

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: _____

Lease: _____

Well Number: _____

Field: _____

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - _____ - _____ - _____

Location of Well: County: _____

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Sec. _____ Twp. _____ S. R. _____ E W

Is Section: Regular or Irregular

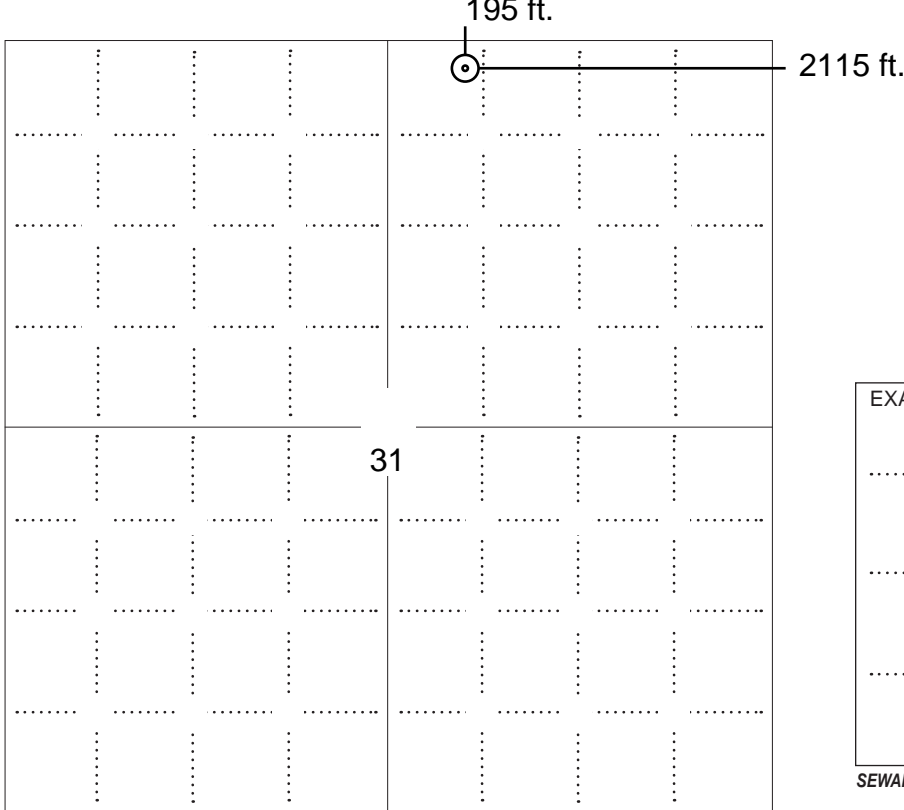
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

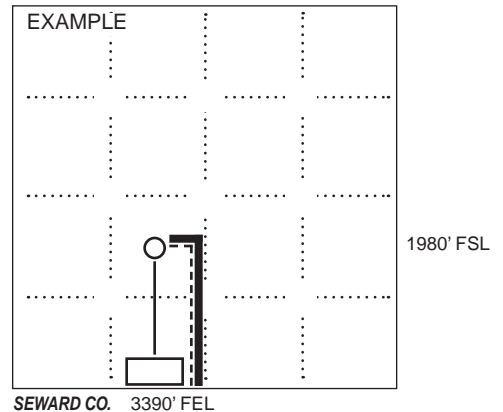
Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).

You may attach a separate plat if desired.



LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location



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.

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: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	
How is the pit lined if a plastic liner is not used?		_____	
Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) <input type="checkbox"/> 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: _____ feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> 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 spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ _____ Drill pits must be closed within 365 days of spud date.	
Submitted Electronically			

KCC OFFICE USE ONLY

Liner Steel Pit RFAC RFAS

Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: Yes No



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 # _____
Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Contact Person: _____
Phone: (_____) _____ Fax: (_____) _____
Email Address: _____

Well Location:
____ - ____ - ____ - ____ Sec. ____ Twp. ____ S. R. ____ East West
County: _____
Lease Name: _____ Well #: _____

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____

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.

