For KCC Use:

Eff	e	ct	iv	е	Date:

District	#	

SGA?	Yes	No

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

1195630

NOTICE OF INTENT TO DRILL

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

KSONA-1, Certifi	cation of Compliance	with the Kansas Surfac	e Owner Notification Ac	ct, MUST be submitted w	ith this form
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Expected Spud Date:	Spot Description:
month day year	(a/a/a/a) 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:
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: Yes Water well within one-quarter mile: Yes No Public water supply well within one mile: Yes No Depth to bottom of fresh water: Depth to bottom of usable water: Surface Pipe by Alternate: I Length of Surface Pipe Planned to be set: Length of Conductor Pipe (if any): Projected Total Depth: Formation at Total Depth:
Directional Deviated or Horizontal wellbore?	
Bottom Hole Location:	
KCC DKT #:	
Original Completion Date: Original Total Depth: Directional, Deviated or Horizontal wellbore? Yes No If Yes, true vertical depth:	

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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For KCC Use ONLY	
API # 15	
Conductor pipe required	feet
Minimum surface pipe required	feet per ALT.
Approved by:	
This authorization expires: (This authorization void if drilling not started within 12	
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:

ш



For KCC Use ONLY

API # 15 - .

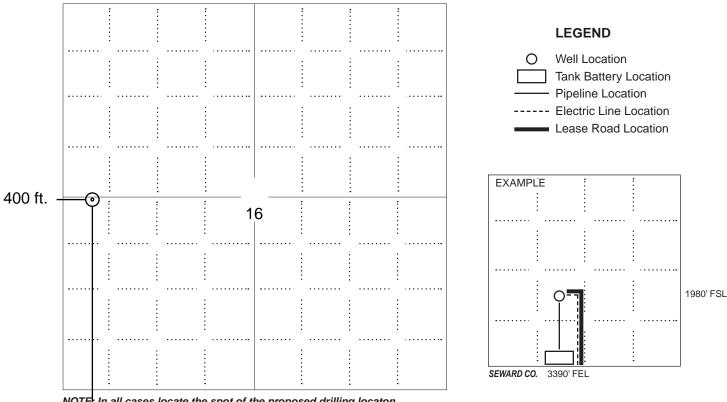
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.

2600 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.

Side Two

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION 1195630

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name:		ionni în Duplicat	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	
Workover Pit Haul-Off Pit (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	Area? Yes	No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)	
Is the bottom below ground level?	Artificial Liner?	No	How is the pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits):	Length (fe	et)	Width (feet)N/A: Steel Pits	
Depth fro	om ground level to de	epest point:	(feet) No Pit	
Distance to nearest water well within one-mile of pit: Depth to shallowest fresh water feet. Source of information:			mation:	
feet Depth of water wellfeet		measured	well owner electric log KDWR	
Emergency, Settling and Burn Pits ONLY:			over and Haul-Off Pits ONLY:	
Producing Formation: Number of producing wells on lease:		Type of material utilized in drilling/workover:		
		Abandonment procedure:		
Barrels of fluid produced daily: Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No		Drill pits must be closed within 365 days of spud date.		
Submitted Electronically				
KCC OFFICE USE ONLY				
Date Received: Permit Num	ber:	Permi	t Date: Lease Inspection: Yes No	

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

KANSAS CORPORA OIL & GAS CONSE CERTIFICATION OF CO KANSAS SURFACE OWN	RVATION DIVISION January 2014 Form Must Be Typed Form must be Signed All blanks must be Filled Form must be Filled
This form must be submitted with all Forms C-1 (Notice of T-1 (Request for Change of Operator Transfer of Injection of Any such form submitted without an acconsistent the corresponding form being filed:	r Surface Pit Permit); and CP-1 (Well Plugging Application). npanying Form KSONA-1 will be returned.
OPERATOR: License #	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.

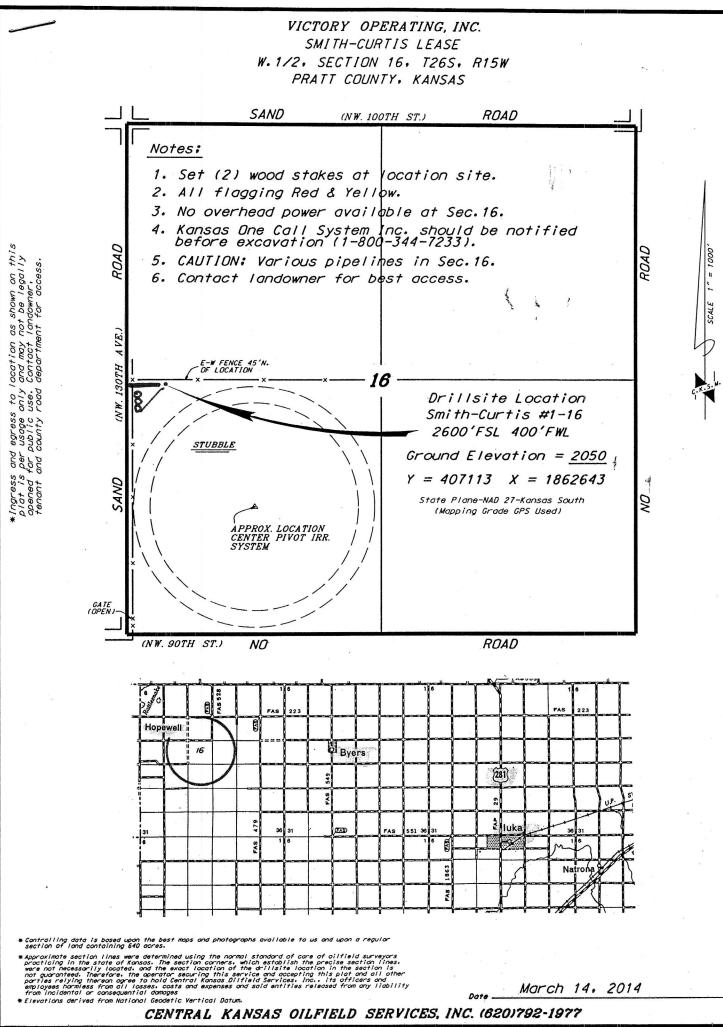
Select one of the following:

