KOLAR Document ID: 1979878

For KCC Use:
Effective Date: 11/25/2026
District # 1
SGA? [ ] Yes [X] 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

Must be approved by KCC five (5) days prior to commencing well

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

Expected Spud Date: 11/23/2026 (month / day / year)

OPERATOR: License# 31938
Name: Indian Oil Co., Inc.
Address 1: 308 S. Main St.
Address 2: PO BOX 209
City: MEDICINE LODGE State: KS Zip: 67104 + 0209
Contact Person: Anthony Farrar
Phone: 620-886-3763

CONTRACTOR: License#
Name: Advise on ACO-1 -- Must be licensed by KCC

Well Drilled For:	Well Class:	Type Equipment:
[X] Oil	[X] Infield	[X] Mud Rotary
[ ] Gas	[ ] Pool Ext.	[ ] Air Rotary
[ ] Enh Rec	[ ] Wildcat	[ ] Cable
[ ] Storage	[ ] Other	
[ ] Disposal		
[ ] Seismic ; ____ # of Holes		
[ ] Other:		

[ ] If OWWO: old well information as follows:

Operator:
Well Name:
Original Completion Date: ____ Original Total Depth:

Directional, Deviated or Horizontal wellbore? [X] Yes [ ] No
If Yes, true vertical depth: 5500
Bottom Hole Location: S29, 1678 FSL, 682 FWL
KCC DKT #: 27-CONS-3110-CHOR

Prorated and spaced: Hugoton-Panoma/ Sidetrack wellbore

Spot Description:
SE - SE - NE - SE (Q/Q/Q/Q) Sec. 30 Twp. 27 S. R. 33 [ ] E [X] W
1586 feet from [ ] N / [X] S Line of Section
5103 feet from [ ] E / [X] W Line of Section
Is SECTION: [X] Regular [ ] Irregular?

***(Note:** Locate well on the Section Plat on reverse side)*

County: Haskell
Lease Name: Kells 1885 Well #: 2
Field Name: Dudley South
Is this a Prorated / Spaced Field? [ ] Yes [X] No
Target Formation(s): Morrow
Nearest Lease or unit boundary line (in footage): 580
Ground Surface Elevation: 2992 Estimated feet MSL
Water well within one-quarter mile: [ ] Yes [X] No
Public water supply well within one mile: [ ] Yes [X] No
Depth to bottom of fresh water: 660
Depth to bottom of usable water: 880
Surface Pipe by Alternate: [X] I [ ] II
Length of Surface Pipe Planned to be set: 1750
Length of Conductor Pipe (if any):
Projected Total Depth: 5613
Formation at Total Depth: St. Louis
Water Source for Drilling Operations:
[X] Well [ ] Farm Pond [ ] Other:
DWR Permit #: 457
***(Note:** Apply for Permit with DWR [ ])*
Will Cores be taken? [ ] Yes [X] No
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.

It 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 plugging;***
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 date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing 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.

Submitted Electronically

For KCC Use ONLY
API # 15 - 15-081-22308-01-00
Conductor pipe required 0 feet
Minimum surface pipe required 900 feet per ALT. [X] I [ ] II
Approved by: Alexis Vincent 11/20/2026
This authorization expires: 11/20/2027
(This authorization void if drilling not started within 12 months of approval date.)

Spud date: ____ Agent: ____

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);
- Obtain written approval before disposing or injecting salt water.
- If well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.

[ ] **Well will not be drilled or Permit Expired** Date: ____
Signature of Operator or Agent:

30 27 33
[ ] E [X] W

KOLAR Document ID: 1979878

Side Two

For KCC Use ONLY
API # 15 - 15-081-22308-01-00

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: Indian Oil Co., Inc.
Lease: Kells 1885
Well Number: 2
Field: Dudley South

Number of Acres attributable to well: _____
QTR/QTR/QTR/QTR of acreage: SE - SE - NE - SE

