For KCC Use:

Eff	e	ct	iv	е	Date

District	#	

SGA?	Yes	No
SGA!	res	

Form

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

1164636

NOTICE OF INTENT TO DRILL

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

KSONA-1, Cert	tification of Com	pliance with the Ka	ansas Surface	Owner Notification	Act, MUST be	submitted with	this form
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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:	Field Name:
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?	Water Source for Drilling Operations:
If Yes, true vertical depth:	Well Farm Pond Other:
Bottom Hole Location:	DWR Permit #:
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 E	Electronically
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130 S. Market - Room

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.

ш

Well will not be drilled or Permit Expired Date: _ Signature of Operator or Agent:

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



For KCC Use ONLY

API # 15 - ____

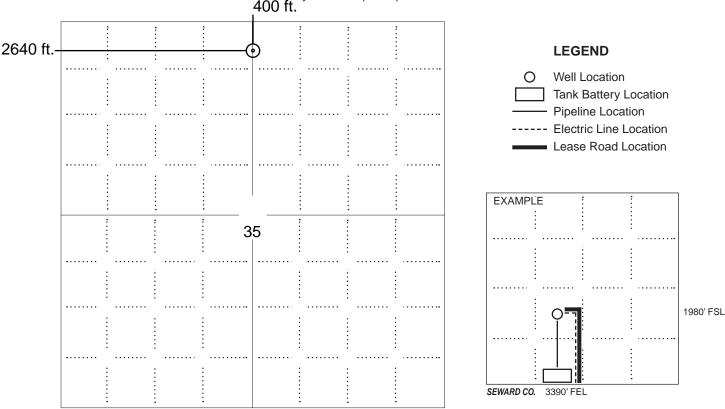
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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. 400 ft.



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).
- 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.

Side Two

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION 1164636

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		
U Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:	(bblc)	Feet from East / West Line of Section		
		(bbls)			
Is the pit located in a Sensitive Ground Water A	vrea?	No	Chloride concentration: (For Emergency F	mg/l Pits and Settling Pits only)	
Is the bottom below ground level?	Artificial Liner?	No	How is the pit lined if a plastic li	ner is not used?	
Pit dimensions (all but working pits):	Length (fe	et)	Width (feet)	N/A: Steel Pits	
Depth fro	om ground level to dee	epest point:	(feet)	No Pit	
Distance to nearest water well within one-mile of pit: Depth to shallowest fresh water feet.				feet.	
feet Depth of water wellfeet		Source of inform		lectric log KDWR	
Emergency, Settling and Burn Pits ONLY:	Drilling, Worko	ver and Haul-Off Pits ONLY:			
Producing Formation:	Type of material utilized in drilling/workover:				
Number of producing wells on lease:	Number of working pits to be utilized:				
Barrels of fluid produced daily:	Abandonment procedure:				
Does the slope from the tank battery allow all s flow into the pit?	Drill pits must be closed within 365 days of spud date.				
Submitted Electronically					
KCC OFFICE USE ONLY					
Date Received: Permit Num	Date Received: Permit Number: Permit Date: Lease Inspection: Yes No				

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

OIL & GAS CONSI CERTIFICATION OF C	ATION COMMISSION 1164636 ERVATION DIVISION TO Must Be Typed COMPLIANCE WITH THE NER NOTIFICATION ACT
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.
OPERATOR: License # Name: Address 1: Address 2: City: State: Zip:+ Contact Person: Phone: () Fax: () Email Address:	Well Location:
Surface Owner Information: Name: Address 1: Address 2: City:	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.

