For KCC Use:

Eff	e	ct	iv	е	Date

District	#	

SGA?	Yes	No

Form

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

1058138

NOTICE OF INTENT TO DRILL

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

KSONA-1,	Certification of	Compliance wit	th the Kansas	Surface Owne	r Notification A	ct, MUST I	be submitted	with this fo	orm
----------	------------------	----------------	---------------	--------------	------------------	------------	--------------	--------------	-----

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:
Directional. Deviated or Horizontal wellbore?	Water Source for Drilling Operations:
If Yes, true vertical depth:	Well Farm Pond Other:
Bottom Hole Location:	DWR Permit #:
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: 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:

ш

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



For KCC Use ONLY

API # 15 - ____

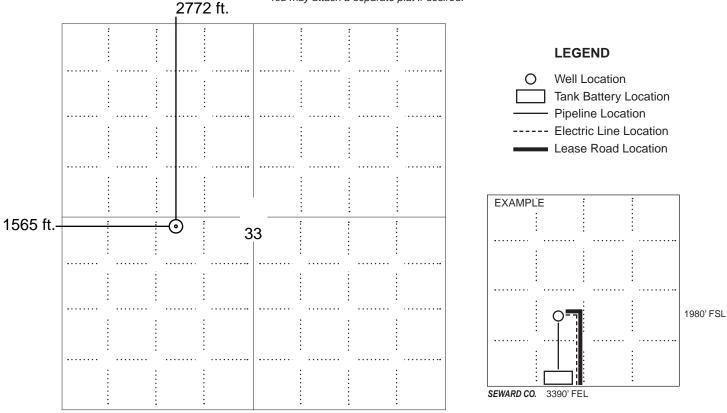
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.



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 1058138

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	SecTwp R	East West	
Settling Pit Drilling Pit	If Existing, date cor	nstructed:	Feet from N	orth / South Line of Section	
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:		Feet from East / West Line of Section		
		(bbls)		County	
Is the pit located in a Sensitive Ground Water A	rea? Yes I	No	Chloride concentration:	its and Settling Pits only)	
Is the bottom below ground level?	Artificial Liner?	lo	How is the pit lined if a plastic li	ner is not used?	
Pit dimensions (all but working pits):	Length (fee	et)	Width (feet)	N/A: Steel Pits	
Depth fro	m ground level to dee	pest point:	(feet)	No Pit	
If the pit is lined give a brief description of the liner material, thickness and installation procedure.			dures for periodic maintenance an cluding any special monitoring.	nd determining	
Distance to nearest water well within one-mile of	of pit:	Depth to shallowest fresh water feet. Source of information:			
feet Depth of water well	feet	measured	well owner ele	ectric log KDWR	
Emergency, Settling and Burn Pits ONLY:		Drilling, Worko	ver 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 sp flow into the pit? Yes No	pilled fluids to	Drill pits must b	e closed within 365 days of spud	date.	
Submitted Electronically					

 KCC OFFICE USE ONLY
 Liner
 Steel Pit
 RFAC
 RFAS

 Date Received:
 Permit Number:
 Permit Date:
 Lease Inspection:
 Yes
 No

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



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1058138

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

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

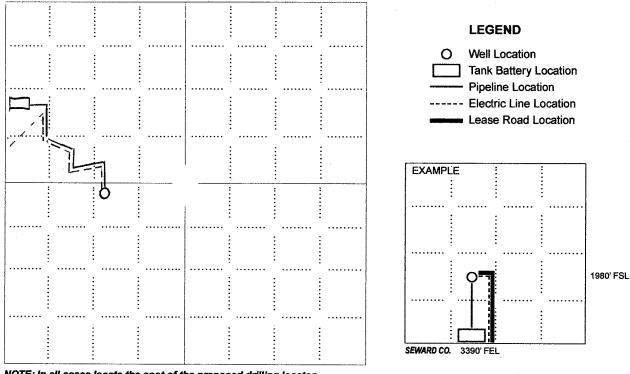
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: Dvorachek, Harold dba Quest Development	Location of Well: County: Coffey
Lease: Lehmann	2,772 feet from X N / S Line of Section
Well Number: #13	2,772 feet from X N / S Line of Section 1,565 feet from E / X W Line of Section
Field: Parmely	Sec. 33 Twp. 22 S. R. 17 🛛 🛛 E 🗌 W
Number of Acres attributable to well:	ls Section: 🔀 Regular or 🗖 Irregular
QTR/QTR/QTR/QTR of acreage: <u>NW</u> - <u>NW</u> - <u>NE</u> - <u>SW</u>	
	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).
- 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.