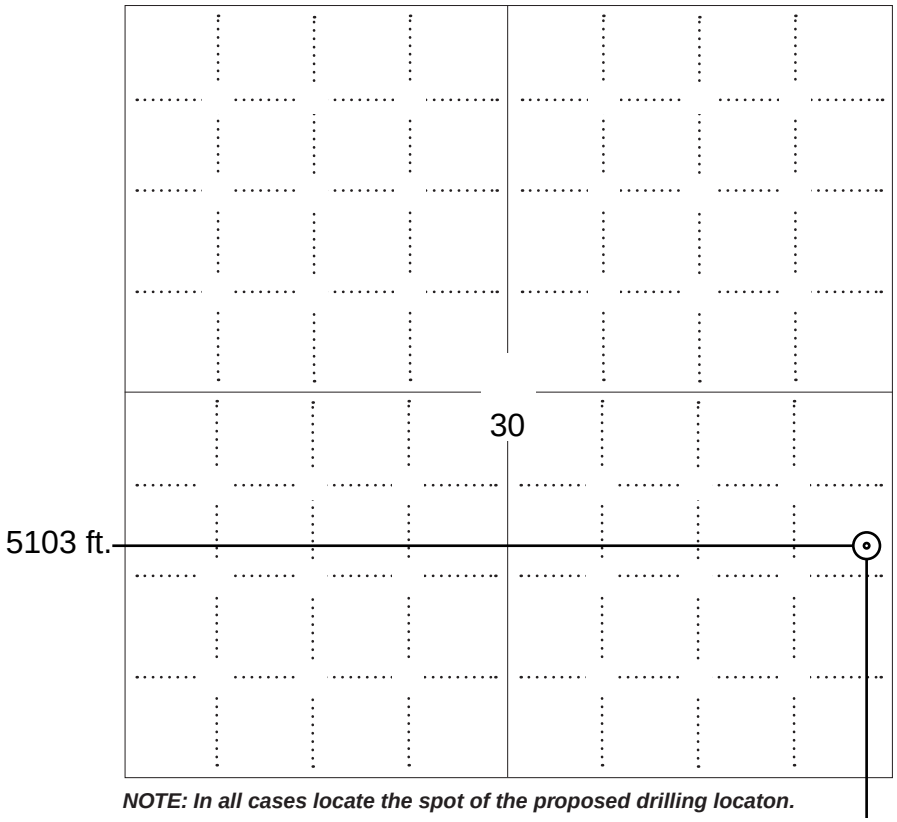
Location of Well: County: Haskell
1586 feet from ☐ N / ☒ S Line of Section
5103 feet from ☐ E / ☒ W Line of Section
Sec. 30 Twp. 27 S. R. 33 ☐ E ☒ W

Is Section: ☒ Regular or ☐ Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: ☐ NE ☐ NW ☐ SE ☐ SW

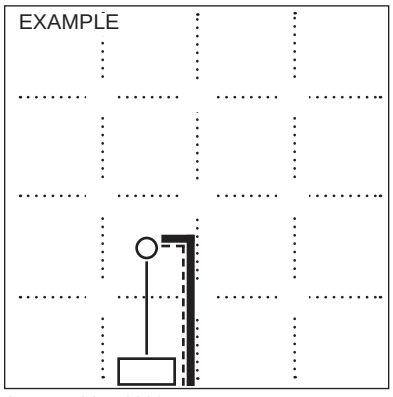
PLAT

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.



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 locaton.

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.

KOLAR Document ID: 1979878

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: Indian Oil Co., Inc.
License Number: 31938

Operator Address: 308 S. Main St. PO BOX 209 MEDICINE LODGE KS 67104

Contact Person: Anthony Farrar
Phone Number: 620-886-3763

Lease Name & Well No.: Kells 1885 2

Pit Location (QQQQ): SE - SE - NE - SE

Sec. 30 Twp. 27 R. 33 ☐ East ☒ West

1586 Feet from ☐ North / ☒ South Line of Section

5103 Feet from ☐ East / ☒ West Line of Section

Haskell County

Type of Pit:
☐ Emergency Pit ☐ Burn Pit
☐ Settling Pit ☒ Drilling Pit
☐ Workover Pit ☐ Haul-Off Pit
(If WP Supply API No. or Year Drilled)

