

Must be approved by the K.C.C. five (5) days prior to commencing well

Expected Spud Date December 20, 1990
month day year

SW Ne SE Sec 9 Twp 27 S, Rg 4 X East
West

200 / 520
880 feet from South line of Section
feet from East line of Section

(Note: Locate well on Section Plat on Reverse Side)

OPERATOR: License # 5199
Name: Razook Oil Company
Address: RR #4, Box 102
City/State/Zip: Augusta, Kansas, 67010
Contact Person: Jimmy Razook
Phone: 776-2727 or 775-5631

County: Butler
Lease Name: Anderson Well #: 6
Field Name: Augusta North

Is this a Prorated Field? yes X no
Target Formation(s): Ian, KC, & Arbuckle
Nearest lease or unit boundary: 200' south
1230

Ground Surface Elevation: feet MSL
Domestic well within 330 feet: yes X no
Municipal well within one mile: yes X no

Depth to bottom of fresh water: 100
Depth to bottom of usable water: 200

Surface Pipe by Alternate: X 1 2
Length of Surface Pipe Planned to be set: 200

Length of Conductor pipe required: None
Projected Total Depth: 2400'

Formation at Total Depth: Arbuckle
Water Source for Drilling Operations:

..... well X farm pond other
DWR Permit #:

Will Cores Be Taken?: yes X no
If yes, proposed zone:

Well Drilled For: Well Class: Type Equipment:

X Oil ... Inj ... Infield X Mud Rotary
... Gas ... Storage ... Pool Ext. ... Air Rotary
... OWWO ... Disposal ... Wildcat ... Cable
... Seismic; ... # of Holes

If OWWO: old well information as follows:

Operator:
Well Name:
Comp. Date: Old Total Depth:

Directional, Deviated or Horizontal wellbore? yes X no

If yes, total depth location:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

It is agreed that the following minimum requirements will be met:

1. The appropriate district office shall be notified before setting surface pipe;
2. The minimum amount of surface pipe as specified above 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;
3. If the well is dry, a plugging proposal shall be submitted to the district office. An agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
4. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
5. If an Alternate II completion, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. In all cases, notify district office prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 11-16-90 Signature of Operator or Agent: Jimmy Razook Title: Geologist

FOR KCC USE:

API # 45-
Conductor pipe required _____ feet
Minimum surface pipe required _____ feet per Alt. 1 2
Approved by: _____
EFFECTIVE DATE: _____
This authorization expires: _____
(This authorization void if drilling not started within
6 months of effective date.)
Spud date: _____ Agent: _____

REMEMBER TO:

- 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;
- Obtain written approval before disposing or injecting salt water.

PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

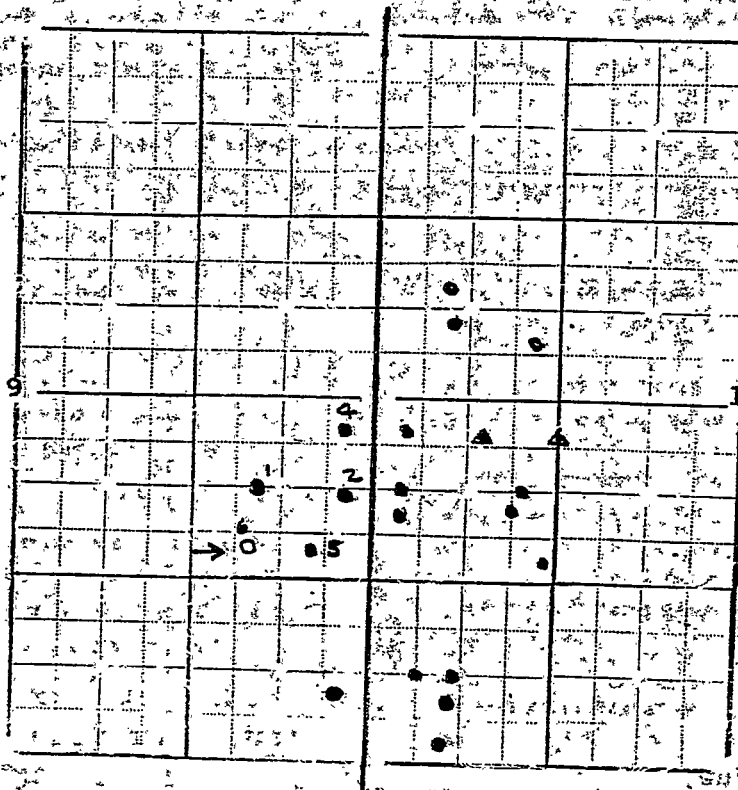
State Corporation Commission, Conservation Division
200 Colorado Derby Bldg. Wichita, Kansas 67202

