CORRECTION #1

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

Kansas Corporation Commission Oil & Gas Conservation Division

1335509

Well will not be drilled or Permit Expired Date: _

Signature of Operator or Agent:

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

NOTICE OF INTENT TO DRILL

| SECTION: Get from E / W L Address 1: Address 2: | Yes N feet M3 Yes I Yes I Yes I |
|--|-------------------------------------|
| feet from E / W L | Yes N feet M: Yes I Yes I |
| ddress 1: | Yes N feet M: Yes I Yes I |
| | Yes N |
| State: Zip: + | Yes N |
| County C | Yes N |
| Lease Name: Well #: Field Name: Seismic # of Other Original Completion Date: Original Total Depth: Total Location: CD DKT #: Well Drilled For: Well Class: Type Equipment: Well Drilled For: Well Class: Type Equipment: Water well within one-quarter mile: Solution of usable water: Depth to bottom of usable water: Depth to bottom of usable water: Depth to bottom of usable water: Depth to Disposal will case Pipe by Alternate: I I I I Length of Surface Pipe by Alternate: I I I I Length of Surface Pipe by Alternate: I I I I Length of Conductor Pipe (if any): Projected Total Depth: Water well within one mile: Depth to bottom of usable water: Depth to Surface Pipe by Alternate: I I I I Length of Surface Pipe Planned to be set: Length of Conductor Pipe (if any): Projected Total Depth: Water Source for Drilling Operations: Water Source For Drilling Op | Yes N |
| DNTRACTOR: License# | feet M3 YesI YesI |
| Target Formation(s): Well Drilled For: Well Class: Type Equipment: Target Formation(s): Nearest Lease or unit boundary line (in footage): Ground Surface Elevation: Water well within one-quarter mile: Water well within one-quarter mile: Public water supply well within one mile: Depth to bottom of fresh water: Depth to bottom of usable water: Surface Pipe by Alternate: I II Length of Soundator Pipe (if any): Projected Total Depth: Formation at Total Depth: Formation at Total Depth: Formation at Total Depth: Water Source for Drilling Operations: Well Farm Pond Other: DWR Permit #: OWR Permit #: OWR Permit with DWR OWR Permit #: OWR Permit with DWR OWR Permit #: OWR Permit with DWR OWR Pe | feet M3 YesI YesI |
| Nearest Lease or unit boundary line (in footage): Nearest Lease or unit boundary line (in footage): Nearest Lease or unit boundary line (in footage): Seismic ; Infield Mud Rotary Water well within one-quarter mile: Public water supply well within one mile: Depth to bottom of fresh water: Depth | feet M |
| Gas Storage Pool Ext. | feet MilyesI |
| Gas | Yes I |
| Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable Disposal Wildcat Cable Disposal Wildcat Duhr Disposal Wildcat Duhr Duhr Duhr Duhr Duhr Duhr Duhr Duhr | Yes [|
| Disposal Wildcat Cable Depth to bottom of fresh water: Depth to bottom of suable water: Surface Pipe by Alternate: I II Length of Surface Pipe Planned to be set: Length of Surface Pipe Planned to be set: Length of Conductor Pipe (if any): Projected Total Depth: Water Source for Drilling Operations: Well Farm Pond Other: DWR Permit #: DWR Permit #: Water Source for Drilling Operations: Well Farm Pond Other: DWR Permit #: 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. is agreed that the following minimum requirements will be met: Notify the appropriate district office prior to spudding of well; A copy of the appropriate district office prior to spudding of well; A copy of the approperate district office prior to spudding of well; A copy of the approperate district office prior to spudding of well; A copy of the appropriate district office prior to spudding of well; A copy of the appropriate district office will be notified 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. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugg The appropriate district office will be notified before well is either plugged or production casing is cemented in; If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 DAYS of spud of the production and any usable water to surface within 120 DA | |
| Seismic; # of Holes Other Depth to bottom of fresh water: Depth to bottom of usable water: Depth to bottom of usable water: Surface Pipe by Alternate: I I I Length of Surface Pipe Planned to be set: Length of Surface Pipe (if any): Length of Conductor Pipe (if any): Length of Conductor Pipe (if any): Well Name: Original Completion Date: Original Total Depth: Formation at Total Depth: Water Source for Drilling Operations: Water Source for Drilling Operations. Water Source for Drilling Operations: Water Source for Drilling | |
| Surface Pipe by Alternate: I I IL Length of Surface Pipe Planned to be set: Length of Conductor Pipe (if any): Well Name: Original Completion Date: Original Total Depth: Formation at Total Depth: Weter Source for Drilling Operations: Well parm Pond Other: Well Farm Pond Other: Well Farm Pond Other: Well Farm Pond Other: Well Farm Pond Other: 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. 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 plugges. 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 of the prior to surface within 120 DAYS of spud of the prior to surface within 120 DAYS of spud of the prior to surface within 120 DAYS of spud of the prior to surface within 120 DAYS of spud of the prior to surface within 120 DAYS of spud of the prior to surface within 120 DAYS of spud of the prior to surface within 120 DAYS of spud of the prior to surface within 120 DAYS of spud of the prior to surface within 120 DAYS of spud of the prior to surface within 120 DAYS of spud of the prior to surface within 120 DAYS of spud of the prior to surface within 120 DAYS of spud of the prior to surface within 120 DAYS of spud of the prior to surfa | |
| Length of Surface Pipe Planned to be set: Operator: Well Name: Original Completion Date: Original Total Depth: Original Completion Date: Original Total Depth: Original Completion Date: Original Total Depth: Formation at Total Depth: Water Source for Drilling Operations: Well Farm Pond Other: DWR Permit #: (Note: Apply for Permit with DWR) 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. 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 plugge 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 of the surface with | |
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| Water Source for Drilling Operations: Yes | |
| Yes, true vertical depth: Ottom Hole Location: CC DKT #: Well Farm Pond Other: (Note: Apply for Permit with DWR) 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. 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 plugge 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 of the spring that the plugged or production casing is cemented in; | |
| DWR Permit #: DWR Permit #: DWR Permit with DWR DWR DWR | |
| Will Cores be taken? If Yes, proposed zone: | |
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| 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 DAYS of spud of | ing; |
| | ate |
| Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II ceme | |
| 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 | |
| | |
| | |
| ubmitted Electronically | |
| Remember to: | |
| For KCC Use ONLY - File Certification of Compliance with the Kansas Surface Owner Not | fication |
| API # 15 Act (KSONA-1) with Intent to Drill; | |
| Conductor pipe requiredfeet | |
| - File Completion Form ACO-1 within 120 days of spud date; | |
| Minimum surface pipe requiredfeet per ALTIII - File acreage attribution plat according to field proration orders; | |
| Approved by: Notify appropriate district office 48 hours prior to workover or re-entr | |
| This authorization expires: - Submit plugging report (CP-4) after plugging is completed (within 60 Obtain written expressed before dispessing as injecting self-vector. | y; |
| (This authorization void if drilling not started within 12 months of approval date.) - Obtain written approval before disposing or injecting salt water. | y; |
| - If well will not be drilled or permit has expired (See: authorized expirate please check the box below and return to the address below. | y; days); |

