

For KCC Use:

Effective Date: 11/19/2013

District # 1

SGA? ☐ Yes ☒ No

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION**

1168201

Form C-1

March 2010

Form must be Typed

Form must be Signed

All blanks must be Filled

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: 11/20/2013
month day year

OPERATOR: License# 34959

Name: Pacific Energy Development MSL LLC

Address 1: 4125 BLACKHAWK PLAZA CIR

Address 2: SUITE 201A

City: DANVILLE State: CA Zip: 94506 + _ _ _

Contact Person: Angie Galvan

Phone: 281-716-5730

CONTRACTOR: License# _____

Name: Advise on ACO-1 -- Must be licensed by KCC

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: _____

☐ If OWWO: old well information as follows:

Operator: _____

Well Name: _____

Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? ☒ Yes ☐ No

If Yes, true vertical depth: 4900

Bottom Hole Location: 360 FSL and 360 FWL 14-35S-13W

KCC DKT #: _____

Top of salt @ apprx. 1300'. Max. surface casing 1200'.

Spot Description: _____

NE - NW - NW - SW Sec. 11 Twp. 35 S. R. 13 ☐ E ☒ W
(Q/Q/Q/Q) 2340 feet from ☐ N / ☒ S Line of Section

360 feet from ☐ E / ☒ W Line of Section

Is SECTION: ☒ Regular ☐ Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Barber

Lease Name: Achenbach Well #: 11-1H

Field Name: Wildcat

Is this a Prorated / Spaced Field? ☐ Yes ☒ No

Target Formation(s): Mississippian

Nearest Lease or unit boundary line (in footage): 360

Ground Surface Elevation: 1480 Estimated _____ feet MSL

Water well within one-quarter mile: ☐ Yes ☒ No

Public water supply well within one mile: ☐ Yes ☒ No

Depth to bottom of fresh water: 100

Depth to bottom of usable water: 180

Surface Pipe by Alternate: ☒ I ☐ II

Length of Surface Pipe Planned to be set: 1000

Length of Conductor Pipe (if any): _____

Projected Total Depth: 9500

Formation at Total Depth: Mississippian

Water Source for Drilling Operations:

☐ Well ☐ Farm Pond ☒ Other: Trucking

DWR Permit #: _____

(Note: Apply for Permit with DWR ☐)

Will Cores be taken? ☐ Yes ☒ No

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 - 15-007-24111-01-00

Conductor pipe required 0 feet

Minimum surface pipe required 200 feet per ALT. ☒ I ☐ II

Approved by: Rick Hestermann 11/14/2013

This authorization expires: 11/14/2014

(This authorization void if drilling not started within 12 months of approval date.)

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

11

35

13

☐ E

☒ W

1168201

For KCC Use ONLY

API # 15 - 15-007-24111-01-00

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: Pacific Energy Development MSL LLC

