



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

KANSAS CORPORATION COMMISSION 1063542
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

Spot Description: _____

OPERATOR: License# _____

_____-_____-_____-_____-_____-_____-_____-_____-_____-_____-_____-_____-_____-_____-_____-_____-
(Q/Q/Q/Q) _____ Sec. _____ Twp. _____ S. R. _____ E W
_____ 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: _____ State: _____ Zip: _____ + _____

County: _____

Contact Person: _____

Lease Name: _____ Well #: _____

Phone: _____

Field Name: _____

CONTRACTOR: License# _____

Is this a Prorated / Spaced Field? Yes No

Name: _____

Target Formation(s): _____

Well Drilled For:

Well Class:

Type Equipment:

- | | | | |
|---|-----------------------------------|------------------------------------|-------------------------------------|
| <input type="checkbox"/> Oil | <input type="checkbox"/> Enh Rec | <input type="checkbox"/> Infield | <input type="checkbox"/> Mud Rotary |
| <input type="checkbox"/> Gas | <input type="checkbox"/> Storage | <input type="checkbox"/> Pool Ext. | <input type="checkbox"/> Air Rotary |
| | <input type="checkbox"/> Disposal | <input type="checkbox"/> Wildcat | <input type="checkbox"/> Cable |
| <input type="checkbox"/> Seismic ; _____ # of Holes | <input type="checkbox"/> Other | | |
| <input type="checkbox"/> Other: _____ | | | |

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: _____

Operator: _____

Water Source for Drilling Operations:

Well Name: _____

Well Farm Pond Other: _____

Original Completion Date: _____ Original Total Depth: _____

DWR Permit #: _____

(Note: Apply for Permit with DWR)

Directional, Deviated or Horizontal wellbore? Yes No

Will Cores be taken? Yes No

If Yes, true vertical depth: _____

If Yes, proposed zone: _____

Bottom Hole Location: _____

KCC DKT #: _____

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. I II

Approved by: _____

This authorization expires: _____
(This authorization void if drilling not started within 12 months of approval date.)

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: _____

E
 W



1063542

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

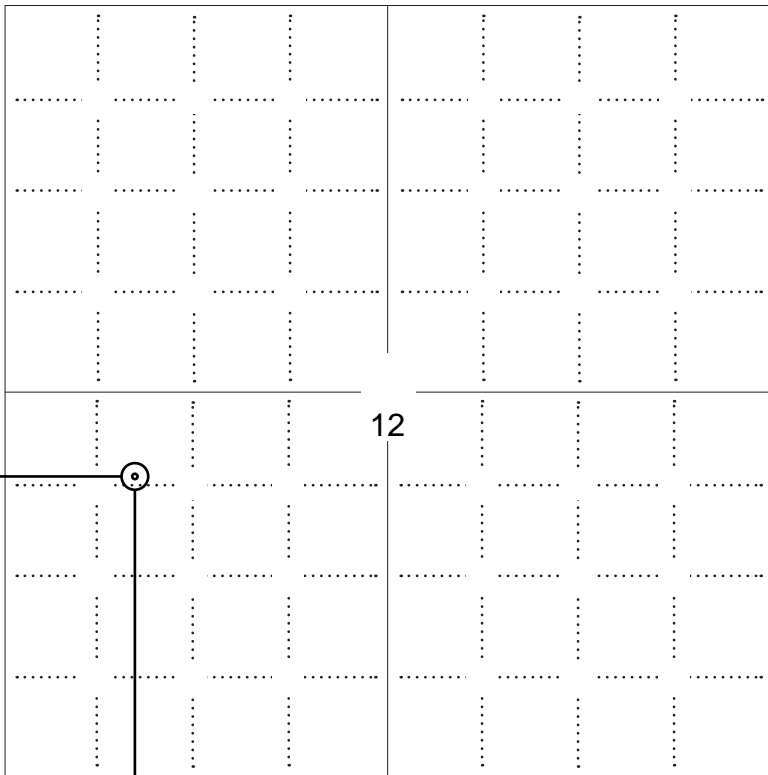
Is Section: Regular or Irregular

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.

2059 ft.

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.



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

KCC OFFICE USE ONLY

Liner Steel Pit RFAC RFAS

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



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

SHELL GULF OF MEXICO, INC.
SCHROCK LEASE
SW. 1/4, SECTION 12, T35S, R10W
BARBER COUNTY, KANSAS

NO ROAD

Notes:

1. Set iron rod at location sites.
2. All flagging Red & Yellow.
3. Overhead power available at N. 1/4 of W. line, Sec. 12.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec. 12.
6. Contact landowner for best access.

