For KCC Use:

Eff	e	ct	iv	е	Date
-					

District	#	

Yes No SGA?

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

1242091

NOTICE	OF INTENT	TO DRILL
--------	------------------	----------

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

Form KSONA-1.	Certification of C	ompliance with	the Kansas	Surface Owner N	Votification Act.	MUST be submitted with this form.
,						

OPERATOR: License#	Expected Spud Date:	Spot Description:
City:	month day year OPERATOR: License#	
Phone:	City: State: Zip: +	County:
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: Other: Depth to bottom of fresh water: Operator: Original Completion Date: Original Total Depth: Directional, Deviated or Horizontal wellbore? Yes No If Yes, true vertical depth: Yes No Bottom Hole Location: Yes No	CONTRACTOR: License#	Field Name:
Well Name:	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	Nearest Lease or unit boundary line (in footage):
Directional, Deviated or Horizontal wellbore? Yes No If Yes, true vertical depth:	Well Name:	•
If Yes, proposed zone:	If Yes, true vertical depth:Bottom Hole Location:	Well Farm Pond Other:

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.

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:	

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

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 -

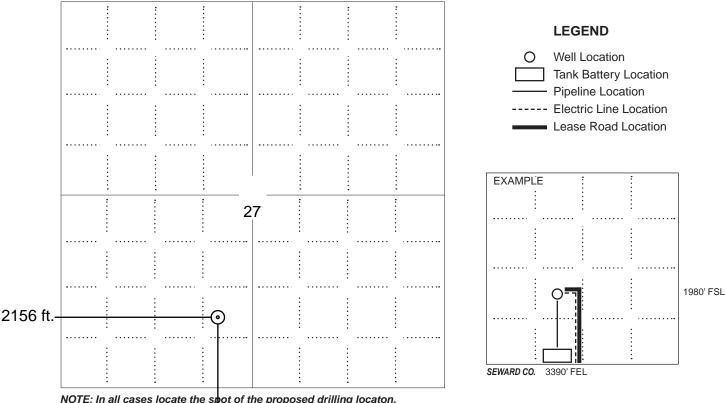
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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: 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.

966 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	SecTwp R I	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 / We	est Line of Section	
		(bbls)		County	
Is the pit located in a Sensitive Ground Water A	vrea? Yes	No	Chloride concentration: (For Emergency Pits and Settling	g Pits only)	
Is the bottom below ground level?	Artificial Liner?		How is the pit lined if a plastic liner is not use	∋d?	
Yes No		10			
Pit dimensions (all but working pits):	Length (fee	et)	Width (feet)	A: Steel Pits	
· · · · · · · · · · · · · · · · · · ·	om ground level to dee			o Pit	
If the pit is lined give a brief description of the li material, thickness and installation procedure.	ner		dures for periodic maintenance and determinin ncluding any special monitoring.	ıg	
Distance to nearest water well within one-mile of pit:		Depth to shallor Source of inforr	west fresh water feet. mation:		
feet Depth of water well	feet	measured	well owner electric log	KDWR	
Emergency, Settling and Burn Pits ONLY:		Drilling, Worko	over 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 OI		FAC RFAS	
Date Received: Permit Num	ber:	Permi	it Date: Lease Inspection:	Yes No	

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
Contact Person:	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:	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:	county, and in the real estate property tax records of the county treasurer.
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.

