

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: _____

Lease: _____

Well Number: _____

Field: _____

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - _____ - _____ - _____

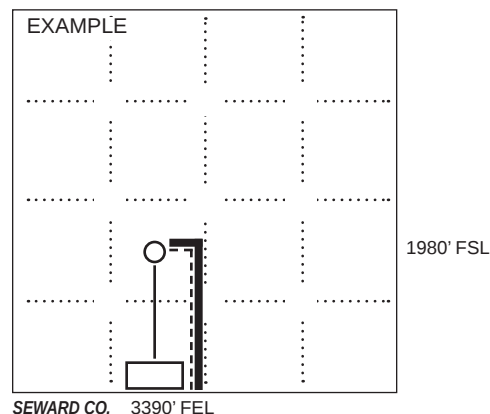
Location of Well: County: _____

_____ feet from ☐ N / ☐ S Line of Section_____ feet from ☐ E / ☐ W Line of SectionSec. _____ Twp. _____ S. R. _____ ☐ E ☐ WIs 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.

LEGEND

- ☐ Well Location
- ☐ Tank Battery Location
- ☐ Pipeline Location
- ☐ Electric Line Location
- ☐ Lease Road Location

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

70 ft.

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.
- The distance of the proposed drilling location from the south / north and east / west outside section lines.
- 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).
- The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT

Form CDP-1
May 2010
Form must be Typed

Submit in Duplicate

Operator Name:		License Number:	
Operator Address:			
Contact Person:		Phone Number:	
Lease Name & Well No.:		Pit Location (QQQQ): ____ - ____ - ____ - ____ Sec. ____ Twp. ____ R. ____ ☐ East ☐ West ____ Feet from ☐ North / ☐ South Line of Section ____ Feet from ☐ East / ☐ West Line of Section ____ County	
Type of Pit: ☐ Emergency Pit ☐ Burn Pit ☐ Settling Pit ☐ Drilling Pit ☐ Workover Pit ☐ Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>	Pit is: ☐ Proposed ☐ Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)		
Is the pit located in a Sensitive Ground Water Area? ☐ Yes ☐ No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? ☐ Yes ☐ No	Artificial Liner? ☐ Yes ☐ No	How is the pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits): _____ Length (feet) _____ 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 material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit: _____ feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: ☐ measured ☐ well owner ☐ electric log ☐ KDWR	
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? ☐ Yes ☐ No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ _____ Drill pits must be closed within 365 days of spud date.	
Submitted Electronically			

KCC OFFICE USE ONLY

☐ Liner ☐ Steel Pit ☐ RFAC ☐ RFAS

Date Received: _____ Permit Number: _____ Permit 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 (Cathodic Protection Borehole Intent) ☐ T-1 (Transfer) ☐ CP-1 (Plugging Application)

OPERATOR: License # _____

Name: _____

Address 1: _____

Address 2: _____

City: _____ State: _____ Zip: _____ + _____

Contact Person: _____

Phone: (_____) _____ Fax: (_____) _____

Email Address: _____

Well Location:

____ - ____ - ____ Sec. ____ Twp. ____ S. R. ____ ☐ East ☐ West

County: _____

Lease Name: _____ Well #: _____

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: _____

Address 1: _____

Address 2: _____

City: _____ State: _____ Zip: _____ + _____

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.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

- ☐ I certify that, pursuant to the Kansas Surface Owner Notice Act (see Chapter 55 of the Kansas Statutes Annotated), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- ☐ I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I must provide the name and address of the surface owner by filling out the top section of this form and that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I Submitted Electronically

I



**THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

Before Commissioners: Andrew J. French, Chairperson
 Dwight D. Keen
 Annie Kuether

In the matter of the application of HB Energy) Docket No. 25-CONS-3300-CWLE
LLC for well location exceptions for two wells)
upon the Gardner Holdings Lease located in) CONSERVATION DIVISION
Section 28, Township 14 South, Range 22 East)
in Johnson County, Kansas.) License No. 34817

ORDER GRANTING AMENDED 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 7, 2025, HB Energy LLC (Operator) filed an Application requesting a well location exception to drill two wells on its Gardner Holdings lease (Subject Wells). On March 11, 2025, Operator filed an Amended Application for the Subject Wells. Operator intends to drill the Subject Wells to a vertical depth less than 2,000 feet, at the following surface locations: (a) 4,880 feet from the east line and 70 feet from the south line, and (b) 4,430 feet from the east line and 70 feet from the south line, both in Section 28, Township 14 South, Range 22 East, Johnson County, Kansas.¹

7. Operator requests an exception pursuant to K.A.R. 82-3-108 because the Subject Wells will be drilled less than 165 feet from the nearest lease or unit boundary.² Operator alleges the proposed locations for the Subject Wells are necessary to fully utilize the drilling pattern in order to efficiently produce the oil reserves without committing undue waste.³ Operator requests an allowable of 100 barrels of oil per day and a 2.5 acre standard drilling unit for each of the Subject Wells.⁴

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 Amended Application of HB Energy LLC, ¶3 (Mar. 11, 2025).

² *Id.* at ¶¶4-6.

³ *Id.* at ¶7.

⁴ Although Operator also appears to request a 100 barrel-per-day allowable for currently-existing wells on the lease (see Amended Application, ¶ 13), the Commission finds it unnecessary to rule on the request, as the wells already have such allowable.

9. Commission Staff recommends that Operator's Amended Application be granted. Further, Commission Staff believes the drilling of the Subject Wells 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 Amended 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 Amended Application should be granted to prevent waste. Operator's Amended Application appears protective of correlative rights, and raises no apparent pollution issues.

THEREFORE, THE COMMISSION ORDERS:

A. Operator's Amended Application for a well location exception for the Subject Wells under K.A.R. 82-3-108 is granted. The Subject Wells are assigned an allowable of 100 barrels per day. The Subject Wells shall have a standard drilling unit, except that the acreage of the drilling unit shall be along the southern side to match the lease boundary line.

B. Operator's Amended Application is being granted via summary proceeding; thus, this Order does not take effect until after the time for requesting a hearing has expired.⁵ 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,

⁵ See K.S.A. 77-537.

Kansas 67202, within 15 days from the date of service of this Order.⁶ If a hearing is not requested, then this Order shall become effective upon expiration of the time for requesting hearing.⁷

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).⁸

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner.

Dated: 05/13/2025



Celeste Chaney-Tucker
Executive Secretary

Mailed Date: 05/13/2025

KAM

⁶ See K.S.A. 77-542.

⁷ See K.S.A. 77-537.

⁸ See K.S.A. 55-606; K.S.A. 77-503(c); K.S.A. 77-531(b).

CERTIFICATE OF SERVICE

25-CONS-3300-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 05/13/2025.

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/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/>

Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Annie Kuether, Commissioner

Laura Kelly, Governor

May 22, 2026

Isaac Burbank
HB Energy LLC
3137 VIRGINIA RD
WELLSVILLE, KS 66092-9103

Re: Drilling Pit Application
Gardner Holdings HB2
SW/4 Sec.28-14S-22E
Johnson County, Kansas

Dear Isaac Burbank:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, 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 practical 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 (620) 902-6450 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 (620) 902-6450.