

For KCC	Use:	
Effective	Date:	
District #		
SGA?	Yes No	

Kansas Corporation Commission Oil & Gas Conservation Division

1194618

Form C-1

March 2010

Form must be Typed

Form must be Signed

All blanks must be Filled

NOTICE OF INTENT TO DRILL

Expected Spud Date:	Spot Description:			
month day year				
OPERATOR: License#	(0/0/0/0) feet from N / S Line of Section			
Name:	feet from E / W Line of Section			
Address 1:	Is SECTION: Regular Irregular?			
Address 2:	(Note: Locate well on the Section Plat on reverse side)			
City:	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:	Nearest Lease or unit boundary line (in footage):			
	Ground Surface Elevation:feet MSL			
Oil Enh Rec Infield Mud Rotary	Water well within one-quarter mile:			
Gas Storage Pool Ext. Air Rotary	Public water supply well within one mile:			
Disposal Wildcat Cable Seismic ;# of Holes Other	Depth to bottom of fresh water:			
Other:	Depth to bottom of usable water:			
	Surface Pipe by Alternate: I II			
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:			
Operator:	Length of Conductor Pipe (if any):			
Well Name:	Projected Total Depth:			
Original Completion Date: Original Total Depth:				
	Water Source for Drilling Operations:			
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:			
AF	FIDAVIT			
The undersigned hereby affirms that the drilling, completion and eventual plu	ugging of this well will comply with K.S.A. 55 et. seq.			
It is agreed that the following minimum requirements will be met:				
 Notify the appropriate district office <i>prior</i> to spudding of well; A copy of the approved notice of intent to drill <i>shall be</i> posted on each The minimum amount of surface pipe as specified below <i>shall be set</i> through all unconsolidated materials plus a minimum of 20 feet into th If the well is dry hole, an agreement between the operator and the dis The appropriate district office will be notified before well is either pluge If an ALTERNATE II COMPLETION, production pipe shall be cemented 	by circulating cement to the top; in all cases surface pipe shall be set e underlying formation. trict office on plug length and placement is necessary prior to plugging ; ged or production casing is cemented in; defrom below any usable water to surface within 120 DAYS of spud date.			
	133,891-C, which applies to the KCC District 3 area, alternate II cementing e plugged. <i>In all cases, NOTIFY district office</i> prior to any cementing.			
	Remember to:			
For KCC Use ONLY	- File Certification of Compliance with the Kansas Surface Owner Notification			
API # 15	Act (KSONA-1) with Intent to Drill;			
	- File Drill Pit Application (form CDP-1) with Intent to Drill;			
Conductor pipe requiredfeet				
Conductor pipe requiredfeet	- File Completion Form ACO-1 within 120 days of spud date;			
Minimum surface pipe requiredfeet per ALTIII	 File Completion Form ACO-1 within 120 days of spud date; File acreage attribution plat according to field proration orders; 			
Minimum surface pipe requiredfeet per ALT. I II Approved by:	 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; 			
Minimum surface pipe requiredfeet per ALTIII	 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; 			

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

Spud date: _

 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:	

Side Two



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:										
Well Number:							feet	from E /	W Line of	Section
Field:					Sec Twp S. R E					
Number of Acres at						Is Section:	Regular or	Irregular		
QTR/QTR/QTR/QT	R of acreage	:	·	<u>-</u>		If Section is I Section corne	rregular, locate well r used: NE		orner bounda SW	ary.
			elines and ele	ctrical lines,	as require	e or unit bound	lary line. Show the pre as Surface Owner No red.			
		:		:	:	:				
								LEGEND		
								Well Location Tank Battery L Pipeline Loca Electric Line L Lease Road L	ocation tion ocation	
							EXAMPLE :			
					:			07		980' FSL
		:								980' FSL

NOTE: In all cases locate the spot of the proposed drilling locaton.

65 ft.

940 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.



Kansas Corporation Commission Oil & Gas Conservation Division

1194618 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: Emergency Pit Burn Pit Settling Pit Drilling Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) Is the pit located in a Sensitive Ground Water A	Pit is: Proposed Existing If Existing, date constructed: Pit capacity: (bbls)		SecTwp R East WestFeet from North / South Line of Section Feet from East / West Line of Section County Chloride concentration: mg/l mg/l mg/l reference from reference from mg/l mg/l reference from reference from mg/l mg/l reference from reference from mg/l reference from		
Is the bottom below ground level? Yes No	Artificial Liner?	No	How is the pit lined if a plastic liner is not used?		
Pit dimensions (all but working pits):	Length (fee				
If the pit is lined give a brief description of the li material, thickness and installation procedure.			dures for periodic maintenance and determining acluding any special monitoring.		
Distance to nearest water well within one-mile of	of pit:	Depth to shallo Source of infor	west fresh water feet. mation:		
feet Depth of water well	feet	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 s		Type of materia	over and Haul-Off Pits ONLY: all utilized in drilling/workover: king pits to be utilized: procedure:		
Submitted Electronically Drill pits must be closed within 365 days of spud date.					
KCC OFFICE USE ONLY Liner Steel Pit RFAC RFAS					
Date Received: Permit Num	ber:	Permi	t Date: Lease Inspection: Yes No		



1194618

Form KSONA-1
January 2014
Form Must Be Typed
Form must be Signed
All blanks must be Filled

