

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

Kansas Corporation Commission Oil & Gas Conservation Division

1090877

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# | (O/O/O/O) feet from N / S Line of Sectio |
| Name: | feet from E / W Line of Sectio |
| 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 HolesOther | Depth to bottom of fresh water: |
| Other: | Depth to bottom of usable water: |
| If OWWO: old well information as follows: | Surface Pipe by Alternate: I II |
| | 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: |
| Directional, Deviated or Horizontal wellbore? | Water Source for Drilling Operations: |
| Directional, Deviated or Horizontal wellbore? Yes No 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? Yes No |
| | If Yes, proposed zone: |
| AFI | IDAVIT |
| | prince of this well will possess with K.C.A. EE at one |
| The undersigned hereby affirms that the drilling, completion and eventual plu | gging of this well will comply with K.S.A. 55 et. seq. |
| The undersigned hereby affirms that the drilling, completion and eventual plut is agreed that the following minimum requirements will be met: | gging 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 <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on each 3. The minimum amount of surface pipe as specified below <i>shall be set</i> through all unconsolidated materials plus a minimum of 20 feet into the 4. If the well is dry hole, an agreement between the operator and the dist 5. The appropriate district office will be notified before well is either plugg 6. If an ALTERNATE II COMPLETION, production pipe shall be cemente Or pursuant to Appendix "B" - Eastern Kansas surface casing order #1 | drilling rig; by circulating cement to the top; in all cases surface pipe <i>shall be set</i> e underlying formation. rict office on plug length and placement is necessary <i>prior to plugging;</i> ed or production casing is cemented in; d from below any usable water to surface within <i>120 DAYS</i> of spud date. 33,891-C, which applies to the KCC District 3 area, alternate II cementing |
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Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

Spud date: _

| 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: |
|---------------------------------------|---|
| ease: | feet from N / S Line of Section |
| Well Number: | feet from E / W Line of Section |
| Field: | SecTwp S. R 🗌 E 🔲 W |
| Number of Acres attributable to well: | is section. Negulai of Integulai |
| | If Section is Irregular, locate well from nearest corner boundary. |
| | Section corner used: NE NW SE SW |
| | |
| | |
| | PLAT |
| | earest lease or unit boundary line. Show the predicted locations of |
| | , as required by the Kansas Surface Owner Notice Act (House Bill 2032). |
| You may atta | ach a separate plat if desired. 250 ft. |
| | 200 11. |
| | 660 ft. |
| | LEGEND |
| | : O Well Location |
| | Tank Battery Location |
| | |
| | : Electric Line Location |
| | Lease Road Location |
| | |
| | |
| | EXAMPLE : |
| : : : : | |
| 18 | |
| | |
| | |
| | |
| | 1980' FSL |
| | |
| | |
| | ··· . ······ . ······· |
| | |
| | |

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

90877 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: | Pit is: | | |
| Emergency Pit Burn Pit | Proposed Existing | | SecTwp R |
| Settling Pit Drilling Pit If Existing, date col | | 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: 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? |
| Yes No | Yes N | No | |
| Pit dimensions (all but working pits): | Length (fe | et) | Width (feet)N/A: Steel Pits |
| | om ground level to dee | | |
| If the pit is lined give a brief description of the li material, thickness and installation procedure. | ner | | dures for periodic maintenance and determining cluding any special monitoring. |
| | | | |
| | | | |
| | | | |
| Distance to nearest water well within one-mile of pit: | | Depth to shallo Source of infor | west fresh water feet. nation: |
| feet Depth of water wellfeet | | measured | well owner electric log KDWR |
| Emergency, Settling and Burn Pits ONLY: | | Drilling, Work | over and Haul-Off Pits ONLY: |
| Producing Formation: | | Type of materia | l utilized in drilling/workover: |
| Number of producing wells on lease: | | Number of work | king pits to be utilized: |
| Barrels of fluid produced daily: | | Abandonment | procedure: |
| Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No | | Drill pits must b | e closed within 365 days of spud date. |
| | | | |
| Submitted Electronically | | | |
| Cashina Libertorineany | | | |
| | | | |
| | ксс | OFFICE USE O | NLY Liner Steel Pit RFAC RFAS |
| Date Received: Permit Num | her· | Permi | t Date: Lease Inspection: Yes No |



Kansas Corporation Commission Oil & Gas Conservation Division

1090877

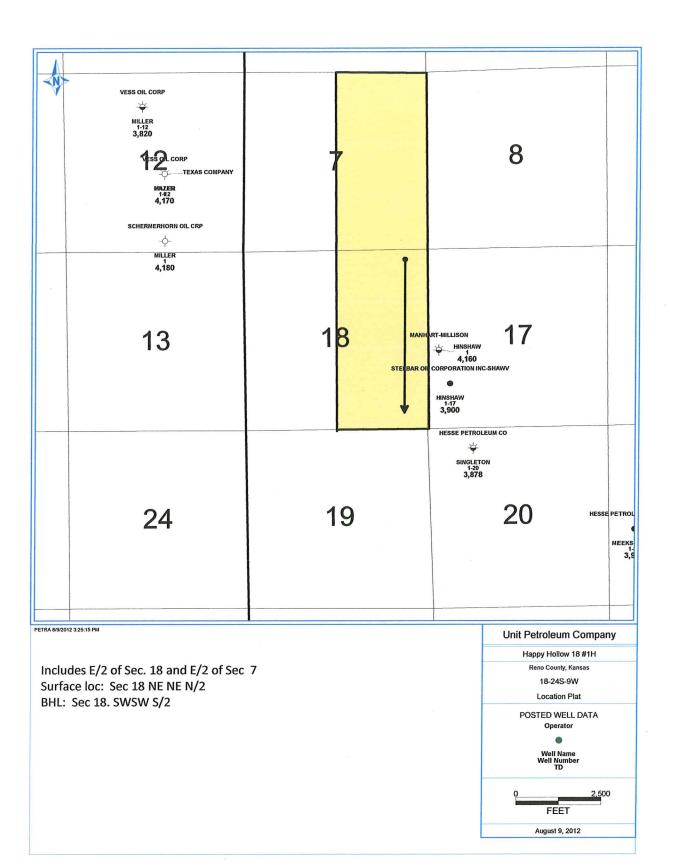
Form KSONA-1
July 2010
Form Must Be Typed
Form must be Signed
All blanks must be Filled

