

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

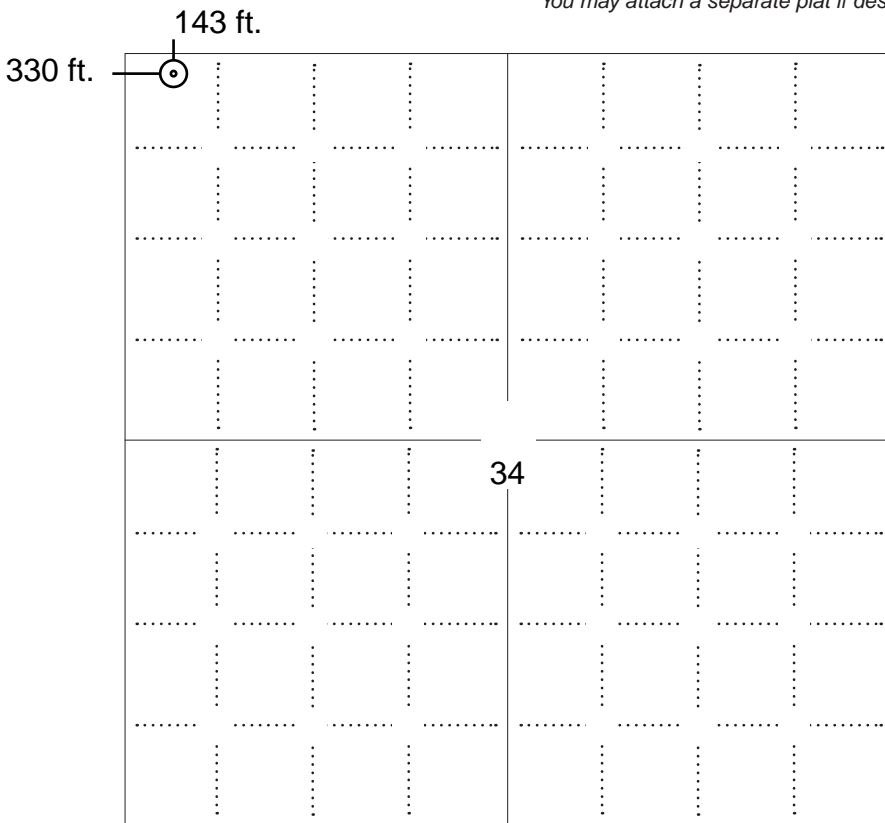
Is Section: Regular or Irregular

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



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 # _____
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

**Indexed
Verified**



State of Kansas, Logan County
This instrument was filed for
Record on October 08, 2013 02:37:00 PM
Recorded in Book 167 Page 236-238
Fee: \$16.00 201301124



STATE OF KANSAS)
) ss
COUNTY OF LOGAN)

Joyce L. Bosserman
Joyce L. Bosserman, Register of Deeds

DECLARATION OF POOLING OIL AND GAS LEASES

WHEREAS, **Kansas CBM, LLC** is the current owner of certain Oil and Gas Leases described as follows:

1. Oil and Gas Lease executed by Lanny R. Hockersmith and Marilyn Hockersmith, husband and wife in favor of Kansas CBM, LLC, dated August 17th 2011, covering the tract more particularly described in the Exhibit "A" attached hereto and made a part hereof, recorded in Book 157, Page 842, Logan County, Kansas, as ratified by L&M Oil Interest, LLC, in that Ratification of Oil and Gas Lease dated May 17th 2013, recorded in Book 166, Page 097, Logan County, Kansas.
2. Oil and Gas Lease executed by Raymond E. McGuire and Carol Anne McGuire Trust dated June 14th, 2006, By: (Raymond E. McGuire), Trustee and (Carol Anne McGuire), Trustee in favor of of Kansas CBM, LLC, dated August 17th 2011, covering the tract more particularly described in the Exhibit "A" attached hereto and made a part hereof, recorded in Book 157, Page 679, Logan County, Kansas.
3. Oil and Gas Lease executed by Marion Everett Price, Jr. and Loretta R. Price, Trustees of the Everett and Loretta Price Revocable Living Trust, dated March 5, 2002; K. Wayne Price and Michele Price, husband and wife; Janice L. Hirsch and Darrell D. Hirsch, wife and husband in favor of Kansas CBM, LLC, dated December 15th 2011, covering the Southwest (SW) Quarter of Section 27-11S-332W, recorded in Book 158, Page 859, Logan County, Kansas.