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:

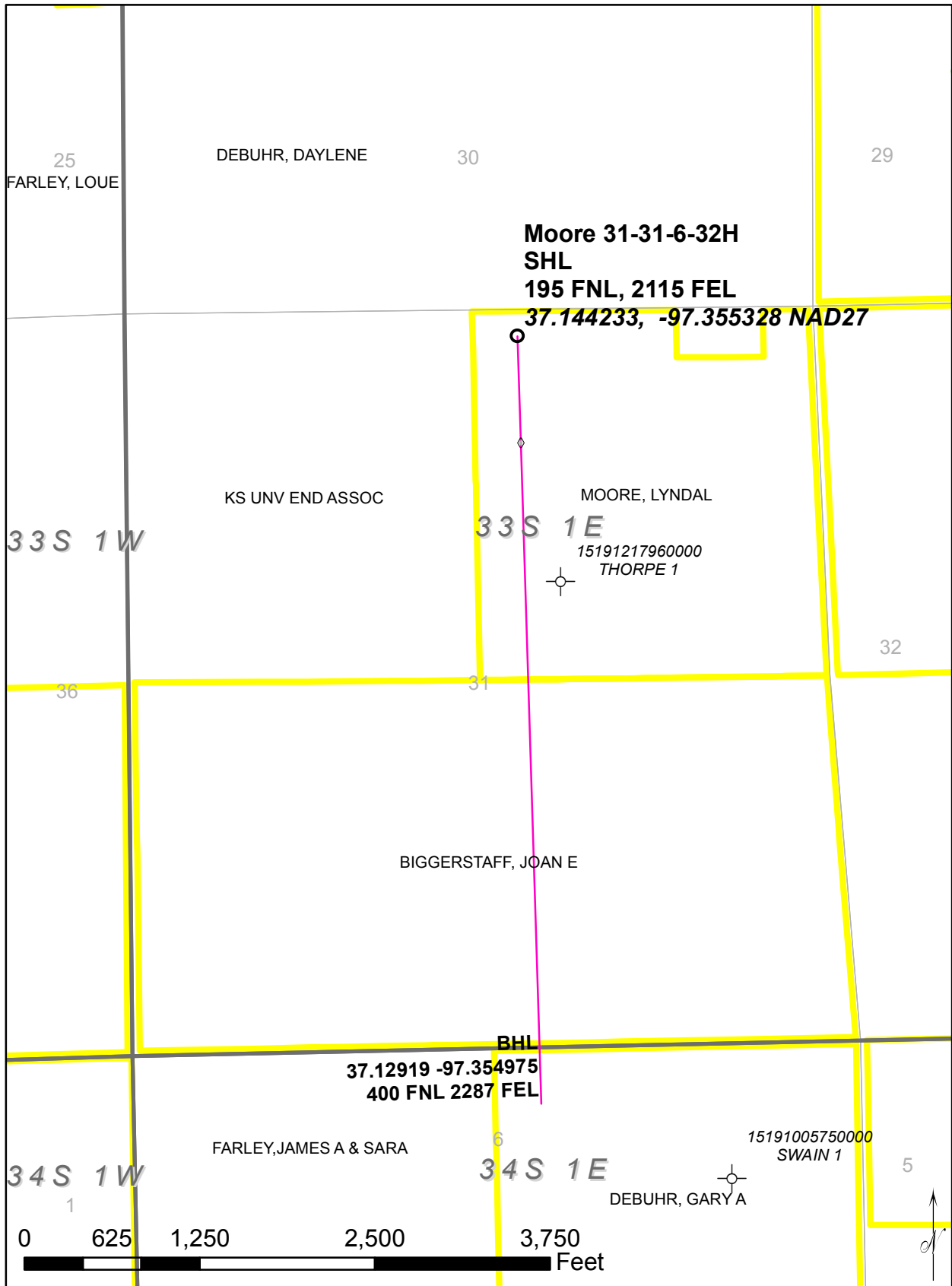
- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this 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.

