



1071502

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

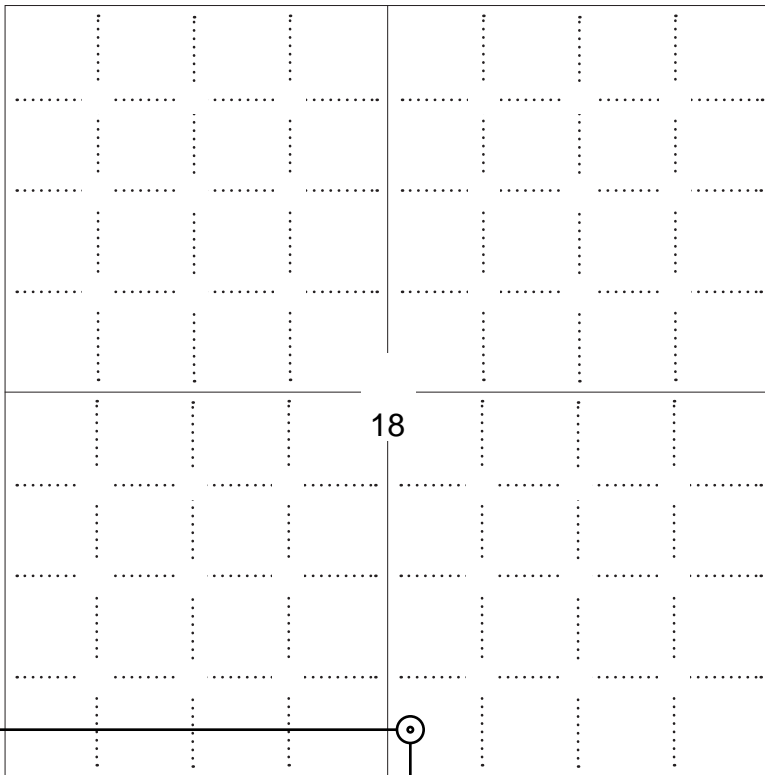
Is Section: Regular or Irregular

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.



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

LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location



330 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.



KANSAS CORPORATION COMMISSION 1071502
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 | |
| 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

I

1,800,000

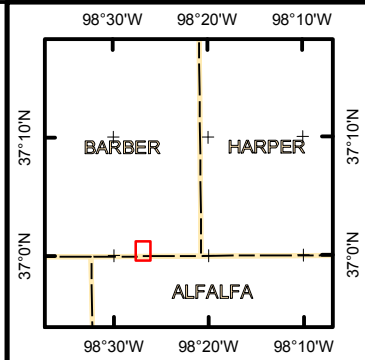
98°27'0"W

1,805,000



7
T35S - R10W

HELEN P FARNEY
TTEE OF THE HELEN
P FARNEY TRUST



13,440,000 37°10'N

13,440,000 37°10'N

12

T35S - R11W

BHL

NAD27 State Plane Kansas South
Lat: 37.013724 X: 2015265.207
Lon: -98.447723 Y: 126375.4575

8

13,435,000 37°00'N

13,435,000 37°00'N

13

WATKINS,
CHARLES E, A
SINGLE MAN

18

FARNEY, BRANDON
T & MARIANNA
L FARNEY H/W

17

Shell Watkins
& Farney 3510

ROBERT
1-13H

SWD 18-1H
NAD27 State Plane Kansas South
Lat: 36.999287 X: 2015240.456
Lon: -98.447818 Y: 121118.6414

T29N - R12W

14

13

Shell Gulf of Mexico Inc.

