For KCC Use:

Ef	fectiv	e D	ate	•

District	#		

SGA? Yes No

Form

## CORRECTION #2

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

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

(SONA-1, Certification of Compliance with the Kansas Surf	ce Owner Notification Act, MUST be submitted with this form.
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Expected Spud Date:	Spot Description:
month day year	
OPERATOR: License#	
Name:	
Address 1:	Is SECTION: Regular Irregular?
Address 2:	( <b>Note:</b> Locate well on the Section Plat on reverse side)
City: State: Zip: +	— County:
Contact Person:	Lease Name: Well #:
Phone:	Field Name:
CONTRACTOR: License#	
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         If OWWO: old well information as follows:       If Old well information as follows:	Nearest Lease or unit boundary line (in footage):
Operator:	Length of Conductor Pipe (if any):
Well Name:	Projected Total Depth:
Original Completion Date: Original Total Depth:	
Directional, Deviated or Horizontal wellbore? Yes N If Yes, true vertical depth: Bottom Hole Location:	DWR Permit #:
KCC DKT #:	
	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
-------------	----------------

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





\_\_\_\_\_

API # 15 - \_\_\_\_

For KCC Use ONLY

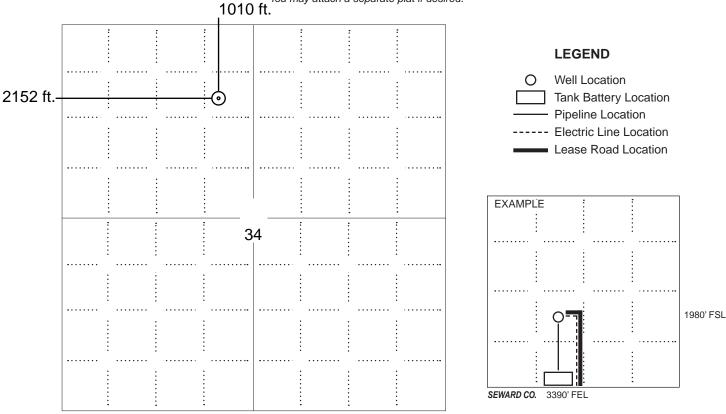
## IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.



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).
- 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.

