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

Expected Spud Date:	Spot Description:
DPERATOR: License#	
lame:	feet from E / W Line of Section
ddress 1:	Is SECTION: Regular Irregular?
ddress 2:	(Note: Locate well on the Section Plat on reverse side)
ity:	County:
ontact Person:hone:	Lease Name: Well #:
TIONS	Field Name:
ONTRACTOR: License#	Is this a Prorated / Spaced Field?
lame:	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 Elevation:feet MS
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile:  Public water supply well within one mile:  Yes N  Yes N
Disposal Wildcat Cable	Public water supply well within one mile: Yes No Depth to bottom of fresh water:
Seismic ;# of HolesOther	Depth to bottom of usable water:
Other:	Surface Pipe by Alternate: I III
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
On contain	Largeth of Cardynatas Rica (if ann.)
Operator:	Projected Total Depth:
Original Completion Date: Original Total Depth:	
	Water Source for Drilling Operations:
irectional, Deviated or Horizontal wellbore? Yes No	Well Farm Pond Other:
Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	( <b>Note:</b> Apply for Permit with DWR )
(CC DKT #:	Will Cores be taken? Yes N
AE	If Yes, proposed zone:
The undersigned hereby affirms that the drilling, completion and eventual p	
t is agreed that the following minimum requirements will be met:	
<ul><li>5. The appropriate district office will be notified before well is either plug</li><li>6. If an ALTERNATE II COMPLETION, production pipe shall be cement Or pursuant to Appendix "B" - Eastern Kansas surface casing order #</li></ul>	If by circulating cement to the top; in all cases surface pipe <b>shall be set</b> the underlying formation.  Strict office on plug length and placement is necessary <b>prior to plugging</b> ;
<ol> <li>A copy of the approved notice of intent to drill shall be posted on each of the minimum amount of surface pipe as specified below shall be see through all unconsolidated materials plus a minimum of 20 feet into the second of the well is dry hole, an agreement between the operator and the district office will be notified before well is either pluge. If an ALTERNATE II COMPLETION, production pipe shall be cement Or pursuant to Appendix "B" - Eastern Kansas surface casing order #</li> </ol>	t by circulating cement to the top; in all cases surface pipe <b>shall be set</b> ne underlying formation.  Strict office on plug length and placement is necessary <b>prior to plugging</b> ; ged or production casing is cemented in; ed from below any usable water to surface within <b>120 DAYS</b> of spud date. 133,891-C, which applies to the KCC District 3 area, alternate II cementing

Well will not be drilled or Permit Expired Date: \_

Signature of Operator or Agent:

Side Two

For KCC Use ONLY	
API # 15	

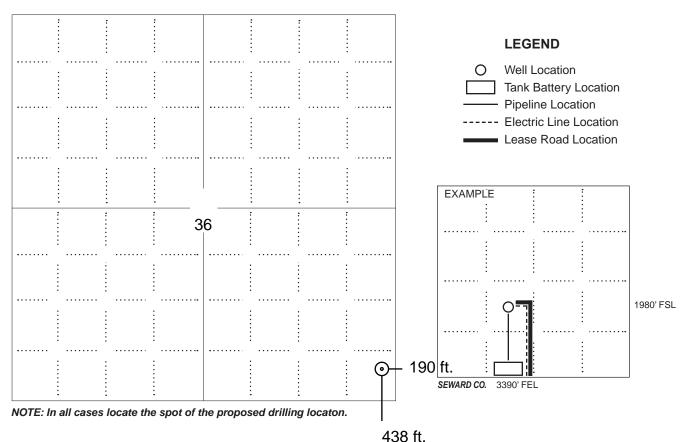
### IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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 Well: County:
Lease:	feet from N / S Line of Section  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.



