For KCC Use:

Eff	e	ct	iv	е	Date
<b>—</b> ·					

District	±	
DISTINCT	TT .	

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

### NOTICE OF INTENT TO DRILL

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

KSONA-1, Ce	ertification of (	Compliance with t	he Kansas Si	urface Owner	Notification Ac	t, MUST be	e submitted w	ith 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:	Nearest Lease or unit boundary line (in footage):
Oil Enh Rec Infield Mud Rotary	Ground Surface Elevation:feet MSL
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:
	Surface Pipe by Alternate:
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
Operator:	Length of Conductor Pipe (if any):
	Projected Total Depth:
Original Completion Date: Original Total Depth:	Formation at Total Depth:
	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?	Well Farm Pond Other:
If Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	( <b>Note:</b> Apply for Permit with DWR )
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. II
Approved by:	
This authorization expires:	rted within 12 months of approval date.)
Spud date: Age	ent:

#### 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:



For KCC Use ONLY

API # 15 -\_

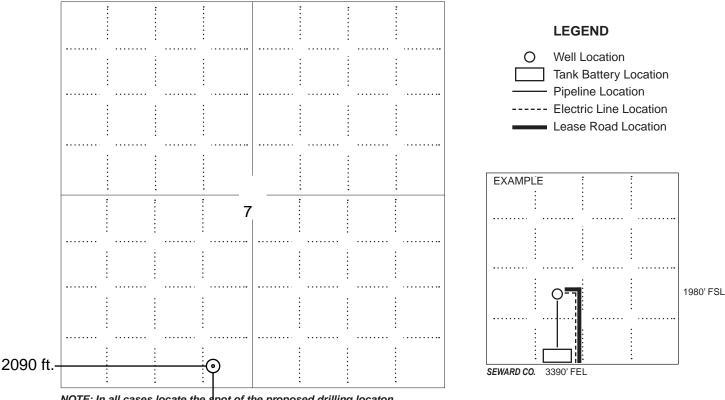
#### IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.

#### 300 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 1072835

Form CDP-1 May 2010 Form must be Typed

# **APPLICATION FOR SURFACE PIT**

Submit in Duplicate

Operator Name:		ionnt în Duplicat	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 co	nstructed:	Feet from North / South Line of Section		
Workover Pit Haul-Off Pit			Feet from Cast / West Line of Section		
(If WP Supply API No. or Year Drilled)	Pit capacity:	(bbls)	County		
Is the pit located in a Sensitive Ground Water A	rea? Yes	No	Chloride concentration:	mg/l	
			(For Emergency	Pits and Settling Pits only)	
Is the bottom below ground level?	Artificial Liner?	No	How is the pit lined if a plastic	liner is not used?	
Pit dimensions (all but working pits):	Length (fe	et)	Width (feet)	N/A: Steel Pits	
	or ground level to dee			No Pit	
	If the pit is lined give a brief description of the liner Describe procedures for periodic maintenance and determining			and determining	
material, thickness and installation procedure.		liner integrity, ir	cluding any special monitoring.		
Distance to nearest water well within one-mile of pit:     Depth to shallowest fresh water feet.					
Distance to nearest water well within one-mile of pit:		Source of inforr	mation:	_	
feet Depth of water wellfeet		measured	well owner	electric 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 p	procedure:		
Does the slope from the tank battery allow all spilled fluids to flow into the pit?		Drill pits must be closed within 365 days of spud date.			
Submitted Electronically	Submitted Electronically				
Submitted Electronically					
	KCC	OFFICE USE O		el Pit RFAC RFAS	
Date Received: Permit Num	bor	Dorm			
		Permi	Lease	e Inspection: Yes No	

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



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

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: 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 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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# **EXTENSION OF OIL AND GAS LEASE**

Scal .