CORRECTION #2

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION 1216850

Form CDP-1 May 2010 Form must be Typed

## **APPLICATION FOR SURFACE PIT**

Operator Name:       Licenso Number;         Operator Address:	Submit in Duplicate			
Contact Person:       Phone Number:         Lease Name & Well No:       Pit Location (QOQO):         Type of Pit:       Pit is:         Emergency Pit       Burn Pit         Emergency Pit       Drilling Pit         Work/over Pit       Hau/Off Pit         Pit capacity:       Feet from   North // South Line of Soction         Pit dys.pp/Afr Na. or New Deliber)       Pit capacity:         It be pit located in a Sensitive Ground Water Aras?       Yes   No         Chloride concentration:       Feet from   East /   West Line of Soction         // Core Emergency Pit and Sensitive Ground Water Aras?       Yes   No         Is the pit located in a Sensitive Ground Water Aras?       Yes   No         Pit dimensions (all but working pits):       Length (leet)       Work is the pit lined if a plastic liner is not used?         Pit dimensions (all but working pits):       Length (leet)       Work is the pit lined if a plastic liner is not used?         If the pit is lined give a brief description of the liner       No Pit       No Pit         The pit is lined give a brief description of the liner       Integrity, including any special monitoring.         Distance to nearest water well within one-mile of pit:       Depth for shallowest fresh water       feet.         Sucura of information:       Mumber of working pits to be uillized.       Abandomment procedure	Operator Name:		License Number:	
Lease Name & Well No:       Pit Location (QQQQ):         Type of Pit:       Pit is:                Energency Pit:       Diffing Pit                If Exsting, date constructed:       Pit eff from	Operator Address:			
Type of Pit:       Pit is:	Contact Person:			Phone Number:
Emergency Pit Burn Pit   Settling Pit Onling Pit   Workover Pit Haul-Off Pit   (I' WP Suppi API No. or ten Drilling If Existing, date constructed:   Pit capacity:	Lease Name & Well No.:			Pit Location (QQQQ):
Setting Pt1       Dniling Pt1       If Existing, date constructed:       Feet from   North / ] South Line of Section         Workover Pt1       Haul-Off Pt1       Pt capacity:       Feet from ] East / ] West Line of Section         Is the pt located in a Sensitive Ground Water Area?       Wes   No.       County         Is the pt located in a Sensitive Ground Water Area?       Wes   No.       County         Is the pt located in a Sensitive Ground Water Area?       Wes   No.       County         Is the pt located in a Sensitive Ground Water Area?       Wes   No.       County         Is the pt located in a Sensitive Ground Water Area?       Wes   No.       Pt drive is the pt lined if a plastic liner is not used?         Pt drivensions (all but working pts):       Length (feet)       Width (leet)       NA: Steel Pits         Depth from ground level to deepest point:       ((leet)       No Pit         If the pt is lined give a brief description of the liner       Describe procedures for periodic maintenance and determining         Iner integrity, including any special monitoring.       No Pit         Iner integrity, including any special monitoring.       KDWR         Producing Formation:       Number of working pits to be utilized in drilling/workower:         Number of producing wells on lease:       Number of working pits to be utilized in drilling/workower:         Barrels of fluid produced dail	Type of Pit:	Pit is:		
Workover Pit Haul-Off Pit   (If WP Supply API No. or Year Duffied) Pit capacity:   (bbis) Feet from   (bbis) County   Is the pit located in a Sensitive Ground Water Area?   (bbis) (bbis)   Chloride concentration:   (bbis) County   (bbis) Chloride concentration:   (bbis) Chloride concentration:   (bbis) Chloride concentration:   (bbis) Chloride concentration:   (bbis) Chloride concentration: (bbis) (bbis) Depth from ground level to deepest point: (bbis) (bbis) (bbis) Chloride concentration: (bbis) (bbis) Depth from ground level to deepest point: (bbis) (bbis) Chloride concentration: (bbis) Depth from ground level to deepest point: (bbis) Chloride concentration: (bbis) Chloride concentration: (bbis)<	Emergency Pit Burn Pit	Proposed	Existing	SecTwpR East West
(I'WP Stypty API No. or Wer Drilled)       Pit capacity:		If Existing, date co	nstructed:	Feet from North / South Line of Section
Is the pit located in a Sensitive Ground Water Area?       Yes       No       Chloride concentration:       mg/l         Is the pot torm below ground level?       Artificial Liner?       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         Pit dimensions (all but working pits):       Length (feet)       Width (feet)       No Pit       No Pit         If the pit is lined give a briel 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:       Depth to shallowest fresh water feet.       Source of information:         measured       well owner       electric log       KDWR         Emergency, Settling and Burn Pits ONLY:       Prilling, Workover and Haul-Off Pits ONLY:       Type of material utilized in drilling/workover:         Number of producing wells on lease;       No       Drilling the shallowest of spud date.       Drill pits must be closed within 365 days of spud date.         Submitted Electronically       Chloride tuste on the lank battery allow all spilled fluids to flow into the pit?       Yes       No         CoeFFICE USE ONLY       Liner       Steel Pit       RFAS		Pit capacity:		Feet from East / West Line of Section