WHEREAS, each of said Oil and Gas Leases grants the right to the Lessee to pool or unitize the leased premises or any portion or portions thereof, as to all strata or any stratum or strata, so as to form a unit not to exceed 40 acres for an oil well and not to exceed 640 acres for a gas well, such rights to be exercised in writing and recorded in the public records of the county in which the pooled area is located, identifying and describing the pooled acreage, and,

NOW, THEREFORE, pursuant to the terms of the Oil and Gas Leases described above, **Kansas CBM, LLC** does hereby consolidate and pool the oil and gas leases described above covering the following lands:

North Half of the Northwest Quarter of the Northwest Quarter (N/2 NW NW) of Section 34-11S-32W
South Half of the Southwest Quarter of the Southwest Quarter (S/2 SW SW) of Section 27-11S-32W

Kansas CBM, LLC does hereby declare and give public notice by the execution and filing of this instrument of its purpose to pool the Oil and Gas Leases described above and incorporated herein by this reference, so as to form the pooled acreage described above, and does declare the necessity and advisability of said pooling in order to properly develop and operate said Oil and Gas Leases so as to promote the conservation of oil in and under and that may be produced from said lands.

IN WITNESS WHEREOF, the undersigned has set its hand this 2nd day of OCTOBER 2013.

Kansas CBM, LLC

By: [Signature]
W. H. Kopczynski, III
Land Manager

ACKNOWLEDGMENT

STATE OF OKLAHOMA)
)ss.
COUNTY OF TULSA)

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 2nd day of October, 2013, appeared **W. H. Kopczynski, III** as **Land Manager** of **Kansas CBM, LLC**, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My Commission Expires:

