

| For KCC | Use: | |
|------------|--------|--|
| Effective | Date: | |
| District # | | |
| SGA? | Yes No | |

Kansas Corporation Commission Oil & Gas Conservation Division

1086874

Form C-1

March 2010

Form must be Typed

Form must be Signed

All blanks must be Filled

NOTICE OF INTENT TO DRILL

| Expected Spud Date: | Spot Description: |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| month day year | Sec Twp S. R |
| OPERATOR: License# | feet from N / S Line of Sectio |
| Name: | feet from E / W Line of Section |
| Address 1: | Is SECTION: Regular Irregular? |
| Address 2: | (Note: Locate well on the Section Plat on reverse side) |
| City: | County: |
| Contact Person: | Lease Name: Well #: |
| Phone: | Field Name: |
| CONTRACTOR: License# | Is this a Prorated / Spaced Field? |
| Name: | Target Formation(s): |
| | Nearest Lease or unit boundary line (in footage): |
| Well Drilled For: Well Class: Type Equipment: | Ground Surface Elevation:feet MSI |
| Oil Enh Rec Infield Mud Rotary | |
| Gas Storage Pool Ext. Air Rotary | Water well within one-quarter mile: Yes No |
| Disposal Wildcat Cable | Public water supply well within one mile: Yes No |
| Seismic ; # of Holes Other | Depth to bottom of fresh water: |
| Other: | Depth to bottom of usable water: |
| If OWWO: old well information as follows: | Surface Pipe by Alternate: III |
| III OVVVO. Old Well IIIIOITTIAtion as follows. | Length of Surface Pipe Planned to be set: |
| Operator: | Length of Conductor Pipe (if any): |
| Well Name: | Projected Total Depth: |
| Original Completion Date: Original Total Depth: | Formation at Total Depth: |
| | Water Source for Drilling Operations: |
| Directional, Deviated or Horizontal wellbore? Yes No | Well Farm Pond Other: |
| If Yes, true vertical depth: | DWR Permit #: |
| Bottom Hole Location: KCC DKT #: | (Note: Apply for Permit with DWR) |
| жоо ыкт ж. <u></u> | Will Cores be taken? |
| | If Yes, proposed zone: |
| AFF | IDAVIT |
| The undersigned hereby affirms that the drilling, completion and eventual plu | gging of this well will comply with K.S.A. 55 et. seq. |
| It is agreed that the following minimum requirements will be met: | |
| Notify the appropriate district office <i>prior</i> to spudding of well; | |
| 2. A copy of the approved notice of intent to drill shall be posted on each | drilling rig: |
| 2. A CODY OF THE ADDITIVED HOUSE OF THEFT TO OTHER STAIL DE DOSTED OFF EACH | |
| 3. The minimum amount of surface pipe as specified below <i>shall be set</i> ! | 5 <i>5</i> , |
| The minimum amount of surface pipe as specified below shall be set through all unconsolidated materials plus a minimum of 20 feet into the | by circulating cement to the top; in all cases surface pipe shall be set underlying formation. |
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Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202 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: | |
| | |

Side Two



| 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: | SecTwp S. R |
| Number of Acres attributable to well: | Is Section: Regular or Irregular |
| QTR/QTR/QTR of acreage: | is decilon. Tregular of Tregular |
| | If Section is Irregular, locate well from nearest corner boundary. |
| | Section corner used: NE NW SE SW |
| | |
| PL | AT |
| Show location of the well. Show footage to the nearest lea | |
| lease roads, tank batteries, pipelines and electrical lines, as requ | |
| You may attach a sep | parate plat if desired. 828 ft. |
| | |
| | LEGEND |
| | 832 ft. O Well Location |
| | Tank Battery Location |
| | Pipeline Location |
| | Electric Line Location |
| | Lease Road Location |
| | : |
| | EXAMPLE : : |
| | |
| 34 | |
| | |
| | |
| | : |
| | 1980' FSL |
| | |
| | |
| | CEMADO CO COCOLEE |

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.



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1086874

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: Emergency Pit Burn Pit Settling Pit Drilling Pit Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) | Pit is: Proposed If Existing, date coll Pit capacity: | Existing nstructed: (bbls) | SecTwpR East WestFeet from North / South Line of SectionFeet from East / West Line of SectionCounty |
| 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 (fee | et) | Width (feet) N/A: Steel Pits |
| If the pit is lined give a brief description of the li material, thickness and installation procedure. | ner | | dures for periodic maintenance and determining any special monitoring. |
| | | Depth to shallo Source of infor | west fresh water feet. nation: |
| feet Depth of water well | feet | measured | well owner electric log 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 s flow into the pit? Yes No Submitted Electronically | | Type of materia Number of wor Abandonment | over and Haul-Off Pits ONLY: all utilized in drilling/workover: king pits to be utilized: procedure: de closed within 365 days of spud date. |
| | KCC | OFFICE USE O | NLY |
| Date Received: Permit Num | ber: | Perm | Liner Steel Pit RFAC RFAS t Date: Lease Inspection: Yes No |



