

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

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1214306

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	Sec Twp S. R E \
OPERATOR: License#	(Q/Q/Q/Q) feet from N / S Line of Section
Vame:	feet from E / W Line of Section
ddress 1:	Is SECTION: Regular Irregular?
ddress 2:	(Note: Locate well on the Section Plat on reverse side)
State:	County:
Contact Person:	Lease Name: Well #:
hone:	Field Name:
CONTRACTOR: License#	Is this a Prorated / Spaced Field?
lame:	Target Formation(s):
	Nearest Lease or unit boundary line (in footage):
Well Drilled For: Well Class: Type Equipment:	Ground Surface Elevation:feet MS
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	Depth to bottom of fresh water:
Seismic ;# of Holes Other	Depth to bottom of usable water:
Other:	Surface Pipe by Alternate: I III
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
	Length of Conductor Pipe (if any):
Operator:	Projected Total Depth:
Well Name: Original Total Depth:	Formation at Total Depth:
Original Completion Date: Original Total Depth:	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?	Well Farm Pond Other:
f Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	(Note: Apply for Permit with DWR)
CC DKT #:	Will Cores be taken?
	If Yes, proposed zone:
	FIDAVIT
The undersigned hereby affirms that the drilling, completion and eventual plu	igging of this well will comply with K.S.A. 55 et. seq.
Notify the appropriate district office <i>prior</i> to spudding of well;	
2. A copy of the approved notice of intent to drill shall be posted on each	3 3,
 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> 	by circulating cement to the top; in all cases surface pipe shall be set
 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 	by circulating cement to the top; in all cases surface pipe shall be set e underlying formation.
 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 the If the well is dry hole, an agreement between the operator and the dist The appropriate district office will be notified before well is either plugg 	by circulating cement to the top; in all cases surface pipe shall be set e underlying formation. rict office on plug length and placement is necessary prior to plugging ; yed or production casing is cemented in;
 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 dist The appropriate district office will be notified before well is either plugg If an ALTERNATE II COMPLETION, production pipe shall be cemente 	by circulating cement to the top; in all cases surface pipe shall be set e underlying formation. rict office on plug length and placement is necessary prior to plugging ; ged or production casing is cemented in; d from below any usable water to surface within 120 DAYS of spud date.
 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 dist The appropriate district office will be notified before well is either plugg If an ALTERNATE II COMPLETION, production pipe shall be cemented or pursuant to Appendix "B" - Eastern Kansas surface casing order #1 	by circulating cement to the top; in all cases surface pipe shall be set e underlying formation. rict office on plug length and placement is necessary prior to plugging; ged or production casing is cemented in; d from below any usable water to surface within 120 DAYS of spud date. 33,891-C, which applies to the KCC District 3 area, alternate II cementing
 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 dist The appropriate district office will be notified before well is either plugg If an ALTERNATE II COMPLETION, production pipe shall be cemented or pursuant to Appendix "B" - Eastern Kansas surface casing order #1 	by circulating cement to the top; in all cases surface pipe shall be set e underlying formation. rict office on plug length and placement is necessary prior to plugging ; ged or production casing is cemented in; d from below any usable water to surface within 120 DAYS of spud date.
 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 dist The appropriate district office will be notified before well is either plugg If an ALTERNATE II COMPLETION, production pipe shall be cemented or pursuant to Appendix "B" - Eastern Kansas surface casing order #1 	by circulating cement to the top; in all cases surface pipe shall be set e underlying formation. rict office on plug length and placement is necessary prior to plugging; ged or production casing is cemented in; d from below any usable water to surface within 120 DAYS of spud date. 33,891-C, which applies to the KCC District 3 area, alternate II cementing
