For KCC Use:	9-12-do
Effective Date: _	7-12-00
District #	<u> </u>
SGA2 Yives	. □ No

# KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

## NOTICE OF INTENT TO DRILL

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

Form C-1
December 2002
Form must be Typed
Form must be Signed
All blanks must be Filled

OPERATOR: License#  Name: LB Exploration, Inc.  Address: 2135 2nd Road  City/State/Zip: Holyrood KS 67450  Contact Person: Michael Petermann  Phone: 785-252-8034  CONTRACTOR: License# 33610  Especial Drilling Line  Is this a Pi	feet from FE / W Line of Section  Regular Irregular?  (Note: Locate well on the Section Plat on reverse side)
OPERATOR: License# 33186 V  Name: LB Exploration, Inc.  Address: 2135 2nd Road Is SECTION  City/State/Zip: Holyrood KS 67450  Contact Person: Michael Petermann County: B Phone: 785-252-8034 Lease Nam  CONTRACTOR: License# 33610  Is this a Phone Is the Island Is this a Phone Island Isla	feet from N / S Line of Section  feet from Feet from F   W Line of Section  Regular Irregular?  (Note: Locate well on the Section Plat on reverse side)
OPERATOR: License# Sold Selection   Name: LB Exploration, Inc.  Address: 2135 2nd Road	feet from Feet for reverse side)
Name: LB Exploration, Inc.  Address: 2135 2nd Road  City/State/Zip: Holyrood KS 67450  Contact Person: Michael Petermann  Phone: 785-252-8034  CONTRACTOR: License# 33610  Lease Name Second Drilling License# Is this a Proceeding Procession of the Contract Person of the Contra	N _ ✓ _Regular Irregular?  (Note: Locate well on the Section Plat on reverse side)
Contact Person: Michael Petermann  Contact Person: Michael Petermann  Phone: 785-252-8034  CONTRACTOR: License# 33610  Lease Name Field Name Is this a Petermann  String Property Prilling Inc.	(Note: Locate well on the Section Plat on reverse side)
Contact Person: Michael Petermann  County: B  Phone: 785-252-8034  Lease Nam  Field Name  Is this a Pi	
Phone: 785-252-8034  CONTRACTOR: License# 33610  Contractor: License# Is this a Pi	larher
CONTRACTOR: License# 33610  Field Name Is this a Pi	A A
CONTRACTOR: License# 33010 Is this a Pi	ne: 99 SpringsWell #: 1
	e: Amber Creek
Name: Possii Drilling, Inc.	rorated / Spaced Field?
	mation(s): Viola
Well Drilled For: Well Class: Type Equipment:   ★ Nearest Le	ease or unit boundary: 666 745
Ground Sur	rface Elevation: 4779 1782 feet MSL
✓ Oil Enh Rec ✓ Infield ✓ Mud Rotary Water well	within one-quarter mile:
Gas Storage Pool Ext. Air Rotary Public wate	er supply well within one mile:
OWWO Disposal Wildcat Cable Depth to be	ottom of fresh water:
Seismic; # or Holes Utiner Depth to be	ottom of usable water: //٥
	pe by Alternate:   √   1
VI anoth of	Surface Pipe Planned to be set:
Length of (	Conductor Pipe required:
Designated 3	Total Depth: 4800'
Wolf Mario.	at Total Depth: Vista-
original completion date:	rce for Drilling Operations:
	Farm Pond Other
If Yes, true vertical depth:DWR Perm	
Bottom Hole Location:	
VOC TUT II	(Note: Apply for Permit with DWR )
Wiii 63:65	be taken?Yes ✓ No
The undersigned hereby affirms that the drilling, completion and eventual plugging of this it is agreed that the following minimum requirements will be met:	well will comply with K.S.A. 55 et. seq. SEP 0 5 2006
Notify the appropriate district office <i>prior</i> to spudding of well;	VOCIATION
<ol> <li>A copy of the approved notice of intent to drill shall be posted on each drilling rig;</li> <li>The minimum amount of surface pipe as specified below shall be set by circulating through all unconsolidated materials plus a minimum of 20 feet into the underlying f</li> <li>If the well is dry hole, an agreement between the operator and the district office or</li> <li>The appropriate district office will be notified before well is either plugged or product</li> <li>If an ALTERNATE II COMPLETION, production pipe shall be cemented from below Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, we must be completed within 30 days of the spud date or the well shall be plugged. In</li> </ol>	formation. In plug length and placement is necessary prior to plugging; ition casing is cemented in; If any usable water to surface within 120 days of spud date, which applies to the KCC District 3 area, alternate II cementing 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	e and belief.
71/10/	
Date: 11106 Signature of Operator or Agent:	Title:
Remember	r to:
For KCC Use ONLY - File Drill F	Pit Application (form CDP-1) with Intent to Drill;
API # 15 - 007 - 23060-0000 - File Comp	pletion Form ACO-1 within 120 days of spud date;
Conductor pine required None - File acrea	age attribution plat according to field proration orders;
Notify app	propriate district office 48 hours prior to workover or re-entry;
	lugging report (CP-4) after plugging is completed; ritten approval before disposing or injecting salt water.
Approved by: par /	
This authorization expires:	rmit has expired (See: authorized expiration date) please
(This authorization void if drilling not started within 6 months of approval date.)	box below and return to the address below.
	Not Drilled - Permit Expired
Spud date: Agent: Signature	of Operator or Agent:
	Date:

### IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

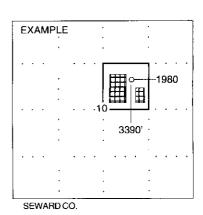
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - 007 - 23060-000	Location of Well: County: Barber
Operator: LB Exploration, Inc.	1980 /830 feet from N / S Line of Section
Lease: 99 Springs	2135- 1875 feet from  E / W Line of Section
Well Number: 1	Sec. 25 Twp. 30 S. R. 12 ☐ East ✓ West
Field: Amber Creek	
Number of Acres attributable to well:	ls Section: ✓ Regular or I Irregular
QTR / QTR / QTR of acreage: 455 NW SE SE	If Section is Irregular, locate well from nearest corner boundary.  Section corner used: NE NW SE SW

PLAT
(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)

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RECEIVED
SEP 0 5 2006
KCC WICHITA



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 section's south / north and east / west.
- 3. The distance to the nearest lease or unit boundary line.
- 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).

# Kansas Corporation Commission Oil & Gas Conservation Division

Form CDP-1 April 2004 Form must be Typed

## **APPLICATION FOR SURFACE PIT**

Submit in Duplicate

Operator Name: LB Exploration, Inc.			License Number: 33186			
Operator Address: 2135 2nd Roa	ad Holyrood	d KS 674	50			
Contact Person: Michael Petermann			Phone Number: ( 785 ) 252 - 8034			
Lease Name & Well No.: 99 Springs			Pit Location (QQQQ):			
Type of Pit:	Pit is:		_ <del>155 ₩</del> _ NW _ SE			
Emergency Pit Burn Pit	√ Proposed	Existing	Sec. 25 <sub>Twp.</sub> 30 <sub>R.</sub> 12			
Settling Pit	If Existing, date of	onstructed:	1980 1850 Feet from North / ✓ South Line of Section			
☐ Workover Pit ☐ Haul-Off Pit	Dit oppositur		2135 1875 Feet from 🗸 East / West Line of Section			
(If WP Supply API No. or Year Drilled)	Pit capacity:	(bbls)	BARBER County			
Is the pit located in a Sensitive Ground Water	Area? Yes 7	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?			
•	00 Length (fe	_	Width (feet) N/A: Steel Pits			
Depth fi	om ground level to de	eepest point: 6	(feet)			
If the pit is lined give a brief description of the material, thickness and installation procedure.  Plactic pit liners installed prior to	<b>e</b> .		edures for periodic maintenance and determining ncluding any special monitoring.			
Plastic pit liners installed prior to	ourning.		RECEIVED			
			SEP 0 5 2006			
Distance to nearest water well within one-mile	e of pit	Depth to shallo Source of infor	owest fresh water 30 feet. KCC WICHI7			
898feet Depth of water well _	142 feet		uredwell owner electric log KDWR			
Emergency, Settling and Burn Pits ONLY		Drilling, Work	over and Haul-Off Pits ONLY:			
Producing Formation:		Type of materia	al utilized in drilling/workover: Chemical mud			
			king pits to be utilized: 3			
Barrels of fluid produced daily:			procedure: Haul off free fluids and backfill			
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.			
I hereby certify that the above state	ements are true and	correct to the bes	t of my knowledge and belief.			
\(\int_{\text{Dalte}}\)		MA	Signature of Applicant or Agent			
	KCC	OFFICE USE O	NLY RTASHC			
Date Received: 9/5/0(e Permit Num	.h.a.v.	D	it Date: 917 OC Lease Inspection: X Yes No			



CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR BRIAN J. MOLINE, CHAIR ROBERT E. KREHBIEL, COMMISSIONER MICHAEL C. MOFFET, COMMISSIONER

September 7, 2006

Mr. Michael Petermann LB Exploration, Inc. 2135 2<sup>nd</sup> Rd Holyrood, KS 67450

RE: Drilling Pit Application 99 Springs Lease Well No. 1 SE/4 Sec. 25-30S-12W Barber County, Kansas

Dear Mr. Petermann:

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 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 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) 225-8888 when the fluids have been removed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

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 undersigned at the above address.

Sincerely.

Kathy Haynes

Department of Environmental Protection and Remediation

cc: File

# LB Exploration

2135 2nd Road Holyrood KS 67450 785-252-8034 lbexploration@hbcomm.net

To: Rick Hesterman

From: Michael Petermann

Re: 99 Springs #1 intent to drill

Dear Rick,

RECEIVED KANSAS CORPORATION COMMISSION SEP 0 7 2006

CONSERVATION DIVISION WICHITA, KS

Please make the following changes to the recently filed intent to drill:

- 1) Location is now 150 feet south and 105 east of NW SE 25-30S-12W. This places the location 1830 FSL and 1875 FEL.
- 2) The Ground Surface Elevation is now 1782 feet.
- 3) The nearest lease boundary is 765 feet.
- 4) We will be setting 200 feet of surface pipe.
- 5) No artificial liner will be used in the drilling pits. They will be lined with native mud and the abandonment procedure will be to evaporate and backfill.

Thanks,

Milal Peterman