Pit is:
☒ Proposed ☐ Existing
If Existing, date constructed:

Pit capacity: 1496 (bbls)

Is the pit located in a Sensitive Ground Water Area? ☐ Yes ☒ No

Chloride concentration: _____ mg/l
(For Emergency Pits and Settling Pits only)

Is the bottom below ground level? ☒ Yes ☐ No

Artificial Liner? ☐ Yes ☒ No

How is the pit lined if a plastic liner is not used?
bentonite & cuttings

Pit dimensions (all but working pits): 75 Length (feet) 14 Width (feet) ☐ N/A: Steel Pits

Depth from ground level to deepest point: 8 (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:
1506 feet Depth of water well 660 feet

Depth to shallowest fresh water 310 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: fresh water mud

Number of working pits to be utilized: 1

Abandonment procedure: evaporate & backfill

Drill pits must be closed within 365 days of spud date.

Submitted Electronically

KCC OFFICE USE ONLY

☐ Liner ☐ Steel Pit ☒ RFAC ☒ RFAS

Date Received: 11/17/2026 Permit Number: 15-081-22308-01-00 Permit Date: 11/20/2026 Lease Inspection: ☒ Yes ☐ No

KOLAR Document ID: 1979878

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 # 31938
Name: Indian Oil Co., Inc.
Address 1: 308 S. Main St.
Address 2: PO BOX 209
City: MEDICINE LODGE State: KS Zip: 67104 + 0209
Contact Person: Anthony Farrar
Phone: (620) 886-0373 Fax: (620) 886
Email Address: OFFICE@INDIANOILCO.COM

Well Location:
SE - SE - NE - SE Sec. 30 Twp. 27 S. R. 33 ☐ East ☒ West
County: Haskell
Lease Name: Kells 1885 Well #: 2

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

Surface Owner Information:
Name: Circle Bar Properties LLC
Address 1: 842 Rd 60
Address 2:
City: Satanta State: KS Zip: 67870 + _ _ _ _

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.

Submitted Electronically

00-27s-33w-J2022
CRD NO.

27s-33w
DMT NO.

PRO-STAKE LLC
Oil field & Construction Site Staking

20722
INVOICE NO.

P.O. Box 1575
Leoti, Ks. 67861
Jay Koehn: 620-874-0022
jay@prostakellc.com



Indian Oil Company, Inc.
OPERATOR

Kells 1885-2
LEASE NAME

2991.5′
GR ELEVATION @ SURFACE LOCATION

Haskell Co. KS
COUNTY

SCALE: 1" = 1000'
DATE STAKED: Aug. 31, 2026
MEASURED BY: Jay K.
DRAWN BY: Jay K.
AUTHORIZED BY: Anthony F.

LEGEND

- irr. well
- water hydrant
- tank battery
- staked loc.
- prod. well / aband. well
- house
- building
- gas line
- water line
- transmission powerline
- 3 phase powerline
- single phase powerline
- fence
- gravel / sand rd.
- gravel trail / lease rd.
- dirt rd.
- dirt trail / lease rd.
- Hwy / blacktop rd.