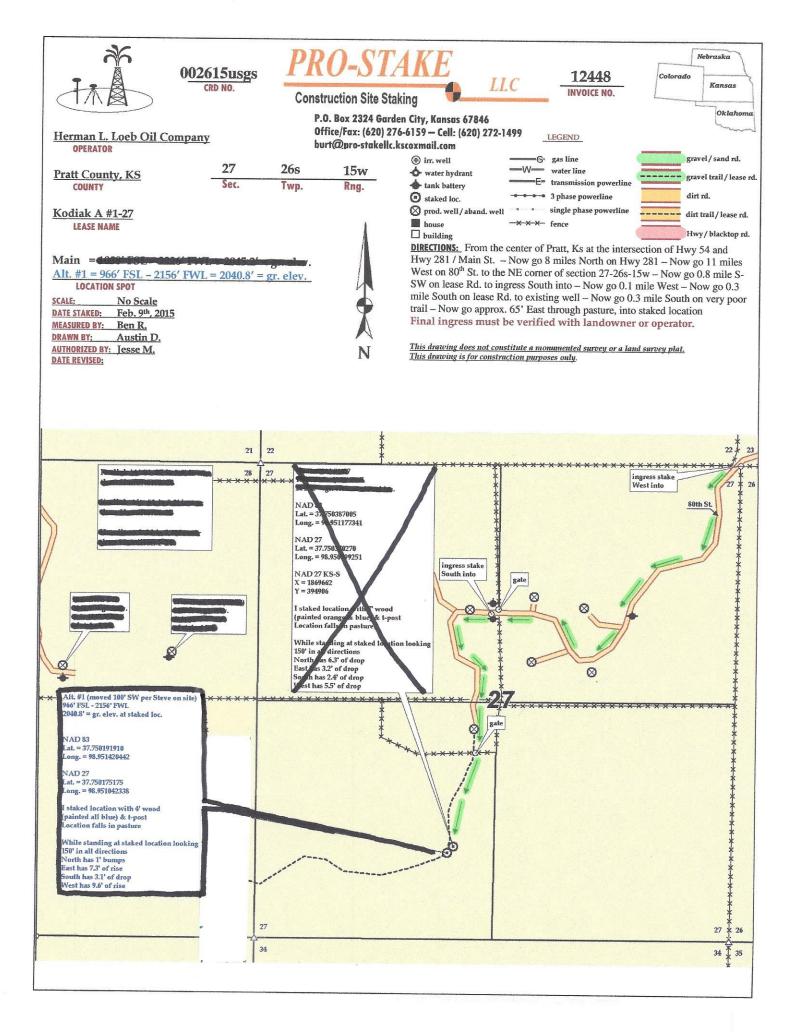
Select one of the following:

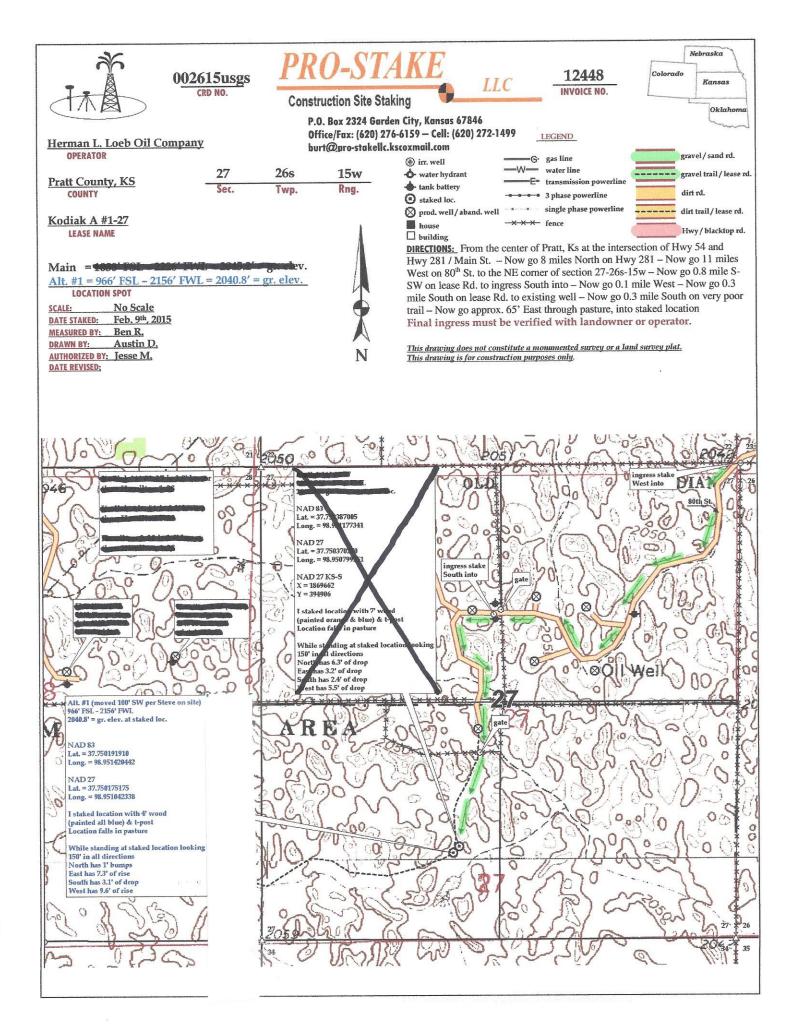
- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this 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

