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:
month day year	, Sec Twp S. R E W
ODERATOR 1: "	(Q/Q/Q/Q) feet from N / S Line of Section
PPERATOR: License#	feet from E / W Line of Section
ame:	Is SECTION: Regular Irregular?
ddress 1:ddress 2:	
ity: State: Zip: +	(Note: Locate well on the Section Plat on reverse side)
ontact Person:	County:
none:	Lease Name: Well #:
ONTD ACTOD. License#	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 Elevation:feet MSL
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
If OWWO: old well information as follows:	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:
	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:	(Note: Apply for Permit with DWR)
(CC DKT #:	Will Cores be taken?
	If Yes, proposed zone:
AFE	FIDAVIT
he undersigned hereby affirms that the drilling, completion and eventual plu	
	gging 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; 	
, , , , , , , , , , , , , , , , , , , ,	
2. A copy of the approved notice of intent to drill shall be posted on each	0 0,
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Signature of Operator or Agent:

Side Two

For KCC Use ONLY	
API # 15	

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

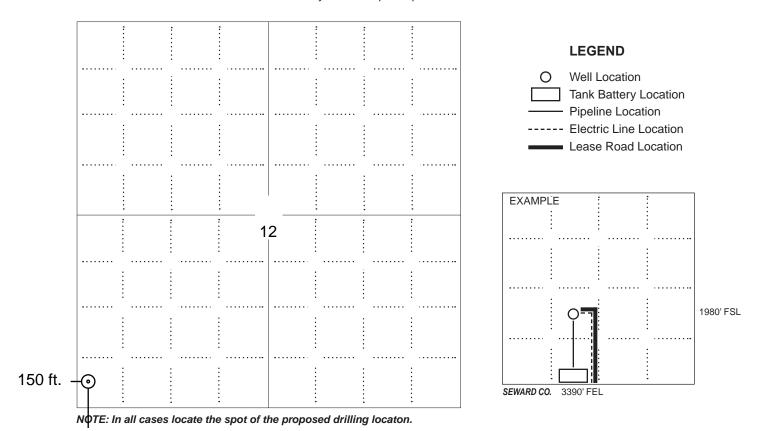
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator:	Location of Well: County:
Lease:	feet from N / S Line of Section
Well Number:	feet from E / W Line of Section
Field:	SecTwpS. R 🔲 E 🔲 W
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.



362 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.

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:	(bbls)	Feet from East / West Line of Section		
Is the pit located in a Sensitive Ground Water A	rea? Yes I	No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)		
Is the bottom below ground level?	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	m ground level to dee	pest point:	(feet) No Pit		
		• ,	cluding any special monitoring.		
Distance to nearest water well within one-mile of	of pit:	Depth to shallo Source of infor	west fresh water feet. nation:		
feet Depth of water well	feet	measured	well owner electric log KDWR		
Emergency, Settling and Burn Pits ONLY: Drilling, Works		over and Haul-Off Pits ONLY:			
Producing Formation:		Type of materia	al utilized in drilling/workover:		
Number of producing wells on lease:		Number of worl	rking pits to be utilized:		
Barrels of fluid produced daily: Abandonment		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		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	t Date: Lease Inspection:		

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

Before Commissioners:	Shari Feist Albrecht, Chair Jay Scott Emler Pat Apple		
In the Matter of the Application of I	Linn)	Docket No. 1	5-CONS-290-CUNI
Operating, Inc. for an Order Providi			
Unitization and Unit Operation of a Part of the		CONSERVA	TION DIVISION
Hugoton and Panoma Council Grov-			
in the Alternate Tract Unit Describe	•	License No.	33999
11-29S-39W (SE/4), Section 12-29S	S-39W)		
(SW/4), Section 14-29S-39W (NE/4), Section)		
13-29S-39W (NW/4) in Stanton Cou	, ,		
Kansas (ATU 138))		

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 October 3, 2014, 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(I) 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 description in the application consists of the following, all in Stanton County:
 - a. The SE/4 of Section 11, Township 29 South, Range 39 West;
 - b. the SW/4 of Section 12, Township 29 South, Range 39 West;
 - c. the NW/4 of Section 13, Township 29 South, Range 39 West; and
 - d. the NE/4 of Section 14, Township 29 South, Range 39 West.
- 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 75% 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's Executive Director, 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,	Chair;	Emler,	Com.;	Apple,	Com.
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Date:	DEC	0	4	2014	

Thomas A. Day
Acting Executive Director

Date Mailed: 12/5/2014

LRP

I CERTIFY THE ORIGINAL
GOPY IS ON FILE WITH
The State Corperation Commission

DEC 0 4 2014

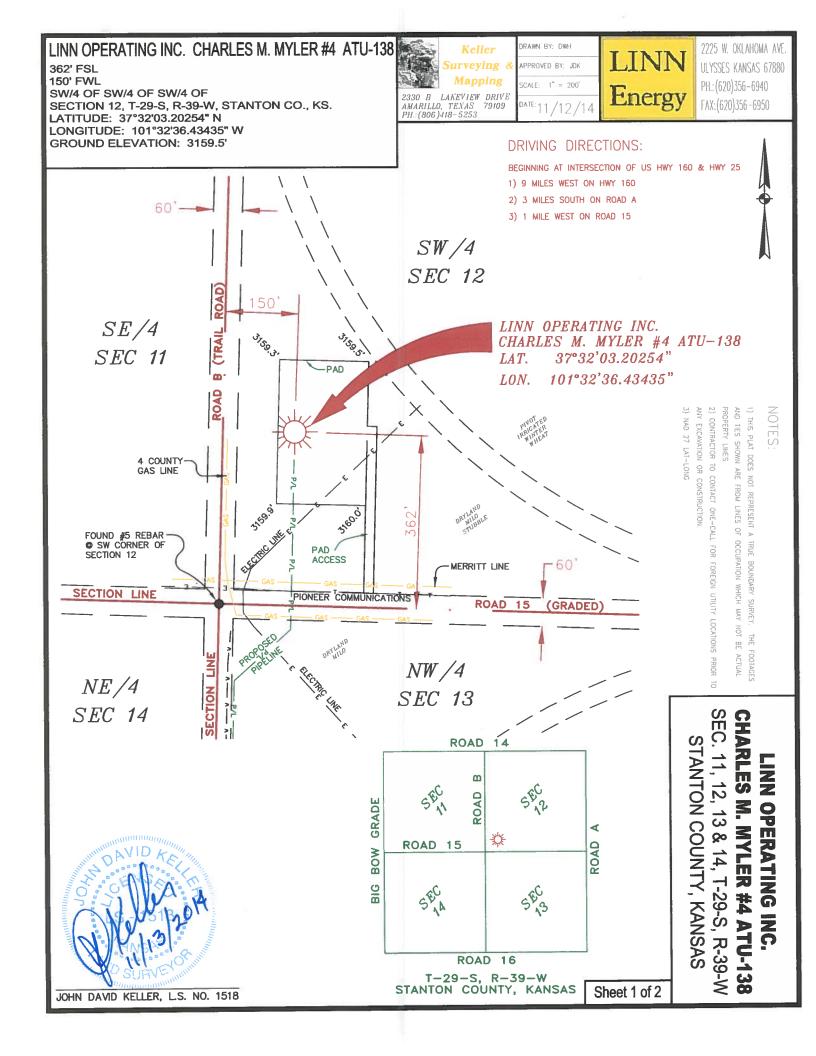
7

CERTIFICATE OF SERVICE

I hereby certify that on	12/5/2014	, I caused a true and correct copy of
the foregoing "Order" to be serve	d by placing the same	in the United States mail, postage
prepaid, to the following parties:		

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.

/s/ Lane R. Palmateer
Lane R. Palmateer
Litigation Counsel
Kansas Corporation Commission



LINN OPERATING INC. CHARLES M. MYLER #4 ATU-138

362' FSL 150' FWL

SW/4 OF SW/4 OF SW/4 OF

SECTION 12, T-29-S, R-39-W, STANTON CO., KS.

LATITUDE: 37°32'03.20254" N LONGITUDE: 101°32'36.43435" W **GROUND ELEVATION: 3159.5'**



Surveying & **Mapping**

2330 B LAKEVIEW DRIVE AMARILLO, TEXAS 79109 PH:(806)418-5253

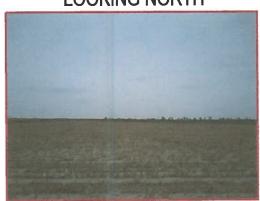
DRAWN BY: DWH APPROVED BY: JDK

DATE: 11/12/14

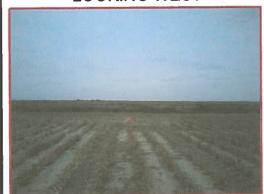
Energy

2225 W. OKLAHOMA AVE. ULYSSES KANSAS 67880 PH.: (620)356=6940 FAX: (620)356-6950

LOOKING NORTH



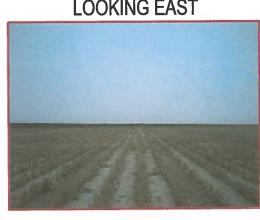
LOOKING WEST







LOOKING EAST





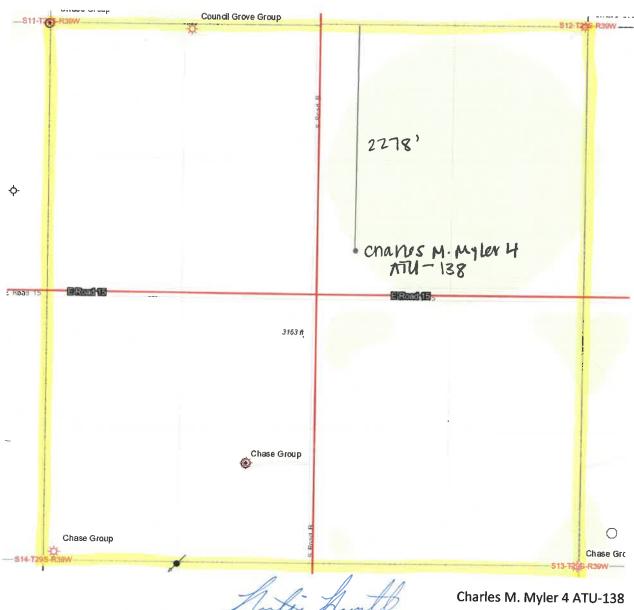
LOOKING SOUTH

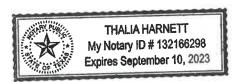
CHARLES M. MYLER #4 ATU-138 LINN OPERATING INC.

Sheet 2 of 2

PLAT & CERTIFICATION OF ACREAGE ATTRIBUTABLE TO A GAS WELL

API Number:	Location of well: County Stanton			
Operator: Scout Energy Management LLC	feet from South / North line of section			
Lease: Charles M. Myler	150feet from East / West line of section			
Well Number: 4 ATU-138	12 Sec. 29 Twp. 39 R. East West			
Field: Hugoton-Panoma	Is section: Regular Irregular			
Number of acres contained in unit: 640	If section is Irregular, locate well from the nearest corner boundry:			
Q/Q/Q of Acreage: NW _ SW _ SW _ SW	Section corner used: NE NW SE SW			
(Show the location of the well and shade attributable acreage for prorated or and show footage to the nearest common source supply well.)	spaced wells.) (Show the footage to the nearest lease or unit boundary line;			
117.10				
2278'				
on aries M	My Let 4 EXAMPLE			
	1980			
	3390'			
	SEWARD CO.			
The undersigned hereby certifies as Senior Regulatory Analyst (Title) for				
Scout Energy Management LLC	(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 clai				
well and does hereby make application for an allowable to be assigned to the w				
Signatu	ire: Sharonsem			
Subscribed and sworn to before me ontl	his day of May 2022			
THALIA HARNETT My Notary ID # 132166298 Expires September 10, 2023	Mulis Hambb Notary Public			
wy Commission expires. — or use Continuer 10, 2023				





640 acres attributed to well
2278' to nearest unit boundary line
2160' to nearest Chase well
2660' to nearest Council Grove well