### 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.

### 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	
Settling Pit Drilling Pit	If Existing, date cor	nstructed:	Feet from North / South Line of Section	
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:	(111)	Feet from East / West Line of Section	
		(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?	lo	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	om ground level to dee	pest point:	(feet) No Pit	
If the pit is lined give a brief description of the li material, thickness and installation procedure.	ilei		dures for periodic maintenance and determining cluding any special monitoring.	
·		Depth to shallow Source of inforr	west fresh water feet.	
feet Depth of water wellfeet		measured	well owner electric log KDWR	
Emergency, Settling and Burn Pits ONLY:		Drilling, Worko	ver and Haul-Off Pits ONLY:	
Producing Formation:		Type of materia	l utilized in drilling/workover:	
Number of producing wells on lease:		Number of working 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 b	e closed within 365 days of spud date.	
Submitted Electronically				
KCC OFFICE USE ONLY				
Date Received: Permit Numl	ber:	Permi	Liner Steel Pit RFAC RFAS  t Date: Lease Inspection: Yes No	

### Kansas Corporation Commission Oil & Gas Conservation Division

Form KSONA-1
July 2021
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	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
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:+	
the KCC with a plat showing the predicted locations of lease roads, tank	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.
Select one of the following:	
provided the following to the surface owner(s) of the land up Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing C-1 or Form CB-1, the plat(s) required by this form; and 3) my one of the surface owner(s).	Act (see Chapter 55 of the Kansas Statutes Annotated), I have son which the subject well is or will be located: 1) a copy of the g in connection with this form; 2) if the form being filed is a Form operator name, address, phone number, fax, and email address.  acknowledge that, because I have not provided this information, e owner(s). To mitigate the additional cost of the KCC performing
this task, I acknowledge that I must provide the name and add and that I am being charged a \$30.00 handling fee, payable to	ress of the surface owner by filling out the top section of this form the KCC, which is enclosed with this form.
If choosing the second option, submit payment of the \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-	fee with this form. If the fee is not received with this form, the KSONA-1 will be returned.
Submitted Electronically	

## THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

/s/ Amy L. Gilbert

т		$\alpha$	•	•	
н	efore	Com	mis	รากเ	iers:

Shari Feist Albrecht, Chair

Jay Scott Emler Pat Apple

In the Matter of the Application of Linn Operating, Inc.	)	Docket No. 15-CONS-774-CUNI
for an order providing for the unitization and unit	)	
operation of a part of the Hugoton and Panoma Council	)	CONSERVATION DIVISION
Grove Gas Fields in the Alternate Tract Unit described	)	
as Section 36-26S-38W (SE/4), Section 31-26S-37W	)	License No. 33999
(SW/4), in Kearny County, Kansas, Section 06-27S-	)	
37W (NW/4), Section 01-27S-38W (NE/4) in Grant	)	
County, Kansas (ATU 127X)	)	

### **ORDER GRANTING APPLICATION**

The Commission grants the application of Linn Operating, Inc. ("the Operator"), creating this Alternate Tract Unit ("ATU") for the following reasons:

### I. JURISDICTION

- 1. Commission records indicate the Operator is currently licensed to conduct oil and gas activities in Kansas under K.S.A. 55-155.
- 2. The Operator filed an application on March 23, 2015, requesting unitization of an ATU pursuant to the Basic Integrated Proration Order for the Hugoton Gas Field and the Panoma Council Grove Gas Field, Dockets C-164 and 60,024-C (C-7,058) (the "BIPO"), and pursuant to the Kansas unitization statutes found in K.S.A. 55-1301 through K.S.A. 55-1317.
  - 3. The Commission thus has jurisdiction over the Operator and this matter.

### II. LEGAL STANDARD

4. Paragraph I.1 of the BIPO provides that it shall be lawful for diverse owners of land or minerals, including the Operator or owner of a well, to create production units incorporating the diverse holdings and apportion the production by agreement.

