For KCC Use

Eff	ective	Date:

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					•••			-

Dis	st	ri	ct	: #	_			

Yes No SGA?

CORRECTION #1

1077008

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	(2/2/2/2/) Sec Twp S. R E W
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: 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: 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 Length of Surface Pipe Planned to be set: Length of Conductor Pipe (if any): Projected Total Depth:
Original Completion Date: Original Total Depth:	Formation at Total Depth:
Directional, Deviated or Horizontal wellbore? Yes No If Yes, true vertical depth: Bottom Hole Location:	Water Source for Drilling Operations: Well Farm Pond Other: DWR Permit #: (Note: 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: (This authorization void if drilling ne	ot 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.

ш

Well will not be drilled or Permit Expired Date: _ Signature of Operator or Agent:

For KCC Use ONLY

API # 15 - ____

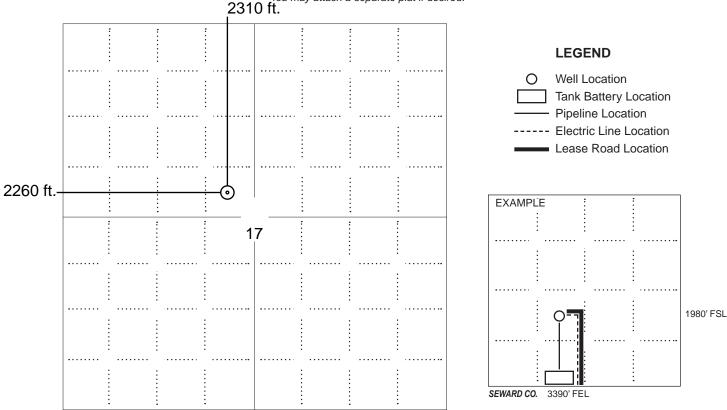
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.



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

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).
- 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.



1077008

CORRECTION #1

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

	Su	bmit in Duplicat	e		
Operator Name:			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	SecTwpR East West		
Settling Pit Drilling Pit	If Existing, date co	nstructed:	Feet from North	/ South Line of Section	
Workover 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	rea? Yes	No	Chloride concentration: (For Emergency Pits a	0	
Is the bottom below ground level?	Artificial Liner?		How is the pit lined if a plastic liner i	s not used?	
Yes No		10			
Pit dimensions (all but working pits):				N/A: Steel Pits	
Depth fro	m ground level to dee	epest point:	(feet)	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.					
			west fresh water nation:	feet.	
feet Depth of water well	feet	measured	well owner electri	c log KDWR	
Emergency, Settling and Burn Pits ONLY:		Drilling, Worko	over and Haul-Off Pits ONLY:		
Producing Formation:		Type of material utilized in drilling/workover:			
Number of producing wells on lease:		Number of worl	king 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? Yes No			Drill pits must be closed within 365 days of spud date.		
Submitted Electronically					
KCC OFFICE USE ONLY					
Date Received: Permit Num	ber:	Permi	t Date: Lease Insp	pection: Yes No	

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

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

CORRECTION #1

OIL & GAS CORPORATION COMMISSION

Form KSONA-1 July 2010 Form Must Be Typed Form must be Signed All blanks must be Filled

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 #	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.

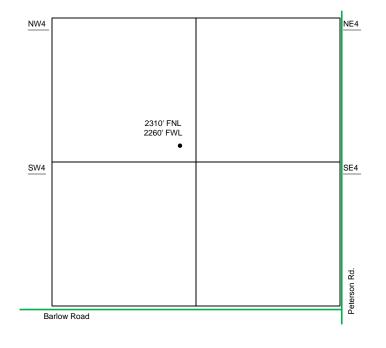
If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

Submitted Electronically

I

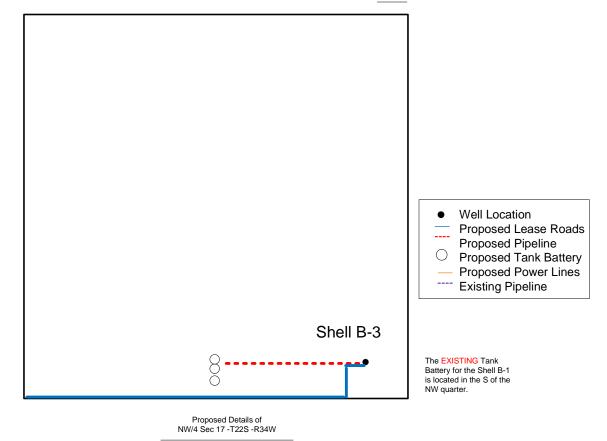
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Proposed Plan of Construction Shell B-3 Sec 17 T22S-R34W Finney County, KS



Sec 17 – T22S – R34W

NW/4



Proposed Site Diagram Shell B-3 March 22, 2012



Note-Drawing Not to Scale

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

March 22, 2012

LAURA BETH HICKERT OXY USA Inc. 5 E GREENWAY PLZ PO BOX 27570 HOUSTON, TX 77227-7570

Re: Drilling Pit Application API 15-055-22134-00-00 SHELL B 3 NW/4 Sec.17-22S-34W Finney County, Kansas

Dear LAURA BETH HICKERT:

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 within 96 hours of completion of drilling operations.

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.

Summary of Changes

Lease Name and Number: SHELL B 3

API/Permit #: 15-055-22134-00-00

Doc ID: 1077008

Correction Number: 1

Approved By: Rick Hestermann 03/22/2012

Field Name	Previous Value	New Value
Elevation Source	Surveyed	Estimated
ElevationPDF	2972 Surveyed	2967 Estimated
Feet to Nearest Water Well Within One-Mile of	2319	2294
Pit Ground Surface Elevation	2972	2967
KCC Only - Approved By	Rick Hestermann 03/12/2012	Rick Hestermann 03/22/2012
KCC Only - Approved Date	03/12/2012	03/22/2012
KCC Only - Date Received	03/09/2012	03/22/2012
KCC Only - Regular Section Quarter Calls	SE SE NW	W2 SE SE NW
LocationInfoLink	https://solar.kgs.ku.edu/ kcc/detail/locationInform	https://solar.kgs.ku.edu/ kcc/detail/locationInform
Number of Feet East or West From Section Line	ation.cfm?section=17&t 2310	ation.cfm?section=17&t 2260

Summary of changes for correction 1 continued

Field Name	Previous Value	New Value
Number of Feet East or West From Section Line	2310	2260
Quarter Call 4 - Smallest		W2
Quarter Call 4 - Smallest		W2
Save Link	//kcc/detail/operatorE ditDetail.cfm?docID=10 76045	//kcc/detail/operatorE ditDetail.cfm?docID=10 77008

Summary of Attachments

Lease Name and Number: SHELL B 3 API: 15-055-22134-00-00 Doc ID: 1077008 Correction Number: 1 Approved By: Rick Hestermann 03/22/2012

Attachment Name

Shell B-3 Site Diagram Corrected

72 Hrs