- 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 must provide the name and address of the surface owner by filling out the top section of this form and 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



DECLARATION OF POOLING AND UNITIZATION OF OIL AND GAS LEASES

WHEREAS, Bragg Resources, LLC is the record owner of the Oil and Gas Leases as described on Exhibit "A", attached hereto and by reference made a part hereof, covering lands in Pratt County, Kansas described as follows:

West Half (W/2) of Section 16, Township 26 South, Range 15 West

WHEREAS, each of said Oil and Gas Leases as described under Exhibit "A" grant the right, power, and privilege to the Lessee or his assigns, to pool or combine the acreage covered by each lease so as to form an oil production unit to cover, limit, and restrict only the acreage covered by each lease and not exceeding 40 acres, more particularly described below.

NOW, THEREFORE, in consideration of the premises and of the original considerations granted and given in connection with the execution and delivery of said Oil and Gas Leases, the undersigned does hereby pool, consolidate, and unitize the Oil and Gas Leases described under Exhibit "A" as to the rights therein and thereunder so as to form an oil production unit covering the following lands, to-wit:

The South Half of the Southwest Quarter of the Northwest Quarter (S/2 SW/4 NW/4), and the North Half of the Northwest Quarter of the Southwest Quarter (N/2 NW/4 SW/4) of Section 16, Township 26 South, Range 15 West, Pratt County, Kansas.

The undersigned, do hereby declare and give public notice by the execution and filing of this instrument of its purpose to unitize and pool the said Oil and Gas Leases, as amended, to the oil rights therein and thereunder so as to form the unit acreage described last above, and do declare the necessity and advisability of said pooling and unitization in order to properly develop and operate said lease premises so as to promote the conservation of oil in and under and that may be produced from said premises. Production found on the pooled or unit acreage shall be treated as if production is had from each and all of the several leases and royalty provided for under said leases shall be apportioned among the mineral, royalty, and overriding royalty owners within the said unit is the proportion that the interest in the minerals under the lands within the unitized area of such owner bears to the full mineral interest under all of the lands in the unitized area.

IN WITNESS WHEREOF, the undersigned have set their hand and seal this <u>5th</u> day of February, 2014.

BRAGG RESOURCES, LLC

si-smon ber J. E. Bragg, Jr., Managing Member

STATE OF TEXAS) COUNTY OF HRANISAS

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The foregoing instrument was acknowledged before me this <u>5th</u> day of February, 2014, by J. E. Bragg, Jr., as Managing Member of Bragg Resources, LLC, a Kansas Limited Liability Company, on behalf of the partnership.

(XUDIN R Kimch

Book: 430 Page: 346

EXHIBIT "A"

(Attached to that certain Declaration of Pooling and Unitization of Oil and Gas Leases dated February<u>5th</u>, 2014, covering the S/2 SW NW and N/2 NW SW Section 16-26S-15W, Pratt County, Kansas)

LEASE NAME:	Curtis Enterprises
LEASE DATE:	August 5, 2011
LESSOR:	Curtis Enterprises, LP, a Kansas Limited Partnership
LESSEE:	Bragg Resources, LLC
RECORDING DATA:	Book 394, Page 221
DESCRIPTION:	Insofar and only insofar as said lease covers:
	The Northwest Quarter (NW/4) of Section 16, Township 26 South,
	Range 15 West, Pratt County, Kansas

LEASE NAME:SmithLEASE DATE:July 18, 2011LESSOR:Agnes B. Smith, Trustee of the Living Trust of Agnes B. Smith
dated June 11, 1984.LESSEE:Bragg Resources, LLCRECORDING DATA:Book 394, Page 225DESCRIPTION:Insofar and only insofar as said lease covers:
The Southwest Quarter (SW/4) of Section 16, Township 26 South,
Range 15 West, Pratt County, Kansas

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 Jay Scott Emler, Commissioner Sam Brownback, Governor

March 26, 2014

Roscoe Mendenhall Victory Operating, Inc. 6 N. SCOTTSDALE WICHITA, KS 67230

Re: Drilling Pit Application Smith-Curtis Unit 1-16 SW/4 Sec.16-26S-15W Pratt County, Kansas

Dear Roscoe Mendenhall:

District staff has inspected the above referenced location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has recommended that the reserve pit be lined with bentonite or native clay, 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 96 hours after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. <u>NO</u> 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) 225-8888 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) 225-8888.