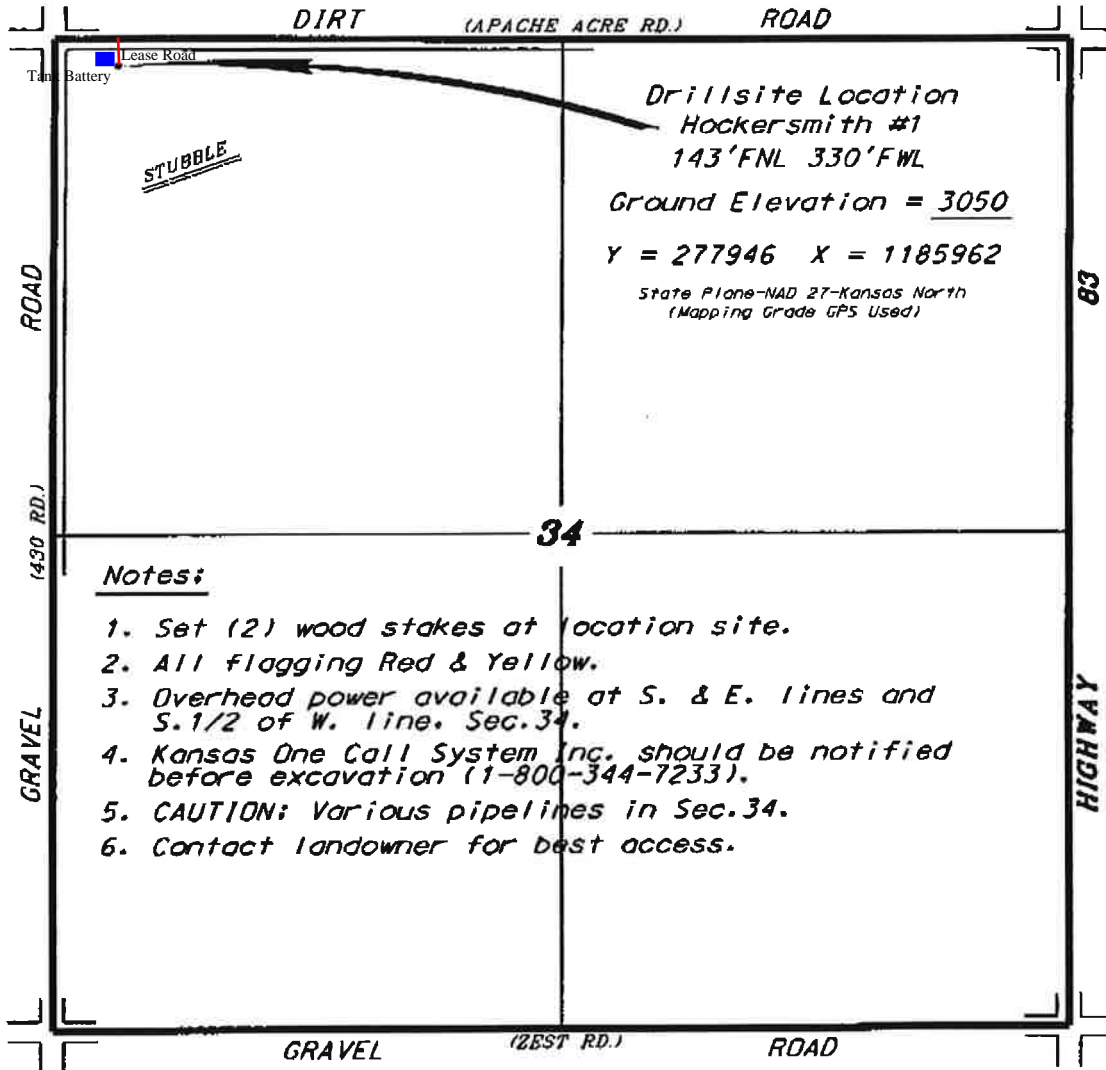


[Signature]
NOTARY PUBLIC

Exhibit A**Township 11 South – Range 32 West**

Section 34: NW/4 except a tract described as follows; Beginning at the Southwest corner of said NW/4;
thence on an assumed
bearing of North 00°30'40" East, along the West line of said NW/4 a distance of 327.07 feet; thence
South 66°49'33" East a distance
of 166.47 feet; thence South 74°23'12" East a distance of 160.54 feet; thence South 65°56'31" East a
distance of 162.40 feet; thence
North 56°57'58" East a distance of 60.47 feet; thence North 45°00'36" East a distance of 100.68 feet;
thence North 74°09'04" East a
distance of 79.82 feet; thence South 70°54'57" East a distance of 208.40 feet; thence South 21°08'02"
East a distance of 112.86 feet;
thence North 84°06'43" East a distance of 88.21 feet; thence South 81°35'55" East a distance of
102.62 feet; thence South 64°35'16"
East a distance of 76.56 feet; thence South 26°33'40" East a distance of 32.64 feet to a point on the
South line of said NW/4; thence
South 89°32'00" West, along said South line, a distance of 1,198.55 feet to the point beginning.
Containing 5.229 acres including the
County road right of way.

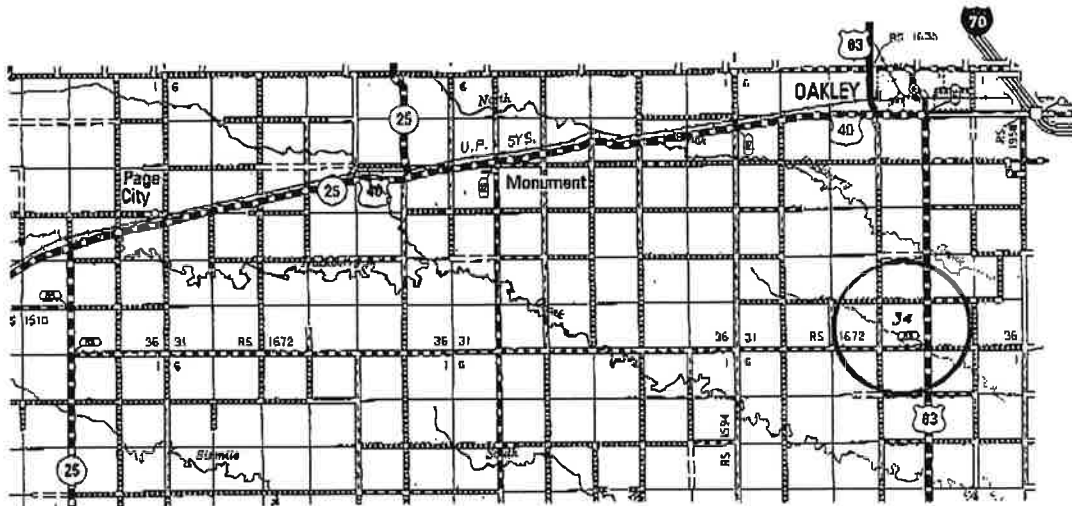
**NEW GULF OPERATING, LLC
HOCKERSMITH LEASE
NW-1/4, SECTION 34, T11S, R32W
LOGAN COUNTY, KANSAS**



Notes:

1. Set (2) wood stakes at location site.
2. All flagging Red & Yellow.
3. Overhead power available at S. & E. lines and S. 1/2 of W. line, Sec. 34.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec. 34.
6. Contact landowner for best access.

*Ingress and egress to location as shown on this plat is per usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.



* Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.

* Approximate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drillsite location in the section is not guaranteed. Therefore, the operator securing this service and accepting this plot and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and said entities released from any liability from incidental or consequential damages.

* Elevations derived from National Geodetic Vertical Datum.

Date September 26, 2013