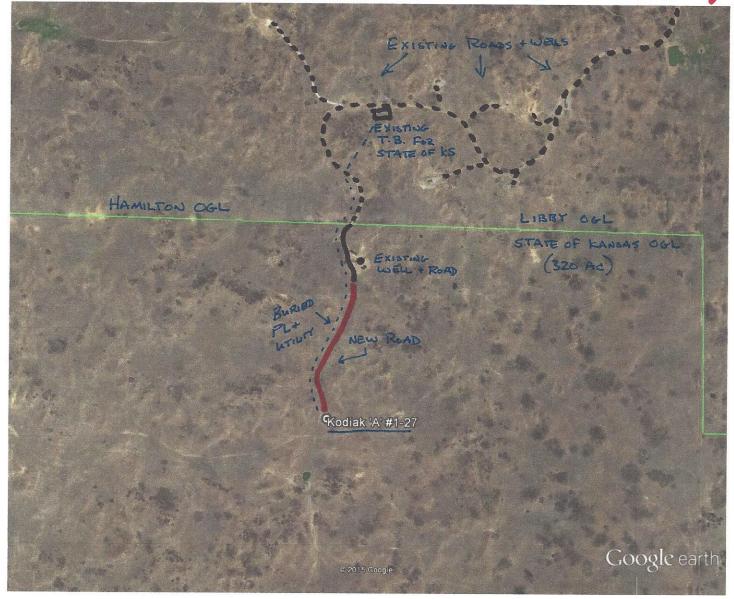
I





)2615usgs CRD NO.		O-STA		LC <u>1244</u>	Kansas
			uction Site Stal	-		Oklaho
				en City, Kansas 67846 6-6159 — Cell: (620) 272-	1499	have
Ierman L. Loeb Oil Comp OPERATOR	<u>any</u>		rt@pro-stakellc.l		LEGEND	
UPERATUR	27	26.	4 -) irr. well	→ G gas line → W→ water line	gravel/sand rd.
ratt County, KS	27 Sec.	26s Twp.	15w Rng.	 water hydrant tank battery 	E transmission po	werline gravel trail/leas
COUNTY		Twb.	Kilg.	• staked loc.	3 phase powerli	
<u>Codiak A #1-27</u>				prod. well / aband. well / aband. well	II - ■ ■ single phase po 	werline dirt trail/lease 1
LEASE NAME			k = =	building	A A A Tence	Hwy / blacktop
		_		DIRECTIONS: : From	the center of Pratt, Ks at	the intersection of Hwy 54 and on Hwy 281 – Now go 11 miles
1ain = 1038' FSL - 2226' I dt. #1 = 966' FSL - 2156' F			/	West on 80 th St. to th	e NE corner of section 2	7-26s-15w - Now go 0.8 mile S
LOCATION SPOT	VVL - 2040.8 -	gi. elev.	V			go 0.1 mile West – Now go 0.3
ALE: No Scale			\bullet	trail – Now go appro	x. 65' East through past	w go 0.3 mile South on very poor are, into staked location
ATE STAKED: Feb. 9 th , 2015 EASURED BY: Ben R.			Ā		be verified with land	
RAWN BY: Austin D.				This drawing does not co	nstitute a monumented surve	y or a land survey plat.
UTHORIZED BY: Jesse M. ATE REVISED:			Ν	This drawing is for const		·
	97. V.C.S.S. # 6 7.07 77	• • • • • • • • • • • • • • • • • • •				
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2.2						
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						2 S. 0° °
	Kodiak 'A' #	1-27				20
	1038' FSL - 2			0 0 L N		
	NAD 83					
	Lat. = 37.750 Long. = 98.99	387005 51177341				
	NAD 27	250250				56
	Lat. = 37.750 Long. = 98.99		S. S.			
	NAD 27 KS- X = 1869662	s			F P K H # 1	
	Y = 394906					
- B L.	painted ora	ition with 7' wood nge & blue) & t-post				A
	While stand 150' in all di North has 6.		n looking	WH MALT		
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	West has 5.5			starting	point	
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I REAL	VAT LEVER	STANK R				
5 I.a.	- 1 pa 2-1	Ranks STORYAL . F				NY NEW MARKET