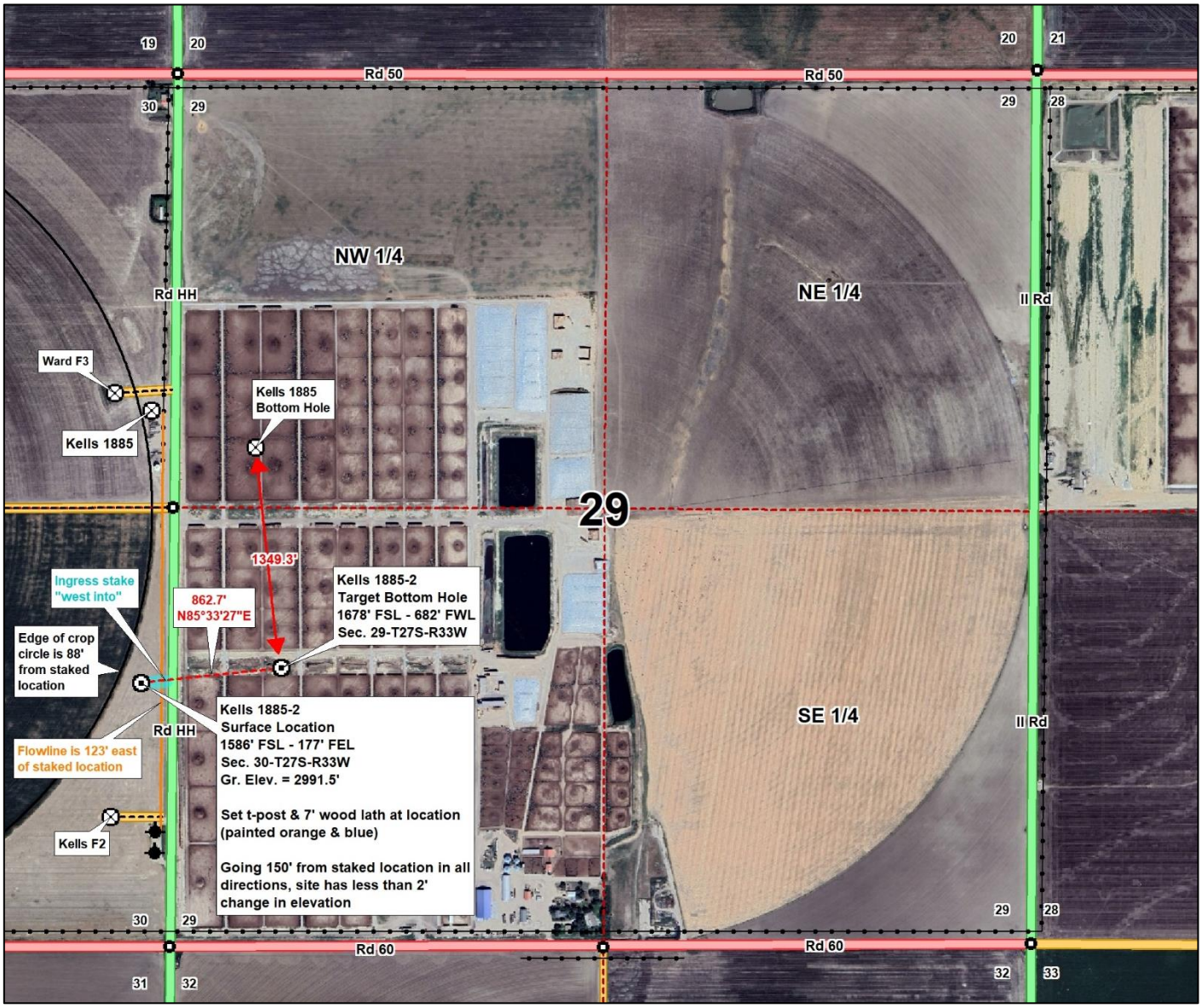
SURFACE LOCATION	TARGET BOTTOM HOLE
1586′ FSL – 177′ FEL	1678' FSL – 682′ FWL
Sec. 30-T27S-R33W	Sec. 29-T27S-R33W
NAD 83 LAT: 37.668404° LONG: -100.962711°	NAD 83 LAT: 37.668650° LONG: -100.959746°
SPCS NAD 27 KS-S NORTHING/Y: 374147.34 EASTING/X: 1287385.37	SPCS NAD 27 KS-S NORTHING/Y: 374214.165 EASTING/X: 1288245.490

N

DIRECTIONS: From the intersection of US Hwy 83 and Hwy 56 just west of Sublette, KS – proceed north on US Hwy 83 for 14.1 miles – turn left onto Rd 50 and proceed west for 5 miles – turn left onto Rd HH and proceed south for approximately 0.7 mile to an ingress stake "west into" – from this point, the staked location is 177' west in cropland

Final ingress must be verified with landowner or operator.