- 5. The BIPO, Paragraph I.2, authorizes the creation of ATU's, referencing the unitization proceedings under K.S.A. 55-1301 et seq. ATU's shall consist of approximately 640 acres consisting of either: (a) two half-sections in two governmental sections or production units directly adjacent and contiguous, forming a "stand-up" north-south oriented rectangle or a "laydown" east-west oriented rectangle; or (b) four quarter-sections in four governmental sections or production units directly adjacent and contiguous, forming an approximate square. The non-contiguous unit-exception provisions of Paragraph G of the BIPO shall not apply to ATU's.
- 6. The BIPO, Paragraph I.2, further provides that ATU wells shall be located as near to the geographic center of the ATU as practicable, but in no case less than 1,250 feet from any ATU boundary. ATU wells shall not be drilled outside of these designated tolerances, and the location-exception provisions of Paragraph H of the BIPO shall not apply to ATU wells.
- 7. The BIPO, Paragraph I.2, further provides that not more than one ATU well may be drilled on each ATU, and the increased density provisions of Paragraph F of the BIPO shall not apply to ATU's. Acreage attributed to one ATU cannot be included in another ATU.
- 8. The BIPO, Paragraph I.3, provides that Chase Group and Council Grove Group production may be commingled in an ATU well.
- 9. The BIPO, Paragraph I.4, provides that all ATU's, in vertical alignment for the drilling and completion of both the Chase Group and the Council Grove Group, shall be comprised of equal acreage situated on the same geographic position. Such vertically aligned units that differ in either acreage size or geographic position, or both, shall be permitted only by an Order of the Commission obtained after notice and hearing.

- 10. The BIPO, Paragraph I.5, provides that before drilling an ATU well, the unit Operator shall file with the Conservation Division an affidavit describing the acreage comprising the ATU, and a plat showing the acreage comprising the ATU and each Chase and Council Grove well within the ATU which is producing or has produced. The Commission Staff shall have 30 days to object that the drilling of an ATU well fails to prevent waste, and upon such objection, shall set the matter for hearing and provide notice in accordance with K.A.R. 82-3-135a. If no objection is filed within 30 days, the ATU and the drilling of the well are automatically approved.
- 11. K.S.A. 55-1301 through K.S.A. 55-1317 provide processes for unitizing acreage in Kansas. K.S.A. 55-1301 provides that the Commission shall exercise such powers to prevent waste and protect correlative rights.
- 12. K.S.A. 55-1303 provides detailed requirements for a unit application including a statement of the type of operations, the proposed plans for unitization, the proposed operating plan covering supervision and costs, and an allegation of the facts required to be found by the Commission in K.S.A. 55-1304.
- 13. K.S.A. 55-1304 provides that the Commission must find all three of the following conditions are present before unitizing acreage:
  - a. Under K.S.A. 55-1304(a)(1), the primary production from a pool or a part thereof sought to be unitized has reached a low economic level and, without introduction of artificial energy, abandonment of oil or gas wells is imminent; or under K.S.A. 55-1304(a)(2) the unitized management, operation, and further development of the pool or the part thereof sought to be unitized is

- economically feasible and reasonably necessary to prevent waste within the reservoir and substantially increase the ultimate recovery of oil or gas;
- the value of the estimated additional recovery of oil or gas substantially
  exceeds the estimated additional cost incident to conducting such operations;
   and
- c. the proposed operation is fair and equitable to all interest owners.
- 14. K.S.A. 55-1305 provides that the order creating the unit shall be upon terms and conditions that are just and reasonable, and it lists detailed requirements that must be included in the order. In addition, K.S.A. 55-1305(1) provides that, for unitization pursuant to K.S.A. 55-1304(a)(2), the plan for unit operations must be approved by the persons who will pay at least 63% of the costs of the unit operation and the owners of at least 75% of the royalty interests. If the required percentages are not obtained at the time the order is issued, the required percentages must be obtained within six months after the order is issued.

### III. FINDINGS OF FACT

- 15. The proposed ATU consists of the following:
  - a. The SE/4 of Section 36, Township 26 South, Range 38 West, Kearny County, Kansas;
  - b. the SW/4 of Section 31, Township 26 South, Range 37 West, Kearny County, Kansas;
  - the NW/4 of Section 6, Township 27 South, Range 37 West, Grant
     County, Kansas and
  - d. the NE/4 of Section 1, Township 27 South, Range 38 West, Grant County, Kansas.