Is the bottom below ground level?       Artificial Liner?       How is the pit lined if a plastic liner is not used?         I' Yes       No       I' Yes       No         Pit dimensions (all but working pits):       Length (feet)       Width (feet)       NA: Steel Pits         Depth from ground level to deepest point:			(bbls)	County
Yes No   Pit dimensions (all but working pits): Length (leet)   Depth from ground level to deepest point: (feet)   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: Depth to shallowest fresh water  feet Depth of water well   feet Depth of water well   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 spilled fluids to flow into the pit? Prill pits must be closed within 365 days of spud date.	Is the pit located in a Sensitive Ground Water A	rea? Yes	No	
Pit dimensions (all but working pits):				How is the pit lined if a plastic liner is not used?
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.         Distance to nearest water well within one-mile of 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:       Depth to shallowest fresh water feet. Source of information:        feet       Depth of water wellfeet       Depth of water wellfeet         Emergency, Settling and Burn Pits ONLY:       Drilling, Workover 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:         Abandonment procedure:       Orill pits must be closed within 365 days of spud date.         Submitted Electronically       Drill pits must be closed within 365 days of spud date.				
material, thickness and installation procedure. liner integrity, including any special monitoring.   Distance to nearest water well within one-mile of pit: Depth to shallowest fresh water feet.   Source of information: feet Depth of water well feet   Emergency, Setting and Burn Pits ONLY: Drilling, Workover and Haul-Off Pits ONLY:   Producing Formation:				
Source of information:  feet   Depth of water well  feet  measured   well owner  electric log   KDWR      Producing And Burn Pits ONLY:   Producing Formation:     Number of producing wells on lease:     Number of 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: Number of working pits to be utilized: Abandonment procedure: Dirill pits must be closed within 365 days of spud date.    Submitted Electronically   KCC OFFICE USE ONLY     Liner				
Source of information:  feet   Depth of water well  feet  measured   well owner  electric log   KDWR      Producing and Burn Pits ONLY: Producing Formation: Number of producing wells on lease: Number of produced daily: Abandonment procedure:				
Source of information:  feet   Depth of water well  feet  measured   well owner  electric log   KDWR      Producing and Burn Pits ONLY: Producing Formation: Number of producing wells on lease: Number of produced daily: Abandonment procedure:				
Emergency, Settling and Burn Pits ONLY:   Producing Formation:	Distance to nearest water well within one-mile of pit: Depth to shallo Source of inform		west fresh water feet. nation:	
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 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	feet Depth of water wellfeet measured		measured	well owner electric log KDWR
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     Drill pits must be closed within 365 days of spud date.     Submitted Electronically     KCC OFFICE USE ONLY     Liner     Steel Pit	Emergency, Settling and Burn Pits ONLY:		Drilling, Worko	ver and Haul-Off Pits ONLY:
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.   Dirill pits must be closed within 365 days of spud date.   KCC OFFICE USE ONLY   Liner   Steel Pit   RFAS	Producing Formation: Type		Type of material utilized in drilling/workover:	
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   Liner   Steel Pit   RFAS	Number of producing wells on lease: N		Number of wor	king pits to be utilized:
flow into the pit? Yes     No      Drill pits must be closed within 365 days of spud date.   Submitted Electronically     KCC OFFICE USE ONLY     Liner     Steel Pit   RFAS	Barrels of fluid produced daily: Abandonm		Abandonment	procedure:
Submitted Electronically           KCC OFFICE USE ONLY           Liner         Steel Pit         RFAC         RFAS			e closed within 365 days of spud date.	
KCC OFFICE USE ONLY         Liner       Steel Pit       RFAC				
KCC OFFICE USE ONLY         Liner       Steel Pit       RFAC	Submitted Electronically			
Liner Steel Pit RFAC RFAS				
Liner Steel Pit RFAC RFAS				
Date Received:    Permit Number:    Permit Date:    Lease Inspection:    Yes    No				
	Date Received: Permit Numl	ber:	Permi	t Date: Lease Inspection: Yes No