This drawing does not constitute a monumented survey or a land survey plat.
This drawing is for construction purposes only.



20261117
Effective Date: 11/17/2026
State Corporation Commission of Kansas

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 Indian Oil Co., Inc., to drill the Kells 1885 #2 well as a deviated wellbore pursuant to K.A.R. 82-3-103a in Sections 29 and 30, Township 27 South, Range 33 West, Haskell County, Kansas.	)	Docket No. 27-CONS-3110-CHOR
	)	CONSERVATION DIVISION
	)	License No. 31938

ORDER GRANTING APPLICATION

The Commission rules as follows:

I. JURISDICTION

1. K.S.A. 74-623 provides that the Commission has the exclusive jurisdiction and authority to regulate oil and gas activities in Kansas. K.S.A. 55-155 provides licensing authority to the Commission.

2. K.A.R. 82-3-103(a) provides that the owner, operator, or persons responsible for a drilling operation shall submit written notice of the intention to drill for approval by the Conservation Division before the commencement of drilling operations, for any hole where intended deviation from the surface to the top of the producing formation exceeds 7 degrees. K.A.R. 82-3-103a(b) provides that any hole drilled horizontally into a formation for production or deviated in the manner stated in subsection (a) may only be permitted after application and notice under K.A.R. 82-3-135a.

3. K.A.R. 82-3-108(a) provides that an oil or gas well shall not be drilled nearer than 330 feet from any lease or unit boundary line, except as provided in subsection (b) or (c).

4. 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.

5. 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.

6. 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

7. Indian Oil Co., Inc. (Operator) conducts oil and gas activities in Kansas under active license number 31938. On September 14, 2026, Operator filed an Application pursuant to K.A.R. 82-3-103a, requesting permission to drill and complete its proposed Kells 1885 #2 well (Subject Well) into the Morrow and Chester formation in Haskell County, Kansas.[1] Operator also requested that the Commission assign the Subject Well a full production allowable.[2] On October 30, 2026, Operator filed a Supplemental Application which requested an exception to the minimum setback requirements of K.A.R. 82-3-108, if necessary to process the application.[3]

8. The Subject Well shall be completed with a deviation from the surface to the top of the producing formation in excess of 7 degrees. The surface location of the Subject Well shall be 1586 feet from the South line (FSL) and 177 feet from the East line (FEL) of Section 30,

[1] Application for Deviated Wellbore, ¶5 (Sept. 14, 2026).
[2] *Id.* at ¶9.
[3] Supplemental Application for Deviated Wellbore, ¶8 (Oct. 30, 2026).

Township 27 South, Range 33 West.[4] The Subject Well will have approximately 8 degrees of deviation from the surface location to the top of the producing formation.[5]

9. The Subject Well shall be drilled to a true vertical depth (TVD) of 2000 feet at which point the drilling will turn east at a rate of 2 degrees per 100 feet until reaching approximately 15.5 degrees of deviation.[6] The Subject Well shall remain at a deviation of 15.5 degrees until reaching the top of the producing formations at a TVD of 5165 feet approximately 1645 FSL and 581 feet from the West line (FWL) of Section 29, Township 27 South, Range 33 West.[7] Drilling shall continue through the producing formations until the Subject Well reaches a bottom-hole location of 5500 feet TVD approximately 1678 feet FSL and 581 feet FWL of Section 29, Township 27 South, Range 33 West.[8]

10. The Subject Well shall not reach the producing formations until it has reached a location 580 feet from the nearest lease boundary line.[9] However, under K.A.R. 82-3-108, an oil or gas well in Haskell County (the proposed location of the Subject Well) cannot be drilled nearer than 330 feet from any lease or unit boundary line without an application for a well location exception. Since the Subject Well will be drilled across lease boundary lines, approval of the drilling of the Subject Well, which Operator clearly seeks, seemingly cannot occur without approval of a well location exception. Operator's Supplemental Application requests a well location exception pursuant to K.A.R. 82-3-108 in order to comply with the Commission's regulations.[10] Operator's Application and Supplemental Application explicitly identify Operator's plan, and any interested party was put on adequate notice. The collective data before

[4] Application at ¶5.
[5] *Id.* at ¶6.
[6] *Id.* at ¶5.
[7] Supplemental Application at ¶5.
[8] *Id.* at ¶5.
[9] *Id.* at ¶8.
[10] *Id.* at ¶8.

the Commission is sufficient for the Commission to make a well-reasoned, informed determination regarding the appropriateness of a well location exception.