- 16. The ATU will comprise approximately 640 acres and will form an approximate square, conforming with the ATU size and shape requirements. The proposed location of the well also complies with the BIPO setback requirements.
- 17. The application states that the ATU and well are needed for the effective management, development, and production in the area covered by the BIPO to substantially increase and maximize ultimate gas recovery.
- 18. The application states that the value of the estimated additional recovery of the hydrocarbons from these formations substantially exceeds the estimated additional cost incident to conducting such operations. It further states the proposed operations outlined in the unit agreement and unit operating agreement are fair and equitable to all interest owners.
  - 19. The application includes the unit agreement and unit operating agreement.
- 20. The Operator is applying for unitization under in K.S.A. 55-1304(a)(2); thus the required percentages are 63% of the working interest and 75% of the royalty interest. The application states that 100% of the working interest is owned by the Operator, and Exhibit B-1 to the Unit Agreement indicates greater than 86% of the royalty interest has consented to the formation of the ATU. This exceeds the statutory requirements for unitization.
- 21. The Operator has verified that notice was properly served and published at least 15 days before the issuance of this Order. No protests to the grant of the application were filed.
- 22. The Commission finds that the conditions required by K.S.A. 55-1304 for unitization are present, specifically:
  - a. The unitized management, operation, and further development of the pool or the part thereof sought to be unitized is economically feasible and reasonably

- necessary to prevent waste within the reservoir and substantially increase the ultimate recovery of oil or gas;
- the value of the estimated additional recovery of oil or gas substantially
  exceeds the estimated additional cost incident to conducting such operations;
   and
- c. the proposed unit operation is fair and equitable to all interest owners.
- 23. Incorporation of the application and exhibits, including the Unit Agreement and the Unit Operating Agreement, into this Order will satisfy the requirements of K.S.A. 55-1305.

### IV. CONCLUSIONS OF LAW

- 24. The application was filed in accordance with the rules and regulations of the Commission and Kansas statutes.
  - 25. The application should be granted to prevent waste and protect correlative rights.

    THEREFORE, THE COMMISSION ORDERS:
- A. The application to form an ATU pursuant to the BIPO and K.S.A. 55-1301 through K.S.A. 55-1317 is granted.
- B. The ATU shall be governed by the terms found in the application and the exhibits, including the Unit Agreement and the Unit Operating Agreement, which are hereby incorporated by reference.
- C. Pursuant to K.S.A. 77-537 and K.S.A. 77-542, any party may request a hearing on the above issues by submitting a written request, setting forth the specific grounds upon which relief is sought, to the Commission, at 266 N. Main, Suite 220, Wichita, Kansas 67202, within 15 days from the date of service of this Order. If service is by mail, three days will be added to the Mailed Date listed at the end of this Order. Hearings will be scheduled only upon written request.

Failure to timely request a hearing will result in a waiver of the right to a hearing, and this Order will become a Final Order.

- D. Attorneys for all parties shall enter their appearances in Commission proceedings by giving their names and addresses for the record. A corporation or similar entity shall not be permitted to enter an appearance except by its attorney.
- E. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further order or orders as it may deem necessary.

### BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Ch	nair; Emler, Commissioner; Apple,	
Date:	MAY 1 2 2015	Amy Gelbert
		Amy L. Gilbert
		Secretary
Date Mailed	: <u>May 12, 2015</u>	
JRM		