 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 the If the well is dry hole, an agreement between the operator and the dist The appropriate district office will be notified before well is either pluge If an ALTERNATE II COMPLETION, production pipe shall be cemente Or pursuant to Appendix "B" - Eastern Kansas surface casing order #1 must be completed within 30 days of the spud date or the well shall be 	by circulating cement to the top; in all cases surface pipe <i>shall be set</i> e underlying formation. rict office on plug length and placement is necessary <i>prior to plugging;</i> ged or production casing is cemented in; d from below any usable water to surface within <i>120 DAYS</i> of spud date. 33,891-C, which applies to the KCC District 3 area, alternate II cementing
 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 the If the well is dry hole, an agreement between the operator and the dist The appropriate district office will be notified before well is either plugged. If an ALTERNATE II COMPLETION, production pipe shall be cemented or pursuant to Appendix "B" - Eastern Kansas surface casing order #1 must be completed within 30 days of the spud date or the well shall be 	by circulating cement to the top; in all cases surface pipe <i>shall be set</i> e underlying formation. rict office on plug length and placement is necessary <i>prior to plugging;</i> ged or production casing is cemented in; d from below any usable water to surface within <i>120 DAYS</i> of spud date. 33,891-C, which applies to the KCC District 3 area, alternate II cementing a plugged. <i>In all cases, NOTIFY district office</i> prior to any cementing.
 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 the If the well is dry hole, an agreement between the operator and the dist The appropriate district office will be notified before well is either plugg If an ALTERNATE II COMPLETION, production pipe shall be cemented or pursuant to Appendix "B" - Eastern Kansas surface casing order #" must be completed within 30 days of the spud date or the well shall be 	by circulating cement to the top; in all cases surface pipe <i>shall be set</i> to underlying formation. Trict office on plug length and placement is necessary <i>prior to plugging;</i> used or production casing is cemented in; defrom below any usable water to surface within <i>120 DAYS</i> of spud date. 33,891-C, which applies to the KCC District 3 area, alternate II cementing a plugged. <i>In all cases, NOTIFY district office</i> prior to any cementing.
 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 the If the well is dry hole, an agreement between the operator and the dist The appropriate district office will be notified before well is either pluge If an ALTERNATE II COMPLETION, production pipe shall be cemente Or pursuant to Appendix "B" - Eastern Kansas surface casing order #1 must be completed within 30 days of the spud date or the well shall be Jubmitted Electronically For KCC Use ONLY	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; yed or production casing is cemented in; d from below any usable water to surface within 120 DAYS of spud date. 33,891-C, which applies to the KCC District 3 area, alternate II cementing e plugged. In all cases, NOTIFY district office prior to any cementing. Remember to: - File Certification of Compliance with the Kansas Surface Owner Notification
1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on each 3. 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. 4. If the well is dry hole, an agreement between the operator and the dist 5. The appropriate district office will be notified before well is either plugg 6. If an ALTERNATE II COMPLETION, production pipe shall be cemente Or pursuant to Appendix "B" - Eastern Kansas surface casing order #1 must be completed within 30 days of the spud date or the well shall be submitted Electronically For KCC Use ONLY API # 15 -	by circulating cement to the top; in all cases surface pipe shall be set a underlying formation. Trict office on plug length and placement is necessary prior to plugging; used or production casing is cemented in; d from below any usable water to surface within 120 DAYS of spud date. 33,891-C, which applies to the KCC District 3 area, alternate II cementing a plugged. In all cases, NOTIFY district office prior to any cementing. Remember to: - File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on each 3. 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. 4. If the well is dry hole, an agreement between the operator and the dist 5. The appropriate district office will be notified before well is either plugg 6. If an ALTERNATE II COMPLETION, production pipe shall be cemente Or pursuant to Appendix "B" - Eastern Kansas surface casing order #1 must be completed within 30 days of the spud date or the well shall be submitted Electronically For KCC Use ONLY API # 15 -	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; d from below any usable water to surface within 120 DAYS of spud date. 33,891-C, which applies to the KCC District 3 area, alternate II cementing e plugged. In all cases, NOTIFY district office prior to any cementing. 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;