| For KCC Use ONLY | |
|------------------|---|
| API # 15 | - |

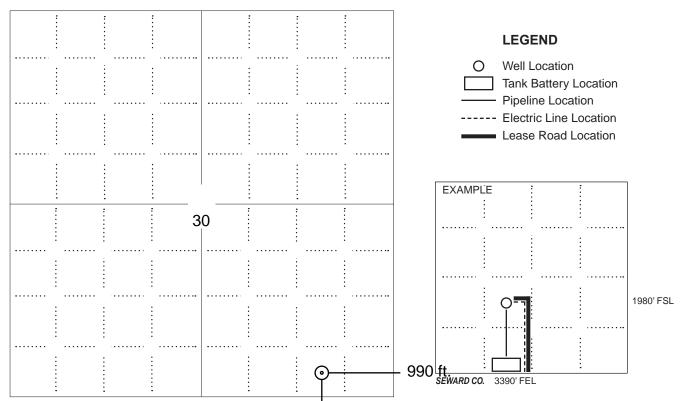
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.

330 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.

CORRECTION #1

1335509

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Submit in Dunlicato

| 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: | | <u> </u> |
| Emergency Pit Burn Pit | Proposed | Existing | SecTwp R |
| Settling Pit Drilling Pit | If Existing, date constructed: | | Feet from North / South Line of Section |
| Workover Pit Haul-Off Pit | Pit capacity: | | Feet from East / West Line of Section |
| (If WP Supply API No. or Year Drilled) | - ги сарасну. | (bbls) | County |
| Is the pit located in a Sensitive Ground Water A | rea? Yes | No | 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 | | Width (feet)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 | | | |
| | | | |
| 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 | measured | well owner electric log KDWR |
| Emergency, Settling and Burn Pits ONLY: Drilling, Workover and Haul-Off Pits ONLY: | | over and Haul-Off Pits ONLY: | |
| Producing Formation: Type of material | | al utilized in drilling/workover: | |
| Number of producing wells on lease: Number of worl | | 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? Yes No Drill pits must be | | be closed within 365 days of spud date. | |
| Submitted Electronically | | | |
| KCC OFFICE USE ONLY Liner Steel Pit RFAC RFAS | | | |
| Date Received: Permit Numl | ber: | Permi | it Date: Lease Inspection: Yes No |

