For KCC Use:

| Eff | e | ct | iv | е | Date: |
|-----|---|----|----|---|-------|
|     |   |    |    |   |       |

| District | ±    |  |
|----------|------|--|
| DISTINCT | TT . |  |

| SGA? | Yes | No |
|------|-----|----|
|      |     |    |

# 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

# NOTICE OF INTENT TO DRILL

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

| Form KSONA-1, Certification of Com | pliance with | the Kansas | Surface Owner | Notification Act, MUS7 | be submitted with this form |
|------------------------------------|--------------|------------|---------------|------------------------|-----------------------------|

| Expected Spud Date:  | Spot Description:                                       |
|--|---|
| month day year   | (2/2/2/2) 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 | Nearest Lease or unit boundary line (in footage):       |
| Seismic ; # of Holes Other   | Depth to bottom of fresh water:                         |
| Other:   | Depth to bottom of usable water:                        |
| If OWWO: old well information as follows:  | Surface Pipe by Alternate:                              |
|  | 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:  | Formation at Total Depth:                               |
| Directional, Deviated or Horizontal wellbore? Yes No   | Water Source for Drilling Operations:                   |
|  | DWR Permit #:   |
| Bottom Hole Location:  | ( <b>Note:</b> Apply for Permit with DWR )              |
| KCC DKT #:   | Will Cores be taken?                                    |
|  | 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.
  - Well will not be drilled or Permit Expired Date: Signature of Operator or Agent:

ш



For KCC Use ONLY

API # 15 - .

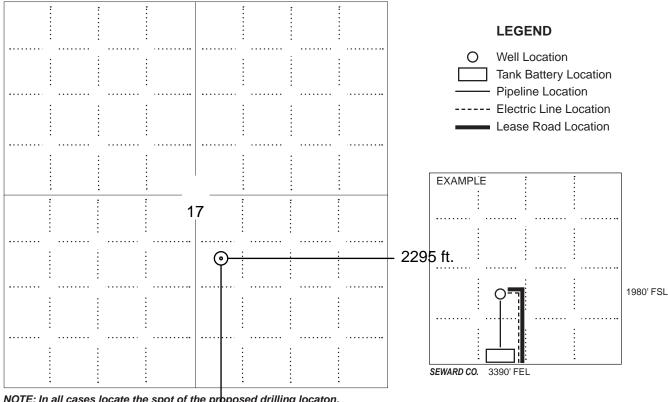
## IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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:<br>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.

#### 1770 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 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: \_ - \_\_\_\_ - \_\_\_\_ - \_\_\_\_ Pit is: **Emergency Pit** Burn Pit Proposed Existing Sec.\_\_\_\_Twp.\_\_\_\_R.\_\_\_ East West Settling Pit **Drilling Pit** If Existing, date constructed: Feet from North / South Line of Section Haul-Off Pit Workover Pit \_\_\_\_Feet from \_\_\_ East / \_\_\_ West Line of Section Pit capacity: (If WP Supply API No. or Year Drilled) County \_(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? Artificial Liner? How is the pit lined if a plastic liner is not used? Yes Yes No No \_\_\_\_Length (feet) \_\_\_ \_\_\_\_\_Width (feet) Pit dimensions (all but working pits): 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 Describe procedures for periodic maintenance and determining material, thickness and installation procedure. liner integrity, including any special monitoring. Depth to shallowest fresh water \_\_\_\_ Distance to nearest water well within one-mile of pit: feet. Source of information: KDWR measured well owner electric log \_feet Depth of water well \_\_\_\_ \_\_ feet 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: \_\_\_\_ 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 Steel Pit Liner RFAC RFAS Permit Number: No Date Received: Permit Date: Lease Inspection: Yes

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



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT Form KSONA-1 January 2014 Form Must Be Typed Form must be Signed All blanks must be Filled

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 #        | Well Location:   |  |  |
|----------------------------|--|--|--|
| Name:                      |  |  |  |
| Address 1:                 | County:  |  |  |
| Address 2:                 | Lease Name: Well #:  |  |  |
| City: State: Zip:+         | If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:  |  |  |
| Contact Person:            |  |  |  |
| Phone: ( ) Fax: ( )        |  |  |  |
| Email Address:             |  |  |  |
| Surface Owner Information: |  |  |  |
| Name:                      | When filing a Form T-1 involving multiple surface owners, attach an additional<br>sheet listing all of the information to the left for each surface owner. Surface<br>owner information can be found in the records of the register of deeds for the<br>county, and in the real estate property tax records of the county treasurer. |  |  |
| Address 1:                 |  |  |  |
| Address 2:                 |  |  |  |
| City: State: Zip:+         |  |  |  |

