

Well will not be drilled or Permit Expired Date: _

Signature of Operator or Agent:

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

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1053494

Form C-1

March 2010

Form must be Typed

Form must be Signed

All blanks must be Filled

NOTICE OF INTENT TO DRILL

| Expected Spud Date: | Spot Description: | | |
|--|--|--|--|
| month day year | Sec Twp S. R | | |
| DPERATOR: License# | feet from N / S Line of Section | | |
| Name: | feet from E / W Line of Section | | |
| ddress 1: | Is SECTION: Regular Irregular? | | |
| ddress 2: | (Note: Locate well on the Section Plat on reverse side) | | |
| State: | County: | | |
| Contact Person: | Lease Name: Well #: | | |
| hone: | Field Name: | | |
| CONTRACTOR: License# | Is this a Prorated / Spaced Field? | | |
| lame: | Target Formation(s): | | |
| Well Drilled For: Well Class: Type Equipment: | Nearest Lease or unit boundary line (in footage): | | |
| Oil Enh Rec Infield Mud Rotary | Ground Surface Elevation:feet MS | | |
| Gas Storage Pool Ext. Air Rotary | Water well within one-quarter mile: | | |
| 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: | | |
| If OWWO: old well information as follows: | Surface Pipe by Alternate: I II | | |
| <u> </u> | Length of Surface Pipe Planned to be set: Length of Conductor Pipe (if any): | | |
| Operator: | Projected Total Depth: | | |
| Well Name: Original Total Depth: | Formation at Total Depth: | | |
| Original Completion Date Original Total Deptil | Water Source for Drilling Operations: | | |
| Directional, Deviated or Horizontal wellbore? | Well Farm Pond Other: | | |
| f Yes, true vertical depth: | DWR Permit #: | | |
| Bottom Hole Location: | (Note : Apply for Permit with DWR) | | |
| (CC DKT #: | Will Cores be taken? | | |
| | | | |
| | If Yes, proposed zone: | | |
| AFF | If Yes, proposed zone: | | |
| | IDAVIT | | |
| The undersigned hereby affirms that the drilling, completion and eventual plu | IDAVIT | | |
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| The undersigned hereby affirms that the drilling, completion and eventual plu | FIDAVIT gging of this well will comply with K.S.A. 55 et. seq. | | |
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Side Two



1980' FSL

| For KCC Use ONLY | |
|------------------|--|
| API # 15 | |

Operator: _

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.

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 |
| Number of Acres attr | | | | | | Is Section: | Regular or Irregular |
| | | | | | | | s Irregular, locate well from nearest corner boundary. ner used: NE NW SE SW |
| | | | | d electrical line | s, as require | e or unit bound | ndary line. Show the predicted locations of asas Surface Owner Notice Act (House Bill 2032). sired. 860 ft. |
| | | : | | | | | LEGEND |
| | | | | | | | O Well Location Tank Battery Location Pipeline Location Electric Line Location Lease Road Location |
| | : : : : | | 3 | | | | EXAMPLE |

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

5249 ft.

SEWARD CO. 3390' FEL

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

053494

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 Settling Pit Drilling Pit Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) Is the pit located in a Sensitive Ground Water A | Pit is: Proposed Existing If Existing, date constructed: Pit capacity: (bb) | | SecTwpRBastWest West Bast West West Line of Section Feet from East / West Line of Section County County mg/l mg/l (For Emergency Pits and Settling Pits only) | |
| Is the bottom below ground level? | Is the bottom below ground level? Yes No Artificial Liner? Yes No | | How is the pit lined if a plastic liner is not used? | |
| | Length (fee | | Width (feet) | |
| If the pit is lined give a brief description of the li material, thickness and installation procedure. | ilei | | dures for periodic maintenance and determining scluding any special monitoring. | |
| Distance to nearest water well within one-mile of | of pit: | Depth to shallo Source of inforr | west fresh water feet. nation: | |
| feet Depth of water well | feet | measured | well owner electric log KDWR | |
| Emergency, Settling and Burn Pits ONLY: | | Drilling, Work | over and Haul-Off Pits ONLY: | |
| Producing Formation: | | Type of materia | l utilized in drilling/workover: | |
| Number of producing wells on lease: | | Number of worl | king pits to be utilized: | |
| Barrels of fluid produced daily: | | Abandonment p | procedure: | |
| Does the slope from the tank battery allow all s flow into the pit? Yes No | pilled fluids to | · | e closed within 365 days of spud date. | |
| Submitted Electronically | | | | |
| | KCC | OFFICE USE O | NLY Liner Steel Pit RFAC RFAS | |
| Date Received: Permit Num | ber: | Permi | t Date: Lease Inspection: Yes No | |