Lease: Achenbach

Well Number: 11-1H

Field: Wildcat

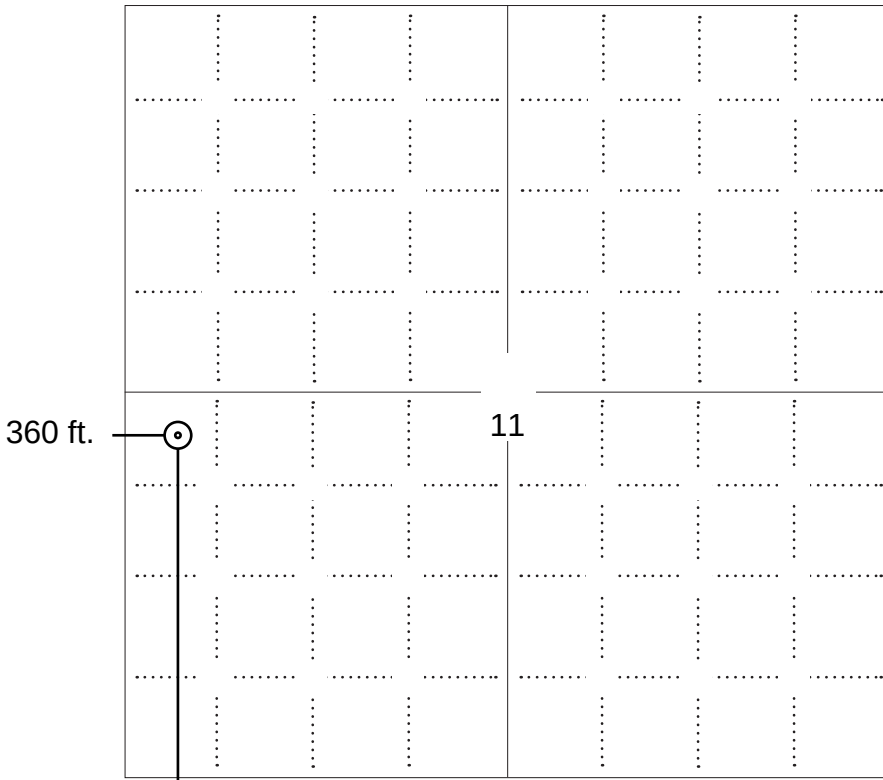
Number of Acres attributable to well: 360

QTR/QTR/QTR/QTR of acreage: NE - NW - NW - SW

Location of Well: County: Barber

2340 feet from ☐ N / ☒ S Line of Section360 feet from ☐ E / ☒ W Line of SectionSec. 11 Twp. 35 S. R. 13 ☐ E ☒ WIs 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 location.

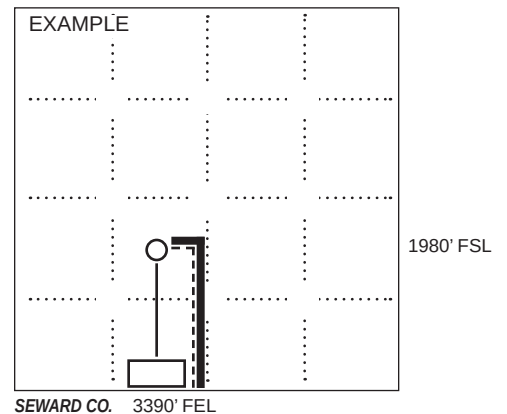
2340 ft.

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.

LEGEND

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



KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

1168201

Form CDP-1
May 2010
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Pacific Energy Development MSL LLC		License Number: 34959
Operator Address: 4125 BLACKHAWK PLAZA CIR SUITE 201A DANVILLE CA 94506		
Contact Person: Angie Galvan		Phone Number: 281-716-5730
Lease Name & Well No.: Achenbach 11-1H		Pit Location (QQQQ): NE - NW - NW - SW Sec. 11 Twp. 35 R. 13 ☐ East ☒ West 2340 Feet from ☐ North / ☒ South Line of Section 360 Feet from ☐ East / ☒ West Line of Section Barber County
Type of Pit: ☐ Emergency Pit ☐ Burn Pit ☐ Settling Pit ☐ Drilling Pit ☐ Workover Pit ☐ Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit is: ☐ Proposed ☐ Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? ☐ Yes ☒ No		Chloride concentration: _____ mg/l (For Emergency Pits and Settling Pits only)
Is the bottom below ground level? ☐ Yes ☐ No	Artificial Liner? ☐ Yes ☐ No	How is the pit lined if a plastic liner is not used?
Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) ☒ N/A: Steel Pits Depth from ground level to deepest 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: _____ feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: ☐ measured ☐ well owner ☐ electric log ☐ 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? ☐ Yes ☐ No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: mud and cuttings Number of working pits to be utilized: 1 Abandonment procedure: remove free fluid, let dry and back fill Drill pits must be closed within 365 days of spud date.
Submitted Electronically		

KCC OFFICE USE ONLY

Date Received: **11/13/2013** Permit Number: **15-007-24111-01-00** Permit Date: **11/14/2013** Lease Inspection: ☐ Yes ☒ No
☐ Liner ☒ Steel Pit ☒ RFAC ☐ RFAS

