153' South though irr. wheat into main staked location.  
**Final ingress must be verified with land owner or operator**

*This drawing does not constitute a monumented survey or a land survey plat  
 This drawing is for construction purposes only*



ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, Elite Operating, L.L.C., a Kansas limited liability company, with principal offices at P.O. Box 608, Hays, Kansas 67601, hereinafter called "Assignor," for an in consideration of One Dollar (\$1.00), the receipt of which is hereby acknowledged, does hereby sell, assign, transfer and set over unto

R.L. Investment, L.L.C. 2698 JO Terrace Hill City, Ks. 67642  
hereinafter called the "Assignee," all right, title and interest in and to those contain oil and gas leases, all located in Gove County, State of Kansas. Which said leases are listed and shown on Exhibit "A" attached hereto and made a part hereof together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith.

This assignment is subject to existing burdens of record. Elite Operating, L.L.C. hereby reserves an overriding royalty interest of 0.0% on the subject leases and any renewals or extensions of the subject. This overriding royalty is free and clear of all costs of drilling, completing, equipping and operation of any well drilled under the subject lands.

And for the same consideration the Assignor covenants with the Assignee, its or his heirs, successors or assigns: That the Assignor is the lawful owner of and has good title to the interest above assigned in and to said leases, free and clear from all liens, encumbrances or adverse claims: That the said leases are valid and subsisting leases on the land above described and all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force have been duly performed.

Executed this 25th day of September, 2010.

ELITE OPERATING, L.L.C., a Kansas Limited liability company

By: [Signature]  
Kelly Hutsler, Member

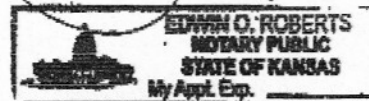
By: [Signature]  
Lori Gardner, Member

STATE OF Kansas, COUNTY OF Sumner ss:

The foregoing instrument was acknowledged before me this 25th day of September, 2010, by Kelly Hutsler and Lori Gardner, Members for and on behalf of Elite Operating, L.L.C., a Kansas limited liability company.

[Signature]  
Notary Public

Appointment Expires: 03-22-2014



STATE OF KANSAS, GOVE COUNTY SS  
REGISTER OF DEEDS

Book: 169 Page: 143

Receipt #: 11271  
Pages Recorded: 6

Recording Fee: \$28.00

[Signature]

Date Recorded: 9/28/2010 11:11:48 AM



**EXHIBIT A**  
**To**  
**Assignment of Oil and Gas Lease**

**Lease # 6**

Lessors: Farrel E. Zerr Trustee of the Farrel E. Zerr Trust February 19, 1990  
Lessee: Elite Operating LLC  
Date: June 4, 2010  
Recorded: Book 168, Page 184  
Description: Section 18: NE/4 (undivided 1/6)  
Township 12 South, Range 27 West

**Lease # 7**

Lessors: I & F Farms c/o Roger D. Schuster  
Lessee: Elite Operating LLC  
Date: May 11, 2010  
Recorded: Book 167, Page 563  
Description: Section 13: SE/4  
Township 12 South, Range 28 West

**Lease # 8**

Lessor: Farrel E. Zerr Trust and Merna R. Zerr Trust, Trustees under Agreement dated March 22, 1990  
Lessee: Elite Operating LLC  
Date: May 11, 2010  
Recorded: Book 167, Page 559  
Description: Section 13: NE/4  
Township 12 South, Range 28 West

**Lease # 9**

Lessor: Augustine M. Zerr Trust and Phyllis J. Zerr Trust, Trustees under Agreement dated February 19, 1990  
Lessee: Elite Operating LLC  
Date: May 11, 2010  
Recorded: Book 167, Page 546  
Description: Section 13: SW/4, Less Tract  
Township 12 South, Range 28 West

**Lease # 10**

Lessor: Augustine M. Zerr Trust and Phyllis J. Zerr Trust, Trustees under Agreement dated February 19, 1990  
Lessee: Elite Operating LLC  
Date: May 11, 2010  
Recorded: Book 167, Page 538  
Description: Section 12: NE/4  
Township 12 South, Range 28 West

**EXHIBIT A**  
**To**  
**Assignment of Oil and Gas Lease**

**Lease # 11**

Lessor: Farrel E. Zerr and Merna R. Zerr, Trustees of the Farrel E. Zerr Trust  
Dated March 22, 1990  
Lessee: Elite Operating LLC  
Date: May 11, 2010  
Recorded: Book 167, Page 556  
Description: Section 12: SE/4  
Township 12 South, Range 28 West

**Lease # 12**

Lessor: Augustine M. Zerr Trust and Phyllis J. Zerr Trust, Trustees under  
Agreement dated February 19, 1990  
Lessee: Elite Operating LLC  
Date: May 26, 2010  
Recorded: Book 167, Page 838  
Description: Section 14: SE/4 Less Tract  
Township 12 South, Range 28 West

**Lease # 13**

Lessor: Roy Goodall and Marcia Goodall  
Lessee: Elite Operating LLC  
Date: June 3, 2010  
Recorded: Book 167, Page 934  
Description: Section 13: Tract in SW/4, Section 14: Tract in SE/4  
Township 12 South, Range 28 West

**Lease # 14**

Lessor: Arlen G. Polifka and Mary Jane Polifka, Trustees, or their successors  
In Trust, under the Arlen G. Polifka Revocable Living Trust dated  
February 22, 1995  
Lessee: Elite Operating LLC  
Date: May 24, 2010  
Recorded: Book 167, Page 661  
Description: Section 3: S/2  
Township 13 South, Range 28 West

**Lease # 15**

Lessor: Earl O. Field  
Lessee: Elite Operating LLC  
Date: May 22, 2010  
Recorded: Book 167, Page 625  
Description: Section 10: NW/4  
Township 13 South, Range 28 West