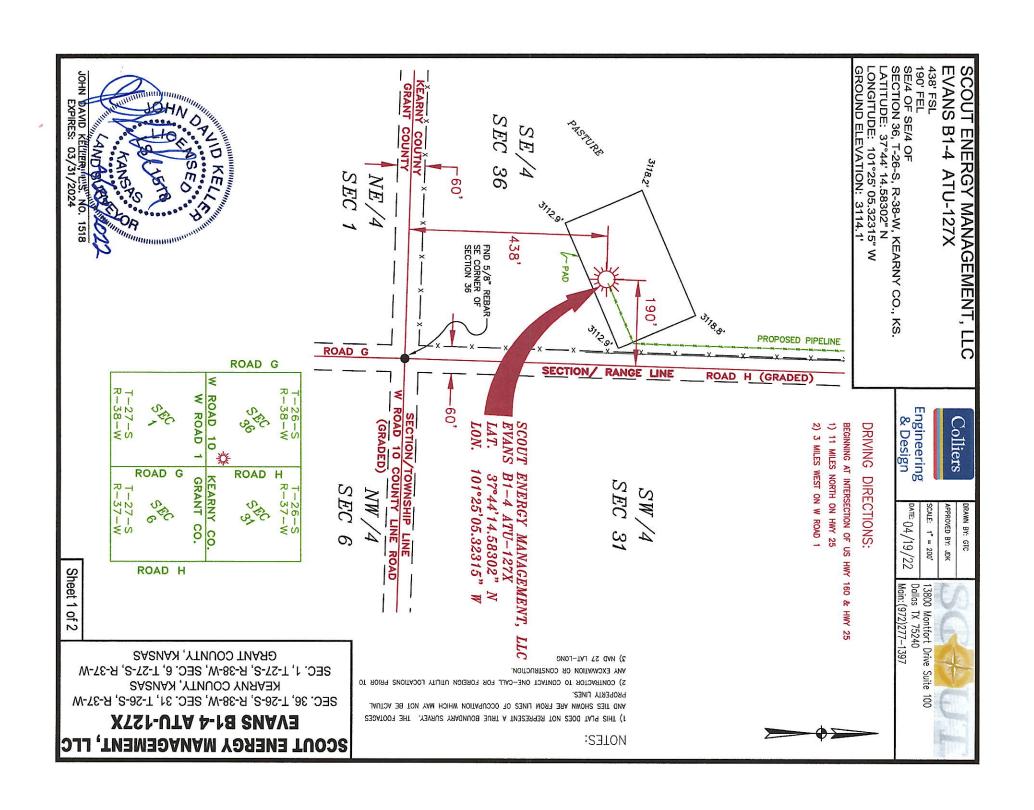
## **CERTIFICATE OF SERVICE**

I hereby certify that on	May 12, 2015	, I caused a true and correct copy of
the foregoing "Order" to be serv	ved by placing the same	e in the United States mail, postage
prepaid, to the following parties	s:	

Stanford J. Smith Jr.
Martin, Pringle, Oliver, Wallace, & Bauer, L.L.P.
100 N. Broadway, Ste 500
Wichita, KS 67202
Attorney for Linn Operating, Inc.

Linn Operating, Inc. 600 Travis Suite 4900 Houston, Texas 77002-3018

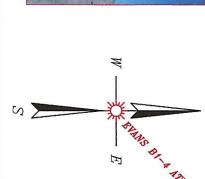
/s/ Jonathan R. Myers
Jonathan R. Myers
Litigation Counsel
Kansas Corporation Commission





Sheet 1 of 2







**LOOKING WEST** 

LOOKING EAST



LOOKING NORTH

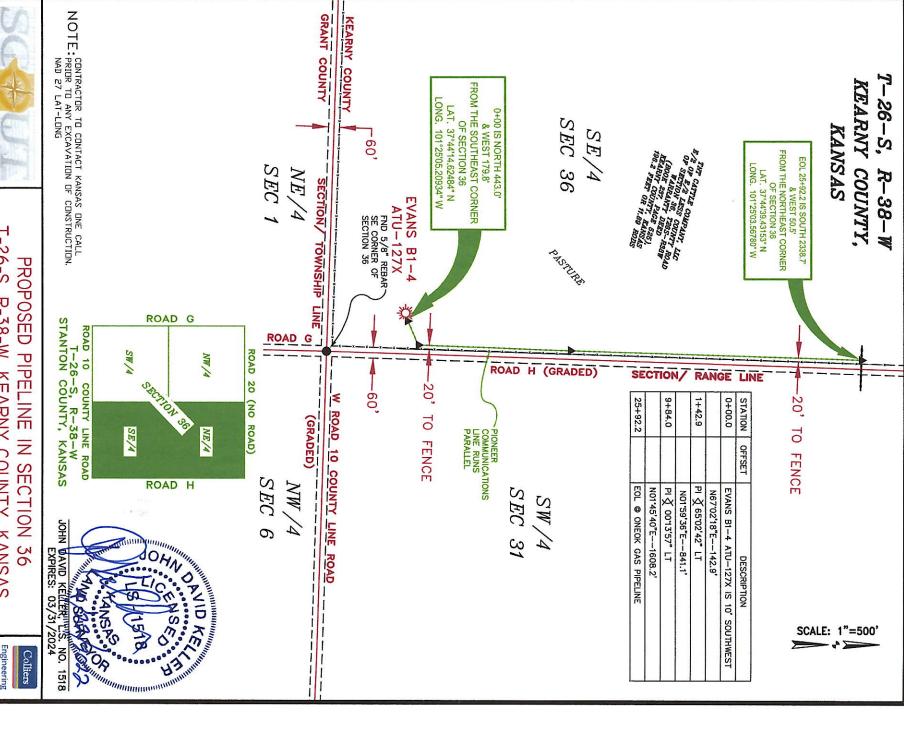
13800 Montfort Drive Suite 1 Dallas TX 75240 Main: (972)277-1397 100