KANSAS
BARBER COUNTY
T35S - R10W SEC. 7, 18

Shell Watkins and Farney
3510 18-1H



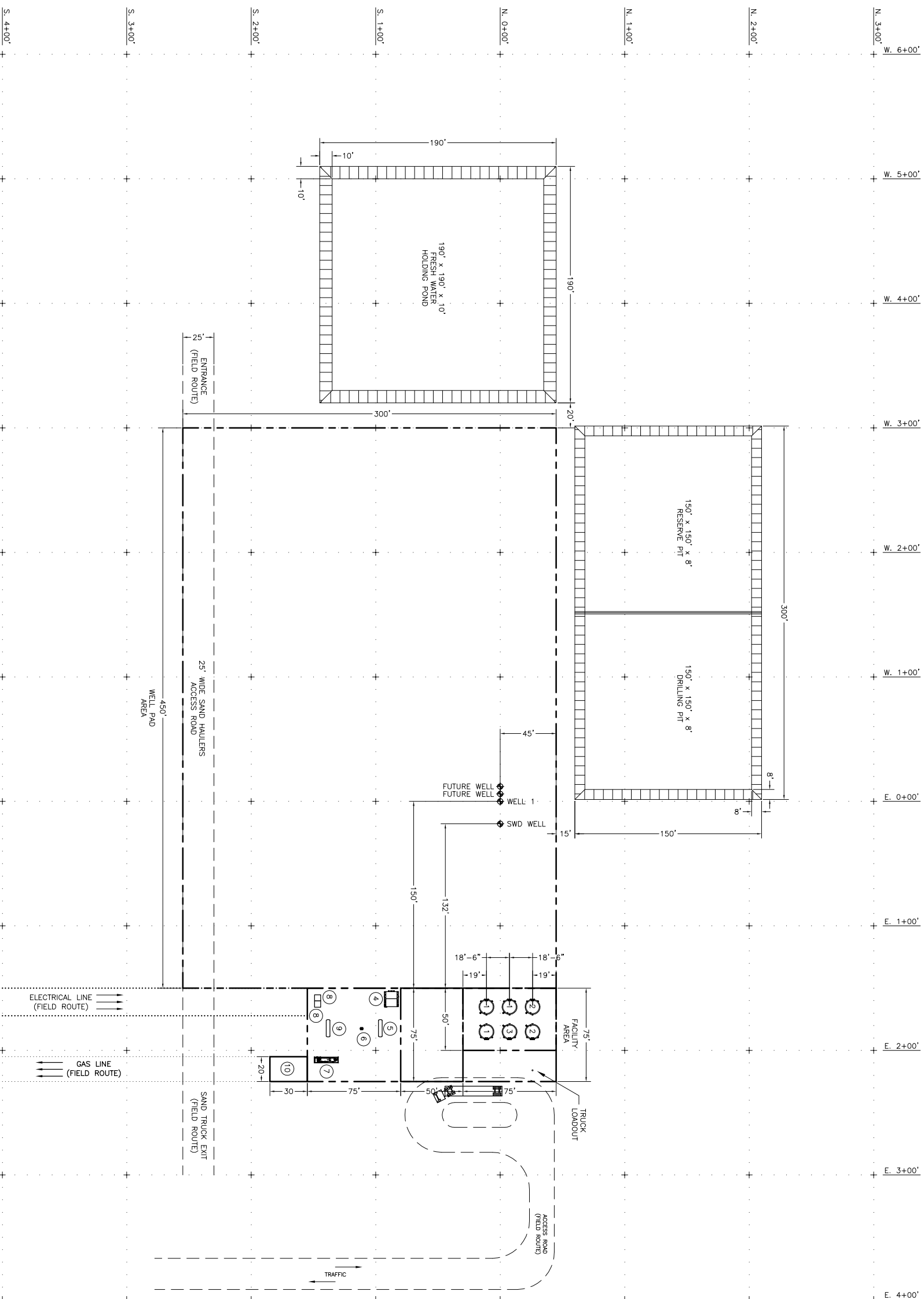
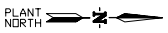
November 7, 2011 E. Gilbertson - 4105 B by Eric Gilbertson