1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on each 3. 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 the 4. If the well is dry hole, an agreement between the operator and the dist 5. The appropriate district office will be notified before well is either plugg 6. If an ALTERNATE II COMPLETION, production pipe shall be cemente Or pursuant to Appendix "B" - Eastern Kansas surface casing order #" must be completed within 30 days of the spud date or the well shall be submitted Electronically For KCC Use ONLY API # 15	by circulating cement to the top; in all cases surface pipe shall be set a underlying formation. Trict office on plug length and placement is necessary prior to plugging; ged or production casing is cemented in; d from below any usable water to surface within 120 DAYS of spud date. 33,891-C, which applies to the KCC District 3 area, alternate II cementing a plugged. In all cases, NOTIFY district office prior to any cementing. 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;
1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on each 3. 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. 4. If the well is dry hole, an agreement between the operator and the dist 5. The appropriate district office will be notified before well is either plugg 6. If an ALTERNATE II COMPLETION, production pipe shall be cemente Or pursuant to Appendix "B" - Eastern Kansas surface casing order #1 must be completed within 30 days of the spud date or the well shall be completed. 4. If the well is dry hole, an agreement between the operator and the district office will be notified before well is either plugg 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented. 5. The appropriate district office will be notified before well is either plugg 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented. 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented or pursuant to Appendix "B" - Eastern Kansas surface casing order #1 must be completed within 30 days of the spud date or the well shall be completed. 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented or pursuant to Appendix "B" - Eastern Kansas surface casing order #1 must be completed within 30 days of the spud date or the well shall be completed. 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented be completed within 30 days of the spud date or the well shall be cemented. 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented be completed before the district office well is either plugge. 7. Conductor pipe required	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; d from below any usable water to surface within 120 DAYS of spud date. 33,891-C, which applies to the KCC District 3 area, alternate II cementing e plugged. In all cases, NOTIFY district office prior to any cementing. 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;
1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on each 3. 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 the 4. If the well is dry hole, an agreement between the operator and the dist 5. The appropriate district office will be notified before well is either plugg 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented or pursuant to Appendix "B" - Eastern Kansas surface casing order #1 must be completed within 30 days of the spud date or the well shall be a completed within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the well shall be considered within 30 days of the spud date or the spu	by circulating cement to the top; in all cases surface pipe shall be set a underlying formation. Trict office on plug length and placement is necessary prior to plugging; ged or production casing is cemented in; d from below any usable water to surface within 120 DAYS of spud date. 33,891-C, which applies to the KCC District 3 area, alternate II cementing a plugged. In all cases, NOTIFY district office prior to any cementing. 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;
1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on each and 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 the lift the well is dry hole, an agreement between the operator and the district office will be notified before well is either plugged. If an ALTERNATE II COMPLETION, production pipe shall be cemented. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #1 must be completed within 30 days of the spud date or the well shall be submitted Electronically For KCC Use ONLY API # 15	by circulating cement to the top; in all cases surface pipe shall be set a underlying formation. Trict office on plug length and placement is necessary prior to plugging; ged or production casing is cemented in; d from below any usable water to surface within 120 DAYS of spud date. 33,891-C, which applies to the KCC District 3 area, alternate II cementing a plugged. In all cases, NOTIFY district office prior to any cementing. 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;