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



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 # 34959
Name: Pacific Energy Development MSL LLC
Address 1: 4125 BLACKHAWK PLAZA CIR
Address 2: SUITE 201A
City: DANVILLE State: CA Zip: 94506 + _____
Contact Person: Angie Galvan
Phone: (281) 716-5730 Fax: (_____) _____
Email Address: Angie.Galvan@stxra.com

Well Location:
NE NW SW Sec. 11 Twp. 35 S. R. 13 ☐ East ☒ West
County: Barber
Lease Name: Achenbach Well #: 11-1H
If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: Charles E. Achenbach
Address 1: 7170 SW Hackberry
Address 2: _____
City: HARDNER State: Kansas Zip: 67057 + _____

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

**PACIFIC ENERGY DEVELOPMENT MSL
ACHENBACH LEASE
IN SECTIONS 11 & 14, T35S, R13W
BARBER COUNTY, KANSAS**

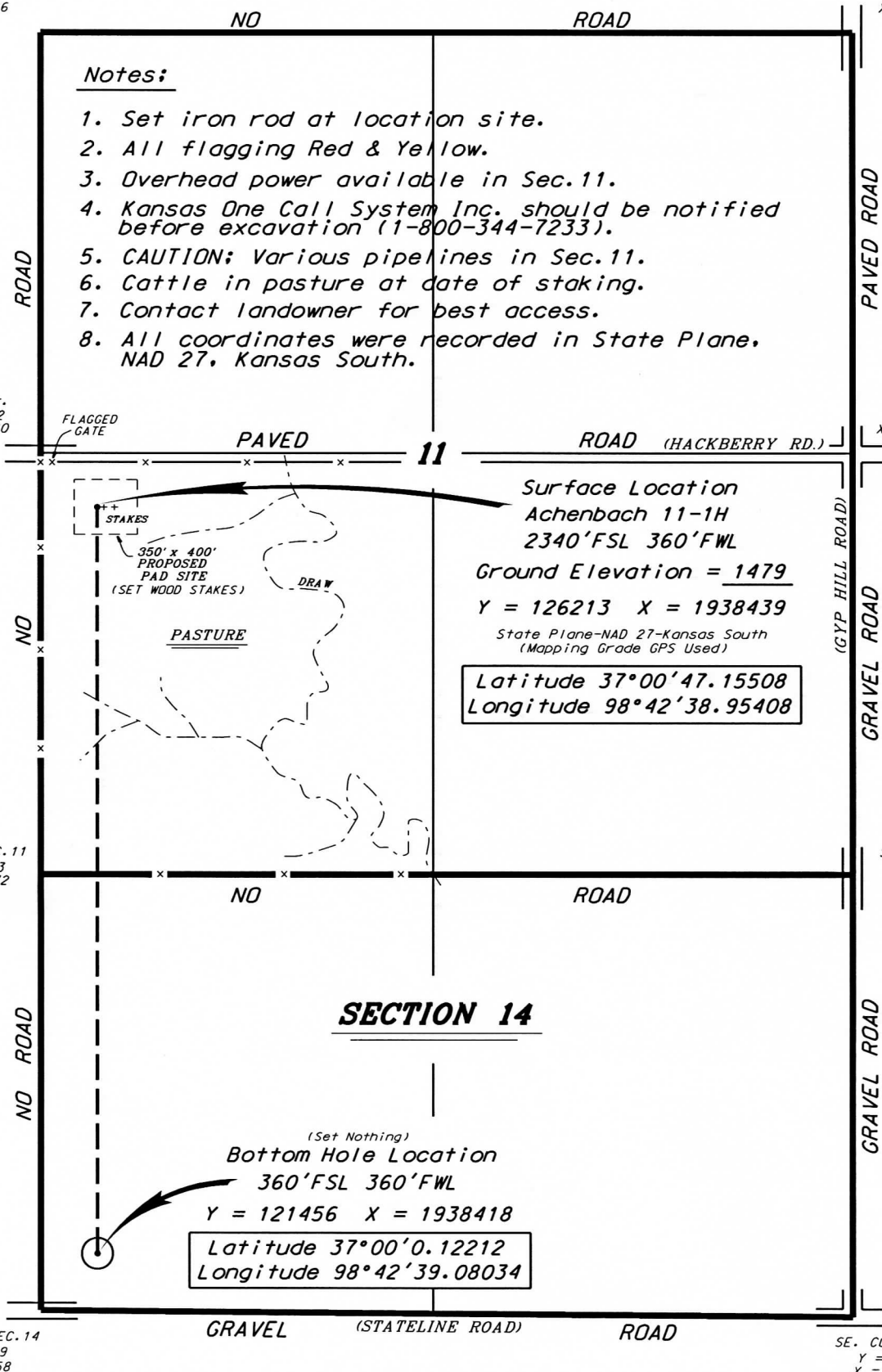
NW. COR. SEC. 11