OPERATOR Razook Oil Company LOCATION OF WELL:
LEASE Anderson 1520 feet north of SE corner
WELL NUMBER 6 880 feet west of SE corner
FIELD Augusta North SWNESE Sec. 9 T 27 R 4 E/W
COUNTY Butler

NO. OF ACRES ATTRIBUTABLE TO WELL 10 IS SECTION X REGULAR IRREGULAR?
DESCRIPTION OF ACREAGE SWNESE IF IRREGULAR, LOCATE WELL FROM NEAREST
CORNER BOUNDARY

NOTE: If plat depicted is insufficient for your circumstances, you may attach your own scaled or surveyed plat.

PLAT



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 partial sections, 4 sections, 16 sections, etc.;
- 2) the well's location relative to the location of other wells producing from the same common source of supply in adjoining drilling units, pursuant to K.A.R. 82-3-108, 82-3-207, 82-3-312, or special orders of the Commission;
- 3) the distance of the proposed drilling location from the section's east and south lines; and
- 4) the distance to the nearest lease or unit boundary line.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Signature of Operator or Agent [Signature]
Date Nov. 16, 1990 Title Geologist

Jim Gould Cohen

4-23-90

82-3-108. WELL LOCATION; EXCEPTION.

- (a) Except as provided by subsection (b) or (c), each oil well or gas well shall not be drilled nearer than 330 feet from any lease or unit boundary line.
- (b) Each oil well which is drilled to a total depth of less than 2000 feet, and which is drilled in one of the following counties, shall not be drilled nearer than 165 feet from the nearest lease or unit boundary line: Allen, Anderson, Atchinson, 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. Each oil well which is drilled in Chautauqua County, and which is drilled to a total depth of less than 2500 feet, shall not be drilled nearer than 165 feet from the nearest lease or unit boundary line.
- (c) A well location exception may be granted to permit drilling within shorter distances than provided in subsection (a) or (b), whichever is applicable, and to the acreage attributable and assigned allowables, when such exceptions are necessary either to prevent waste or to protect correlative rights. In granting the exception, the acreage attributable to the well and the assigned allowables shall be considered.
- (d) When an exception to this regulation is desired pursuant to subsection (c), an application shall be submitted to the conservation division. The application shall contain:
 - (1) A brief explanation of the exception or exceptions requested;
 - (2) the proposed location of the well, including the distance to the nearest lease or unit boundary line;
 - (3) a list of the following:
 - (A) Each offset operator whose lease line is located less than the required distance from the proposed location;
 - (B) each unleased offset mineral owner whose property boundary is located less than the minimum distance required by subsection (a) or (b) from the proposed locations; and

- (C) the applicant's lessor or lessors, if the applicant operates any lease which will be situated less than the minimum distance required by subsection (a) or (b) from the proposed well location;
- (4) the acreage attributable to the well; and
- (5) the allowable requested.
- (e) Each application submitted under subsection (d) shall be accompanied by the proposed notice of the intention to drill and a plat, drawn to the scale of one inch equalling 1320 feet, that accurately shows:
 - (1) The property on which the well is sought to be drilled;
 - (2) all other completed, partially drilled, or permitted wells on the property; and
 - (3) all adjacent properties and wells.
- (f) Each applicant requesting an exception pursuant to subsection (c) shall publish notice of the application pursuant to K.A.R. 82-3-135a(b).
- (g) Upon the issuance of an order by the commission granting the well location exception, the proposed notice of intention to drill shall be approved. The approval of the notice of intent to drill shall expire six months from the date of approval pursuant to the provisions of K.A.R. 82-3-103.
- (h) Any well drilled nearer than the minimum distance required by subsection (a) or (b) from any lease or unit boundary line without a previously obtained exception from the commission shall be prohibited from producing either oil or gas until an appropriate allowable is determined.
- (i) Whenever authority is granted to drill a well at a location other than specified by this regulation, the allowable shall be determined by the commission for the protection of the correlative rights of all persons entitled to share in the common source of supply in accordance with K.A.R. 82-3-207 and K.A.R. 82-3-312.