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



For KCC Use ONLY	
API # 15	-

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

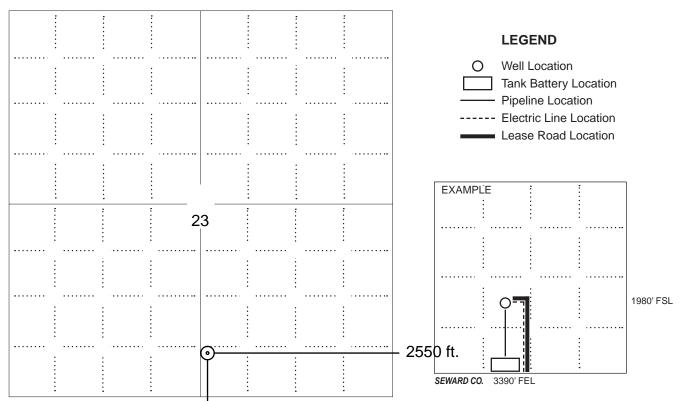
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

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					
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.

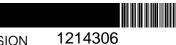


NOTE: In all cases locate the spot of the proposed drilling locaton.

600 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

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 West Feet from North / South Line of Section Feet from East / West Line of Section County Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)		
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 shallowest fresh water feet. Source of information:			
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:		
flow into the pit? Yes No Drill pits must be closed within 365 days of spud date. Submitted Electronically					
	KCC	OFFICE USE O	NLY Liner Steel Pit RFAC RFAS		
Date Received: Permit Num	ber:	Permi	t Date: Lease Inspection: Yes No		



1214306

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 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License #	
Name:	· — —
Address 1:	•
Address 2:	Lease Name: Well #:
City: State: +	the large heless.
Phone: () Fax: ()	
Email Address:	-
Surface Owner Information:	
Name:	
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
Address 2:	
City: State: Zip:+	_
are preliminary non-binding estimates. The locations may be entered	ank batteries, pipelines, and electrical lines. The locations shown on the plat If on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.
Select one of the following:	
owner(s) of the land upon which the subject well is or will be	e Act (House Bill 2032), I have provided the following to the surface e located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form m being filed is a Form C-1 or Form CB-1, the plat(s) required by this and email address.
KCC will be required to send this information to the surface	I acknowledge that, because I have not provided this information, the owner(s). To mitigate the additional cost of the KCC performing this ess of the surface owner by filling out the top section of this form and e KCC, which is enclosed with this form.
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 C	ng fee with this form. If the fee is not received with this form, the KSONA-1 P-1 will be returned.
Submitted Electronically	
I	

DECLARATION OF UNITIZATION

(Newell #23-2 Unit)

THIS DECLARATION OF UNITIZATION is made this 27th day of June, 2014, 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.

rata division of all royalties from the sale of oil or gas or either of them produced from the authorized Lessee to pool and unitize said leases so that each Lessor would receive pro Unitized Area in the proportion that each Lessor's mineral interest bears to the total and the Lessor of the Newell SW Lease covering SW1/4 Sec. 23-8-21 have previously AND WHEREAS, the Lessor of the Newell SE Lease covering SE1/4 Sec. 23-8-21 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 NOW, THEREFORE, in consideration of these premises and of the mutual benefits in Exhibit A in accordance with the following ferms and conditions:

- 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 By virtue of the power and authority granted by each fandowner/lessor to the are pooled and unitized forming the Unitized Area described therein. The Unitized Area shall be developed and operated as one leased tract regardless of how the same or the minerals thereunder may be divided in ownership, just as though such Unitized Area had tract in such Unitized Area in accordance with Exhibit A and as their interest in each such Lessee, Lessee declares for all purposes that the oil and gas leases set forth in Exhibit A an entirety and the royalties thereon shall be paid ratably to the owners of each particular particular tract may appear and according to the applicable royalty provisions and other terms of the oil and gas lease covering that particular tract.
- 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 Exhibit A sets forth and establishes the total acreage owned by each Lessor. Order when issued.

Page 1 of 2

Recording Fee: STATE OF KANSAS GRAHAM COUNTY KANSAS JUANITA TOLL REGISTER OF DEEDS Book: 268 Page: 273 Receipt #: 36787 Pages Recorded: 3

Date Recorded: 7/9/2014 10:26:19 AM

- 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 such well or wells shall operate to keep in force the entire oil and gas leasehold estate 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 under each of said leases, just as though such well or wells were located on particular land and complete development of each of the oil and gas leases hereby unitized.
- 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.
- 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

ACKNOWLEDGMENT

	Š
o3	ME
NSA	ũ
\$	S.
头	Ō
E	Ę
\mathbf{z}	
10	7

The foregoing instrument was acknowledged before me this 2 day of 4 lb. 2014, by Daniel F. Brooks, Manager of HOP Energies, LLC, a Kansas limited liability company, on behalf of the company.

100
1/00
3
expires:
commission
È

STACY L. BROOKS
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp.