CORRECTION #1

Kansas Corporation Commission Oil & Gas Conservation Division 1335509

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 (C | athodic Protection Borehole Intent) |
|--|---|
| OPERATOR: License # | Well Location: |
| Surface Owner Information: Name: | When filing a Form T-1 involving multiple surface owners, attach an additional 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 county, and in the real estate property tax records of the county treasurer. |
| the KCC with a plat showing the predicted locations of lease roads, tank are preliminary non-binding estimates. The locations may be entered or Select one of the following: □ I certify that, pursuant to the Kansas Surface Owner Notice A owner(s) of the land upon which the subject well is or will be locations. | dic Protection Borehole Intent), you must supply the surface owners and a batteries, pipelines, and electrical lines. The locations shown on the plat in the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. ct (House Bill 2032), I have provided the following to the surface pocated: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form |
| form; and 3) my operator name, address, phone number, fax, and I have not provided this information to the surface owner(s). I ackCC will be required to send this information to the surface ow task, I acknowledge that I must provide the name and address that I am being charged a \$30.00 handling fee, payable to the K | cknowledge that, because I have not provided this information, the rner(s). To mitigate the additional cost of the KCC performing this of the surface owner by filling out the top section of this form and |
| form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 Submitted Electronically | |

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

Pat Apple, Chairman Shari Feist Albrecht, Commissioner Jay Scott Emler, Commissioner

February 15, 2017

Andrew Moore BEREXCO LLC 2020 N. BRAMBLEWOOD WICHITA, KS 67206-1094

Re: Drilling Pit Application API 15-167-07069-00-01 Rusch-Seeley 1 SE/4 Sec.30-14S-14W Russell County, Kansas

Dear Andrew Moore:

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 (785) 625-0550.

82-3-607.

Kansas
Corporation Commission

Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Sam Brownback, Governor

Pat Apple, Chairman Shari Feist Albrecht, Commissioner Jay Scott Emler, Commissioner

HAUL-OFF PIT APPLICATION FILING REQUIREMENTS

DISPOSAL OF DIKE AND PIT CONTENTS.

| (a) | Each operator shall perform one of the following when disposing of dike or |
|-------|---|
| pit | 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. |

Summary of Changes

Lease Name and Number: Rusch-Seeley 1

API/Permit #: 15-167-07069-00-01

Doc ID: 1335509

Correction Number: 1

Approved By: Rick Hestermann 02/15/2017

| Field Name | Previous Value | New Value |
|--|---|-------------------------------|
| Artificial Liner? | No | |
| Depth Of Water Well | 32 | |
| Depth to Shallowest Fresh Water | 18 | |
| Feet to Nearest Water Well Within One-Mile of | 1004 | |
| Pit Fresh Water Information Source: KDWR | Yes | No |
| How Pit is Lined if Plastic Liner Not Used | Mud seal with Bentonite Clay in freshwater drilling mud, native | |
| Is Bottom Below Ground Level? | Yes | |
| Is Pit Proposed or Existing | Proposed | |
| KCC Only - Approved By | Rick Hestermann 02/13/2017 | Rick Hestermann 02/15/2017 |
| KCC Only - Approved Date | 02/13/2017 | 02/15/2017 |

Summary of changes for correction 1 continued

| Field Name | Previous Value | New Value |
|--------------------------------|--|--|
| KCC Only - Date Received | 02/03/2017 | 02/14/2017 |
| KCC Only - Lease Inspection | Yes | No |
| Pit Capacity BBLS | 7000 | |
| Pit Deepest Depth | 4 | |
| Pit Length | 100 | |
| Pit Type | Drilling | |
| Pit Width | 100 | |
| Save Link | //kcc/detail/operatorE ditDetail.cfm?docID=13 | //kcc/detail/operatorE ditDetail.cfm?docID=13 |
| Steel Pit | 29020 No | 35509 Yes |

Summary of Attachments

Lease Name and Number: Rusch-Seeley 1

API: 15-167-07069-00-01

Doc ID: 1335509

Correction Number: 1

Approved By: Rick Hestermann 02/15/2017

Attachment Name

No Earthen Pits

Haul Off Pit Application