For KCC Use:

Effective Date:	_

District	#	

SGA? Yes No

1073740

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

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:	Spot Description:
month day year	
OPERATOR: License#	feet from E / W Line of Section
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):
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)
	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.

ш

_ Well will not be drilled or Permit Expired Date: _ Signature of Operator or Agent: For KCC Use ONLY

API # 15 -

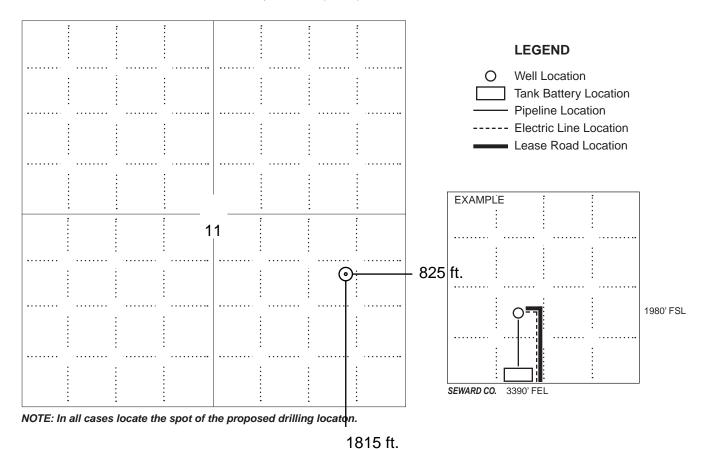
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.



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.



1073740

CORRECTION #1

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Operator Name: License Number; Operator Address:	Submit in Duplicate			
Cartact Person: Phone Number: Lease Name & Well No: Pit Location (QQQQ): Type of Pit: Pit is: Emergency Pit Burn Pit Emergency Pit Ditiling Pit If Existing, date constructed: Feet from North / South Line of Section If Workower Pit Hauk-Off Pit If Workower Pit Hauk-Off Pit If Wer Supply API Na. or Ward Differg Pit capacity: If work and the pit located in a Sensitive Ground Water Area? Yes Is the bottom below ground level? Artificial Liner? How is the pit lined if a plastic liner is not used? Work Steel Pits Depth from ground level? Artificial Liner? How is the pit lined if a plastic liner is not used? No Pit dimensions (all but working pits): Length (feet) Work freesh water If the pit is lined give a brief description of the liner No Pit No Pit Destring Formation: Depth for material thickness and installation procedure. Depth to shallowest fresh water feet. Surver of moduling and Burn Pits ONLY: Type of material utilized in ditling/workover: Number of working pits to be utilized: Number of working pits to be utilized: Abando	Operator Name:			License Number:
Lease Name & Well No: Pit Leastion (QQQQ): Type of Pit: Pit is: i: Proposed istating i: Setting Pit is: i: Proposed istating i: Katsing, data constructed: i: Precention (DQQQ): i: Free from (Least / West Line of Section (QQQ): i: Montover Pit (Least / West Line of Section (QQQ): i: Artificial Liner? i: Choirde concentration: i: Precemereror, Pits and Secting Pits only: i: Leagth (keet) With (keet) i: I: How is the pit lined if a plastic liner is not used? i: The of material atilized ison procedures in periodic maintenance and de	Operator Address:			
Type of Pit: Pit is: Secting Pit Burn Pit Betting Pit Dilling Pit H Existing, date constructed: Feet from North Gouth Line of Section (If WP Scapity API No. or North Oracl Direct D	Contact Person:		Phone Number:	
Energency Pit Burn Pit Setting Pit Dilling Pit Workover Pit Haul-Off Pit (I'WP 2000/ API No. or tear Dallad) If Existing, date constructed: Pit damention Pit existing, date constructed: Pit damentions (all but working pits): Artificial Liner? Workover or nearest water well within one-mile of pit: Obscribe procedures for periodic maintenance and determining If the pit is lined give a brief description of the liner measured It et a plating and Burn Pits ONLY: Depth to shallowest fresh water feet. Source of Information:	Lease Name & Well No.:			Pit Location (QQQQ):
Setting Pit Dniling Pit If Existing, date constructed:				
Workover Pit Haul-Off Pit (I'W Supply API No. or Veer Dnilled) Pit capacity:				
(I'WP Supply API No. or Year Omled) Pit capacity:		If Existing, date co	nstructed:	Feet from North / South Line of Section
Is the pit located in a Sensitive Ground Water Area? Yes No Chloride concentration: mg/l Is the bottom below ground level? Artificial Liner? How is the pit lined if a plastic liner is not used? Pit dimensions (all but working pits): Length (feet) Width (feet) N/A: Steel Pits Depth from ground level to deepest point:		Pit capacity:		Feet from East / West Line of Section