Submitted Electronically

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Т

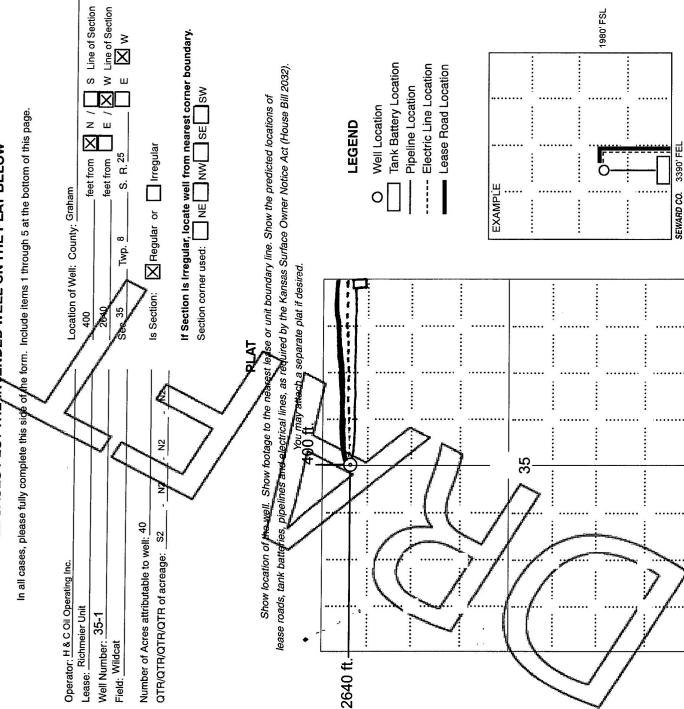


-8.

Side Two

API # 15





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,
 - The distance of the proposed drilling location from the south / north and east / west outside section lines.
 The distance to the nearest lease or unit boundary line (in footage). 4 sections, etc.
 - The distance to the nearest lease or unit boundary line (in footage).
- 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) 4
 - 5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

BARE DE LIANSAS GRAHAM COUNTY KANSAS JUNITA TOLL REGISTER OF DEEDS Baseli - 3 3004: 263 Page: 995 - 998 Baseli - 3 3018 Recorded: 90/8/2013 9:46:19 AM Date Recorded: 10/8/2013 9:46:19 AM

DECLARATION OF UNITIZATION (Richmeier Unit N/2 Sec. 35-8-25)

THIS DECLARATION OF UNITIZATION is made this 4th day of October, 2013, by HOP Energies, LLC, hereinafter called Lessee, WITNESSETH:

attached hereto and incorporated herein by reference, be consolidated and unitized into one operating unit according to, and in compliance with, the Rules and Regulations of the WHEREAS, the parties hereto desire the Oil and Gas Leases shown on Exhibit A, Kansas Corporation Commission. AND WHEREAS, the Lessor of the **Richmeier Lease** covering NE¼ Sec. 35-8-25 and the **Richmeier Lease** covering NW¼ Sec. 35-8-25 have previously authorized the Lessee to pool and unitize said leases so that each Lessor would receive pro rata division of all royalties from the sale of oil or gas or either of them produced from the Unitized Area in the proportion that each Lessor's mineral interest bears to the total minerals within the Unitized Area as set forth in Exhibit A.

hereinafter contained, Lessee does hereby pool and unitize the oil and gas leases set forth in Exhibit A in accordance with the following terms and conditions: NOW, THEREFORE, in consideration of these premises and of the mutual benefits

same or the minerals thereunder may be divided in ownership, just as though such Unitized Area had originally been covered by a single oil and gas lease. The oil, gas or either of them in, under or produced from said Unitized Area is pooled and unitized and shall be treated as an entirety and the royatties thereon shall be paid ratably to the owners of each particular tract in such Unitized Area in accordance with Exhibit A and as their interest in each such particular tract may appear and according to the applicable royalty provisions and other terms of the oil and gas lease covering that particular tract. By virtue of the power and authority granted by each landowner/lessor under the terms of the leases, Lessee declares for all purposes that the oil and gas leases set forth in Exhibit A are pooled and unitized forming the Unitized Area described therein. The Unitized Area shalt be developed and operated as one leased tract regardless of how the

 Exhibit A sets forth and establishes the total acreage owned by each Lessor. Royalty, overriding royalty, and working interest payments will be based upon the decimal interest in production from said Unitized Area as is also shown thereon and on the Division Order when issued. 3. Any oil or gas well producing in commercial quantities under the terms of this agreement, or the oil and gas leases subject to this agreement, shall be deemed to be drilled under the terms of and located on the lands covered by each of said oil and gas lease and operations for the drilling, reworking of or production of all oil or gas from any

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such well or wells shall operate to keep in force the entire oil and gas leasehold estate under each of said leases, just as though such well or wells were located on particular land covered by each particular lease. The drilling of or production from any well capable of producing oil or gas in commercial quantities upon the Unitized Area shall constitute full and complete development of each of the oil and gas leases hereby unitized.

