For KCC Use:

Eff	e	ct	iv	е	Date
— ·					

District	#	

SGA?	Yes	No

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

1089364

NOTICE OF INTENT TO DRILL

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

Form KSONA-1, Certification of Com	pliance with	the Kansas	Surface Owner	Notification Act, MUST	be submitted with this form

Expected Spud Date:	Spot Description:
month day year	(0/0/0/0)
OPERATOR: License#	feet from N / S Line of Section
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: 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: feet MSL Water well within one-quarter mile: Yes No Public water supply well within one mile: Yes No Depth to bottom of fresh water:
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 #:
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
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For KCC Use ONLY	
API # 15	
Conductor pipe required	feet
Minimum surface pipe required	feet per ALT.
Approved by:	
This authorization expires:	
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.
 - Well will not be drilled or Permit Expired Date: _ Signature of Operator or Agent:

ш

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



Section corner used: NE NW SE SW

For KCC Use ONLY

API # 15 - ____

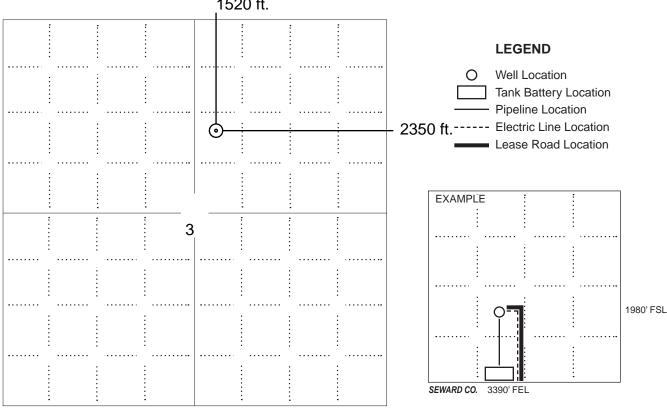
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.

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. 1520 ft.



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.

Side Two



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1089364

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Address: Contact Person: Lease Name & Well No.: Type of Pit: Pit is: Emergency Pit Burn Pit Proposed Existing Sec. Twp. R.				
Lease Name & Well No.: Pit Location (QQQQ): Type of Pit: Pit is:				
Type of Pit: Pit is:				
Emergency Pit Burn Pit Proposed Existing Sec. Twp. R. East We				
	st			
Settling Pit Drilling Pit If Existing, date constructed:Feet from North / South Line of Se	tion			
Workover Pit Haul-Off Pit Feet from East / West Line of Se	tion			
(If WP Supply API No. or Year Drilled) Pit capacity:	nty			
Is the pit located in a Sensitive Ground Water Area? Yes No (For Emergency Pits and Settling Pits only)	ng/l			
Is the bottom below ground level? Artificial Liner? How is the pit lined if a plastic liner is not used? Yes No Yes No				
Pit dimensions (all but working pits):Length (feet)Width (feet)Width (feet)				
Depth from ground level to deepest 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.				
Distance to nearest water well within one-mile of pit: Depth to shallowest fresh water feet. Source of information:				
feet Depth of water wellfeet measured well owner electric log KDWR				
Emergency, Settling and Burn Pits ONLY: Drilling, Workover and Haul-Off Pits ONLY:				
Producing Formation: Type of material utilized in drilling/workover:	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.	Drill pits must be closed within 365 days of spud date.			
Submitted Electronically				
KCC OFFICE USE ONLY				
Date Received: Permit Number: Permit Date: Lease Inspection: Yes	No			

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



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION 1089364

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
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.

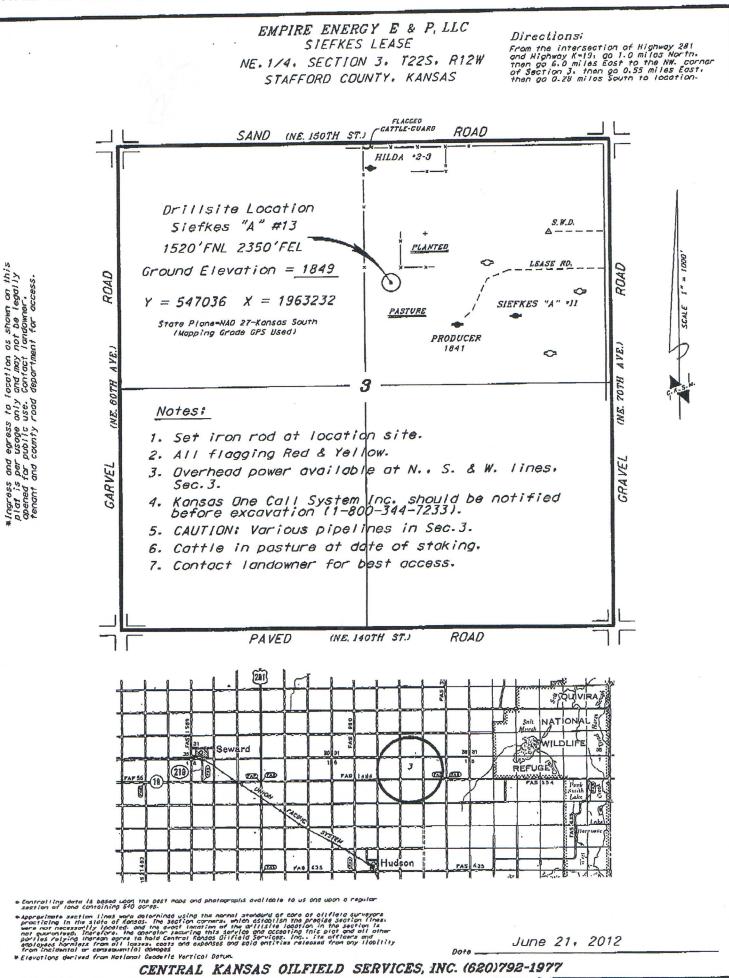
Submitted Electronically

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2012-08-01 15:36:18 Kansas Corporation Commission /S/ Patrice Petersen-Klein