Image: control level? Artificial Liner? How is the pit lined if a plastic liner is not used? Image: control level is in the pit line in the pit line in the pit line in the pit line in the pit is line diverse in the liner Image: control level is line diverse in the pit line in the pit is line diverse in the liner Pit dimensions (all but working pits):			(bbls)	County
res No Pit dimensions (all but working pits): Length (feet) Depth from ground level to deepest point: (feet) If the pit is lined give a brief description of the liner material, thickness and installation procedure. Distance to nearest water well within one-mile of pit: feet Depth of water well feet Depth of water well feet Depth of water well feet producing Formation: Number of producing wells on lease: Number of well well so hallowest by the shallowest within 365 days of spud date. KCOEFFCE USE ONLY Liner Stell Pit REAC REAS	Is the pit located in a Sensitive Ground Water A	rea? Yes	No	
Pit dimensions (all but working pits):				How is the pit lined if a plastic liner is not used?
Depth from ground level to deepest point:		res r	NO	
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: Depth to shallowest fresh water feet. Source of information: feetfeetfeetfeetfeet Depth to shallowest fresh waterfeet. Source of information: feetfeetfeetfeet Drilling, Workover and Haul-Off Pits ONLY: Producing Pormation:	Pit dimensions (all but working pits):	Length (fe	et)	
material, thickness and installation procedure. liner integrity, including any special monitoring. Distance to nearest water well within one-mile of pit: Depth to shallowest fresh water feet. Source of information: feet feet Depth of water well feet feet Depth of water and Haul-Off Pits ONLY:	Depth fro	m ground level to dee	epest point:	(feet) No Pit
Source of information: feet Depth of water well feet measured well owner electric log KDWR Producing And Burn Pits ONLY: Producing Formation: Type of material utilized in drilling/workover: Number of producing wells on lease: Number of working pits to be utilized: Abandonment procedure: Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Drill pits must be closed within 365 days of spud date. KCC OFFICE USE ONLY Liner Steel Pit RFAS	material, thickness and installation procedure.			
Emergency, Settling and Burn Pits ONLY: Producing Formation: Mumber 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? Yes No KCC OFFICE USE ONLY Liner Steel Pit RFAS	Distance to nearest water well within one-mile of	of pit:		
Producing Formation:	feet Depth of water well	feet	measured	well owner electric log KDWR
Number of producing wells on lease:	Emergency, Settling and Burn Pits ONLY: Drilling, Workover and Haul-Off Pits ONLY:		ver and Haul-Off Pits ONLY:	
Barrels of fluid produced daily: Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Drill pits must be closed within 365 days of spud date. Submitted Electronically KCC OFFICE USE ONLY Liner Steel Pit RFAS	Producing Formation:		Type of materia	l utilized in drilling/workover:
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Drill pits must be closed within 365 days of spud date. Submitted Electronically KCC OFFICE USE ONLY Liner Steel Pit RFAS	Number of producing wells on lease: Number of working pits to be utilized:		xing pits to be utilized:	
flow into the pit? Yes Drill pits must be closed within 365 days of spud date. Submitted Electronically KCC OFFICE USE ONLY Liner Steel Pit RFAS	Barrels of fluid produced daily: Abandonment p		procedure:	
Submitted Electronically KCC OFFICE USE ONLY Liner Steel Pit RFAC RFAS				
Liner Steel Pit RFAC RFAS				
	Date Received: Permit Numl	oer:	Permi	