Kansas Corporation Commission Oil & Gas Conservation Division

1053494

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 (CB-1) | Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application) | | | | |
|---|---|--|--|--|--|
| OPERATOR: License # | Well Location: | | | | |
| Name: | SecTwpS. R 🔲 East 🗌 West | | | | |
| Address 1: | County: | | | | |
| Address 2: | Lease Name: Well #: | | | | |
| City: State: Zip:+ | If filing a Form T-1 for multiple wells on a lease, enter the legal description of | | | | |
| Contact Person: | the lease below: | | | | |
| Phone: () Fax: () | | | | | |
| Email Address: | | | | | |
| Surface Owner Information: | | | | | |
| Name: | When filing a Form T-1 involving multiple surface owners, attach an additiona | | | | |
| 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: | | | | | |
| the KCC with a plat showing the predicted locations of lease roads, tank | dic Protection Borehole Intent), you must supply the surface owners and k batteries, pipelines, and electrical lines. The locations shown on the plat n the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. | | | | |
| ☐ 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 to CP-1 that I am filing in connection with this form; 2) if the form to form; and 3) my operator name, address, phone number, fax, at ☐ I have not provided this information to the surface owner(s). I at KCC will be required to send this information to the surface owner(s). | cknowledge that, because I have not provided this information, the vner(s). To mitigate the additional cost of the KCC performing this | | | | |
| task, I acknowledge that I am being charged a \$30.00 handling 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 | | | | |
| Submitted Electronically | | | | | |

ORIGINAL COMPARED WITH RECORD

* 2 0 1 0 - 1 9 7 8 4 *
CARA BARKDOLL, REGISTER OF DEEDS
ALLEN COUNTY, KS

2010-1978

DATE RECORDED: 11/18/2010 12:55:01PM NTG INDEBT: 0.00 RECEIPT#: 6487

REC FEE: \$ 12.00 TECH FEE: \$ 8.00

OIL AND GAS LEASE

AGREEMENT, Made and entered into this 1ST day of June, 2010, by and between MELVIN L. NORMAN and MELVA J. NORMAN, husband and wife, party of the first part, hereinafter called lessor, and ROGER KENT d/b/a R J ENTERPRISES, party of the second part, hereinafter called lessee.

WITNESSETH, That the said lessor, for and in consideration of One Dollar, cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let unto said lessee, for the sole and only purpose of mining and operating for oil and gas, and laying pipe lines, building tanks, and placing other equipment thereon to produce, save and take care of said products, all those certain tracts of land situated in the County of ALLEN, State of Kansas, described as follows, to-wit:

TRACT 1

The Southeast Quarter (SE/4) of Section Three (3), Township Twenty-four (24) South, Range Twenty-one (21) East of the Sixth Principal Meridian, Allen County, Kansas, containing 160 acres, more or less.

TRACT 2

The Southeast Quarter (SE/4) of Section Thirty-four (34), Township Twenty-three (23) South, Range Twenty-one (21) East of the Sixth Principal Meridian, Allen County, Kansas, containing 160 acres, more or less.

TRACT 3

The South Half (S/2) of the Northeast Quarter (NE/4) and the Northeast Quarter (NE/4) of Section Ten (10), Township Twenty-four (24) South, Range Twenty-one (21) East of the Sixth Principal Meridian, Allen County, Kansas, containing 120 acres, more or less.

TRACT 4

The Northeast Quarter (NE/4) of Section Three (3), Township Twenty-four (24) South, Range Twenty-one (21) East of the Sixth Principal Meridian, Allen County, Kansas, containing 160 acres, more or less.

