For KCC Use:	10-21-01-
Effective Date:	10-31-06
District #	
SGA? Yes	s ☑No

## KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 December 2002 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

OPERATOR: Liceneese 31725 Name: Shelby Resources, LLC Address 7.0 Biol 213 Christ Shelby Resources, LLC Shelby Resources, LLC Address 7.0 Biol 213 Christ Shelby Resources, LLC	Expected Spud Date November 1, 2006	Spot 62' N & 309' E Of
Contractions   Deviation   D	·	SW SE NW Sec 30 Two 31 S.R. 14 V West
Section   E     Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E   Will fine of Section   Will fine of Section   E   Will fine of Section   Will fine of Section   E   Will fine of Section   Will fine of Section   E   Will fine of Section   E   Will fine of Section   Will fine of Section   Will fine of Section   Will fine of Section   E   Will fine of Section   E   Will fine of Section   E	31725	0040)
Activities   P.O. Ben 12:3	OPERATOR: License#	1070
Colorated Persons Patria Kealine Phone: 785-823-3290  Contract Persons Patria Kealin Phone: 785-823-3290  Contract Croice: Licenses 5142  Contract Croice: Licenses 5142  Name: Stering Origing Company  Well Drilled For: Well Class: Type Equipment:    Coloration   Carlo	Name: P.O. Box 1213	
Contract Person. Plank Rain  Contract Person. 258-253-2590  Name. Stering Orifling Company  Well Drilled For:  Well Class:  Drilled Settinic:  Settinic:  Settinic:  Other  Other  Other  Well Ward Drilled For:  Well Ward Drilled For:  Well Ward Drilled For:  Well Rain Stering Orifling Company  Tended J Speaded Field?  Target Formation(s): Arthuckie  Newreak Leese or unit boundary. 1999/  Ground Strafes Develors.  Well Ward well within one-quarter mile:  Other.  Well Ward:  Well Ward:	Address: Havs. Kansas 67601	*
Pinner   Serior   S	City/State/Zip:	
Field Name: Sinding Drilling Company   Sinding Drilling Company   Well Class: Type Equipment:   Target Formation(s): Aftection   Aftection   After Foto   After	Contact Person: 5785-623-3290	County: Thunderbird Ranch 1-30
Same   Sering   Dilling Company   Sering   Ser		Lease Name: Well #:
Name: Sterning Drinling Company   Sterning	CONTRACTOR: License# 5142	Field Name:
Well Drilled For Well Class: Type Equipment: Grade   Fin Fac   Fin Fac   For Fac   Fin	Name: Sterling Drilling Company	Is this a Prorated / Spaced Field?
Ground Surface Elevation:		larget Formation(s): 1959'
Water well within one-quarter mile:   well	Well Drilled For: Well Class: Type Equipment:	
Contact   Cable   Ca	Oil / Enh Rec Infield / Mud Rotary	
Depth to bottom of fresh water.   150"		
Depth to bottom of usable water, 1807   Surface Pipe by Alternate:   10   2   Length of Surface Pipe Planned to be set:   11   10   2   Length of Surface Pipe Planned to be set:   11   10   10   Length of Surface Pipe Planned to be set:   11   10   Length of Surface Pipe Planned to be set:   11   10   Length of Surface Pipe Planned to be set:   11   10   Length of Surface Pipe Planned to be set:   11   10   Length of Surface Pipe Planned to be set:   11   10   Length of Surface Pipe Planned to be set:   11   Length of Surface Pipe Planned to be set:   11   Length of Surface Pipe Planned to be set:   11   Length of Surface Pipe Planned to be set:   11   Length of Surface Pipe Planned to be set:   11   Length of Surface Pipe Planned to be set:   11   Length of Surface Pipe Planned to be set:   11   Length of Surface Pipe Planned to be set:   11   Length of Surface Pipe Planned to be set:   11   Length of Surface Pipe Planned to be set:   11   Length of Surface Pipe Planned to be set:   11   Length of Surface Pipe Planned to be set:   11   Length of Surface Pipe Planned to be set:   11   Length of Surface Pipe Planned to be set:   11   Length of Surface Pipe Planned to be set:   11   Length of Surface Pipe Planned to be set:   11   Length of Surface Pipe Planned to Be set:   11   Length of Surface Pipe Planned to Appendix Planned to Pipe	OWWO Disposal Wildcat Cable	
Surface Pipe by Alternate:   1	Seismic;# of Holes Other	
If OWWO: old well information as follows: Operator: Operator: Operator: Original Completion Date: Original Total Depth: Original Completion Date: Original Completion Date: Original Total Depth: Original Completion Date: Original Total Depth: Original Completion Date: Original Completion Date: Original Total Depth: Ves Volve Vertical depth: Directional, Deviated or Horizontal wellbore? If Yes, I've vertical depth: OWR Permit #:  Water Source for Drilling Operations: Well Very Farm Pond Other  Will Cores be taken? 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 phaged or production casing is cemented in; 6. If an ALTENNATE II COMPLETION, production pipe shall be comented from below any usable water to surface within 120 days of spud date. Or pursuant to Appendix "Bre - Eastern Kanasas surface casing order #133,391-C, which applies to the CD listrict 3 area, alternate it in ementing 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.  I hereby certify that the statements made herein are true and to the best of my knowledge and belief.  Part NCC Use ONLY API #15 - OT - 23985 - OOO The insulproval date:  - File Completion Form Apolic.  - Fi	Other	