I Submitted Electronically

Source Energy MidCon, LLC

Moore 31-31-6-32H



Spot Information

Latitude 37.144312
Longitude -97.355581
Section Sec-31 Twp-33 S Rng-1 E
Quarter Calls NE NW NW NE
County Sumner
KCC District 2
SGA Yes(DIST)
Hutch Salt No
Elevation 1226 ft

Water Well Information

NO WWC5 records with in 1 mile of this location

KGS Map Viewer - Oil and Gas Wells and Fields

[Section 31-33S-1E](#) (Opens in separate window)

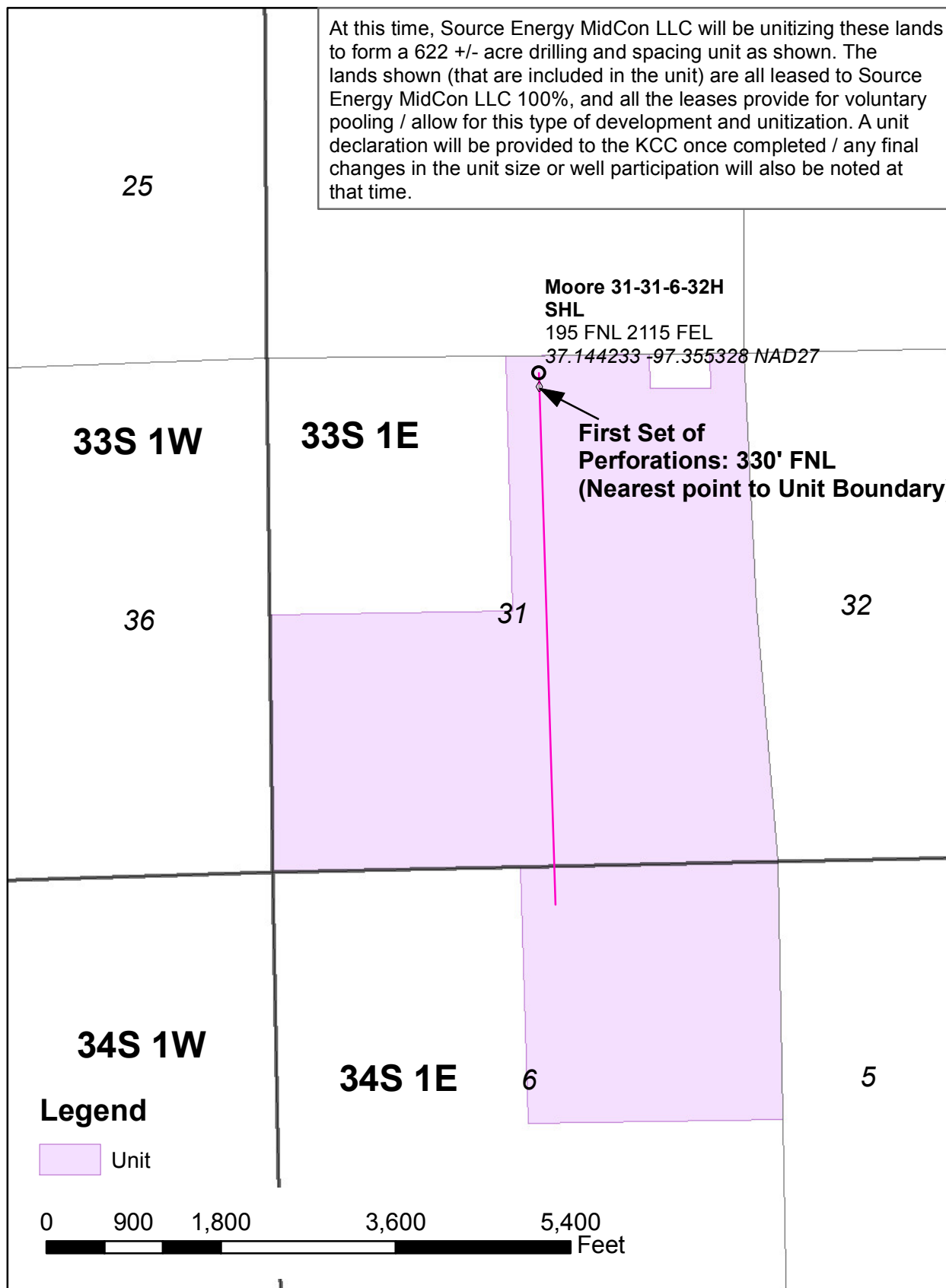
Available Fields Quarter Calls

No Fields Available

Source Energy MidCon, LLC Unit Plat (NAD27)