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

Kansas Corpor Oil & Gas Conse CERTIFICATION OF CO	Form must be Typed	
T-1 (Request for Change of Operator Transfer of Injection of	Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); r Surface Pit Permit); and CP-1 (Well Plugging Application). npanying Form KSONA-1 will be returned.	
Select the corresponding form being filed: C-1 (Intent) CB-1 (C	athodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)	
OPERATOR: License #	Well Location:	
Name:		
Address 1:	County:	
Address 2:	Lease Name: Well #:	
City: State: Zip:+ Contact Person:	If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:	
Phone: ( ) Fax: ( )		
Email Address:		
Surface Owner Information:		
Name:	When filing a Form T-1 involving multiple surface owners, attach an additional	
Address 1:		
Address 2:	county, and in the real estate property tax records of the county treasurer.	
City: State: Zip:+		
	ic Protection Borehole Intent), you must supply the surface owners and batteries, pipelines, and electrical lines. The locations shown on the plat	

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.

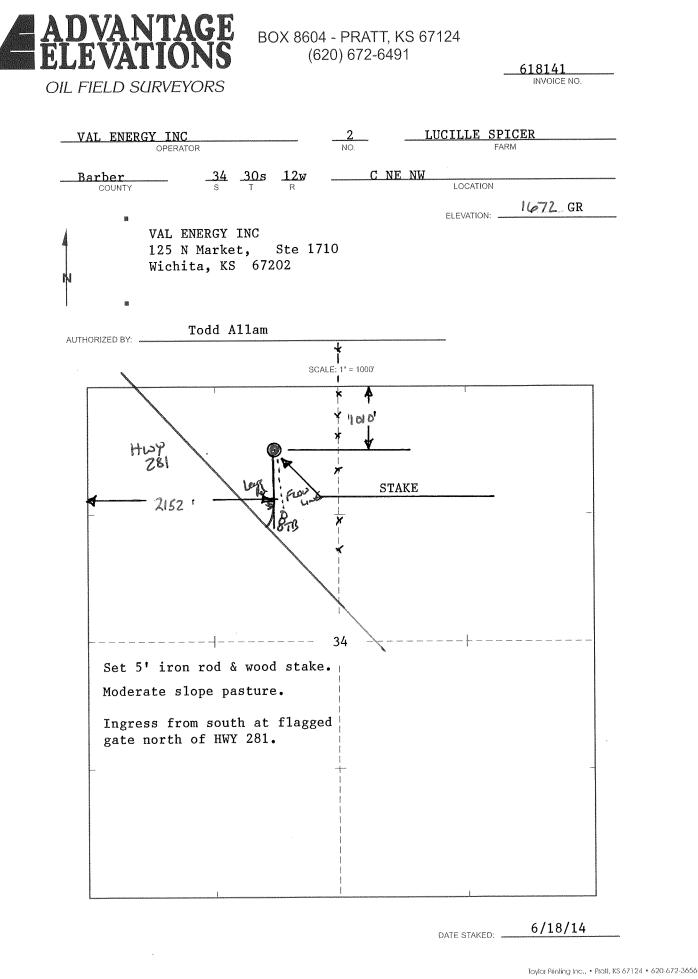
are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

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



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 Jay Scott Emler, Commissioner Pat Apple, Commissioner Sam Brownback, Governor

August 01, 2014

Dustin Wyer Val Energy, Inc. 125 N MARKET ST STE 1710 WICHITA, KS 67202-1728

Re: Drilling Pit Application API 15-007-24198-00-00 Lucille Spicer 2 NW/4 Sec.34-30S-12W Barber County, Kansas

Dear Dustin Wyer:

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 96hours 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. <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.

## Summary of Changes

Lease Name and Number: Lucille Spicer 2

API/Permit #: 15-007-24198-00-00

Doc ID: 1216850

Correction Number: 2

Approved By: Rick Hestermann 08/01/2014

Field Name	Previous Value	New Value
ElevationPDF	1682 Estimated	1680 Estimated
Feet to Nearest Water Well Within One-Mile of	4858	4901
Pit Ground Surface Elevation	1682	1680
KCC Only - Approved By	Rick Hestermann 07/21/2014	Rick Hestermann 08/01/2014
KCC Only - Approved Date	07/21/2014	08/01/2014
KCC Only - Date Received	07/17/2014	08/01/2014
LocationInfoLink	https://kolar.kgs.ku.edu/ kcc/detail/locationInform	https://kolar.kgs.ku.edu/ kcc/detail/locationInform
Number of Feet East or West From Section Line	ation.cfm?section=34&t 2280	ation.cfm?section=34&t 2152
Number of Feet East or West From Section Line	2280	2152
Save Link	//kcc/detail/operatorE ditDetail.cfm?docID=12 14774	//kcc/detail/operatorE ditDetail.cfm?docID=12 16850

## Summary of Attachments

Lease Name and Number: Lucille Spicer 2 API: 15-007-24198-00-00 Doc ID: 1216850 Correction Number: 2 Approved By: Rick Hestermann 08/01/2014

Attachment Name

**Bentonite Liner Fluids**