Operator: Well Name: Original Completion Date: Original Total Depth:  Directional, Deviated or Horizontal wellbore?  If Yes, true vertical depth: Bottom Hole Location:  KCC DKT #:  Well Farm Pond Other  DWR Permit #:  Will Cores be taken?  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 Kanass surface casing order #133,991-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, MOTIFY district office prior to any cementing.  I hereby certify that the statements made herein are true and to the best of my knowledge affinitution plate according to field proretion orders; Notify appropriate district office approach orders; Notify appropriate district office approach or re-entry; Submit plugging repor (CP-4) after plugging is completed; Obtain written approval before disposing or injecting salt water.  It this permit has expired (See: authorized expiration date) please check the box below and return to the ad		
Well Name: Original Completion Date: Original Total Depth: Water Source for Drilling Operations: Water Source for Drilling Operations: Water Source for Drilling Operations: Well Farm Pond Other DWR Permit et: (Note: Apply for Permit with DWR	tf OWWO: old well information as follows:	Length of Sunace ripe Planted to be set:
Original Completion Date: Original Total Depth:	·	
Original Completion Date:  Water Source for Drilling Operations:  Water Source for Drilling Mater III (Note For Drilling Operation on III (Note For Drill )  Water Source for Drilling Operations:  Water Source for Drilli		
If Yes, true vertical depth:	Original Completion Date:Original Total Depth:	Tormation at Total Depart.
If Yes, true vertical depth:   DWR Permit #:   (Note: Apply for Permit with DWR	Directional, Deviated or Horizontal wellbore?	
Bottom Hole Location:   (Note: Apply for Permit with DWR   )   Yes   No     No       No		
Will Cores be taken?   Yes   No   No   If Yes, proposed zone:     Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:     Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, proposed zone:   Yes, p	•	
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Signature of Operator or Agent:   Sign	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.
For KCC Use ONLY  API # 15	I hereby certify that the statements made herein are true and to the best of	of my knowledge and belief.
For KCC Use ONLY  API # 15	Bar.	All Andrew Manager
For KCC Use ONLY  API # 15	Date: 10-19-2006 Signature of Operator or Agent:	Title: Operations Manager
API # 15		Remember to:
API # 15	For KCC Use ONLY	
Conductor pipe required	$\alpha \alpha \beta = 220 \text{ M/s} - 120 \text{ M/s}$	- File Completion Form ACO-1 within 120 days of soud date:
Minimum surface pipe required 200 feet per Alt. 1   Approved by: 24th 10-26-06  This authorization expires: 4-26-07  (This authorization void if drilling not started within 6 months of approval date.)  Spud date: Agent: Signature of Operator or Agent: Date: Notiny appropriate district office 45 floods plicit to Workover of recently, Submit plugging report (CP-4) after plugging is completed; Obtain written approval before disposing or injecting salt water.  - If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.  - Well Not Drilled - Permit Expired  Signature of Operator or Agent: Date:	1/04/	- The acreage attribution plat according to help profation orders,
Approved by: Puth 10-26-06  This authorization expires: 4-26-07  (This authorization void if drilling not started within 6 months of approval date.)  Spud date: Agent: Obtain written approval before disposing or injecting salt water.  If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.  Well Not Drilled - Permit Expired  Signature of Operator or Agent: Date:	2012 / V	- Notify appropriate district office 46 flours prior to workover or re-entry,
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Spud date: Agent: Signature of Operator or Agent: Date:	(This authorization void if drilling not started within 6 months of approval date.)	l —
Date:		
	Spud date:Agent:	
	Mail As. VOC Cossession Division 400	

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

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

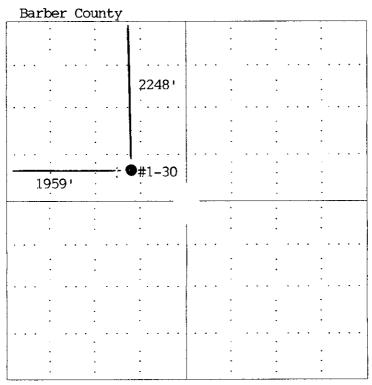
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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.