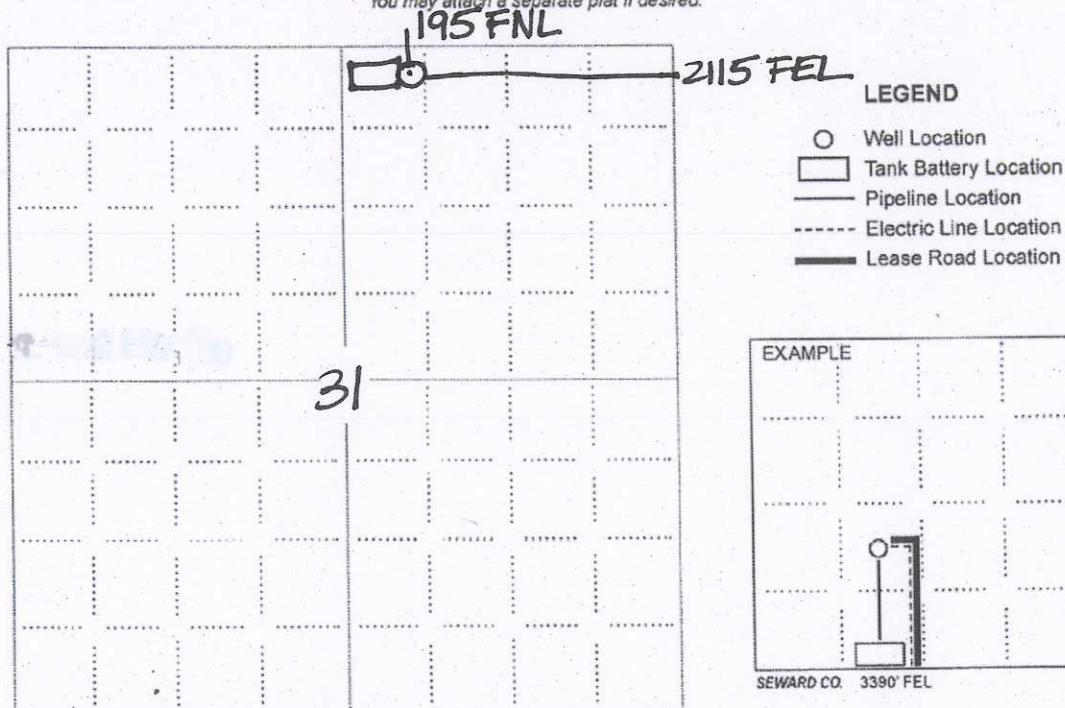
Proposed Source 622 +/- acre unit



MOORE 31-31-6-32H

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,

Minimum Surface Casing Requirements--

Appendix A

Definition of conductor pipe

A large diameter steel casing, having a minimum diameter of 12 inches, installed in an oil-and-gas-related well to protect fresh and usable water and stabilize unconsolidated materials when drilling in an area where the possibility of lost circulation zones exist at deeper depths.

Addition to minimum surface casing table

Within the sections listed below in this Appendix, the following rule shall be used for drilling any oil, gas, injection, disposal or service well: Conductor pipe shall be installed as soon as drilling penetrates twenty feet into the consolidated formation underlying the unconsolidated material. The annular space between the conductor pipe and the borehole shall be cemented from bottom to ground surface.

Conductor pipe, in addition to having a minimum diameter of 12 inches, shall be of sufficient size that if a lost circulation zone is encountered, the standard surface pipe can be installed through that zone. In areas where instability occurs within the unconsolidated materials, a pipe of sufficient diameter must be utilized to stabilize that portion of the borehole so that the minimum required amount of conductor pipe can be installed 20 feet into the underlying formation.

In those areas where the Appendix A list of sections includes sites that do not appear to have the unconsolidated material, a sufficient length of conductor pipe shall be on hand at the drilling site. In all cases, if unconsolidated material is encountered, conductor pipe shall be installed. If unconsolidated material is not encountered, the minimum required surface pipe shall be installed.