* Ingress and egress to location as shown on this plat is per usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.

DIRT TRAIL (CATALPA RD.)

ROAD (HARPER RD.) GRAVEL

FLAGGED TRAIL OPPOSITE LOC.

STUBBLE

12

(Revised)
 * Drillsite Location
 Schrock 3510 #12-1H
 2059'FSL 890'FWL
 Ground Elevation = 1307
 Y = 125994 X = 2040218

(Revised)
 * Drillsite Location
 Schrock 3510 #12-1
 2059'FSL 908'FWL
 Ground Elevation = 1306
 Y = 125994 X = 2040236

State Plane-NAD 27-Kansas South
 (Mapping Grade GPS Used)

NO ROAD

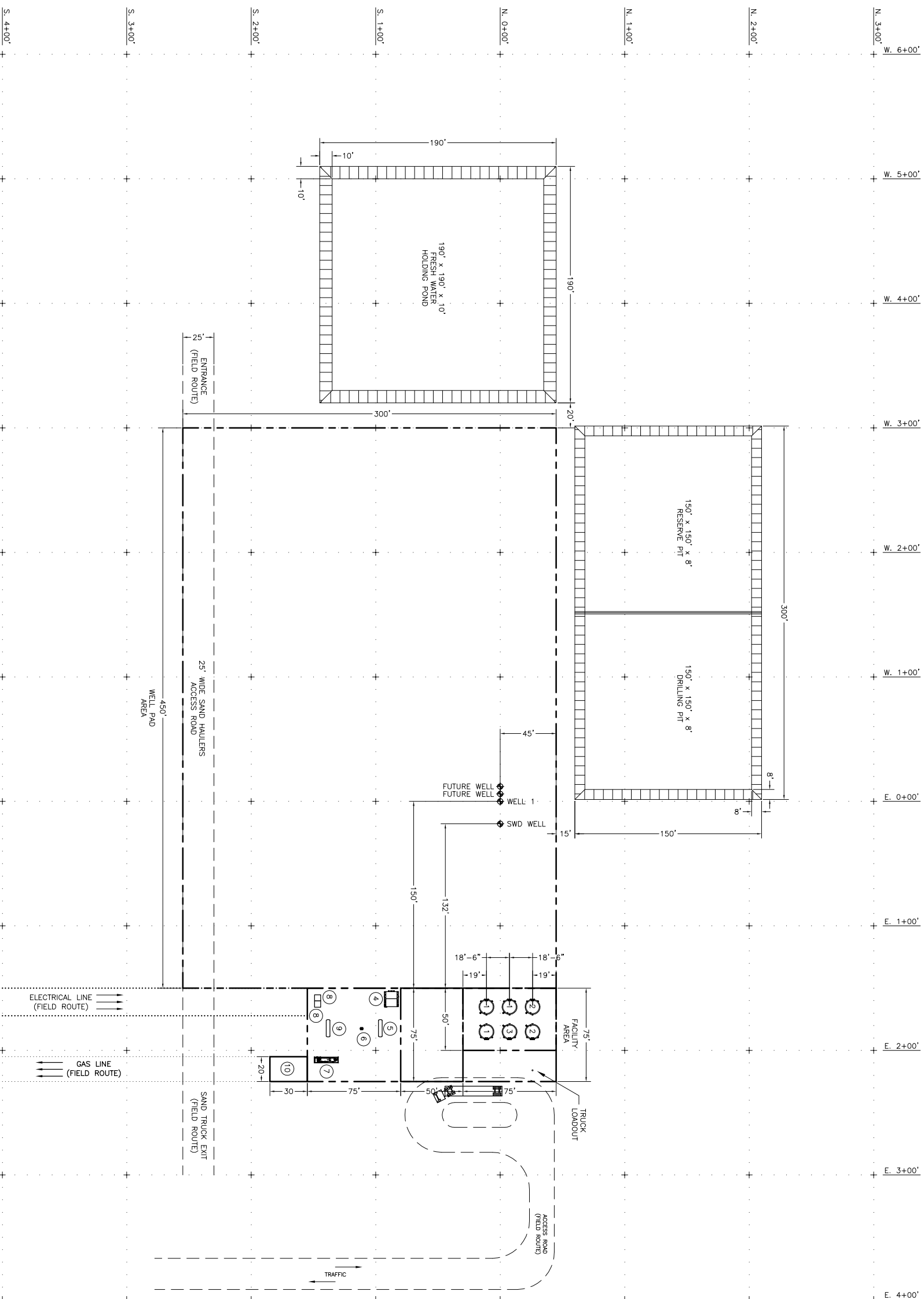
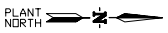


* Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.