(Authorized by K.S.A. 1989 Supp. 55-152, 55-604, K.S.A. 55-704; implementing K.S.A. 1989 Supp. 55-605, 55-706, 55-152, 55-603, K.S.A. 55-703a; effective T-83-44, Dec. 8, 1982; effective May 1, 1983; amended May 1, 1984; amended, T-85-51, Dec. 19, 1984; amended May 1, 1985; amended May 1, 1986; amended May 1, 1987; amended May 1, 1988; amended April 23, 1990.)

82-3-109. APPLICATION FOR WELL SPACING, BASIC PRORATION ORDERS; EVIDENCE; HEARING.

- (a) Contents. Any interested party may file an application for, or an application for amendments to, a well spacing or basic proration order. The application shall include the following:

- (1) If the application is for amendment, a description of the nature of the amendment sought;
- (2) the location, depth, and common source of supply from which a well or wells in the subject acreage are producing;
- (3) a description of the acreage subject to the application, with an affirmation that all of the acreage is reasonably expected to be productive from the subject common source of supply;
- (4) the proposed well location restriction and proposed provisions for any exceptions thereto;
- (5) the proposed configuration of producing units for acreage attribution purposes;
- (6) the name and address of each operator or lessee of record in the subject acreage, and a certificate of mailing indicating the date service of a copy of the application was made to each;
- (7) the name and address of each owner of record of the minerals in unleased acreage within the subject acreage, and a certificate of mailing indicating the date service of a copy of the application was made to each;
- (8) the name and address, as shown by the applicant's books and records, of each person owning the royalty or leasehold interest in the subject acreage and operated by the applicant,

F.W. MORGAN

GEOLOGIST

305 S. WASHINGTON
EL DORADO, KANSAS 67042

Dec. 1, 1990

(316) 321-1463

Mr. Jim Coder
State Corporation Commission of Kansas
Oil and Gas Division
202 W. 1st., #299 West Derby Bldg.
Wichita, Kansas, 67202

Dear Sir:

This letter is being written to comply with your Rule 82-3-108 for compliance for a well location; exception. First I must correct one item on the Intent already mailed in. At the top right hand column of the first page the location is not 200 feet from south line of the section as shown but 1,520 feet. Below are explanations as required:

(d) (1) The location some 200 feet from the lease line (south) is projected in an effort to get as far as possible from producing wells and from old plugged wells. This lease was first drilled in 1916 and some of the old locations were 150 to 200 feet from lease lines.

(2) The location is described as SESWNESE, 200 feet from the south line of the lease.

(3) (A) Offset Lease Owner: R. R. Abderholden, 510 Hardage Center, Wichita, Kansas, 67202 (Anderson Lease).