It is agreed that Tracts 1 and 2 described above are presently subject to an oil and gas lease from lessor to lessee recorded in Book 2007 at page 0588 which lease has been producing oil in paying quantities since the expiration of its primary terms, that Tract 4 is subject to an oil and gas lease recorded in Book 2007 at page 0797 from lessor to lessee, however, no operations have been conducted on this lease by lessee, and that Tract 3 is subject to an unrecorded lease between lessor and lessee, and it is the desire of the parties to combine all of the above tracts and leases into one lease which shall supplement and replace the above described leases and shall remain in full force and effect from this date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee in paying quantities.

In consideration of the premises the said lessee covenants and agrees:

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect his wells, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas from each well where gas only is found the equal one-eighth (1/8) of the gross proceeds at the prevailing market rate, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for all gas used off the premises, said payments to be made monthly and lessor to have gas free of cost from any such well for all stoves and all inside lights in the principal dwelling house on said land during the same time by making his own connections with the well at his own risk and expense.

3rd. To pay lessor for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline, one-eighth (1/8) of the proceeds at the prevailing market rate, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas used, for the time during which such gas shall be used, said payments to be made monthly.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in the proportion which his interest bears to the whole and undivided fee, and the signing of this agreement shall be binding on each of the above named parties who sign, regardless of whether it is signed by any of the other parties.

Lessee shall have the right to use, free of cost, gas, oil, and water produced on saidland for its operation thereon, except water from wells of lessor, however, this water may be used only on this lease unless written permission is otherwise given by Lessors. All lines, including electric lines, shall be buried below plow depth.

Lessee shall pay for damages caused by its operations to the growing crops on said land, to fences, terraces, and any real property damages.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing, and upon removal of said equipment, lessee shall plug all wells thereon and restore the surface as provided by law.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or as to parts of the above described lands and the assigns or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands upon which the said lessee or any assignee thereof shall make due payments of said rentals.

If the leased premises are now or hereafter owned in severalty or in separate tracts, the premises, nevertheless, may be developed and operated as an entirety, and the royalties shall be paid to each separate owner in the proportion that the acreage owned by him bears to the entire leased area.

If Lessee desires to sell all or any part of his working interest in the leased premises, Lessee shall grant Lessor the right of first refusal to acquire the working interest being conveyed, which right of first refusal shall be exercised in the following manner:

- a. In the event Lessee shall elect to sell all or part of the subject property, Lessee will communicate in writing to Lessor the terms of the written offer received for the purchase of said property, and Lessor shall thereafter have a period of thirty days in which to elect to purchase the property under the same terms and conditions.
- b. In the event Lessor does not elect to repurchase the property under these terms and conditions, Lessee will then be free to sell the property under those same terms and conditions.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

| WHEREOF, witness our hands as of the day | and year first above written. |
|---|---|
| LESSOR: | |
| Molin Melvin L. N | Vorman |
| <i>Yyele</i> Melya J. N | lorman Roman |
| LESSEE: | |
| Roger Ker | t d/b/a R J Enterprises |
| STATE OF KANSAS) | |
|) SS: COUNTY OF ALLEN) | |
| The foregoing instrument was acknowledge 2010, by Melvin L. Norman and Melva J. Norman, I | |
| Term Expires: /-20-2012 Notary Pu | ley a Stotler |
| STATE OF KANSAS) | |
|) SS: COUNTY OF ANDERSON) | |
| The foregoing instrument was acknowledge 2010, by Roger Kent d/b/a R J Enterprises. | d before me this 9^{th} day of June, |
| Term Expires: 1-20-2012 Notary Pu | ler a Statler byte |

Conservation Division Finney State Office Building 130 S. Market, Rm. 2078 Wichita, KS 67202-3802



phone: 316-337-6200 fax: 316-337-6211 http://kcc.ks.gov/

Thomas E. Wright, Chairman Ward Loyd, Commissioner Corporation Commission Sam Brownback, Governor

April 08, 2011

ROGER KENT Kent, Roger dba R J Enterprises 22082 NE Neosho Rd GARNETT, KS 66032-1918

Re: Drilling Pit Application NORMAN UNIT 33 NE/4 Sec.03-24S-21E Allen County, Kansas

Dear ROGER KENT:

District staff has inspected the above referenced location and has determined that the reserve pit shall be 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 as soon as practical 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 (620) 432-2300 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 (620) 432-2300.