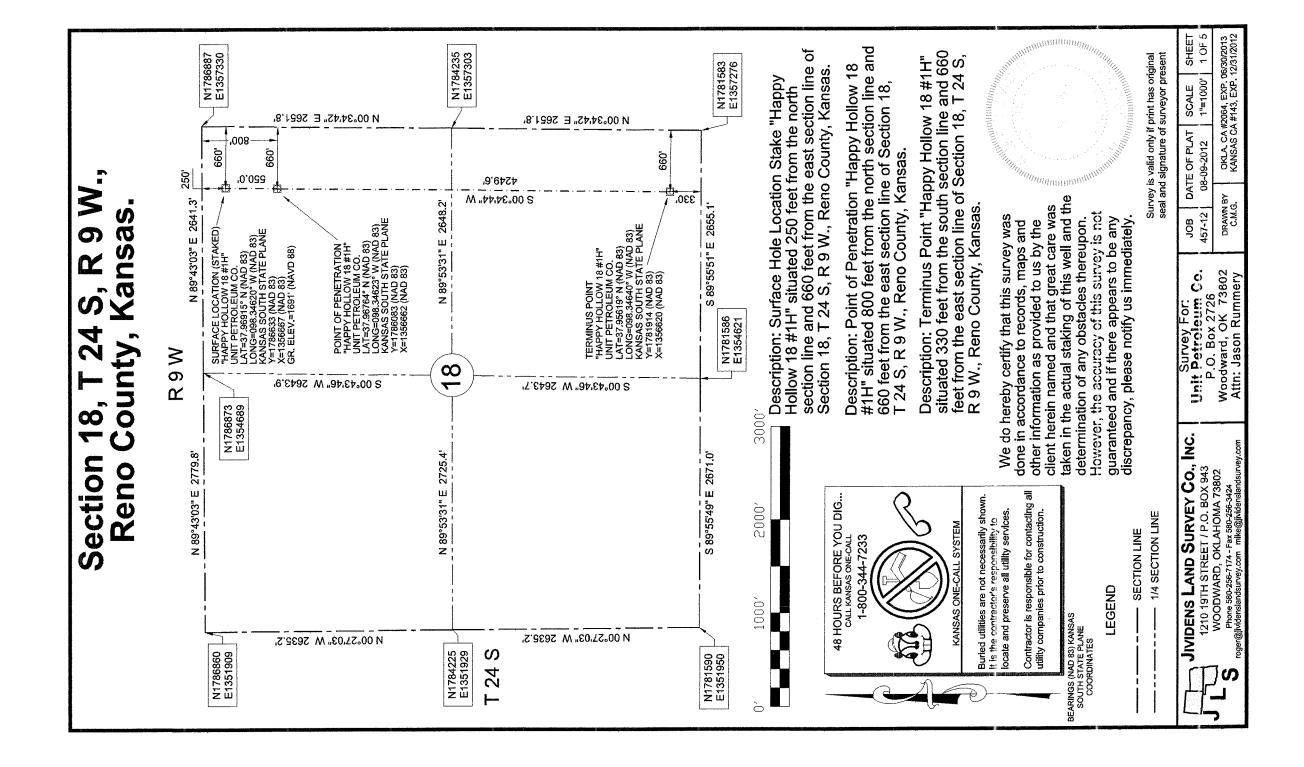
CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

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: | SecTwpS. R 🔲 East 🗌 West |
| 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 a | |
| 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:+ | |
| the KCC with a plat showing the predicted locations of lease roads, tank | dic Protection Borehole Intent), you must supply the surface owners and k batteries, pipelines, and electrical lines. The locations shown on the plat n the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. |
| Select one of the following: | |
| owner(s) of the land upon which the subject well is or will be le CP-1 that I am filing in connection with this form; 2) if the form I form; and 3) my operator name, address, phone number, fax, a | cknowledge that, because I have not provided this information, the vner(s). To mitigate the additional cost of the KCC performing this |
| 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 will be returned. |
| Submitted Electronically | _ |





Unit Petroleum Company owns and operates oil and gas leases covering the following described tracts of lands located in Reno County, Kansas, to wit:

East half (E/2), of Section 7 (320 acres), Township 24 South, Range 9 West, Reno County, Kansas, East half (E/2), of Section 18 (320 acres), Township 24 South, Range 9 West, Reno County, Kansas, (the "Subject Land"). The oil and gas leases covering the Subject Land (640 acres) will be unitized by Unit Petroleum Company for the production of oil and gas.

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 Thomas E. Wright, Commissioner Sam Brownback, Governor

August 29, 2012

Brent Keys Unit Petroleum Company 7130 S LEWIS AVE STE 1000 TULSA, OK 74136-5492

Re: Drilling Pit Application Happy Hollow 18 #1H NE/4 Sec.18-24S-09W Reno County, Kansas

Dear Brent Keys:

District staff has inspected the above referenced location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has recommended that the reserve pit be lined with bentonite or native clay, constructed <u>without slots</u>, 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 72 hours after drilling operations have ceased. KEEP PITS on South side of stake.

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 (316) 630-4000 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 (316) 630-4000.