

Well will not be drilled or Permit Expired Date: ___

Signature of Operator or Agent:

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

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 March 2010 Form must be Typed Form must be Signed All blanks must be Filled

NOTICE OF INTENT TO DRILL

| month day year DPERATOR: License# | Sec Twp S. R E V |
|--|---|
| | (4/4/4/4) |
| ama: | feet from N / S Line of Section |
| ame: | |
| ddress 1: | |
| ddress 2: | |
| ity: State: Zip: + | County |
| ontact Person: | Lease Name: Well #: |
| hone: | Field Name: |
| ONTRACTOR: License# | Is this a Prorated / Spaced Field? |
| ame: | Target Formation(s): |
| Well Drilled For: Well Class: Type Equipment: | Nearest Lease or unit boundary line (in footage): |
| Oil Enh Rec Infield Mud Rotary | Ground Surface Flevation: feet MS |
| Gas Storage Pool Ext. Air Rotary | Water well within one-quarter mile: |
| Disposal Wildcat Cable | Public water supply well within one mile: |
| Seismic; # of Holes Other | Depth to bottom of fresh water: |
| Other: | Depth to bottom of usable water: |
| | Surface Pipe by Alternate: II III |
| If OWWO: old well information as follows: | Length of Surface Pipe Planned to be set: |
| Operator: | Length of Conductor Pipe (if any): |
| Well Name: | Designate of Total Departs |
| Original Completion Date: Original Total Depth: | Formation at Total Depth: |
| | Water Source for Drilling Operations: |
| Directional, Deviated or Horizontal wellbore? | No Well Farm Pond Other: |
| Yes, true vertical depth: | DWR Permit #: |
| Sottom Hole Location: | (Note: Apply for Permit with DWR) |
| CC DKT #: | Will Cores be taken? |
| | If Yes, proposed zone: |
| | AFFIDAVIT |
| he undersigned hereby affirms that the drilling, completion and ev | |
| t is agreed that the following minimum requirements will be met: | |
| | |
| 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> poste | |
| | a on each drilling rig, all 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 fe | |
| · | nd the district office on plug length and placement is necessary prior to plugging ; |
| 5. The appropriate district office will be notified before well is ei | ther plugged or production casing is cemented in; |
| | cemented from below any usable water to surface within 120 DAYS of spud date. |
| · | g 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 we | Il shall be plugged. In all cases, NOTIFY district office prior to any cementing. |
| | |
| | |
| ubmitted Electronically | |
| For MCC Has ONLY | Remember to: |
| For KCC Use ONLY | - File Certification of Compliance with the Kansas Surface Owner Notification |
| API # 15 | Act (KSONA-1) with Intent to Drill; |
| Conductor pipe requiredfeet | - File Drill Pit Application (form CDP-1) with Intent to Drill; |
| Minimum surface pipe required feet per ALT. | - File Completion Form ACO-1 within 120 days of spud date; |
| | - File acreage attribution plat according to field profation orders, |
| Approved by: | Notify appropriate district office 48 hours prior to workover or re-entry; Submit plugging report (CP-4) after plugging is completed (within 60 days); |
| This authorization expires: | Obtain written approval before diagoning or injecting get water |
| (This authorization void if drilling not started within 12 months of approval of | - If well will not be drilled or permit has expired (See: authorized expiration date) |
| Shird date: Agent: | please check the box below and return to the address below. |

Side Two



| 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 V | Nell: 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 | s Irregular, locate well from nearest corner boundary. |
| | | Section corn | ner used: NE NW SE SW |
| | otage to the nearest | quired by the Kan | ndary line. Show the predicted locations of asas Surface Owner Notice Act (House Bill 2032). |
| | | | |
| | | | |
| | | | LEGEND |
| | | ······ | |
| | | | Electric Line Location Lease Road Location |
| | | | EXAMPLE : |
| 09 | | () | + 220 ft. |
| | | | 1980' FSL |

2420 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.

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



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1258405

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 | Pit is: | | SecTwp R |
| Settling Pit Drilling Pit | If Existing, date con | structed: | Feet from North / South Line of Section |
| Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) | Pit capacity:(bbls) | | Feet from East / West Line of Section County |
| Is the pit located in a Sensitive Ground Water A | rea? Yes 1 | No | Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) |
| Is the bottom below ground level? Yes No | Artificial Liner? | 0 | How is the pit lined if a plastic liner is not used? |
| Pit dimensions (all but working pits): | Length (fee | et) | Width (feet) N/A: Steel Pits |
| Depth fro | m ground level to dee | pest point: | (feet) No Pit |
| If the pit is lined give a brief description of the line material, thickness and installation procedure. | | | dures for periodic maintenance and determining ncluding any special monitoring. |
| Distance to nearest water well within one-mile of | of pit: | Depth to shallo | west fresh water feet. mation: |
| feet Depth of water wellfeet | | measured | well owner electric log KDWR |
| Emergency, Settling and Burn Pits ONLY: | | Drilling, Worko | over and Haul-Off Pits ONLY: |
| Producing Formation: | | Type of materia | al utilized in drilling/workover: |
| Number of producing wells on lease: | | Number of work | king pits to be utilized: |
| Barrels of fluid produced daily: | | Abandonment p | procedure: |
| Does the slope from the tank battery allow all spilled fluids to flow into the pit? | | Drill pits must b | pe closed within 365 days of spud date. |
| Submitted Electronically | | | |
| | ксс | OFFICE USE OI | NLY Liner Steel Pit RFAC RFAS |
| Date Received: Permit Numb | ber: | Permi | it Date: Lease Inspection: Yes No |