Y = 129162
X = 1938086

NE. COR. SEC. 11
Y = 129146
X = 1943394

Notes:

1. Set iron rod at location site.
2. All flagging Red & Yellow.
3. Overhead power available in Sec. 11.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec. 11.
6. Cattle in pasture at date of staking.
7. Contact landowner for best access.
8. All coordinates were recorded in State Plane, NAD 27, Kansas South.

* 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.



SCALE 1" = 1000'



SW. COR. SEC. 11
Y = 123873
X = 1938072

SE. COR. SEC. 11
Y = 123867
X = 1943368

SW. COR. SEC. 14
Y = 121099
X = 1938058

SE. COR. SEC. 14
Y = 121054
X = 1943335

* 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 plat 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 **August 27, 2013**

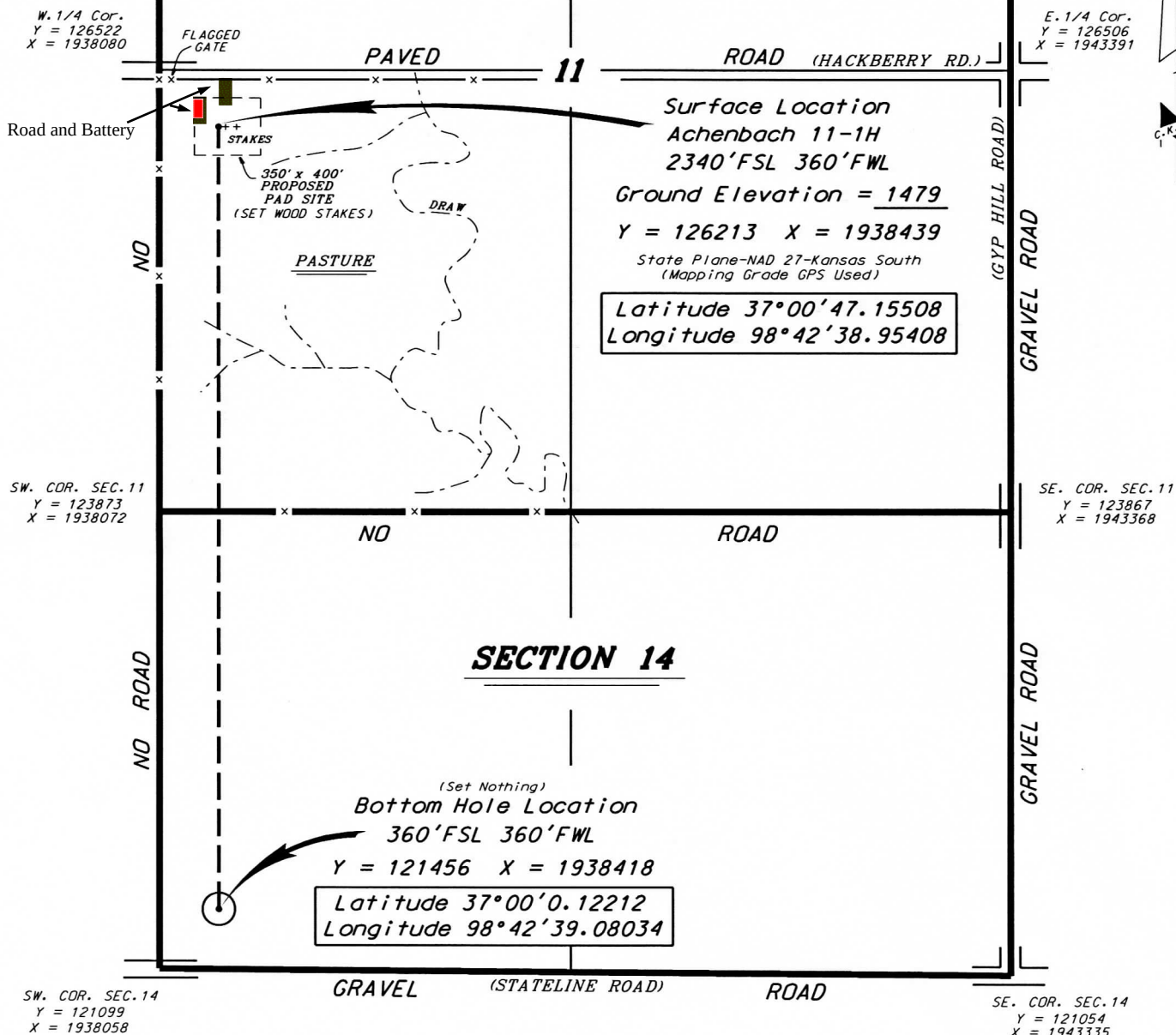
CENTRAL KANSAS OILFIELD SERVICES, INC. (620)792-1977