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Mark Sievers Thomas E. W	
Energy E&P, LLC for an order	r authorizing a)	Docket No. 12-CONS-295-CWLE
Section 3 - T22S - R12W, St		CONSERVATION DIVISION
Kansas.)	License No.: 34506

ORDER GRANTING APPLICATION

Now, the above captioned matter comes on for consideration and determination by the State Corporation Commission of the State of Kansas ("Commission" or "KCC").

An application was filed on June 27, 2012, by Empire Energy E&P, LLC ("Empire" or "Applicant"), for a well location exception and the assignment of a full allowable for the Siefkes "A" #13 well in Stafford County, Kansas. Notice was published at least fifteen (15) days prior to the granting of this application in *The Wichita Eagle* newspaper and in *The St. Johns News* newspaper, stating that this matter would be granted without a hearing if no protests were received within fifteen (15) days from publication; there were no protests. The Commission, after giving consideration to the records and files, makes the following findings and conclusions:

 Empire is a Pennsylvania limited liability company that can be served through its resident agent, the Corporation Service Company, at 200 S.W. 30th St., Topeka, Kansas 66611.
 KCC records indicate the operator is currently licensed to conduct oil and gas activities in Kansas pursuant to K.S.A. 55-155.

2. The application in this docket was filed pursuant to the rules and regulations of the State Corporation Commission and the Kansas Statutes, thus fulfilling all regulatory and statutory requirements.

3. Notice was proper in every respect and was published as prescribed by the Commission's rules and regulations; notice was furnished at least fifteen (15) days prior to the granting of the application to all interested parties. There were no protests.

4. The Applicant's Siefkes "A" #13 is to be located:

1,520 feet from the North line and 2,350 feet from the East line of Section 3, Township 22 South, Range 12 West, Stafford County, Kansas.

5. According to K.A.R. 82-3-108, wells shall not be drilled closer than 330 feet from any lease or unit boundary. Exceptions may be granted to the regulation to prevent waste or to protect correlative rights.

6. Applicant's Siefkes "A" #13 well is to be located approximately 290 feet from the nearest unit or boundary line instead of the required 330 feet. Applicant has selected the described well site to re-open and develop reserves in order to effectively drain the Arbuckle formation.

7. The acreage to be attributed to the Siefkes "A" #13 well is ten (10) acres in:

The Northwest Quarter of the Northwest Quarter of Southwest Quarter of the Northeast Quarter of Section 3, Township 22 South, Range 12 West, Stafford County, Kansas.

8. The Commission finds that an exception to the well location restrictions under K.A.R. 82-3-108 should be granted and the Applicant should receive the full allowable of production from the Siefkes "A" #13 to prevent waste and to protect correlative rights.

9. The application should be granted in accordance with the above findings.

IT IS, THEREFORE, BY THE COMMISSION ORDERED: That the application of Empire Energy E&P, LLC ("Empire"), for a well location exception for the Siefkes "A" #13 well is granted, the acreage attribution unit is hereby assigned regarding the applicant's Siefkes "A" #13 well, and that a full allowable pursuant to K.A.R. 82-3-207 is assigned to said well.

Any party affected by this Order may file with the Commission a petition for reconsideration pursuant to K.S.A. 77-529(a). Such petition shall be filed within fifteen (15) days after service of this Order and must state the specific grounds upon which relief is requested. This petition for reconsideration shall be filed with the Executive Director of the Conservation Division, Finney State Office Building, 130 S. Market, Room 2078, Wichita, Kansas 67202-3802.

The Commission retains jurisdiction of the subject matter and the parties for the purpose of entering such further Order or Orders as from time-to-time it may deem proper.

BY THE COMMISSION IT IS SO ORDERED.

Sievers, Chmn.; Wright, Com.

Date: AUG 0 1 2012

Patrice Petersen-Klein Executive Director

Date Mailed: 08-01-2012

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CERTIFICATE OF SERVICE

I hereby certify that on $\frac{g/l/2012}{}$, I caused a true and correct copy of the foregoing "Order Granting Application" to be served by placing the same in the United States mail, postage prepaid, to the following parties:

Bill Waller Empire Energy E&P, LLC 380 Southpointe Blvd #130 Canonsburg PA 15917-0561

J. Scott Pohl, Casey Jones Hinkle Law Firm LLC 8621 E. 21st St. N., Ste. 200 Wichita, Kansas 67206-2991 Attorneys for Empire Energy E&P, LLC

Richard Lacey KCC District #1 Office 210 E. Frontview, Suite A Dodge City, Kansas 67801

And by hand delivery to:

Jim Hemmen, Research Analyst Production Department, Central Office

Ryan A. Hoffman Litigation Counsel Kansas Corporation Commission



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

Mark Sievers, Chairman Thomas E. Wright, Commissioner Sam Brownback, Governor

August 09, 2012

ROB KRAMER Empire Energy E&P, LLC 380 SOUTHPOINTE BLVD #130 CANONSBURG, PA 15917-0561

Re: Drilling Pit Application SIEFKES A-13 NE/4 Sec.03-22S-12W Stafford County, Kansas

Dear ROB KRAMER:

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.