WHEREAS, F. G. Holl Company, L.L.C. is the owner and holder of an oil and gas lease on the following described land in <u>Barber</u> County, State of <u>Kansas</u>:

Township 30 South, Range 13 West Section 7: S/2SW/4 Section 18: N/2NW/4

State of Ramsas, Barbor Co., SS This Instrument was filed for record on day of, the Clock A and Μ. 207 d in book an Dage n Register of Deeds

and recorded in Book\_\_\_\_\_\_, Page\_\_\_\_\_\_, of the Records of Said County, and

WHEREAS, said lease expires in the absence of drilling operations on 3/15/2010 and the said owner and holder desires to have the term of said lease extended;

NOW, THEREFORE, the undersigned, <u>Tony P. Bell a/k/a Tony Bell and Reta D. Bell a/k/a Reta Bell</u>, <u>husband and wife</u>, 10108 SE 110<sup>th</sup> Street, Sawyer, KS 67134 for themselves, their heirs, executors, administrators and assigns, for and in consideration of one (1) and more Dollars, in hand paid, the receipt whereof is hereby acknowledged, do hereby agree that the said term of said lease shall be and is hereby extended, with the same tenor and effect as if such extended term had been originally expressed in such lease, for a period of <u>two (2)</u> years from the date of the said expiration thereof and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by said lease is or can be produced; subject, however, in all other respects, to the provisions and conditions of said lease or said lease as modified, if any modification thereof may have been heretofore executed.

IN WITNESS WHEREOF, this instrument is executed effective the <u>24th</u> day of <u>February</u>, 2010.

ony P. Bell

STATE OF Kansa COUNTY OF Pra

ACKNOWLEDGMENT FOR INDIVIDUAL

This instrument was acknowledged to me on this  $24^{th}$  day of <u>February</u>, 2010, by

#### Tony P. Bell and Reta D. Bell, husband and wife

My commission expires: $\frac{10}{25}$	0 Michael A Mussay	
STATE OF) ) ss COUNTY OF )	NOTARY PUBLIC - State of Kansas MICHAEL A. MASSAGLIA My Appt. Expires 19/25/10	
	ged to me on this day of, 2009, b	у
		<u> </u>
My commission expires:		

Notary Public

# **EXTENSION OF OIL AND GAS LEASE**

WHEREAS, F.G. Holl Company, L.L.C.

is the owner and holder of an oil and gas lease on the following described land in <u>Barber</u> County, State of <u>Kansas</u>, to wit:

Township 30 South, Range 13 West Section 7: S/2SW/4 Section 18: N/2NW/4

containing <u>160</u> acres, more or less, and recorded in Book <u>308</u>, Page <u>25</u> of the records of said County, and

WHEREAS, said lease expires in the absence of drilling operations on <u>March 15, 2008</u> and the said owner and holder desires to have the term of said lease extended;

NOW, THEREFORE, the undersigned, for themselves, their heirs, executors, administrators and assigns, for and in consideration of <u>One and More</u> Dollars, in hand paid, the receipt whereof is hereby acknowledged, does hereby agree that the said term of said lease shall be and in hereby extended, with the same tenor and effect as if such extended term had been originally expressed in such lease, for a period of <u>Two (2)</u> years from the date of the said expiration thereof and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by said lease is or can be produced from any well on the land covered by said lease, subject however, in all other respects, to the provisions and conditions of said lease or said lease as modified, if any modification thereof may have been heretofore executed.

10108 SE 110th St. Sawyer, Kansas 67134

Tony P. Bell

Reta D. Bell

State of Kansas, Barber Co., SS This Instrument was filed for record on the day of \_ Zi clock A. and orded in book **L9** on page **L** h Allanden Register of Deeds

STATE OF Kansas ) COUNTY OF State )

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ACKNOWLEDGMENT FOR INDIVIDUAL

This instrument was acknowledged to me on this 1.5 day of March 20 08 by Tony P. Bell a/k/a Tony Bell and Reta D. Bell a/k/a Reta Bell, his wife

My commission expires: 9 = 23 - 11.

CHARLES H. RALSTIN Notary Public - State of Kansas My Appt. Expires 9-23-11 Notary Public

LL88-1 Form 88 (producers) Rev. 1-04 Paid-up Kansas -Oklahoma

# **OIL AND GAS LEASE**

52206

THIS AGREEMENT, Entered into this ..... $15 {
m th}$ .... day of March 206 Tony P. Bell a/k/a Tony Bell and Reta D. Bell a/k/a Reta Bell, husband and wife 10108 SE 110th St.