11. Operator has verified that notice was served and published at least 15 days before the issuance of this Order. No protests to the grant of the Application have been received.

12. Commission Staff recommend that Operator's Application and Supplemental Application be granted. Further, Staff believes drilling the Subject Well will prevent waste, protect correlative rights, and raises no pollution issues.

III. CONCLUSIONS OF LAW

13. The Commission has jurisdiction over Operator and this matter.

14. The Application and Supplemental Application were filed in accordance with the rules and regulations of the Commission and in accordance with Kansas statutes.

15. Notice was sufficiently served and published. No protest was filed.

16. Operator's Application and Supplemental Application should be granted as they will prevent waste, protect correlative rights, and raises no apparent pollution issues.

THEREFORE, THE COMMISSION ORDERS:

A. Operator's Application and Supplemental Application to drill the Subject Well are granted, including the necessary well location exception. The Subject Well shall be drilled in the manner described in this Order. The Subject Well is granted a full allowable.

B. Operator's Application and Supplemental Application are being granted via summary proceedings; thus, this Order does not take effect until after the time for requesting a hearing has expired.[11] 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.[12] If a hearing is not requested then this Order shall become effective upon expiration of the time for requesting hearing.[13] A request for hearing must comply with K.A.R. 82-1-219.

C. If this Order becomes effective, then any party may file and serve a petition for reconsideration pursuant to the requirements established by K.S.A. 77-529(a)(1).[14]

KAM

[11] *See* K.S.A. 77-537.
[12] *See* K.S.A. 77-542.
[13] *See* K.S.A. 77-537.
[14] *See* K.S.A. 55-606; K.S.A. 77-503(c); K.S.A. 77-531(b).

20261117
Effective Date: 11/17/2026
State Corporation Commission of Kansas

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 11/17/2026



Jesse R. Becker
Executive Director

20261117
Effective Date: 11/17/2026
State Corporation Commission of Kansas

CERTIFICATE OF SERVICE

27-CONS-3110-CHOR

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 11/17/2026.

FRED MACLAREN
KANSAS CORPORATION COMMISSION
210 EAST FRONTVIEW STREET, SUITE A
DODGE CITY, KS 67801
frederic.maclaren@ks.gov

KENNY SULLIVAN
KANSAS CORPORATION COMMISSION
210 EAST FRONTVIEW STREET, SUITE A
DODGE CITY, KS 67801
kenny.sullivan@ks.gov

KELCEY MARSH
KANSAS CORPORATION COMMISSION
266 NORTH MAIN, SUITE 220
WICHITA, KS 67202
kelcey.marsh@ks.gov

ROBYN STALKFLEET
KANSAS CORPORATION COMMISSION
210 EAST FRONTVIEW STREET, SUITE A
DODGE CITY, KS 67801
robyn.stalkfleet@ks.gov

JOSCELYN NITTLER
INDIAN OIL CO., INC.
PO BOX 209
MEDICINE LODGE, KS 67104-0209
office@indianoilco.com

/s/KCC Docket Room

KCC Docket Room

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

Kansas
Corporation Commission

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

November 20, 2026

Anthony Farrar
Indian Oil Co., Inc.
308 S. Main St.
PO BOX 209
MEDICINE LODGE, KS 67104-0209

Re: Drilling Pit Application
Kells 1885 2
SE/4 Sec.30-27S-33W
Haskell County, Kansas

Dear Anthony Farrar:

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 **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 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 96 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 (620) 682-7933 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) 682-7933.