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

| 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: Lakeshore Operating LLC         Lease:       Singard         1770       feet from N / S Line of Section         Year       S. R. 16         Number:       Location of Well: County: Woodson         Very Number:       feet from N / S Line of Section         Section:       Section:         Section:       Section:         Number of Acres attributable to well:       SN / W / SE         Number of Acres attributable to well:       SN / W / SE         Very Number:       Section corner used:       NE   NW   SE   SW         Number of Acres attributable to well:       Section corner used:       NE   NW   SE   SW         PLAT       Section corner used:       NE   NW   SE   SW         Show focation of the well.       Show footage to the memory lines: as induced by the Kansas Surface Owner Notice Act (House Bill 2032):         You risignetect a separate plat if desired.       Well Location         Very Very Location       Electric Line Location         Desire roads, tank batteries, pipetine3 and algoritical lines: as induced by the Kansas Surface Owner Notice Act (House Bill 2032):         You risignetect a separate plat if de   | API # 15   |   |
|--|--|---|
| In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.         Operator: Lexistore Operating, LIC         Lease: Shepard         Well Number: L0:44         Pield: Vernon         Number of Acress attributable to well: 2         Other of Acress attributable to well: 2         OTR/QTR/QTR/QTR of acreage:         NE         Show footage to the nebage legise or unit boundary line. Show the predicted locations of lease roads, tank batteries pipelines and elegistical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You might whelp a separate plat if desired.         Vuicing whelp a separate plat if desired.         177         Its Section         Its Section is Irregular, locate well from nearest corner boundary. Section corner used.         Net Desire of the nebage legise or unit boundary line. Show the predicted locations of lease roads, tank batteries pipelines and elegistical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You might whelp a separate plat if desired.         Volume of the nebage legistical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You might whelp a separate plat if desired.         It is section       Electric Line Location         Is a section is the second line and the second line is a stell weak if the second line and the second line is a stell weak if the second line is   | IN ALL CASES PLOT THE INTEN                              | NDED WELL ON THE PLAT BELOW                                 |
| Operator: Lakeshore Operating, LLC       Location of Well: County. Woodson         Lease: Shopard       1770         Well Number: LO-44       1770         Field: Verron       Station of Kell in the of Section         Station of Acres attributable to well: 2       Station of Kell in the of Section         OTR/OTR/OTR of acreage: NE       SW + NW         Show location of the well.       Station is Irregular, locate well from nearest corner boundary.         Section is Irregular, locate well from nearest corner boundary.       Section is Irregular, locate well from nearest corner boundary.         Show location of the well.       Show tootage to the indexet legis or unit boundary line. Show the predicted locations of lease roads. tank batteries, pipeline's and algebrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).         Volu may rate to a separate plet if desired.         Volu may rate to a separate plet if desired.         Electric Line Location  |  |   |
| Lease:       Shepard       1770       feet from       N / X S Line of Section         Well Number:       LO-44       2285       feet from       X Line of Section         Field:       Vernon       Sector       X Line of Section       X Line of Section         Sec 17       Tup, 24       S. R. 16       X Line of Section         Number of Acres attributable to well:       2       Is Section:       Regular or       Irregular         QTR/QTR/QTR/QTR of acreage:       NE       SW       NW       SE       SW         Show location of the well:       Show footage to the nearest ligits or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipeline3 and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may much a separate plat if desired.         Via may much a separate plat if desired.       Vell Location       Electric Line Location         Lease Road Location       Lease Road Location       Electric Line Location         Lease Road Location       177       Interview       EXAMPLE   |  |   |
| Lease: Strepard       1770       feet from       N / X       S       Line of Section         Weil Number: LO-44       7256       feet from       X       Line of Section         Field: Vernon       Sec. 17       Twp. 24       S. R. 16       E       W       Line of Section         Number of Acres attributable to well: 2       Statistical action is irregular or irregular       Irregular or irregular       Irregular         OTR/OTR/OTR/OTR/OTR of acreage:       NE       SW       NW       65       Is Section:       Regular or irregular       Is Section corner used: NE       NE       NW       SE       SW         Show location of #exectl.       Show location of #exectl.       Show location of #exectl.       Show location of #exectl.       NE       NE       NW       SE       SW         You may attach a separate plat if desired.       You may attach a separate plat if desired.       Vell Location       Electric Line Location       Electric Line Location         Electric Line Location       Itease Road Location       Itease Road Location       Electric Line Location         177       Itease Road Location       Itease Road Location       Itease Road Location  |  | Location of Well: County: Woodson                           |
| Field: Vernon       Sec 17       Twp. 24       S. R. 16       E       W         Number of Acres attributable to well: 2<br>QTR/QTR/QTR of acreage: NE       SW       NW       SE       Is Section: Regular or Inregular         If Section is Irregular. locate well from nearest corner boundary.<br>Section corner used: NE       NK       NK       SE       SK         PLAT       Show location of the well.       Show tootage to the nearest lease or unit boundary line. Show the predicted locations of<br>lease roads. tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).<br>You risty attact a separate plat if desired.       LEGEND         O       Well Location<br>Inclusion       Lease Road Location<br>Lease Road Location       Lease Road Location         17       17       Inclusion       Example       Example  | Lease: Shepard   | 1770 feet from N / X S Line of Section                      |
| OTR/QTR/QTR of acreage:       NE       State of the strength of the strengt legistic of the nearest legistic 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 ratech a separate plat if desired.         Volume       Volume       Volume       Veltor         Volume       Volume       Veltor       Veltor         Volume       Veltor       Veltor       Veltor         Volume       Veltor       Veltor       Veltor         Veltor       Veltor       Veltor       Veltor         Veltor <t< th=""><td>Field: Vernon</td><td></td></t<>  | Field: Vernon  |   |
| If Section is Irregular, locate well from nearest corner boundary.<br>Section corner used: 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).  Nou may attach a separate plat if desired.  Vol may attach a separate plat if desired.  Nell Location  Electric Line Location  Electric Line Location  It case Road Location  I |  | Is Section: Regular or Irregular                            |
| Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of<br>lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).<br>You may attach a separate plat if desired.<br>Volumay attach a separate plat if desired.<br>Vell Location<br>Tank Battery Location<br>Pipeline Location<br>Electric Line Location<br>Lease Road Location<br>EXAMPLE<br>17   |  |   |
| Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of<br>lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).<br>You may attach a separate plat if desired.<br>Volumay attach a separate plat if desired.<br>Vell Location<br>Tank Battery Location<br>Pipeline Location<br>Electric Line Location<br>Lease Road Location<br>EXAMPLE<br>17   |  |   |
| You may attach a separate plat if desired.         LEGEND         O       Well Location         Tank Battery Location         Pipeline Location         Electric Line Location         Lease Road Location         17  | Show location of the well. Show footage to the nearest l | ease or unit boundary line. Show the predicted locations of |
| O       Well Location         Tank Battery Location       Pipeline Location         Electric Line Location       Electric Line Location         Lease Road Location       EXAMPLE  |  |   |
| O       Well Location         Tank Battery Location       Pipeline Location         Electric Line Location       Electric Line Location         Lease Road Location       EXAMPLE  |  | ·   |
| Image: Tank Battery Location         Pipeline Location         Electric Line Location         Lease Road Location         17   |  | LEGEND  |
| Pipeline Location<br>Electric Line Location<br>Lease Road Location   |  | O Well Location   |
| Electric Line Location<br>Lease Road Location  |  |   |
| 17 EXAMPLE   |  |   |
| 17   |  | Lease Road Location   |
| 17   |  |   |
|  |  | EXAMPLE   |
|  | 17   |   |
|  |  |   |
| 2295 π.  |  | 2295 ft.  |
|  |  |   |
|  |  |   |
|  |  |   |

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

## 1770 ft.

# In plotting the proposed location of the well, you must show:

For KCC Use ONLY

- 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).

SEWARD CO. 3390' FEL

5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

Side Two

Conservation Division 266 N. Main St., Ste. 220 Wichita, KS 67202-1513



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

October 29, 2014

Wesley Ketcham Lakeshore Operating, LLC 13505 S. MUR-LEN RD SUITE 105-182 OLATHE, KS 66062

Re: Drilling Pit Application Shepard LO-44 SE/4 Sec.17-24S-16E Woodson County, Kansas

## Dear Wesley Ketcham:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, 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.