Kansas Corporation Commission Oil & Gas Conservation Division

1258405

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 # | Well Location: | | |
|--|---|--|--|
| Name: | SecTwpS. R | | |
| 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: | | | |
| Address 1: | sheet listing all of the information to the left for each surface owner. Surfac owner information can be found in the records of the register of deeds for th | | |
| Address 2: | county, and in the real estate property tax records of the county treasurer. | | |
| City: | | | |
| are preliminary non-binding estimates. The locations may be entered | nk batteries, pipelines, and electrical lines. The locations shown on the plat 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 | Act (House Bill 2032), I have provided the following to the surface located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form 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 of | acknowledge that, because I have not provided this information, the owner(s). To mitigate the additional cost of the KCC performing this as of the surface owner by filling out the top section of this form and a KCC, which is enclosed with this form. | | |
| If choosing the second option, submit payment of the \$30.00 handlin form and the associated Form C-1, Form CB-1, Form T-1, or Form CF | g fee with this form. If the fee is not received with this form, the KSONA-1 P-1 will be returned. | | |
| Submitted Electronically | | | |
| I | | | |



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



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 17, 2015

Mike Thompson HAT Production LLC 12371 KS HWY 7 MOUND CITY, KS 66056

Re: Drilling Pit Application Sergent 1 SE/4 Sec.09-20S-23E Linn County, Kansas

Dear Mike Thompson:

According to the drilling pit application referenced above, no earthen pits will be used at this location. Steel pits will be used. Please inform the Commission in writing as to which disposal well you utilized to dispose of the contents in the steel pits and the amount of fluid that was disposed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, within 30 days of fluid removal.

Should a haul-off pit be necessary please file form CDP-1 (April 2004), Application for Surface Pit, through KOLAR. This location will have to be inspected prior to approval of the haul-off pit application.

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.

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HAUL-OFF PIT APPLICATION FILING REQUIREMENTS

| 82-3-607. (a) pit | DISPOSAL OF DIKE AND PIT CONTENTS. Each operator shall perform one of the following when disposing of dike or | |
|--------------------------|---|--|
| ρit | contents: | |
| (1) | Remove the liquid contents to a disposal well or other oil and gas operation approved by the commission or to road maintenance or construction locations approved by the department; | |
| (2) | dispose of reserve pit waste down the annular space of a well completed according to the alternate I requirements of K.A.R. 82-3-106, if the waste to be disposed of was generated during the drilling and completion of the well; | |
| or | | |
| (3) | dispose of the remaining solid contents in any manner required by the commission. The requirements may include any of the following: (A) Burial in place, in accordance with the grading and restoration requirements in K.A.R. 82-3-602 (f); (B) removal and placement of the contents in an on-site disposal area approved by the commission; (C) removal and placement of the contents in an off-site disposal area | |
| on | | |
| lease | acreage owned by the same landowner or to another producing | |
| | or unit operated by the same operator, if prior written permission | |
| from | the landowner has been obtained; or | |

| | (D) | removal of the contents to a permitted off-site disposal area |
|----------|-----------|---|
| approved | | |
| | | by the department. |
| (b) | Each | violation of this regulation shall be punishable by the following: |
| (1 |) A \$1,0 | 000 penalty for the first violation; |
| (2 | a \$2,5 | 00 penalty for the second violation; and |
| (3 | a \$5,0 | 000 penalty and an operator license review for the third violation. |

File Haul-Off Pit Application in KOLAR. Review the information below and attach all required documents to the pit application when submitting through KOLAR. This form will automatically generate and fill in from questions asked in KOLAR.

| Haul-off pit will be located in an on-site disposal area:YesNo |
|--|
| Haul-off pit is located in an off-site disposal area on acreage owned by the same landowner: YesNo |
| Haul-off pit is located in an off-site disposal area on another producing lease or unit operated by the same operator:YesNo If yes, written permission from the land owner must be obtained. Attach permission and a copy of the lease assignment that covers the acreage where the haul-off pit is to be located, to the haul-off pit application. |