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

CERTIFI	CATION O	F COMP	LIANCE WITH	ГНЕ
KANSAS S	SURFACE	OWNER	NOTIFICATION	

KANSAS CORPORATION COMMISSION

OIL & GAS CONSERVATION DIVISION

CORRECTION #1

1073740

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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IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

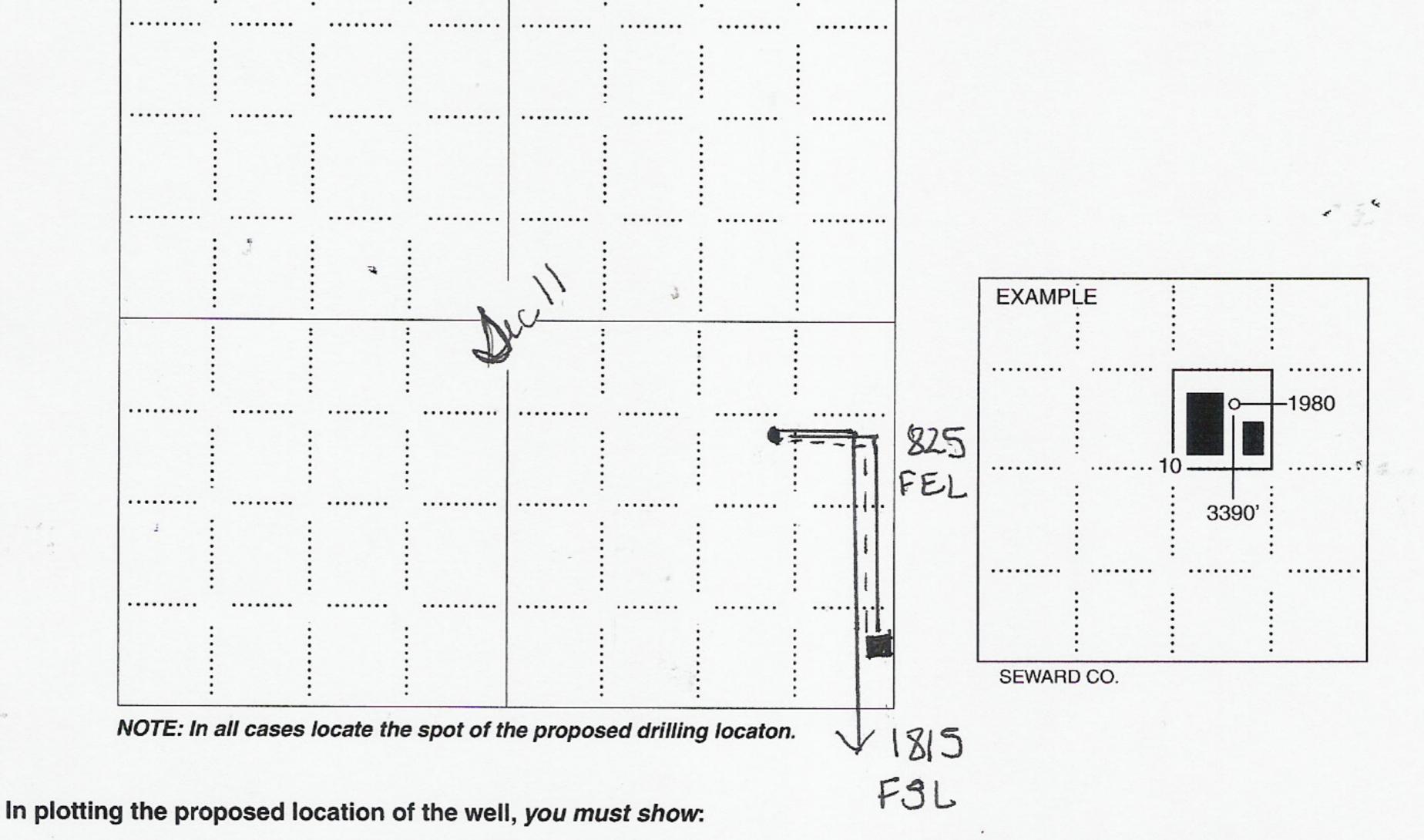
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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	
Operator: Laymon Oll II	Location of Well: County: Woodson
Lease: Rice	1,815 feet from N / X S Line of Section
Well Number: 6-12	825 feet from X E / W Line of Section
Field:	Sec. 11 Twp. 24 S. R. 17 X E W
Number of Acres attributable to well:	Is Section: Regular or Irregular
	If Section is Irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW

PLAT

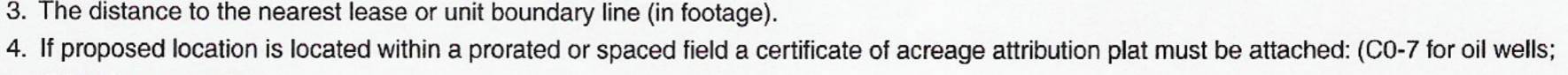
(Show location of the well and shade attributable acreage for prorated or spaced wells.)

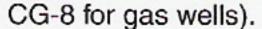
(Show footage to the nearest lease or unit boundary line.)



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.





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

February 09, 2012

Michael Laymon Laymon Oil II, LLC 1998 SQUIRREL RD NEOSHO FALLS, KS 66758-7124

Re: Drilling Pit Application API 15-001-30314-00-00 Rice 6-12 SE/4 Sec.11-24S-17E Allen County, Kansas

Dear Michael Laymon:

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.

Summary of Changes

Lease Name and Number: Rice 6-12

API/Permit #: 15-001-30314-00-00

Doc ID: 1073740

Correction Number: 1

Approved By: Rick Hestermann 02/09/2012

Field Name	Previous Value	New Value
Depth Of Water Well		20
Depth to Shallowest Fresh Water		10
ElevationPDF	944 Estimated	953 Estimated
Feet to Nearest Water Well Within One-Mile of	N/A	5280
Pit Ground Surface Elevation	944	953
KCC Only - Approved By	Rick Hestermann 01/27/2012	Rick Hestermann 02/09/2012
KCC Only - Approved Date	01/27/2012	02/09/2012
KCC Only - Date Received	01/27/2012	02/08/2012
KCC Only - Lease Inspection	Yes	No
KCC Only - Regular Section Quarter Calls	NE SE NE SE	NE SW NE SE

Summary of changes for correction 1 continued

Field Name	Previous Value	New Value
LocationInfoLink	https://solar.kgs.ku.edu/ kcc/detail/locationInform ation.cfm?section=11&t 165	https://solar.kgs.ku.edu/ kcc/detail/locationInform ation.cfm?section=11&t 825
Number of Feet East or West From Section Line		
Number of Feet East or West From Section Line	165	825
Quarter Call 3	SE	SW
Quarter Call 3	SE	SW
Save Link	//kcc/detail/operatorE ditDetail.cfm?docID=10 72949	//kcc/detail/operatorE ditDetail.cfm?docID=10 73740

Summary of Attachments

Lease Name and Number: Rice 6-12 API: 15-001-30314-00-00 Doc ID: 1073740 Correction Number: 1 Approved By: Rick Hestermann 02/09/2012

Attachment Name

corrected plat map

Fluid