Sawyer, Kansas 67134

and F.G. Holl Company, L.L.C., 9431 E. Central, Ste. 100, Wichita, Ks. 67206 hereinafter called lessee, does witness:

and described as follows

Township 30 South, Range 13 West Section 7: S/2SW/4 Section 18: N/2NW/4

#### containing 160

two (2) 2. This lease shall remain in force for a term of ... ..... years (called "primary term") and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is or can be produced.

3. The lessee shall deliver to Lessor as royalty, free of cost, on the lease, or into the pipe line to which lessee may connect its wells the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises, or at the lessee's option may pay to the Lessor for such one-eighth (1/8th) royalty the market price at the wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipe line or into storage tanks.

4. The lessee shall pay to the Lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the lessee from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased. If such gas is not sold by the lessee, lessee may pay or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to one dollar per net mineral acre, and while said shut in royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of new of gas.

5. This lease is a paid-up lease and may be maintained during the primary term without further payments or drilling operations.

6. In the event said Lessor owns a tess interest in the above described land than the entire and undivided fee simple estate therein then the royalties herein provided for shall be paid to said Lessor only in the proportion which his interest bears to the whole and undivided fee, however, in the event the title to any interest in said land should revert to Lessor, or his heirs, or his or their grantee, this lease shall cover such reversion.

7. The lessee shall have the right to use free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the Lessor. When required by Lessor, the lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the Lessor. Lessee shall have the right at any time during, or after the expiration of this lease to remove all machinery, fixtures, houses, buildings, and other structures placed on said premises, including the right to draw and remove all casing.

8. 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 the heirs, devisees, executors, administrators, successors, and assigns, but no change or division in ownership of the land, or royallies, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee, and no change of ownership in the land or in the royalties or any sum due under this lease shall be binding on the lessee unit it has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or certified copy of the proceedings showing the appointment of an administrator for the estate of any deceased owner, whichever is appropriate, together with all original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to Lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or Indirect assignee, grantee, devisee, or administrator, executor, or heir of Lessor.

9. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on the part of the lessee to offset wells on separate tracts into which the land covered by this lease may now or hereafter be divided by sale, devisee, descent or otherwise, or to furnish separate measuring or receiving tanks.

10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee, at its option, may pay and discharge in whole or in part any taxes, mortgages, or other tiens existing, levied, or assessed on or against the above described lands and, in the event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty accruing hereunder.

11. If after the expiration of the primary term, production of oil or gas should cease from any cause, this lease shall not terminate if lesses commences additional drilling or reworking operations within one hundred-twenty (120) days thereafter, or if at the expiration of the primary term, oil or gas is not being produced on said land, but lessee is then engaged in drilling or reworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the same well or any other well thereafter commenced, with no cessalion of more than one hundred twenty (120) consecutive days, and if they result in production of oil or gas, this lease shall remain in effect so long thereafter as there is production of oil or gas under any provisions of this lease.

12. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the Lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the lerms of said lease as to the portion canceled shall cease and determine, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

13. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended.

14. Lessee, at its option, is hereby given the right and power to pool or combine into one or more units the land covered by this fease, or any portion thereof, with other land covered by another lease, or leases when, in lessee's judgment, it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 80 acres each in the event of a gas and/or condensale or distillate well, plus a tolerance of ten percent (10%) to conform to Governmental Survey quarter sections. Lessee shall execute in writing and file for record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit shall be treated for all purposes, except the payment of royatties on production from the pooled unit, as it is were included in this lease. If production is found on any part of the pooled acreage is shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on such unit shall be and constitute a well hereunder. In lieu of the royatties elsewhere herein specified Lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the varifulation. so pooled in the particular unit involved.

15. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said Lessor and lessee. See Exhibit "A" attached hereto and made a part hereof.

IN WITNESS WHEREOF, we sign the day and year first above written.