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X = 1938086

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Y = 129146
X = 1943394

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* Elevations derived from National Geodetic Vertical Datum.

Date August 27, 2013

CENTRAL KANSAS OILFIELD SERVICES, INC. (620)792-1977

NE. COR. SEC. 11
Y = 129146
X = 1943394

E. 1/4 Cor.
Y = 126506
X = 1943391

SE. COR. SEC. 11
Y = 123867
X = 1943368

SE. COR. SEC. 14
Y = 121054
X = 1943335

ROAD

CENTRAL KANSAS OILFIELD SERVICES, INC. (620)792-1977

NOI APPLICATION

Achenbach 11-1H

Lease Descriptions Achenbach 11-1H:

SH & BH Locations

Legal Description:

Northwest Quarter (NW/4) of Section 11, Township 35 South, Range 13 West, Barber County, Kansas

Southwest Quarter (SW/4) of Section 11, Township 35 South, Range 13 West, Barber County, Kansas

Northwest Quarter (NW/4) of Section 14, Township 35 South, Range 13 West, Barber County, Kansas

Each of the abovementioned property descriptions form separate leases. The multiple leases are planned to be unitized.

November 14, 2013

Angie Galvan
Pacific Energy Development MSL LLC
4125 BLACKHAWK PLAZA CIR
SUITE 201A
DANVILLE, CA 94506

Re: Drilling Pit Application
Achenbach 11-1H
SW/4 Sec.11-35S-13W
Barber County, Kansas

Dear Angie Galvan:

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) 225-8888.

HAUL-OFF PIT APPLICATION FILING REQUIREMENTS

82-3-607.

DISPOSAL OF DIKE AND PIT CONTENTS.

(a)

Each operator shall perform one of the following when disposing of dike or

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;
- (2) dispose of reserve pit waste down the annular space of a well completed 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

- (3) dispose of the remaining solid contents in any manner required by the commission. The requirements may include any of the following:
 - (A) Burial in place, in accordance with the grading and restoration requirements in K.A.R. 82-3-602 (f);
 - (B) removal and placement of the contents in an on-site disposal area approved by the commission;
 - (C) removal and placement of the contents in an off-site disposal area

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

approved (D) removal of the contents to a permitted off-site disposal area
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.