For KCC Use:

| Effective | Date: |
|------------|-------|
| District # | |

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

1158568

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

| | _ | 1 | |
|------|---|-----|----|
| SGA? | | Yes | No |

F

NOTICE OF INTENT TO DRILL

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

| orm KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be sub | omitted with this form. |
|--|-------------------------|
|--|-------------------------|

| Expected Spud Date: | Spot Description: |
|---|--|
| month day year | (<u>q/q/q/q</u>) Sec Twp S. R E [] W |
| 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: | Field Name: Weil # |
| 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: |
| Directional, Deviated or Horizontal wellbore? | Well Farm Pond Other: |
| If Yes, true vertical depth: | DWR Permit #: |
| Bottom Hole Location: | (Note: Apply for Permit with DWR) |
| 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 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 - | Cons | ervation | Division, | |
|-------|----------|--------|-------|----------|-----------|-------|
| 130 S | Market | - Room | 2078, | Wichita, | Kansas | 67202 |





For KCC Use ONLY

API # 15 -____

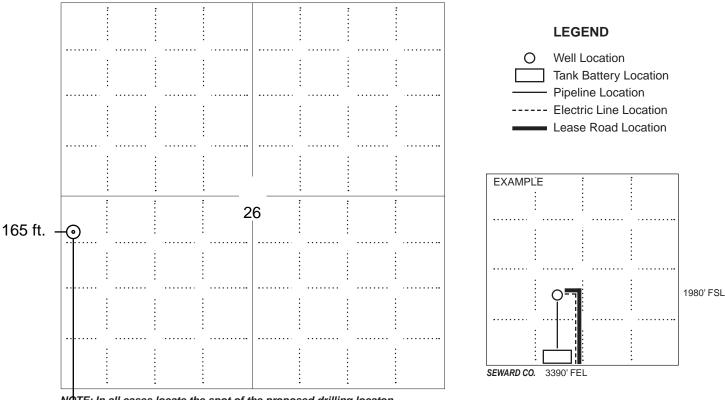
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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: | 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.

2145 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 1158568

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 | SecTwpR East West | |
| Settling Pit Drilling Pit | If Existing, date co | nstructed: | Feet from North / South Line of Section | |
| (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? | lo | 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 | |
| Depth fro | m ground level to dee | epest 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 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 worl | working pits to be utilized: | |
| Barrels of fluid produced daily: Abandonment p | | ent procedure: | | |
| Does the slope from the tank battery allow all spilled fluids to | | st be closed within 365 days of spud date. | | |
| Submitted Electronically | | | | |
| KCC OFFICE USE ONLY | | | | |
| Date Received: Permit Numl | oer: | Permi | | |

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

| Kansas Corpor Oil & Gas Cons CERTIFICATION OF C | RECTION #1 Form KSONA-1 ATION COMMISSION 1158568 ERVATION DIVISION Form Must Be Typed OMPLIANCE WITH THE Form must be Signed All blanks must be Filled All blanks must be Filled |
|--|---|
| T-1 (Request for Change of Operator Transfer of Injection | f Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); or Surface Pit Permit); and CP-1 (Well Plugging Application). ompanying 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: |
| 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. dic Protection Borehole Intent), you must supply the surface owners and |

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

I

Т



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 Shari Feist Albrecht, Commissioner Sam Brownback, Governor

September 26, 2013

Joshua Bauer Bauer Oil Investment, LLC 4370 W. 271ST LOUISBURG, KS 66053

Re: Drilling Pit Application API 15-121-29604-00-00 Iowa College 13 SW/4 Sec.26-18S-22E Miami County, Kansas

Dear Joshua Bauer :

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 (620) 432-2300.

Conservation Division Finney State Office Building 130 S. Market, Rm. 2078 Wichita, KS 67202-3802

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



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

Sam Brownback, Governor

HAUL-OFF PIT APPLICATION FILING REQUIREMENTS

82-3-607. DISPOSAL OF DIKE AND PIT CONTENTS. Each operator shall perform one of the following when disposing of dike or (a) 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; dispose of reserve pit waste down the annular space of a well completed (2) 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 dispose of the remaining solid contents in any manner required by the (3) commission. The requirements may include any of the following: Burial in place, in accordance with the grading and restoration (A) requirements in K.A.R. 82-3-602 (f); removal and placement of the contents in an on-site disposal area (B) approved by the commission; removal and placement of the contents in an off-site disposal area (C) on acreage owned by the same landowner or to another producing lease or unit operated by the same operator, if prior written permission from 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 violation.

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: ____Yes ____No

Haul-off pit is located in an off-site disposal area on acreage owned by the same landowner: ____Yes ____No 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: ___Yes ___No If yes, written permission from the land owner must be obtained. Attach permission and a copy of the lease assignment that covers the acreage where the haul-off pit is to be located, to the haul-off pit application.

Summary of Changes

Lease Name and Number: Iowa College 13 API/Permit #: 15-121-29604-00-00

Doc ID: 1158568

Correction Number: 1

Approved By: Rick Hestermann 09/26/2013

| Field Name | Previous Value | New Value |
|--|-------------------------------|-------------------------------|
| ElevationPDF | 880 Estimated | 983 Estimated |
| Ground Surface Elevation | 880 | 983 |
| Is Footage Measured from the East or the West Section Line | East | West |
| from the East or the West Section Line | East | West |
| Is Footage Measured from the North or the South Section Line | North | South |
| Is Footage Measured from the North or the South Section Line | North | South |
| KCC Only - Approved By | Rick Hestermann 08/28/2013 | Rick Hestermann 09/26/2013 |
| KCC Only - Approved Date | 08/28/2013 | 09/26/2013 |
| KCC Only - Date Received | 08/28/2013 | 09/26/2013 |
| KCC Only - Regular Section Quarter Calls | NE NE NE SE | SW NW NW SW |

Summary of changes for correction 1 continued

| Field Name | Previous Value | New Value |
|---|--|--|
| LocationInfoLink | https://solar.kgs.ku.edu/ kcc/detail/locationInform ation.cfm?section=26&t | https://solar.kgs.ku.edu/ kcc/detail/locationInform ation.cfm?section=26&t |
| Number of Feet North or South From Section Line | 2805 | 2145 |
| Number of Feet North or South From Section Line | 2805 | 2145 |
| Quarter Call 1 - Largest | SE | SW |
| Quarter Call 1 - Largest | SE | SW |
| Quarter Call 2 | NE | NW |
| Quarter Call 2 | NE | NW |
| Quarter Call 3 | NE | NW |
| Quarter Call 3 | NE | NW |
| Quarter Call 4 - Smallest | NE | SW |
| Quarter Call 4 - Smallest | NE | SW |
| Save Link | //kcc/detail/operatorE ditDetail.cfm?docID=11 56586 | //kcc/detail/operatorE ditDetail.cfm?docID=11 58568 |

Summary of Attachments

Lease Name and Number: Iowa College 13 API: 15-121-29604-00-00 Doc ID: 1158568 Correction Number: 1 Approved By: Rick Hestermann 09/26/2013

Attachment Name

No Earthen Pits

Haul Off Pit Application