Kansas Corporation Commission Oil & Gas Conservation Division

1086874

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 (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: | 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: | |
| the KCC with a plat showing the predicted locations of lease roads, tank | dic Protection Borehole Intent), you must supply the surface owners and a batteries, pipelines, and electrical lines. The locations shown on the plat in the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. |
| ☐ I certify that, pursuant to the Kansas Surface Owner Notice A owner(s) of the land upon which the subject well is or will be to CP-1 that I am filing in connection with this form; 2) if the form to form; and 3) my operator name, address, phone number, fax, at ☐ I have not provided this information to the surface owner(s). I at KCC will be required to send this information to the surface owner(s). | cknowledge that, because I have not provided this information, the vner(s). To mitigate the additional cost of the KCC performing this |
| task, I acknowledge that I am being charged a \$30.00 handling If choosing the second option, submit payment of the \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CP- | fee with this form. If the fee is not received with this form, the KSONA-1 |
| Submitted Electronically | |

| For KCC Use ONLY | |
|------------------|--|
| API # 15 | |

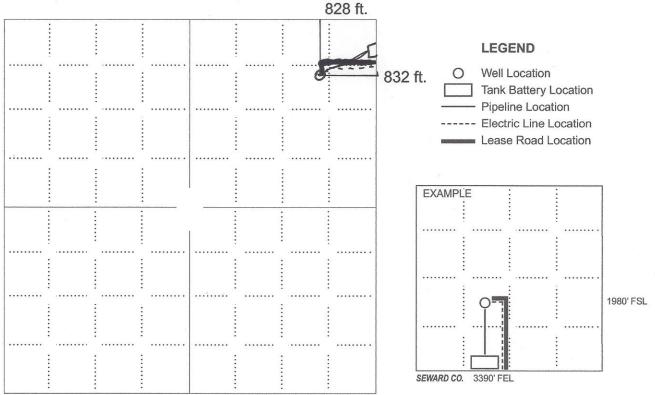
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

| Operator: Shoestring Resources, LLC | Location of Well: County: Norton |
|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| Lease: T. Harting Well Number: 1-34 | 828 feet from N / S Line of Section 832 feet from E / W Line of Section |
| Field: Wildcat | Sec. 34 Twp. 3 S. R. 24 E X W |
| Number of Acres attributable to well: 160 QTR/QTR/QTR/QTR of acreage: NE - SW - NE - NE | 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).
- 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.

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/

Sam Brownback, Governor

Mark Sievers, Chairman Thomas E. Wright, Commissioner Shari Feist Albrecht, Commissioner

September 21, 2012

Larry D.Taylor Shoestring Resources, LLC 535 S. FULTON LENORA, KS 67645

Re: Drilling Pit Application T. Harting 1-34 NE/4 Sec.34-03S-24W Norton County, Kansas

Dear Larry D. Taylor:

According to the drilling pit application referenced above, no earthen pits will be used at this location. Steel pits will be used. Please inform the Commission in writing as to which disposal well you utilized to dispose of the contents in the steel pits and the amount of fluid that was disposed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, within 30 days of fluid removal.

Should a haul-off pit be necessary please file form CDP-1 (April 2004), Application for Surface Pit, through KOLAR. This location will have to be inspected prior to approval of the haul-off pit application.

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 (785) 625-0550.

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/

Sam Brownback, Governor

Mark Sievers, Chairman Thomas E. Wright, Commissioner Shari Feist Albrecht, Commissioner

HAUL-OFF PIT APPLICATION FILING REQUIREMENTS

| 82-3-607. | DISPOSAL OF DIKE AND PIT CONTENTS. | | |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|
| (a) | Each operator shall perform one of the following when disposing of dike or | | |
| pit | contents: | | |
| (1) | Remove the liquid contents to a disposal well or other oil and gas operation approved by the commission or to road maintenance or construction locations approved by the department; | | |
| (2) | dispose of reserve pit waste down the annular space of a well completed according to the alternate I requirements of K.A.R. 82-3-106, if the waste to be disposed of was generated during the drilling and completion of the well; | | |
| or | | | |
| (3) | dispose of the remaining solid contents in any manner required by the commission. The requirements may include any of the following: (A) Burial in place, in accordance with the grading and restoration requirements in K.A.R. 82-3-602 (f); (B) removal and placement of the contents in an on-site disposal area approved by the commission; (C) removal and placement of the contents in an off-site disposal area | | |
| on | | | |
| lease | acreage owned by the same landowner or to another producing | | |
| from | or unit operated by the same operator, if prior written permission | | |
| 110111 | the landowner has been obtained; or | | |

| | (D) removal of the contents to a permitted off-site disposal area | |
|----------|-------------------------------------------------------------------------|----|
| approved | | |
| | by the department. | |
| (b) | Each violation of this regulation shall be punishable by the following | : |
| (1) | A \$1,000 penalty for the first violation; | |
| (2) | a \$2,500 penalty for the second violation; and | |
| (3) | a \$5,000 penalty and an operator license review for the third violatic | n. |

File Haul-Off Pit Application in KOLAR. Review the information below and attach all required documents to the pit application when submitting through KOLAR. This form will automatically generate and fill in from questions asked in KOLAR.

| Haul-off pit will be located in an on-site disposal area:YesNo |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Haul-off pit is located in an off-site disposal area on acreage owned by the same landowner: YesNo If yes, written permission from the land owner must be obtained. Attach written permission to haul-off pit application. |
| Haul-off pit is located in an off-site disposal area on another producing lease or unit operated by the same operator:YesNo If yes, written permission from the land owner must be obtained. Attach permission and a copy of the lease assignment that covers the acreage when the haul-off pit is to be located, to the haul-off pit application. |