ShellWatkins&Farney3510_18-1H_B2-1H.mxd UTM 14N - NAD27 - US Feet

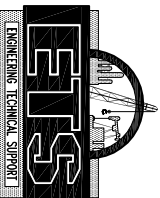
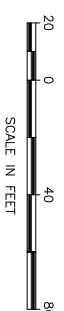
1,800,000

98°27'0"W

1,805,000



- 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 | | | |

Watkins & Farney 3510 18-1H Unit

The unit will contain 950 acres, more or less, containing:

Sec. 7: E/2

Sec. 7: E/2 SW/4, lots 3 and 4, and S 64 rods of lot 2, S 64 rods of SE/4 NW/4

Sec. 18: NE/4 and Lot 1

Sec. 18: Lot 2, Lot 3, and Lot 4, and E/2 NW/4

All in T35S, R10W

T35S, R10W, 6th P.M.

SGOMI

Well location, WATKINS & FARNEY 3510 #18-1H, located as shown in the SE 1/4 NW 1/4 of Section 18, T35S, R10W, 6th P.M., Barber County, Kansas.

BASIS OF ELEVATION

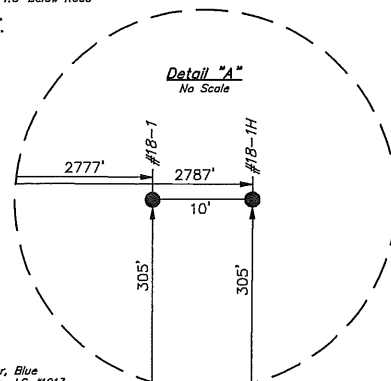
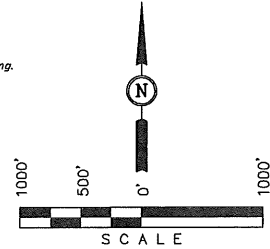
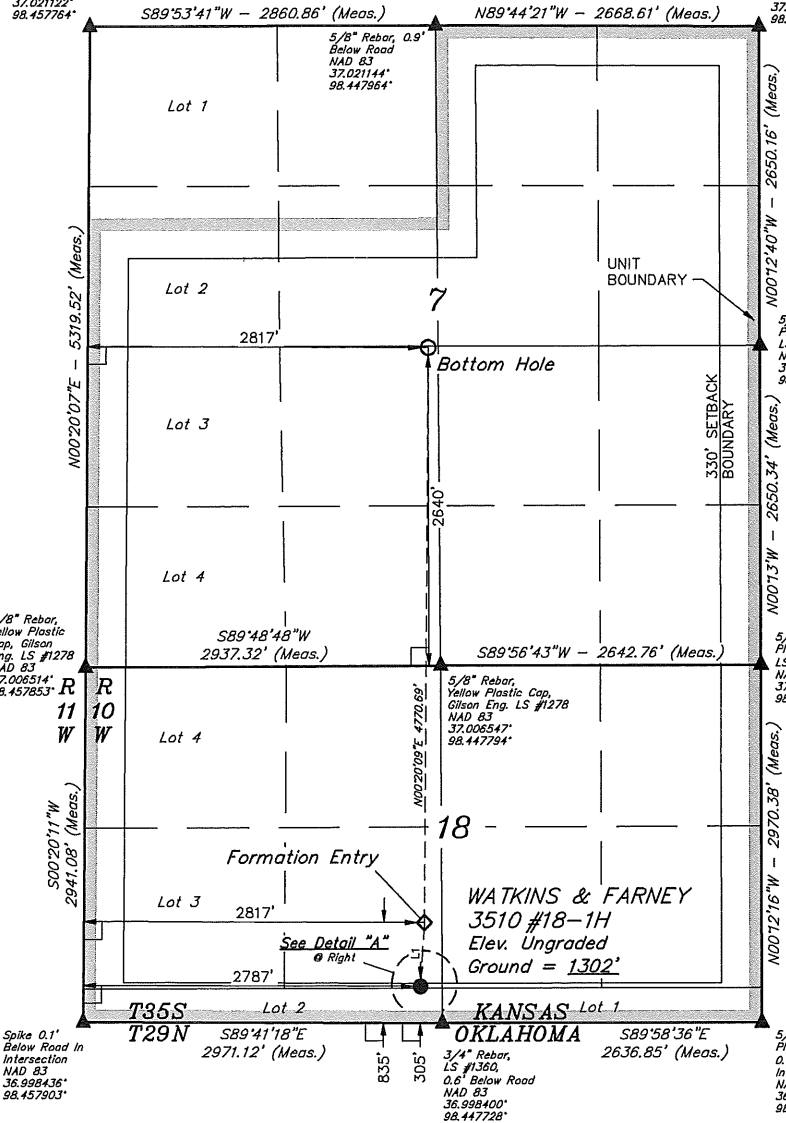
SPOT ELEVATION LOCATED AT THE SOUTHWEST CORNER OF SECTION 12, T35S, R10W, 6th P.M. TAKEN FROM THE CORWIN, QUADRANGLE, KANSAS, 7.5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 1274 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

