For KCC Use:

Eff	e	ct	iv	е	Date
— ·					

District	#	

SGA?	Yes	No

Forr

KANSAS CORPORATION COMMISSION **OIL & GAS CONSERVATION DIVISION**

Form C-1 March 2010 Form must be Typed Form must be Signed

All blanks must be Filled

1086351

NOT	CE	OF	INT	ENT	ТО	DRILI

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

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:	(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 E	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: A	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:

ш	
]
Ş	-

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



For KCC Use ONLY

API # 15 - ____

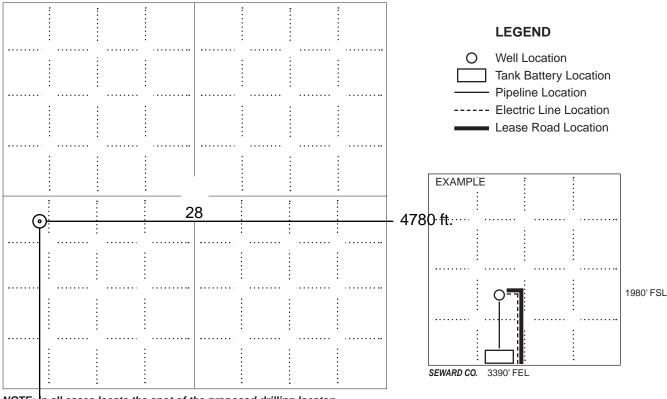
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.



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

2290 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**

1086351

Form CDP-1 May 2010 Form must be Typed

Lease Inspection: Yes No

APPLICATION FOR SURFACE PIT

Date Received:

Submit in Duplicate					
Operator Name:			License Number:		
Operator Address:					
Contact Person:			Phone Number:		
Lease Name & Well No.:			Pit Location (QQQQ):		
Type of Pit: Emergency Pit Burn Pit Settling Pit Drilling Pit Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit is: Proposed Existing If Existing, date constructed: Pit capacity: (bbls)		SecTwpR East WestFeet from North / South Line of SectionFeet from East / West Line of Section County		
Is the pit located in a Sensitive Ground Water A	.rea? Yes I	No	Chloride concentration:	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)	
Is the bottom below ground level? Artificial Liner?			How is the pit lined if a plastic liner is not used?		
	Length (fee	,	Width (feet)	N/A: Steel Pits	
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.				nd determining	
Distance to nearest water well within one-mile of	Source of inform		feet.		
feet Depth of water well	measured		lectric log KDWR		
Emergency, Settling and Burn Pits ONLY:			ver and Haul-Off Pits ONLY:		
Producing Formation:		Type of material utilized in drilling/workover:			
Barrels of fluid produced daily:	Abandonment procedure:				
Does the slope from the tank battery allow all s flow into the pit? Yes No	Drill pits must be closed within 365 days of spud date.				
Submitted Electronically					
	KCC	OFFICE USE ON			
			Liner Stee	Pit RFAC RFAS	

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

_ Permit Number: _

Permit Date:



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: 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 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.		
Address 1:			
Address 2:			
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

I

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

NOTICE TO OPERATORS FILING INTENT TO DRILL FOR DISPOSAL OR ENHANCED RECOVERY INJECTION WELLS, (CLASS II INJECTION WELL)

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved "Intent to Drill" does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in K.A.R. 82-3-400 et seq of our regulations. Associated regulations governing drilling,completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sandstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a "Design Approval" before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.

Conservation Division Finney State Office Building 130 S. Market, Rm. 2078 Wichita, KS 67202-3802

Mark Sievers, Chairman Ward Loyd, Commissioner Thomas E. Wright, Commissioner

May 31, 2012

H & B PETROLEUM CORPORATION ATTN: HAMMERSMITH, AL PO BOX 277 ELLINWOOD KS 67526

RE: Application for Disposal Well **Conditional Approval with Requirements** Docket #D31233 Well Name: HORCHEM F 1 Sec.28 T16S R26 EXW Ness County, KS

Dear Operator,

The technical staff of the Conservation Division, Underground Injection Control Department has reviewed your application received on May 29, 2012 for the above referenced well. The application is incomplete, please provide completion information requested below. You do not have the authority to use the well for injection activities at this time. Pending any protests received during the 30 day notice period the application is conditionally approved with the following two (2) requirements to be fulfilled upon well completion:

- 1. Submit proof of cementing (cement tickets and/or bond log) for all cement work to my attention.
- 2. A satisfactory mechanical integrity test must be witnessed and approved by Conservation staff. Please contact a local District Office to schedule this.

Application processing shall continue when requirements are satisfied. Application is valid only one year. Please submit written responses or emails to the address shown. Additional information may be requested or permit specifications altered if well completion deviates from approved construction.

If a protest is received an evidentiary hearing on your application may be necessary. Following the hearing the Commission may approve or deny your application based on the evidence presented. Work on the proposed well prior to the expiration of the protest period is at your own risk.

K.A.R. 82-3-400 states you must receive a written permit granting your injection application prior to any injection activities. Use of the well prior to being issued a written permit is punishable by a monetary penalty and the well must be shut-in until compliance is achieved and a permit issued.

Sincerely, Karde opple

Randy Kopper rkopper@kcc.ks.gov UIC Department

cc: District #1 **UIC File**



Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Sam Brownback, Governor

Side Two

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

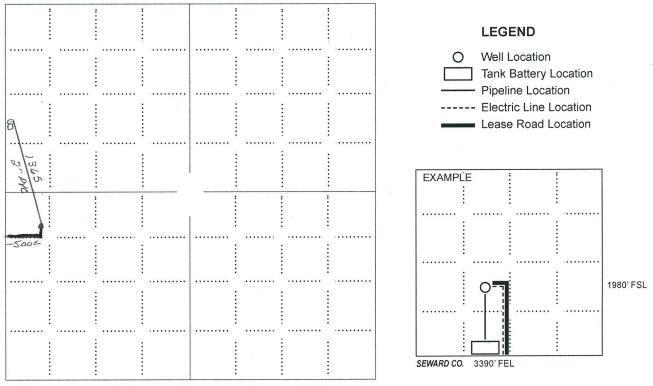
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: H&B Petroleum Corporation	Location of Well: County: Ness	
Lease: Horchem F	2,290	feet from N / S Line of Section
Well Number: 1	4,780	feet from E / W Line of Section
Field: Unice South	Sec. 28 Twp. 16	S. R. 26 E W
Number of Acres attributable to well: QTR/QTR/QTR/QTR of acreage:	Is Section: Regular or Irregular	
	If Section is Irregular, locat	e 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).
- 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.