Tony P. Bell a/k/a Tony Bell

Reta D. Bell a/k/a Reta Bell

signature acknowledgement required, see reverse

#### Exhibit "A"

Attached to and made a part hereof to that certain Oil and Gas Lease dated <u>15th</u> day of <u>March</u>, 2006, <u>Tony P. Bell a/k/a Tony Bell, et ux</u>, as Lessors, to F.G. Holl Company, L.L.C. as Lessee, covering lands situated in <u>Barber</u> County, Kansas.

1. Lessee shall not fill the drilling mud pits until completely dry.

2. In the event lessee drills a well on leased premises, lessee shall pay for all damages caused by its operations. Lessee shall within a reasonable time period restore the surface as nearly as is practicable to its original condition and contour. Lessee will purchase the grass seed and lessor will replant it.

End of Exhibit "A"

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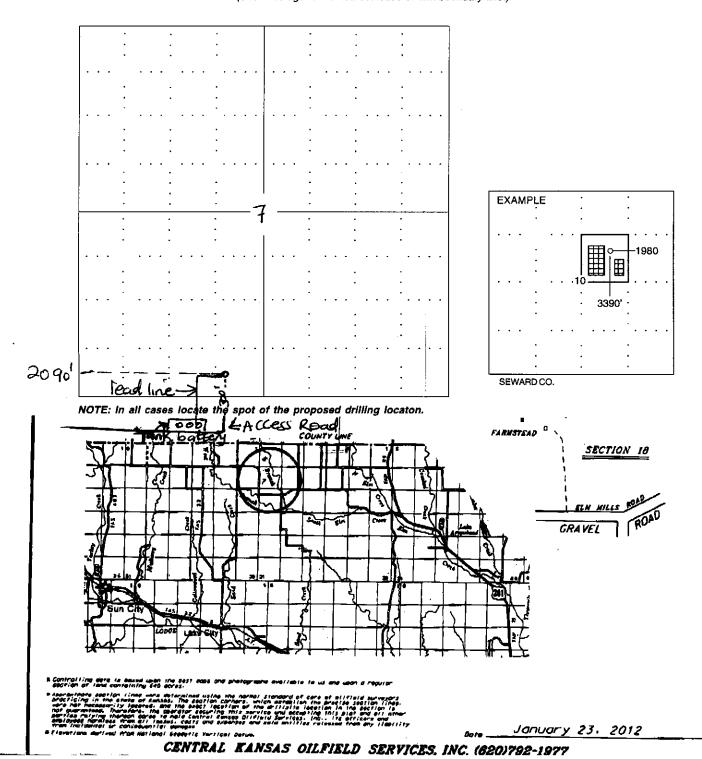
• ;

State of Kansas, Barber Co., SS This Instrument was filed for record on the \_\_\_\_\_\_day of \_\_\_\_\_\_ 2016 at \_\_\_\_\_\_o clock \_\_\_\_\_M., and dely recorded in book 308 on page 35 \_\_\_\_\_\_\_Rogister of Dueds Fees

Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15	Location of Well: County: Barber
Operator: F.G. Holl Company, L.L.C.	30 feet from N / VS Line of Section
Lease: BELL 'B'	2090 feet from E / W Line of Section
Well Number: 1-7	Sec. 7 Twp. 30 S. R. 13 East VWest
Field: WILdCgt	
Number of Acres attributable to well:	Is Section: 🖌 Regular or 🦳 Irregular
QTR / QTR / QTR of acreage: <u>S2</u> <u>SE</u> <u>S</u> い	If Section is irregular, locate well from nearest corner boundary.
	Section corner used: INF INW ISF ISW

PLAT (Show location of the well and shade attributable acreage for prorated or spaced wells.) (Show footage to the nearest lease or unit boundary line.)



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

January 27, 2012

Franklin R. Greenbaum F. G. Holl Company L.L.C. 9431 E CENTRAL STE 100 WICHITA, KS 67206-2563

Re: Drilling Pit Application BELL "B" 1-7 SW/4 Sec.07-30S-13W Barber County, Kansas

Dear Franklin R. Greenbaum:

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.