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4. This declaration and the oil and gas leasehold rights of Lessee under all leases covering the tracts of land within the Unitized Area shall be and remain in full force and effect so long as oil or gas or either of them can be produced in commercial quantities from any well in said Unitized Area and shall not be effected by the expiration of the primary term of any of said leases. 5. This declaration and all of the terms and conditions hereof shall be considered as covenants running with the land and shall likewise extend to and be binding upon the heirs, successors, and assigns of all parties hereto. IN WITNESS WHEREOF, the Lessee has executed this Declaration of Unitization as of the date first above written.

HOP Energies, LLC

Daniel F. Brooks. Mai

ACKNOWLEDGMENT

STATE OF KANSAS

COUNTY OF SEDGWICK

SS

The foregoing instrument was acknowledged before me this ______ day of October, 2013, by Daniel F. Brooks, Manager of HOP Energies, LLC, a Kansas limited liability company, on behalf of the company.

My commission expires:

IN KAN BROOKS E CO -Ň E HI

Notary Public

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EXHIBIT A

UNIT AREA (Richmeier Unit - N½ Sec. 35-8-25)

A TWENTY (20) ACRE TRACT IN THE NORTH HALF (N%) OF SECTION 35, TOWNSHIP 8 SOUTH, RANGE 25 WEST OF THE SIXTH P.M., Beginning at the Northeast Corner of NW%; thence West 465 feet; thence South 935 feet; thence East 930 feet; thence North 935; thence West 465 feet to the point of beginning, Graham County, Kansas.

OIL AND GAS LEASES POOLED AND UNITIZED

 Richmeier Lease: Oil and Gas Lease dated February 19, 2013, recorded in Book 260, pages 381-2, from Aaron Wayne Richmeier as Trustee of the Donald and Lois Richmeier Irrevocable Trust dated January 17, 2013, to and in favor of HOP Energies, LLC, in so far as the lease covers:

A TRACT IN THE NORTHEAST QUARTER (NE¹/4) OF SECTION 35, TOWNSHIP 8 SOUTH, RANGE 25 WEST OF THE SIXTH P.M., Graham County, Kansas, Beginning at the Northwest Corner of said NE¹/4; thence East 465 feet; thence South 935 feet, thence West 465 feet; thence North 935 to the place of beginning and containing approximately 10 acres, more or less. 2. 1. Richmeier Lease: Oil and Gas Lease dated February 19, 2013, recorded in Book 260, pages 383-4, from Aaron Wayne Richmeier as Trustee of the Donald and Lois Richmeier Irrevocable Trust dated January 17, 2013, to and in favor of HOP Energies, LLC, in so far as the lease covers:

A TRACT IN THE NORTHWEST QUARTER (NW%) OF SECTION 35, TOWNSHIP 8 SOUTH, RANGE 25 WEST OF THE SIXTH P.M., Graham County, Kansas, Beginning at the Northeast Corner of said NW%; thence West 465 feet; thence South 935 feet, thence East 465 feet; thence North 935 to the place of beginning and containing approximately 10 acres, more or less.

TRACT PARTICIPATION

Each of the above tracts will participate equally on a 50/50 basis in the production of oil, gas and other minerals from the Unit Area.

Page 1 of 2

ROYALTY PARTICIPATION

The owner of both tracts is currently Aaron Wayne Richmeier as Trustee of the Donald and Lois Richmeier trevocable Trust dated January 17, 2013, therefore all Royalty will be paid to:

Aaron Wayne Richmeier as Trustee of the Donald and Lois Richmeier Irrevocable Trust dated January 17, 2013, 1435 L Road Morland, KS 67650

.12500 Royalty

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Page 2 of 2

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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/

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

January 16, 2014

Charles R. Ramsay H & C Oil Operating Inc. PO BOX 86 PLAINVILLE, KS 67663-0086

Re: Drilling Pit Application Richmeier Unit 35-1 N/2 Sec.35-08S-25W Graham County, Kansas

Dear Charles R. Ramsay:

District staff has inspected the above referenced location and has determined that the reserve pit shall be 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 away from draw/drainage.

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 (785) 625-0550 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 (785) 625-0550.