Section designated as having Wellington Aquifer with Hutchinson Salt Member present

Twp. 13S R. 3W Sec. 4, 5, 8-10, 15-17, 20-23, 25-29, 32-36

Twp. 14S R. 3W Sec. 1-5, 8-17, 20-29, 32-36

Twp. 15S R. 3W Sec. ALL

Twp. 15S R. 2W Sec. 6, 7, 18, 19, 30, 31

Twp. 16S R. 4W Sec. 1, 12, 13, 24, 25, 36

Twp. 16S R. 3W Sec. 4-9, 18, 19, 30, 31

Twp. 17S R. 4W Sec. 1, 12-14, 23-27, 34-36

Twp. 17S R. 3W Sec. 4-10, 16-20, 29-32

Twp. 18S R. 4W Sec. 1-4, 8-17, 20-29, 32-36

Twp. 18S R. 3W Sec. 6, 7, 18, 19, 30, 31

Twp. 19S R. 4W Sec. 1-5, 8-17, 20-29, 32-36

Twp. 19S R. 3W Sec. 6, 7, 18, 19, 30, 31

Twp. 20S R. 4W Sec. 1-5, 9-16, 21-28, 33-36

Twp. 20S R. 3W Sec. 30, 31

Twp. 21S R. 4W Sec. 1-5, 8-17, 20-36

Twp. 21S R. 3W Sec. 6, 7, 18, 19, 30, 31

Twp. 22S R. 5W Sec. 1, 12, 13, 24, 25, 36

Twp. 22S R. 4W Sec. ALL

Twp. 22S R. 3W Sec. 6-8, 17-20, 28-33

Twp. 23S R. 5W Sec. 1, 11-14, 23-26-35, 36

Twp. 23S R. 4W Sec. ALL

Twp. 23S R. 3W Sec. 4-9, 16-21, 28-33

Twp. 24S R. 5W Sec. 1, 2, 12

Twp. 24S R. 4W Sec. 1-18, 20-27, 35, 36

Twp. 24S R. 3W Sec. ALL except 1, 2, 12

Twp. 24S R. 2W Sec. 19, 20, 27-35

Twp. 25S R. 4W Sec. 1

Twp. 25S R. 3W Sec. ALL except 18, 19, 29-33

Twp. 25S R. 2W Sec. ALL

Twp. 25S R. 1W Sec. 7, 17-21, 27-35

Twp. 26S R. 3W Sec. 1, 2, 12, 13

Twp. 26S R. 2W Sec. ALL except 1, 12, 11, 12

Twp. 26S R. 1W Sec. ALL

Twp. 26S R. 1E Sec. 18, 19, 29-32

Twp. 27S R. 2W Sec. 1-5, 8-17, 21-28, 33-36

Twp. 27S R. 1W Sec. ALL

Twp. 27S R. 1E Sec. 5-9, 16-21, 28-33

Twp. 28S R. 2W Sec. 1-3, 10-15, 22-27, 35, 36

Twp. 28S R. 1W Sec. ALL (36 No salt)

Twp. 28S R. 1E Sec. 4-10, 15-22, 26-35

Twp. 29S R. 2W Sec. 1, 2, 11-14, 23-26, 35, 36

Twp. 29S R. 1W Sec. ALL

Twp. 29S R. 1E Sec. ALL except 1

Twp. 30S R. 1W Sec. ALL except 18-20, 39-32

Twp. 30S R. 1E Sec. ALL

Twp. 30S R. 2E Sec. 6, 7, 17-21, 28-34

Twp. 31S R. 1W Sec. 1-3, 10-14, 23-26, 35, 36

Twp. 31S R. 1E Sec. ALL except 28, 29, 32, 33, 34

Twp. 31S R. 2E Sec. 3-11, 14-22, 28-31

Twp. 32S R. 1E Sec. 1

Twp. 32S R. 2E Sec. 5, 6

Twp. 33S R. 1E Sec. 31, 32

Twp. 34S R. 1E Sec. 1-3, 11-13

Twp. 34S R. 2E Sec. 6-8, 17-20

July 10, 2013

Elizabeth Habermehl
Source Energy MidCon LLC
1805 SHEA CENTER DR., STE 100
HIGHLANDS RANCH, CO 80129

Re: Drilling Pit Application
Moore 31-31-6-32H
NE/4 Sec.31-33S-01E
Sumner County, Kansas

Dear Elizabeth Habermehl:

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 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 (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.