Notary Public

Page 2 of 2

EXHIBIT A

UNIT AREA

(Newell #23-2 Unit - S½ Sec. 23-8-21)

WEST OF THE SIXTH P.M., Graham County, Kansas, Beginning at the Southwest Corner of the SE% Sec. 23-8-21, thence East 660 feet, thence North 1,320 feet, thence West 1,320 feet, thence South 1,320 feet, thence East 660 feet to the place of beginning and containing forty (40) A TRACT IN THE SOUTH HALF OF SECTION 23, TOWNSHIP 8 SOUTH, RANGE 21 acres, more or less.

OIL AND GAS LEASES POOLED AND UNITIZED

Newell SE Lease: Oil and Gas Lease dated February 24, 2011, recorded in Book 249, pages 230-1, from Wayne Newell, Lessor, to and in favor of HOP Energies, LLC., Lessee, in so far as said lease covers:

Beginning at the Southwest Comer of the SE1/4 Sec. 23-8-21, thence East 660 A TRACT IN THE SOUTHEAST QUARTER (SE'/A) OF SECTION 23, TOWNSHIP 8 SOUTH, RANGE 21 WEST OF THE SIXTH P.M., Graham County, Kansas, feet, thence North 1,320 feet, thence West 660 feet, thence South 1,320 feet, to the place of beginning Newell SW Lease: Oil and Gas Lease dated February 24, 2011, recorded in Book 249, pages 228-9, from Wayne Newell, Lessor, to and in favor of HOP Energies, LLC., Lessee, in so far as said lease covers:

TOWNSHIP 8 SOUTH, RANGE 21 WEST OF THE SIXTH P.M., Graham County, North 1,320 feet, thence West 660 feet, thence South 1,320 feet, thence East A TRACT IN THE SOUTHWEST QUARTER (SW1/4) OF SECTION 23, Kansas, Beginning at the Southwest Corner of the SE¼ Sec. 23-8-21, thence 660 feet to the place of beginning

TRACT PARTICIPATION

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

ROYALTY PARTICIPATION

Wayne M. Newell as Trustee of the Wayne M. Newell Living Trust dated February 7, 2013 2510 Felton Dr. Hays, KS 67601

.1250 RI

IN ALL CASES PLOT THE MYENDED 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.

	Line of Section Line of Section W	lary.							i i	1980' FSL	
	S Line F Line	Is Section: Regular or Irregular If Section is Irregular, locate well from nearest corner boundary.	of of	Bill 2032).		n Location ation Location	Location				
	Z H	ular n nearest c	AT Security boundary line. Show the predicted locations of	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	<u></u>	! 	 	3390' FEL
raham	feet from feet from S. R. 21	or Irregular cate well from ne	the predict	vner Notice	-			EXAMPLE	!	O - 	
: County: ^G	Twp. 8	Regular or Irregular, locat	y line. Show	Surface Ov d.				<u> </u>	<u> </u>	: 5 !	- 2550 ft.
Location of Well: County: Graham	2380	ls Section: X Regu	unit boundar	ectrical lines, as required by the Kansas S You may attach a separate plat if desired.							246
roc /	8/2/8	S	PLAT Stile se or	a separate l							2413TI-V4
			Show footage to the netwest leg	cal lines, as may attach							
	74	NS.	ow footage		>		<i> </i>	- 			<u></u>
		N N	He well. Sh	ies, pipelines				//			
ing Inc.		table to well:acreage:NW			! !						>>
C Oil Operat	1 Unit 23-2	res attributa	Show	lease roads, tank batter	'		<i>J</i>			7	
Operator: H & C Oil Operating Inc.	Lease: Newell Unit Well Number: 23-2 Field: Unknown	Number of Acres attributable to well: QTR/QTR/QTR/QTR of acreage: N		¥ L					//	//	

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

$600\ ft.$ 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.

- 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).
 If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).
 - 5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

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 Jay Scott Emler, Commissioner Pat Apple, Commissioner

July 16, 2014

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

Re: Drilling Pit Application Newell Unit 23-2 SE/4 Sec.23-08S-21W 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.