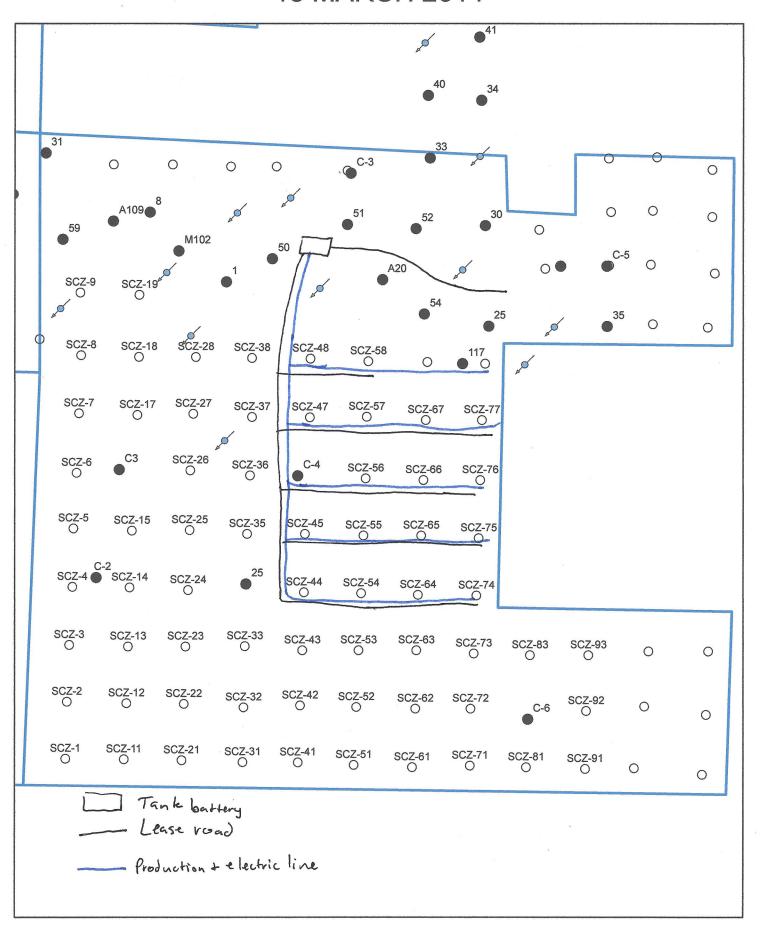
CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

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 (C	Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)				
OPERATOR: License #	Well Location:				
Name:	SecTwpS. R East				
Address 1:	County:				
Address 2:	Lease Name: Well #:				
City:	If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:				
Contact Person:					
Phone: () Fax: ()					
Surface Owner Information:					
Name:	When filing a Form T-1 involving multiple surface owners, attach an additional				
Address 1:	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.				
Address 2:					
City: State: Zip:+					
the KCC with a plat showing the predicted locations of lease roads, tank are preliminary non-binding estimates. The locations may be entered on Select one of the following: I certify that, pursuant to the Kansas Surface Owner Notice A owner(s) of the land upon which the subject well is or will be location CP-1 that I am filing in connection with this form; 2) if the form the form; and 3) my operator name, address, phone number, fax, and I have not provided this information to the surface owner(s). I as KCC will be required to send this information to the surface owner.	cknowledge that, because I have not provided this information, the vner(s). To mitigate the additional cost of the KCC performing this of the surface owner by filling out the top section of this form and				
If choosing the second option, submit payment of the \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-	fee with this form. If the fee is not received with this form, the KSONA-1				
Submitted Electronically					

SCZ RESOURCES CANNON LEASE 18 MARCH 2014



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/

Sam Brownback, Governor

Shari Feist Albrecht, Chair Thomas E. Wright, Commissioner Jay Scott Emler, Commissioner

NOTICE

Nearest Lease or Unit Boundary Line

K.A.R. 82-3-108 provides that all oil and gas well locations must comply with setback requirements, unless an exception has been granted by the Commission. Depending upon whether the subject well is an oil well or gas well, and also depending upon the county in which the well is located, the setback may be 330 feet or 165 feet from the nearest lease or unit boundary.

This Intent to Drill ("C-1") form indicates that the distance between the well and the nearest lease or unit boundary will comply with the setback requirement. Accordingly, the C-1 has been approved. However, the C-1 also stated that the well location is very near a boundary line of a Section or a Quarter-Section. This notice is being sent as a courtesy reminder, in case an error was made on the C-1.

As the operator of the proposed well, you must independently verify that the proposed well location complies with the applicable regulatory setback. If at any time it should appear that a well does not comply with the regulatory setback, the well may be subject to being shut-in pending Commission approval of an application for a well location exception. In addition, if such an application is not granted by the Commission, you may be required to plug the well.

If the proposed well location will comply with the regulatory setback, this notice may be disregarded. Please contact the KCC Production Department with any questions or concerns.

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/

Sam Brownback, Governor

Shari Feist Albrecht, Chair Thomas E. Wright, Commissioner Jay Scott Emler, Commissioner

March 18, 2014

Jorge Ranz SCZ Resources, LLC 8614 CEDARSPUR DR HOUSTON, TX 77055

Re: Drilling Pit Application CANNON SCZ-54 SE/4 Sec.22-26S-18E Allen County, Kansas

Dear Jorge Ranz:

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 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 (620) 432-2300 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 (620) 432-2300.