AGREEMENT, Made and entered into this	16姓	day of	June,	2008	X.
by and between Elmer and Carol Le					
					·····
of Coffey Co.,Kansas					
and Harold Dvorachek (a sing					
WITNESSETH. That the said lessor, for and in c cash in hand paid, receipt of which is hereby acknow part of lessee to be paid, kept and performed, has g lease and let unto the said lessee, for the sole and c and building tanks, powers, stations and structures	wledged, and of granted, demise only purpose of s thereon to pre-	the covenants d, leased and mining and or oduce, save an	and agreement. let and by these perating for oil a d take care of a	s hereinafter e presents doe and gas, and said products,	contained on the es grant, demise laying pipe lines all that certain
tract of land situate in the County of Coffey					
The NW/4 of Section 33 and t		,			
Township 22 South,Range 17 E					
of Section Township					
It is agreed that this lease shall remain in force as oil or gas, or either of them, is produced from a	e for a term of said land by th	three e lessee.	years fro	em date, and a	is long thereafter
In consideration of the premises the said lesse	e covenants a	nd agrees:			
1st. To deliver to the credit of lessor, free of $\cos(\frac{1}{3})$ part of all oil produced and saved from the leas	st., in the pipe l ed premises.	ine to which h	e may <mark>connec</mark> t l	nis wells, the	equal one eighth
2nd. To pay lessor for gas from each well where vailing market rate, for all gas used off the premises and lessor to have gas free of cost from any such we	s, said payment ell for all stoves	s to be made and all inside	lights in the pr	incinal dwellin	
and during the same time by making his own conr 3rd. To pay lessor for gas produced from any o	il well and used	l off the premis	ses or for the m	anufacture of	casing-head gas
one-eighth (1/8) of the gross proceeds at the prevaili	ing market rate	for the gas us	ed, for the time	during which	such gas shall b
used, said payments to be made		a 11			10
the well be commenced on said land on or befor his lease shall terminate as to both parties, unless the	he lessee on pr	before that da	te shall pay or	tender to the	lessor, or to the
essor's credit in The pr its successors, which shall continue as the de	pository regard	Bank at iless of change	s in the owners	ship of said l	and, the sum o
DOLLA	RS, which	shall operate a	s a rental and co	over the privil	eges of deferring
the commencement of a well for commencement of a well may be further deferred f stood and agreed that the consideration first recited when said first rental is payable aforesaid, but also wher rights conferred.	d herein, theida	of the same hu	wers not only the	successively.	anted to the date
Should the first well drilled on the above describ menced on said land within twelve months from the terminate as to both parties, unless the lessee on or rentals in the same amount and in the same manne payment of rentals, as above provided, that the last thereof, shall continue in force just as though there h	expiration of la before the expire er as hereinbefor preceding para	ast rental period ration of said re provided. An agraphs hereof,	to which rental twelve months d it is agreed th governing the pa	has been paid shall resume nat upon the r ayment of rent	l, this lease shal the payment or esumption of the
If said lessor owns a less interest in the above the royalties and rentals herein provided shall be pa undivided fee.	described land id the lessor or	than the entire ly in the propo	e and undivided rtion which his i	fee simple est nterest bears	ate therein, then to the whole and
Lessee shall have the right to use, free of cost, g from wells of lessor.	as, oil and wate	er produced on s	aid land for its o	operation there	eon, except wate
When requested by lessor, lessee shall bury his	• •	·· · · ·			
No well shall be drilled nearer than 200 feet to the Lessee shall pay for damages caused by its oper				he written con	sent of the lessor
Lessee shall have the right at any time to rer to draw and remove casing.				d premises, ir	cluding the righ
If the lessee shall commence to drill a well with right to drill such well to completion with reasonal paying quantities, this lease shall continue and be of years herein first mentioned.	ble diligence a	nd dispatch, an	d if oil or gas, o	or either of th	hem, be found in
If the estate of either party hereto is assigned. covenants hereof shall extend to their heirs, execute the land or assignment of rentals or royalties shall be transfer or assignment or a true copy thereof; and to parts of the above described lands and the assign of the proportionate part of the rents due from him o it covers a part or parts of said lands upon which th	ors, administration be binding on the it is hereby agnees or assignces or them, such de	ors. successors e lessee until at reed in the even s of such part of fault shall not of	or assigns, but iter the lessee ha it this lease shall parts shall fail operate to defeat	no change in s been furnish l be assigned or make defau or affect this	the ownership of ed with a written as to a part or a lit in the paymen lease in so far a

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.

June

/e

Elma

In Testimony Whereof We Sign, this the $16^{\frac{54}{24}}$ day of

Witness:

.....

19-2000 L'Elmer In (SEAL) Elmer Lehmann

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/

Mark Sievers, Chairman Ward Loyd, Commissioner Thomas E. Wright, Commissioner Sam Brownback, Governor

July 05, 2011

Hal Dvorachek Dvorachek, Harold A. dba Quest Development Co. PO BOX 413 IOLA, KS 66749-0413

Re: Drilling Pit Application API 15-031-22904-00-00 Lehmann #13 SW/4 Sec.33-22S-17E Coffey County, Kansas

Dear Hal Dvorachek:

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.