1" Square Bolt In Asphalt Road 0.1' Below Ground
NAD 83
37.021122°
98.457764°

5/8" Rebar, Yellow Plastic Cap, Gilson Eng.
LS #1278, 0.2' High
NAD 83
37.021117°
98.438825°



| LINE TABLE | | |
|------------|-------------|---------|
| LINE | BEARING | LENGTH |
| L1 | N03°31'17"E | 530.97' |

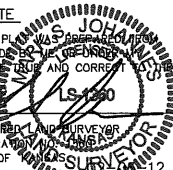
LEGEND:

- └─ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

| NAD 83 (TARGET BOTTOM HOLE) | NAD 83 (FORMATION ENTRY) | NAD 83 (#18-1H SURFACE LOCATION) |
|--------------------------------------|--------------------------------------|--------------------------------------|
| LATITUDE = 37°00'49.67" (37.013797) | LATITUDE = 37°00'02.50" (37.000694) | LATITUDE = 36°59'57.26" (36.999239) |
| LONGITUDE = 98°26'53.38" (98.448161) | LONGITUDE = 98°26'53.67" (98.448242) | LONGITUDE = 98°26'54.07" (98.448353) |
| NAD 27 (TARGET BOTTOM HOLE) | NAD 27 (FORMATION ENTRY) | NAD 27 (#18-1H SURFACE LOCATION) |
| LATITUDE = 37°00'49.57" (37.013769) | LATITUDE = 37°00'02.40" (37.000667) | LATITUDE = 36°59'57.16" (36.999211) |
| LONGITUDE = 98°26'52.11" (98.447808) | LONGITUDE = 98°26'52.40" (98.447889) | LONGITUDE = 98°26'52.80" (98.448000) |

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT IS A TRUE AND CORRECT REPRESENTATION OF THE FIELD NOTES OF ACTUAL SURVEYS MADE UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



REVISED: 02-03-12 C.C.
REVISED: 10-19-11 C.C.
REVISED: 09-29-11
REVISED: 09-22-11

REGISTERED LAND SURVEYOR
REGISTRATION NO. 4350
STATE OF KANSAS
12

| | | |
|--|----------------------------|-------------------------|
| UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017 | | |
| SCALE 1" = 1000' | DATE SURVEYED: 09-13-11 | DATE DRAWN: 09-20-11 |
| PARTY L.S. K.H. J.J. | REFERENCES G.L.O. PLAT | |
| WEATHER WARM | FILE SGOMI | |

February 09, 2012

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
WATKINS & FARNEY 3510 18-1H
SE/4 Sec.18-35S-10W
Barber County, Kansas

Dear DAMONICA PIERSON:

District staff has inspected the location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has recommended that the reserve pit be lined. If a plastic liner is to be used it must have a minimum thickness of 30 mil. Integrity of the liner must be maintained at all times.

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 free fluids in the reserve pit should be removed within 96 hours after drilling operations have ceased. 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.