(B) None

(C) None

(4) 10 acres

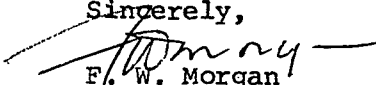
(5) Non Pororated Area

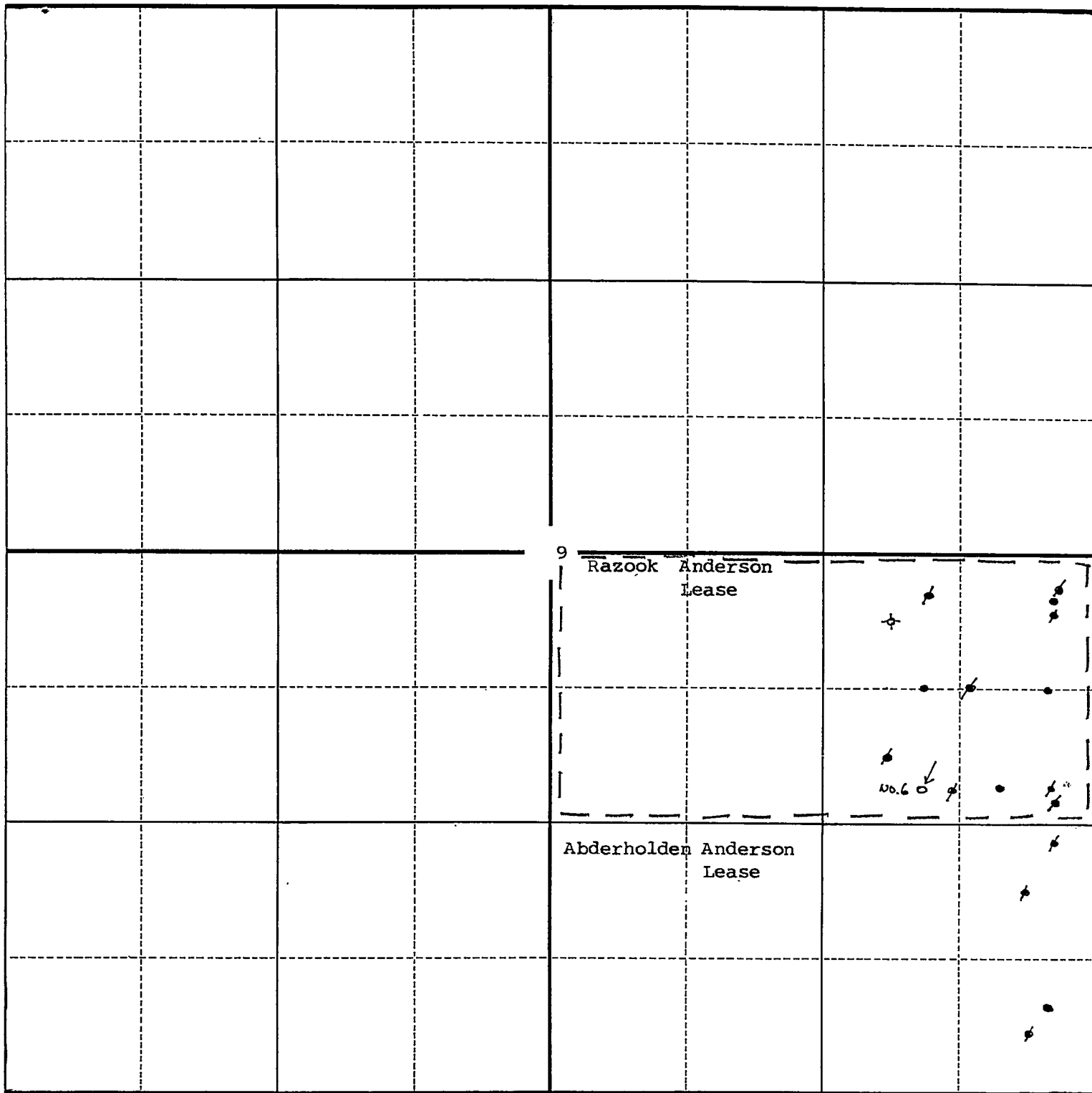
(e) (1), (2), (3), Plat enclosed. Old plugged wells were not shown on the plat on page 2 of the intent to avoid cluttering

(f) Enclosed is clipping from El Dorado Times newspaper.

Also enclosed is a letter from Mr. Abderholden showing he is aware of this exception and agrees to it. If you have further requirements please let me know.

Sincerely,


F. W. Morgan



Twp. 27 Rge. 4 E

County _____ State _____

Structure _____ C.I. _____

Geology by F. W. Morgan

R. R. ABDERHALDEN
PETROLEUM ENGINEER

510 HARDAGE CENTER — WICHITA, KANSAS 67202

(316) 262-3411

November 14, 1990

Mr. J. Razook
R. R. #1
Rosehill, Kansas 67133

Dear Mr. Razook:

This is to acknowledge your telephone call informing me of your intention to drill a well 880 feet WEL and 200 feet NSL of the N/2 SE/4 Sec. 9-T27S-R4E, Butler County, Kansas. The well is to be drilled as an oil well, but in case of a dry hole, would be used for disposal purposes in the Arbuckle reservoir.

I do not object to the location with the understanding that I would be allowed to drill future wells at an equal distance (200 feet) from our common property lines.

Very truly yours,


R. R. Abderhalden

RRA:am

Legal

(Published in the El Dorado Times, December 1, 1990)

Application for exception to Rule 82-3-108 (c) and complying with (f) pursuant to K.A.R. 82-3-135a (b) as follows:

Razook Oil Co. No. 6 Anderson to be drilled in the N/2 SE/4 of Section 9-27-4E, 200 feet from South line and 880 feet from east line of lease.

(Dec. 1)