For KCC Use:

| Effective | Date: |
|-----------|-------|
| | |

| CORRECTION #1 | |
|---------------|--|
|---------------|--|

1136414

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

| District # | | |
|------------|-----|----|
| SGA? | Yes | No |

NOTICE OF INTENT TO DRILL

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 | |
| 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: | Eease Name Weil # |
| 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: |
| On early and | Length of Conductor Pipe (if any): |
| Operator: | Projected Total Depth: |
| | Formation at Total Depth: |
| Original Completion Date: Original Total Depth: | |
| Directional, Deviated or Horizontal wellbore? | Water Source for Drilling Operations: |
| 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? |
| | 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;
- 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 3. 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. |
| 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:

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





For KCC Use ONLY

API # 15 - .

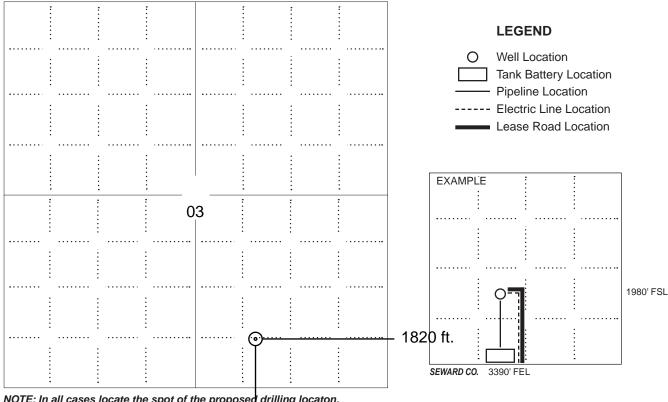
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.

670 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.

CORRECTION #1

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION 1136414

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

| Submit in Duplicate | | | | |
|---|-----------------------|--|---|--|
| Operator Name: | 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: 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? | |
| | | 10 | | |
| Pit dimensions (all but working pits): | | , | Width (feet)N/A: Steel Pits | |
| | m ground level to dee | | | |
| If the pit is lined give a brief description of the lin 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 shallowest fresh water feet. Source of information: | | west fresh water feet. nation: | | |
| feet Depth of water well | feet | measured | well owner electric log KDWR | |
| Emergency, Settling and Burn Pits ONLY: | | Drilling, Worko | ver and Haul-Off Pits ONLY: | |
| Producing Formation: | | Type of materia | al utilized in drilling/workover: | |
| Number of producing wells on lease: Number of wor | | Number of work | orking pits to be utilized: | |
| Barrels of fluid produced daily: Abandonment | | procedure: | | |
| Does the slope from the tank battery allow all spilled fluids to | | e closed within 365 days of spud date. | | |
| | | | | |
| | | | | |
| Submitted Electronically | | | | |
| | | | | |
| KCC OFFICE USE ONLY | | | | |
| | | | | |
| Date Received: Permit Num | per: | Permi | t Date: Lease Inspection: Yes No | |

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

| Kansas Corpor Oil & Gas Consi CERTIFICATION OF C | ATION COMMISSION 1136414 ERVATION DIVISION Form Must Be Typed Form Must Be Signed Form must be Signed All blanks must be Filled All blanks must be Filled |
|---|--|
| T-1 (Request for Change of Operator Transfer of Injection of | Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); or Surface Pit Permit); and CP-1 (Well Plugging Application). mpanying Form KSONA-1 will be returned. |
| Select the corresponding form being filed: C-1 (Intent) CB-1 (C | athodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application) |
| OPERATOR: License # | Well Location: |
| 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. |

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.

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.

