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

1069184

NOTICE OF INTENT TO DRILL

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

KSONA-1,	Certification of	Compliance with	the Kansas Surface	Owner Notificatior	n Act, MUST b	e submitted with	this form.
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Expected Spud Date:	Spot Description:
month day year	
OPERATOR: License#	
Name:	
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 #:	(Note: Apply for Permit with DWR)
R00 DR1 π	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. I II
Approved by:	
This authorization expires:	tarted within 12 months of approval date.)
Spud date: Ag	gent:

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:

a.c.		

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



For KCC Use ONLY

API # 15 - ____

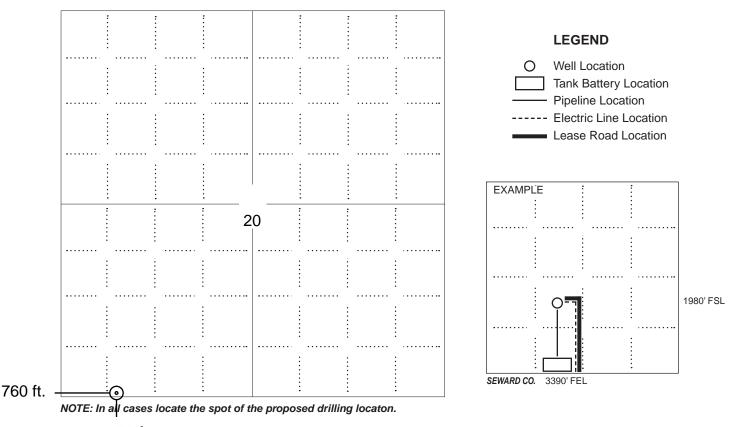
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.



55 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.

Side Two



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION 1069184

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:		1 · · ·
Emergency Pit Burn Pit	Proposed	Existing	SecTwpR East West
Settling Pit Drilling Pit	If Existing, date co	nstructed:	Feet from North / South Line of Section
UVorkover 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	vrea? Yes	No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)
Is the bottom below ground level?	Artificial Liner?	٩o	How is the pit lined if a plastic liner is not used?
Pit dimensions (all but working pits):	Length (fee	et)	Width (feet)N/A: Steel Pits
Depth fro	om ground level to dee	epest point:	(feet) No Pit
			edures for periodic maintenance and determining ncluding any special monitoring.
Distance to nearest water well within one-mile of pit:		Depth to shallor	owest fresh water feet.
		Source of inform	
feet Depth of water wellfeet			
Emergency, Settling and Burn Pits ONLY: Producing Formation:			over and Haul-Off Pits ONLY: al utilized in drilling/workover:
Number of producing wells on lease:			king pits to be utilized:
Barrels of fluid produced daily:			procedure:
Does the slope from the tank battery allow all spilled fluids to flow into the pit?		Drill pits must b	be closed within 365 days of spud date.
Submitted Electronically			
	KCC	OFFICE USE OI	NLY
Date Received: Permit Num	ber:	Permi	it 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 1069184

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

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For KCC Use ONLY	
API # 15	
	NDED WELL ON THE PLAT BELOW
In all cases, please fully complete this side of the f	orm. Include items 1 through 5 at the bottom of this page.
/ <	
Operator: Staab Oil Co., a General Partnership	Location of Well: County: Ellis
Lease: Hottman-Furthmyer Well Number: 1	55 feet from N / S Line of Section 769 Feet from F (X W Line of Section
Field: Crathorne Northwest	
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 neares	t lease or unit boundary line. Show the predicted locations of
	equired by the Kansas Surface Owner Notice Act (House Bill 2032). separate plat if desired.
	LEGEND
	O Well Location
	Tank Battery Location Pipeline Location
	Electric Line Location
	Lease Road Location
	EXAMPLE
20	
	1980' FSL
	SEWARD CO. 3390' FEL
760 ft.	
NOTE: In all cases locate the spot of the proposed drilling	locaton.

Side Two

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55 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.

DECLARATION OF POOLED UNIT AND STIPULATION OF ROYALTY INTERESTS

Original

FURTHMYER-HOTTMAN UNIT

KNOW ALL BY THESE PRESENTS THAT:

I.

DECLARATION OF UNIT

1. Staab Oil Company is the current Lessee of the following described oil and gas leases:

A. FURTHMYER LEASE:

Date:	February 15, 2008
Recorded:	April 7, 2008 at 9:45AM
	in Book 691, Page 141
Lessor:	Larry Furthmyer and Lavetta Furthmyer,
	husband and wife
Lessee:	Meridian Energy, Inc.
Term:	Three (3) years
Description:	NW/4, SW/4, SE/4 & E/2 NE/4 of Section
	29, Township 12 South, Range 19 West
	insofar and only insofar as said oil and gas
	lease covers the $W/2$ of Section 29,
	Township 12 South, Range Nineteen 19
	West

B. HOTTMAN LEASE:

Date: Recorded:

Lessor: Lessee: Term: Description: November 22, 2010 December 8, 2010 at 10:00AM. in Book 760, Page 261 Michael D. Hottman Meridian Energy, Inc. Two (2) Years W/2 of Section 20, Township 12 South, Range 19 West 2. The subject leases each contain provisions giving the Lessee, at its option, the right and power to pool or combine any portion of the acreage covered by each lease with other portions of leased land adjacent to each other if necessary to properly develop and operate the lease and so long as any such pooling does not exceed forty (40) acres in the instance of an oil well.

3. Pursuant to the terms, provisions and conditions of the subject leases the Lessee hereby declares its desire and intention to create such a forty (40) acre oil pooled unit to be developed and operated as one tract.

4. The pooled unit shall be known as the Furthmyer-Hottman Unit and is described as follows:

The N/2 NW/4 NW/4 of Section 29, Township 12 South, Range 19 West and the S/2 SW/4 SW/4 of Section 20, Township 12 South, Range 19 West

5. The mineral acres owned by Larry Furthmyer placed in the Furthmyer-Hottman Unit from the real estate comprising the Furthmyer Lease constitutes 20 acres of the total pooled acreage, or 50% of the combined pooled acreage.

6. The mineral acres owned by the Michael D. Hottman and Donna J. Hottman, husband and wife placed in the Furthmyer-Hottman Unit from the real estate comprising the Hottman Lease constitutes 20 acres of the total pooled acreage, or 50% of the combined pooled acreage.

II.

STIPULATION OF ROYALTY INTERESTS IN THE FURTHMYER-HOTTMAN UNIT

1. Based upon the above Declaration and the current ownership of the minerals in, under and to the Furthmyer-Hottman Unit, the undersigned stipulate that their ownership in the subject Unit is as set forth below, and agree that their share of the royalty in the oil production from the subject Unit shall be paid according to the stipulated interests as follows:

Larry Furthmyer

1/2 of 1/8th

Michael D. Hottman and Donna J. Hottman, husband and wife as joint tenants with the rights of survivorship 1/2 of 1/8th