PROPOSED SURFACE FACILITY PLAT (KODIAK A 1-27)





NOTE: IF PRODUCTION IS ESTABLISHED FROM KODIAK 1-27 A NEW TANK BATTERY WILL BE BUILT NEAT TO THE EXISTING STATE OF KANSAS BATTERY LOCATED IN THE N/2 OF SECTION 27 ON NON-STATE LANDS.

3000

900

BOND

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, HERMAN L. LOEB, LLC, an Illinois limited liability company (hereinafter referred to as "Lessee"), is the owner and lessee under the following described oil and gas lease:

Oil and Gas Lease dated September 3, 1980, by and between The Kansas Fish and Game Commission ("Lessor") and Texas Energies, Inc. ("Lessee"), covering the South Half (S/2) of Section 27 and the North Half (N/2) of Section 34, Township 26 South, Range 15 West, recorded in Book 157at Page 249 in the records of Pratt County, Kansas ("the "Lease"),

insofar, and only insofar, as it covers the South Half (S/2) of Section 27, Township 26 South, Range 15 West, Pratt County, Kansas (the "Land"); and

WHEREAS, the Lease requires that a good and sufficient bond be filed with the lessor in the amount of \$25,000.00, prior to the commencement of operations on the Lease;

NOW, THEREFORE, Operator, as principal, is firmly bound unto the State of Kansas in the sum of \$25,000.00, to the payment for such damage to the surface of the Land, wildlife, wildlife forage, or improvements as may be caused by Lessee or its assignee's operations on said Land and also compliance with all the provisions, conditions, covenants and obligations of the Lease and the statutes of the State of Kansas, and rules and regulations thereto appertaining.

Now if Lessee shall faithfully discharge all the duties under the Lease according to law, then this obligation shall be void; otherwise it shall remain in full force and effect.

DATED AND SIGNED this $\underline{9}^{\text{H}}$ day of $\underline{4}$ any $\underline{9}^{\text{H}}$, 2015.

HERMAN L. LOEB, LLC

By: Janette D. Loeb, Manager

STATE OF ILLINOIS

)) SS.

COUNTY OF LAWRENCE

This instrument was acknowledged before me on this $\frac{9}{100}$ day of $\frac{1000}{1000}$, 2015, by Janette D. Loeb, as Manager of Herman L. Loeb, LLC, an Illinois lipsted liability company.

My appointment expires: 5/8/15

OFFICIAL SEAL NANCY L HUFF NOTARY PUBLIC - STATE OF ILLINOIS MY COMMISSION EXPIRES:05/08/15 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

February 11, 2015

Jesse Middagh HERMAN L. LOEB, LLC PO BOX 838 LAWRENCEVILLE, IL 62439

Re: Drilling Pit Application KODIAK 'A' 1-27 SW/4 Sec.27-26S-15W Pratt County, Kansas

Dear Jesse Middagh:

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 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.