

For KCC Use:
Effective Date: 5-9-07
District # 2
SGA? ☐ Yes ☒ 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

Expected Spud Date 5 9 07
month day year

OPERATOR: License# 33708
Name: Palm Oil & Gas Company
Address: 2660 S Birmingham Place
City/State/Zip: Tulsa, OK 74114
Contact Person: David Palm
Phone: 918-747-8640

CONTRACTOR: License# 33944
Name: Mendenhall Drilling

Well Drilled For: ☒ Oil ☐ Gas ☐ Seismic ☐ Other
Enh Rec ☐ Storage ☒ Disposal
Well Class: ☐ Infield ☐ Pool Ext. ☒ Wildcat ☐ Other
Type Equipment: ☒ Mud Rotary ☐ Air Rotary ☐ Cable

If OWWO: old well information as follows:

Operator: Source Petroleum
Well Name: Hess "C" 1
Original Completion Date: 5-1-87 Original Total Depth: 4649

Directional, Deviated or Horizontal wellbore? ☐ Yes ☒ No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

K WAS: New well
IS: OWWO
Corrected API # added
OWWO information.

AFFIDAVIT *** WAS: API # 15-191-22509-000**
IS: API # 15-191-21991-00-0 KANSAS CORPORATION COMMISSION

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.

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

Date: 5/2/07 Signature of Operator or Agent: [Signature] Title: President

For KCC Use ONLY
API # 15 - 191-21991-00-01
Conductor pipe required NONE feet
Minimum surface pipe required 276 feet per Alt. 1
Approved by: PH 5-4-07/PH 5-8-07
This authorization expires: 11-4-07
(This authorization void if drilling not started within 6 months of approval 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.

- 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: _____

***API #**
CORRECTED

OWWO

CONSERVATION DIVISION
WICHITA, KS

MAY 04 2007

4
35
1W

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

CORRECTED

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 - 191-21991-00-01
 Operator: Palm Oil & Gas Company
 Lease: 1 Hess "C"
 Well Number: _____
 Field: _____
 Number of Acres attributable to well: 160
 QTR / QTR / QTR of acreage: _____ NW/4

Location of Well: County: Sumner
4,290 feet from ☐ N / ☒ S Line of Section
2,970 feet from ☒ E / ☐ W Line of Section
 Sec. 4 Twp 35 S. R. 1 ☐ East ☒ West

Is Section: ☒ Regular or ