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	
PERATOR: License#	feet from N / S Line of Section
ame:	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)
city: State: Zip: +	County:
Contact Person:	Lease Name: Well #:
hone:	Field Name:
CONTRACTOR: 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:
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:
If OWWO: old well information as follows:	Surface Pipe by Alternate: II III
II 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:	
Directional, Deviated or Horizontal wellbore?	Water Source for Drilling Operations:
f Yes, true vertical depth:	Well Farm Pond Other:
	DIAID D
•	DWK Fellill #.
Bottom Hole Location:	(Note: Apply for Permit with DWR)
Sottom Hole Location: KCC DKT #:	(Note: Apply for Permit with DWR) Will Cores be taken? Yes N If Yes, proposed zone:
AF The undersigned hereby affirms that the drilling, completion and eventual p t is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on eac 3. The minimum amount of surface pipe as specified below <i>shall be se</i> through all unconsolidated materials plus a minimum of 20 feet into the 4. If the well is dry hole, an agreement between the operator and the dis 5. The appropriate district office will be notified before well is either plug 6. If an ALTERNATE II COMPLETION, production pipe shall be cement Or pursuant to Appendix "B" - Eastern Kansas surface casing order #	(Note: Apply for Permit with DWR) Will Cores be taken? Yes Note: If Yes, proposed zone: FIDAVIT Stripping of this well will comply with K.S.A. 55 et. seq. Stripping rig; It by circulating cement to the top; in all cases surface pipe shall be set the underlying formation. Strict office on plug length and placement is necessary prior to plugging;
AF The undersigned hereby affirms that the drilling, completion and eventual pt is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on eac 3. The minimum amount of surface pipe as specified below <i>shall be se</i> through all unconsolidated materials plus a minimum of 20 feet into th 4. If the well is dry hole, an agreement between the operator and the dis 5. The appropriate district office will be notified before well is either plug 6. If an ALTERNATE II COMPLETION, production pipe shall be cement Or pursuant to Appendix "B" - Eastern Kansas surface casing order #	(Note: Apply for Permit with DWR) Will Cores be taken?
AF The undersigned hereby affirms that the drilling, completion and eventual provided 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 as through all unconsolidated materials plus a minimum of 20 feet into the search of the well is dry hole, an agreement between the operator and the district office will be notified before well is either plug for the appropriate district office will be notified before well is either plug for gursuant to Appendix "B" - Eastern Kansas surface casing order # must be completed within 30 days of the spud date or the well shall be submitted Electronically For KCC Use ONLY API # 15	(Note: Apply for Permit with DWR) Will Cores be taken? If Yes, proposed zone: "FIDAVIT Jugging of this well will comply with K.S.A. 55 et. seq. If he drilling rig; If by circulating cement to the top; in all cases surface pipe shall be set the underlying formation. Strict office on plug length and placement is necessary prior to plugging; aged or production casing is cemented in; aged from below any usable water to surface within 120 DAYS of spud date. 133,891-C, which applies to the KCC District 3 area, alternate II cementing the plugged. In all cases, NOTIFY district office prior to any cementing. 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);
AF The undersigned hereby affirms that the drilling, completion and eventual pt 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 and a specified below shall be see through all unconsolidated materials plus a minimum of 20 feet into the sequence of the appropriate district office will be notified before well is either plug for the appropriate district office will be notified before well is either plug for pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall be sequented. **Dubmitted Electronically** **For KCC Use ONLY** API # 15	(Note: Apply for Permit with DWR) Will Cores be taken? Yes 1 Wes 1 Wes

Signature of Operator or Agent:

Side Two

For KCC Use ONLY
API # 15

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

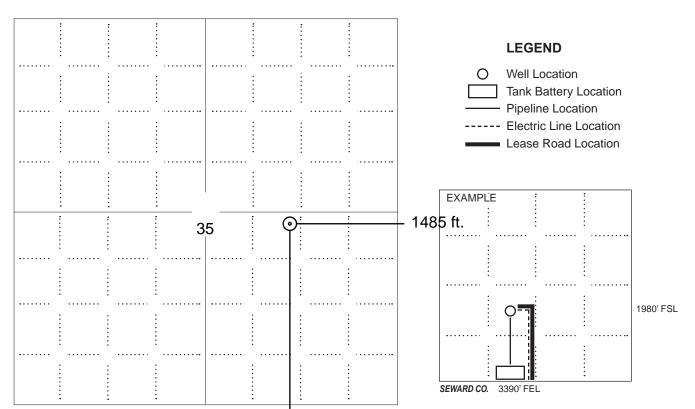
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

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

2475 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		
(If WP Supply API No. or Year Drilled)	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	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		
material, thickness and installation procedure.			cluding any special monitoring.		
Distance to nearest water well within one-mile 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, Work	ver and Haul-Off Pits ONLY:		
Producing Formation:		Type of materia	l 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 b	e 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

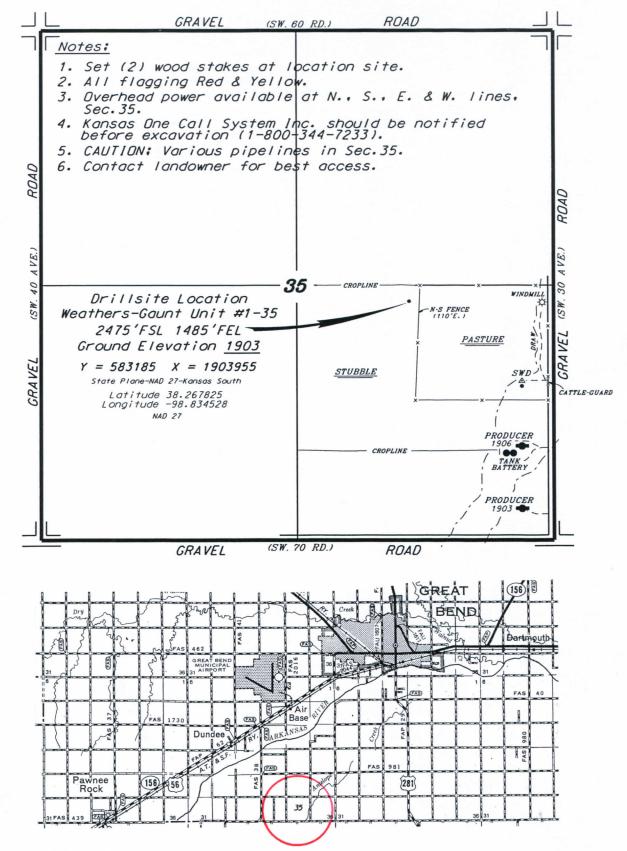
CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

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 (Intent)	Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)
OPERATOR: License #	Well Location:
Name:	SecTwpS. R 🔲 East 🗌 West
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 sheet listing all of the information to the left for each surface owner. Surface
Address 1:	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:	
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.
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 filin	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.
the KCC will be required to send this information to the surface	I acknowledge that, because I have not provided this information, e owner(s). To mitigate the additional cost of the KCC performing lress 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	
r	

DARRAH OIL COMPANY, LLC WEATHERS-GAUNT LEASE SE.1/4. SECTION 35. T20S. R14W BARTON COUNTY, KANSAS



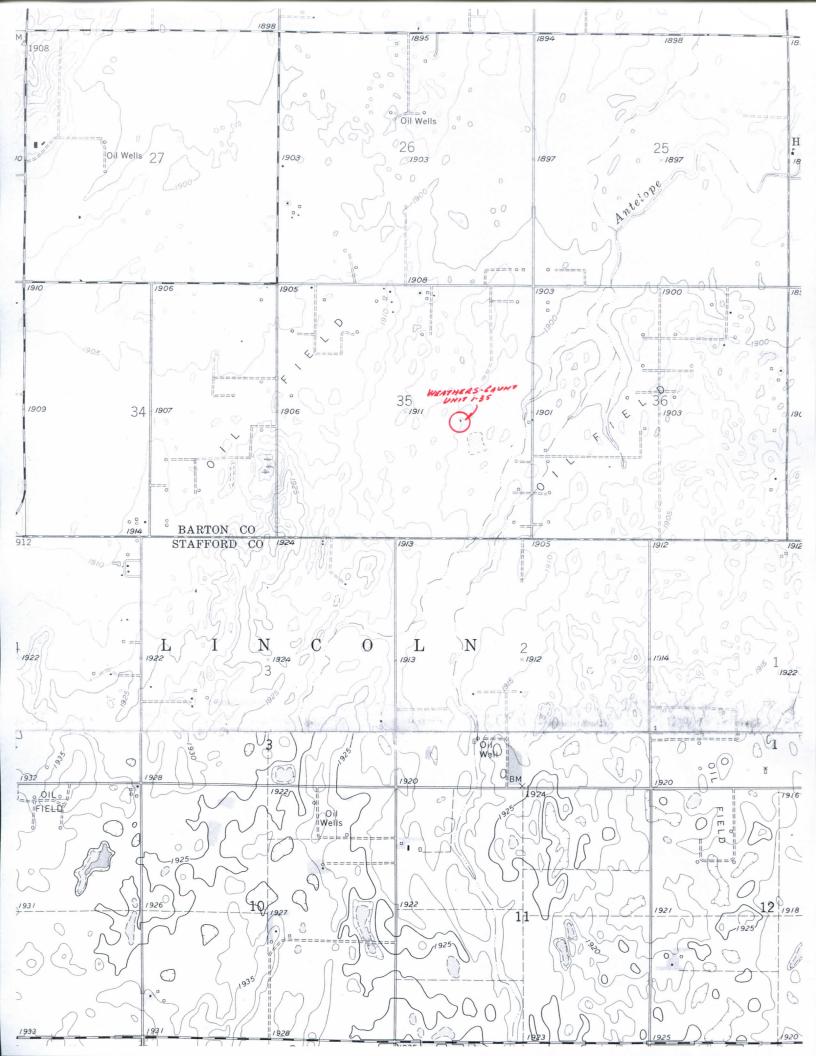
Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.

Elevations derived from National Geodetic Vertical Datum

un on thi

March 1, 2023

Approximate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines were not necessarily located, and the exact location of the drillsite location in the section is not guaranteed. Therefore, the operator securing this service and accepting this plat and all other parties relying thereon agree to hold Central Kansas Oilfield Services. Inc., its officers and employees harmless from all losses, costs and expenses and said entities released from any liability from incledental or consequential damages.



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: Darrah Oil Company, Lease: Weathers - Gount Unit Well Number: 1-35 Field: Pritchard	Location of Well: County: 3475' feet from N / S Line of Section
Number of Acres attributable to well:	is Section: (Streethar of Littledular
	If Section is Irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW
lease roads, tank batteries, pipelines and electri	PLAT to the nearest lease or unit boundary line. Show the predicted locations of ical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). may attach a separate plat if desired.
	LEGEND
	O Well Location Tank Battery Location —— Pipeline Location —— Electric Line Location —— Lease Road Location
	EXAMPLE
	1980' FSL
	SEWARD CO. 2300 FEL

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

In plotting the proposed location of the well, you must show:

- 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).
- 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.

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Susan K. Duffy, Chair
	Dwight D. Keen

Andrew J. French

In the matter of the application of Darrah Oil)	Docket No. 23-CONS-3238-CWLE
Company, LLC for a well location exception)	
for its Weathers-Gaunt 1-35 well, to be located)	CONSERVATION DIVISION
in the W/2 SE/4 of Section 35, Township 20)	
South, Range 14 West, Barton County, Kansas.)	License No. 35615

ORDER GRANTING APPLICATION

The Commission rules as follows:

I. JURISDICTION

- 1. K.S.A. 74-623 provides the Commission exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.
- 2. K.A.R. 82-3-108(a) provides that the setback requirement for oil and gas wells shall be 330 feet from any lease or unit boundary line, except as provided in subsection (b) or (c).
- 3. K.A.R. 82-3-108(b) provides that an oil well drilled to a total depth of less than 2,000 feet in any of the following counties in eastern Kansas shall be subject to a setback of 165 feet from any lease or unit boundary: Allen, Anderson, Atchison, Bourbon, Brown, Cherokee, Coffey, Crawford, Douglas, Elk, Franklin, Greenwood, Jackson, Jefferson, Johnson, Labette, Leavenworth, Linn, Lyon, Miami, Montgomery, Neosho, Osage, Shawnee, Wilson, Woodson, and Wyandotte. Further, wells drilled to a total depth of less than 2,500 feet in Chautauqua County are subject to the 165-foot setback.
- 4. K.A.R. 82-3-108(c) provides that the Commission may grant an exception to well setback requirements, and adjust assigned allowables, if necessary either to prevent waste or protect correlative rights.

5. K.A.R. 82-3-207 provides that a standard oil-well drilling unit shall be 10 acres, except that the standard drilling unit for counties and well depths listed in K.A.R. 82-3-108(b) shall be 2.5 acres.

II. FINDINGS OF FACT

- 6. On March 9, 2023, Darrah Oil Company, LLC (Operator) filed an Application requesting a well location exception and full allowable for its proposed Weathers-Gaunt #1-35 well (Subject Well). Operator intends to drill the Subject Well at a surface location 1,485 feet from the East line and 2,475 feet from the South line of Section 35, Township 20 South, Range 14 West in Barton County, Kansas. The Subject Well's location will be less than 330 feet from the eastern boundary line of its oil and gas unit.
- 7. Operator requests an exception pursuant to K.A.R. 82-3-108(c) because the Subject Well will be drilled less than 330 feet from the nearest lease or unit boundary.³ Operator alleges the proposed location is necessary as the most advantageous geological position based on geophysical data.⁴ Further, Operator alleges that moving the Subject Well's location outside of the minimum setback would prevent Operator from drilling the optimum geologic location.⁵ Operator also posits that the well location exception is necessary to prevent waste and protect correlative rights.⁶
- 8. Operator served and published notice at least 15 days before the issuance of this Order, as required under K.A.R. 82-3-108(f) and K.A.R. 82-3-135a(d). No protest was filed under K.A.R. 82-3-135b.

¹ See Darrah Oil Company Application, ¶ 4 (Mar. 9, 2023).

 $^{^{2}}$ Id.

³ See id. at \P 6.

⁴ See id. at \P 7.

⁵ *Id*.

⁶ *Id*.

9. Commission Staff recommends that Operator's Application be granted. Further, Commission Staff believes the drilling of the Subject Well will prevent waste, protect correlative rights, and that granting Operator's application raises no pollution issues.

III. CONCLUSIONS OF LAW

- 10. The Commission has jurisdiction over Operator and this matter.
- 11. Operator's Application was filed in accordance with the rules and regulations of the Commission and in accordance with Kansas statutes.
 - 12. Notice was properly served and published. No protest was filed.
- 13. Operator's Application should be granted to prevent waste. Operator's Application appears protective of correlative rights, and raises no apparent pollution issues.

THEREFORE, THE COMMISSION ORDERS:

- A. Operator's Application for a well location exception for the Subject Well under K.A.R. 82-3-108 is granted. The Subject Well is assigned a full allowable. The Subject Well shall have a standard drilling unit, except that the acreage of the drilling unit shall be reduced along the eastern side to match the lease boundary line.⁷
- B. Operator's Application is being granted via summary proceeding; thus, this Order does not take effect until after the time for requesting a hearing has expired.⁸ 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.⁹ If a hearing is not requested, then this Order shall become effective upon expiration of the time for requesting hearing.¹⁰

⁷ See id. at ¶ 12.

⁸ See K.S.A. 77-537.

⁹ See K.S.A. 77-542.

¹⁰ See K.S.A. 77-537.

C. If this Order becomes effective, then any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).¹¹

BY THE COMMISSION IT IS SO ORDERED.

Duffy, Chair; Keen, Commissioner; French, Commissioner.

Dated:	05/25/2023		Lynn M	1. Reg	
--------	------------	--	--------	--------	--

Lynn M. Retz

Executive Secretary

Mailed Date: <u>05/25/2023</u>

KAM

¹¹ See K.S.A. 55-606; K.S.A. 77-503(c); K.S.A. 77-531(b).

CERTIFICATE OF SERVICE

23-CONS-3238-CWLE

I, the undersigned, certify that a true copy	of the attached Order has been served to the following by means of
first class mail and electronic service on	05/25/2023

JAKE EASTES, GEOLOGIST SPECIALIST KANSAS CORPORATION COMMISSION 266 N. Main St., Ste. 220 WICHITA, KS 67202-1513 j.eastes@kcc.ks.gov KELCEY MARSH, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION CENTRAL OFFICE 266 N. MAIN ST, STE 220 WICHITA, KS 67202-1513 k.marsh@kcc.ks.gov

JONATHAN A. SCHLATTER, ATTORNEY
MORRIS LAING EVANS BROCK & KENNEDY CHTD
300 N MEAD STE 200
WICHITA, KS 67202-2745
jschlatter@morrislaing.com

/S/ KCC Docket Room

KCC Docket Room

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



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

Laura Kelly, Governor

Susan K. Duffy, Chair Dwight D. Keen, Commissioner Andrew J. French, Commissioner

June 01, 2023

Harlan Clonts
Darrah Oil Company, LLC
125 N MARKET SUITE 1425
WICHITA, KS 67202-1700

Re: Drilling Pit Application Weathers-Gaunt Unit 1-35 SE/4 Sec.35-20S-14W Barton County, Kansas

Dear Harlan Clonts:

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 within 72 hours after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. NO 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 (785) 261-6250 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 (785) 261-6250.