DRAWN BY: GTC DATE: 04/19/22 APPROVED BY: JDK SCALE: 1" = 200"

Engineering & Design Colliers

438' FSL
190' FEL
SE/4 OF SE/4 OF
SECTION 36, T-26-S, R-38-W, KEARNY CO., KS.
LATITUDE: 37°44"14.58302" N
LONGITUDE: 101°25'05.32315" W
GROUND ELEVATION: 3114.1'

EVANS B1-4 ATU-127X SCOUT ENERGY MANAGEMENT LLC

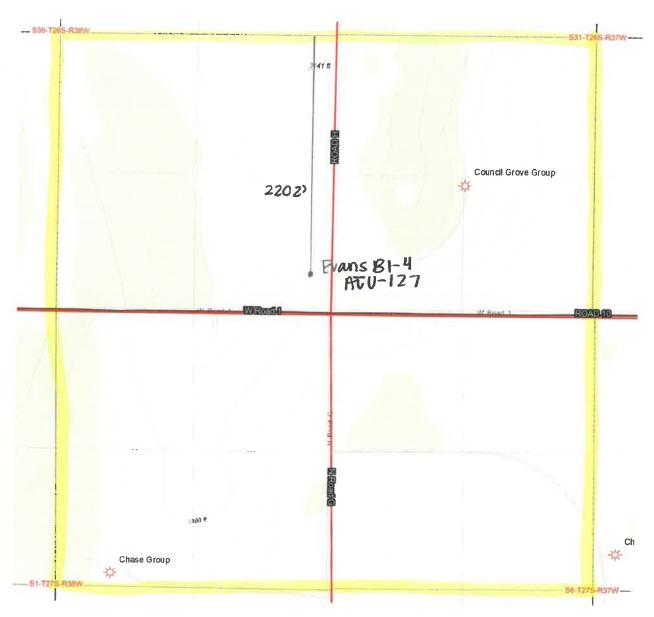






## PLAT & CERTIFICATION OF ACREAGE ATTRIBUTABLE TO A GAS WELL

API Number:	Location of well: County Kearny
Operator: Scout Energy Management LLC	438 feet from  South / North line of section
Lease: Evans	190
Well Number: B1-4 ATU-127	36 - 26 - 38
Field: Hugoton-Panoma	SecTwpREast/ West ls section:/ Regular Irregular
Number of acres contained in unit: 640	If section is Irregular, locate well from the nearest corner boundry:
Q/Q/Q/Q of Acreage: NE _ SE _ SE _ SE	Section corner used: NE NW SE SW
(Show the location of the well and shade attributable acreage for prorated or s and show footage to the nearest common source supply well.)	paced wells.) (Show the footage to the nearest lease or unit boundary line;
22027	
evansv81-4 Anv-127	EXAMPLE
	3390'
	SEWARD CO.
The undersigned hereby certifies as  Senior Regulatory Analyst  Scout Energy Management LLC	(Title) for (Co.), a duly authorized agent, that all information shown hereon
is true and correct to the best of my knowledge and belief, that all acreage claim	ed attributable to the well identified herein is held by production from that
well and does hereby make application for an allowable to be assigned to the we	ell upon filing of this form and the State test, whichever is received last.
Subscribed and sworn to before me on this	S day of Mary , 2022
My Commission expires:  THALIA HARNETT  My Notary ID # 132166298  Expires September 10, 2023	Notary Public
Mail to: KCC - Conservation Division, 266 N Mail	n St, Ste 220, Wichita, KS 67202-1513



Evans B1-4 ATU-127

640 acres attributed to well

2202' to nearest unit boundary line

3500' to nearest Chase well

1650' to nearest Council Grove well