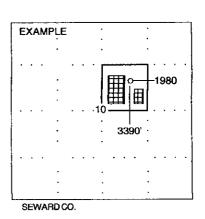
API No. 15 - 007 -23085 -0000	Location of Well: County: Barber
Operator: Shelby Resources, LLC	
Lease: Thunderbird Ranch	2248' feet from ✓ N / ☐ S Line of Section  1959' feet from ☐ E / ✓ W Line of Section
Well Number: 1-30	Sec. 30 Twp. 31 S. R. 14 ☐ East ✓ West
Field: Skinner	
Number of Acres attributable to well:	Is Section: Regular or 📝 Irregular
QTR / QTR / QTR of acreage: sw sE nw of of	If Section is irregular, locate well from nearest corner boundary.  Section corner used: NE NE 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.)





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).

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KCC WICHITA

# 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: Shelby Resources, LLC		License Number: 31725			
Operator Address: P.O. Box 1213, Hays, Kansas 67601					
Contact Person: Brian Karlin			Phone Number: ( 785 ) 623 -3290		
Lease Name & Well No.: Thunderbird	Ranch #1-30	0	Pit Location (QQQQ): 62' N & 309' E Of		
Type of Pit:	Pit is:		SWSENW		
Emergency Pit Burn Pit	<b>✓</b> Proposed	Existing	Sec. 30 Twp. 31 R. 14 East  West		
Settling Pit	If Existing, date co	onstructed:	2248' Feet from 🗹 North / 🗌 South Line of Section		
Workover Pit Haul-Off Pit	Pit capacity:	<del></del>	1959' Feet from ☐ East / ✓ West Line of Section		
(If WP Supply API No. or Year Drilled)	3000	(bbls)	Barber County		
Is the pit located in a Sensitive Ground Water	Area? ☐ Yes ✓	No -	Chloride concentration: mg/l		
Is the bottom below ground level?	Artificial Liner?		(For Emergency Pits and Settling Pits only)  How is the pit lined if a plastic liner is not used?		
✓ Yes  No		No	Lined with clay soil, native & fresh mud.		
Pit dimensions (all but working pits):	'0' Length (fe	eet)70'	Width (feet) N/A: Steel Pits		
	om ground level to de		(feet)		
, <b>, , , ,</b>			edures for periodic maintenance and determining ncluding any special monitoring.		
Distance to nearest water well within one-mile of pit  Depth to shalk Source of info		owest fresh waterfeet.			
		measi	measured well owner electric log KDWR		
Emergency, Settling and Burn Pits ONLY:			over and Haul-Off Pits ONLY:		
Producing Formation: Type of mater			naterial utilized in drilling/workover: Fresh mud.		
		rking pits to be utilized: 3			
<b>,</b>		procedure: Allow liquid contents to evaporate. Let the			
Does the slope from the tank battery allow all spilled fluids to flow into the pit?  Yes  No					
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Drill pits must be closed within 365 days of spud date.  I hereby certify that the above statements are true and correct to the best of my knowledge and belief.    10-19-2006					
10-19-2006  Date  Buan Kalin  Signature of Applicant or Agent					
KCC OFFICE USE ONLY  OUT DRAW  RFASAC					
Date Received: 10 26 Occ Lease Inspection: Ves No					

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

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**KCC WICHITA** 



CORPORATION COMMISSION

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

October 26, 2006

Mr. Brian Karlin Shelby Resources, LLC PO Box 1213 Hays, KS 67601

RE: Drilling Pit Application

Thunderbird Ranch Lease Well No. 1-30

NW/4 Sec. 30-31S-14W Barber County, Kansas

Dear Mr. Karlin:

District staff has inspected the above referenced location and has determined that the reserve pit shall be 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 as soon as practical after drilling operations have ceased. **Please keep the pits away from the draw.** 

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,

natiny maynes

**Environmental Protection and Remediation Department** 

cc: S Durrant