□ 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

Т

Side Two

API # 15 - _____

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

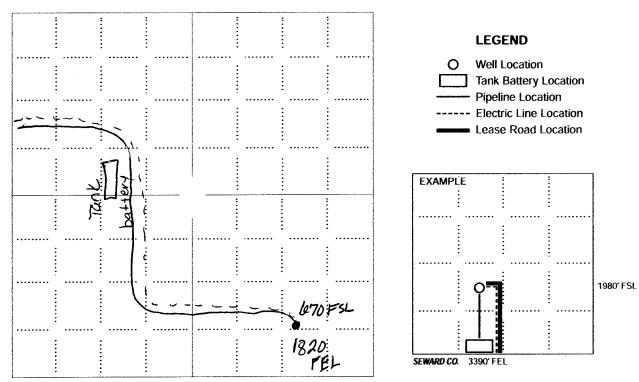
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

| Operator: Intrepid Resources LLC | L |
|--|----|
| Lease: Pierce formerly CARR | |
| Well Number: Pierce IR 21 | |
| Field: Neodesha | S |
| Number of Acres attributable to well: 436 QTR/QTR/QTR/QTR of acreage: | ls |

| Location of | Well: County: Mic | ongomery | | | |
|-------------|--------------------|---------------------|--------------|---------|---------------|
| 670 | | feet from |] N / 🔀 | S Lir | ne of Section |
| 1,820 | | feet from [> | <u>ξ</u> ε/[|] W Lir | e of Section |
| Sec. 3 | Twp. 31 | S. R. ¹⁶ | Г |]ε[| w |
| Is Section: | Regular or | · 🗌 Irregular | | | |
| | s Irregular, locat | | | | indary. |
| Section con | ner used: 🔲 N | | SE S | W | |

PLAT

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- 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 Kansas Corporation Commission

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

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

April 23, 2013

Lee Scogin Intrepid Resources LLC 3848 West Main St. Independence, KS 67301

Re: Drilling Pit Application API 15-125-32345-00-00 Pierce Pierce IR 21 SE/4 Sec.03-31S-16E Montgomery County, Kansas

Dear Lee Scogin:

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 practical 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) 432-2300 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) 432-2300.

Summary of Changes

Lease Name and Number: Pierce Pierce IR 21 API/Permit #: 15-125-32345-00-00

Doc ID: 1136414

Correction Number: 1

Approved By: Rick Hestermann 04/24/2013

| Field Name | Previous Value | New Value |
|--|--|--|
| Depth Of Water Well | 55 | 100 |
| ElevationPDF | 809 Estimated | 802 Estimated |
| Feet to Nearest Water Well Within One-Mile of | 4930 | 000 |
| Pit Ground Surface Elevation | 809 | 802 |
| KCC Only - Approved By | Rick Hestermann 04/11/2013 | Rick Hestermann 04/24/2013 |
| KCC Only - Approved Date | 04/11/2013 | 04/24/2013 |
| KCC Only - Date Received | 04/11/2013 | 04/23/2013 |
| KCC Only - Regular Section Quarter Calls | NE SW NE SE | SW NE SW SE |
| 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=03&t 670 | ation.cfm?section=03&t 1820 |

Summary of changes for correction 1 continued

| Field Name | Previous Value | New Value |
|---|---|---|
| Number of Feet East or West From Section Line | 670 | 1820 |
| Number of Feet North or South From Section Line | 1820 | 670 |
| Number of Feet North or South From Section | 1820 | 670 |
| Line Quarter Call 2 | NE | SW |
| Quarter Call 2 | NE | SW |
| Quarter Call 3 | SW | NE |
| Quarter Call 3 | SW | NE |
| Quarter Call 4 - Smallest | NE | SW |
| Quarter Call 4 - Smallest | NE | SW |
| Save Link | //kcc/detail/operatorE ditDetail.cfm?docID=11 32242 | //kcc/detail/operatorE ditDetail.cfm?docID=11 36414 |

Summary of Attachments

Lease Name and Number: Pierce Pierce IR 21 API: 15-125-32345-00-00 Doc ID: 1136414 Correction Number: 1 Approved By: Rick Hestermann 04/24/2013

Attachment Name

Fluid