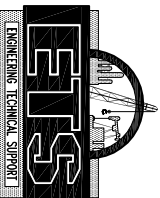
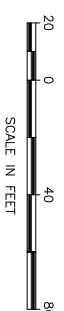
* Approximate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drillsite location in the section is not guaranteed. Therefore, the operator securing this service and accepting this plat and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and said entities released from any liability from incidental or consequential damages.

* Elevations derived from National Geodetic Vertical Datum.

Date August 16, 2011



- EQUIPMENT:**
- ① 12'-0"ø x 20'-0" HT. WATER TANK (TYP. 3)
 - ② 12'-0"ø x 20'-0" HT. OIL TANK (TYP. 2)
 - ③ 12'-0"ø x 20'-0" HT. WET OIL
 - ④ 11'-2" x 12'-10" SHELL METERING SKID (FUTURE)
 - ⑤ FREEWATER KNOCKOUT
 - ⑥ FUEL GAS SCRUBBER SKID
 - ⑦ 4'-0" x 20'-0" HEATER TREATER
 - ⑧ GENERATOR (TYP. 2)
 - ⑨ TEST SEPARATOR (FUTURE)
 - ⑩ GAS SALES



REVIEWED BY:				RELEASED ONLY FOR:				SHELL EXPLORATION & PRODUCTION COMPANY			
PROJ ENGR				PROJ	FAC	DATE		EQUIPMENT PILOT PLAN			
ENGR				ENGR	ENGR			MULTIPLE WELL FACILITY			
OPR				ENGR	ENGR			ARROWHEAD DEVELOPMENT			
CONST				PRELIM.	ENGR			HARPER COUNTY, KANSAS			
HSAE				APPROVAL	ENGR			ENGR: WA JONES			
				ISSUED FOR APPROVAL	ENGR			DATE: 08/20/11			
				DESCRIPTION	ENGR			SCALE: 1" = 40'			
				BY	ENGR			KS-1000-MX-4024-0001			
				APP'D	ENGR			A			

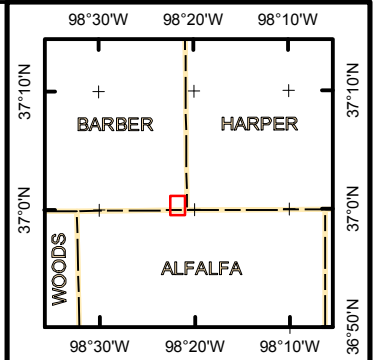
1,825,000
98°22'0"W

1,830,000



13,440,000
37°10'0"N

13,440,000
37°10'0"N



SCHROCK 1

12

Shell
Schrock
3308 12-1H

SCHROCK, ELWYN &
CHERE BOGET-SCHROCK,
JOINT TENANTS

T35S - R10W

SCHROCK, ELWYN &
CHERE BOGET-SCHROCK,
JOINT TENANTS
14

SCHROCK, ELWYN &
CHERE BOGET-SCHROCK,
JOINT TENANTS

13

13,435,000
37°0'0"N

13,435,000
37°0'0"N

BHL

T29N - R11W

15

14

TOM
BENFIELD 2

Shell Gulf of Mexico Inc.

KANSAS
HARPER COUNTY
T33S - R7W SEC. 23
Shell Schrock 3308 12-1H



August 29, 2011	E. Gilbertson - 4105 B	by Eric Gilbertson
ShellSchrock12-1H.mxd		UTM 14N - NAD27 - US Feet

1,825,000
98°22'0"W

1,830,000

**THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

Before Commissioners: Mark Sievers, Chairman
 Ward Loyd
 Thomas E. Wright

In the matter of the application of Shell Gulf of Mexico Inc. for authority to drill a well horizontally into the Mississippi formation pursuant to K.A.R. 82-3-103a for the Schrock #12-1H well in Sections 12 and 13, Township 35 South, Range 8 West, in Barber County, Kansas.)	Docket No. 12-CONS-027-CHOR
)	
)	CONSERVATION DIVISION
)	
)	License No. 34574

ORDER GRANTING APPLICATION

Now, the above captioned matter comes on before the State Corporation Commission of the State of Kansas (“KCC” or “Commission”) on the Application of Shell Gulf of Mexico Inc. (“Applicant”). The Commission, after reviewing its files and records and being fully advised in the premises, finds and concludes as follows:

1. Applicant filed an Application on August 8, 2011, seeking an Order permitting the drilling of a horizontal wellbore pursuant to K.A.R. 82-3-103a.
2. Notice of the application was timely and properly published in *The Wichita Eagle* and *The Kiowa News* newspapers stating that the application would be granted by the Commission if no protests were received within 15 days. No protests were filed.
3. Counsel for the Applicant informed KCC Legal Staff (“Legal Staff”) that the intended location of the well changed subsequent to the filing of the application. Legal Staff informed counsel for the Applicant that additional notice did not appear necessary, because the new well location is farther away from the nearest offset operator compared to the original well location. Because the new location is farther away from the nearest offset, the new location does not appear to present any additional potential threat of a correlative rights violation.

4. The Schrock #12-1H ("subject well"), will be completed into the Mississippi formation. The surface location will be as follows:

2,059 feet from the South line and 890 feet from the West line of Section 12, Township 35 South, Range 10 West, Barber County, Kansas.

5. The horizontal wellbore will proceed to a bottom hole location as follows.

330 feet from the South line and 600 feet from the West line of Section 13, Township 35 South, Range 10 West, Barber County, Kansas.

6. The following acreage will be attributed to the well.

The West Half of the Southwest Quarter of Section 12, the West Half of the West Half of Section 13, and the East 144 acres of Section 14, all in Township 35 South, Range 10 West, Barber County, Kansas.

7. The Commission finds that granting the application for a horizontal wellbore will prevent waste and will not adversely affect any party's correlative rights. Therefore, the application for a horizontal wellbore should be granted, and a full allowable should be assigned to the well.

THEREFORE, THE COMMISSION ORDERS THAT:

A. The application for an Order permitting the drilling of a horizontal wellbore pursuant to K.A.R. 82-3-103a in the Mississippi formation in Barber County, Kansas, is granted, and the subject well will be assigned a full allowable.

B. Applicant shall provide directional surveys to ensure compliance with the Commission's general rules and regulations governing the distance between the well and the nearest lease or unit boundary.

C. Applicant shall ensure that the drilling rig for the subject well is equipped with a gas blowout preventer.

D. Any party affected by this Order may file with the Commission a petition for reconsideration pursuant to K.S.A. 77-529(a). Such petition shall be filed within 15 days after service of this Order and must state the specific grounds upon which relief is requested. This petition for reconsideration shall be filed with the Executive Director of the Conservation Division, Finney State Office Building, 130 S. Market, Room 2078, Wichita, Kansas 67202-3802

E. The Commission retains jurisdiction of the subject matter and the parties for the purpose of entering such further order or orders as from time-to-time it may deem proper.

BY THE COMMISSION IT IS SO ORDERED.

Sievers, Chmn.; Loyd, Com.; Wright, Com.

Date: SEP 14 2011


Patrice Petersen-Klein
Executive Director

Date Mailed: 9-14-2011

LRP

I CERTIFY THE ORIGINAL
COPY IS ON FILE WITH
The State Corporation Commission

SEP 14 2011



CERTIFICATE OF SERVICE

I hereby certify that on 9-14-2011, I caused a true and correct copy of the foregoing "Order Granting Application" to be served by placing the same in the United States mail, postage prepaid, to the following parties:

Jeff Kennedy
100 North Broadway, Suite 500
Wichita, Kansas 67202
Attorneys for Shell Gulf of Mexico Inc.

Martin Medina
Shell Gulf of Mexico Inc.
P.O. Box 576
Houston, Texas 77001-0576

Steve Durrant
KCC District #1
210 E. Frontview, Suite A
Dodge City, Kansas 67801

And delivered by hand to:

Jim Hemmen
Conservation Division Central Office

/s/ Lane R. Palmateer
Lane R. Palmateer
Litigation Counsel
Kansas Corporation Commission

September 19, 2011

DAMONICA PIERSON
Shell Gulf of Mexico Inc.
150 N DAIRY-ASHFORD (77079)
PO BOX 576 (77001-0576)
HOUSTON, TX 77001-0576

Re: Drilling Pit Application
SCHROCK 3510 12-1H
SW/4 Sec.12-35S-10W
Barber County, Kansas

Dear DAMONICA PIERSON:

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 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 96 hours 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) 225-8888 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) 225-8888.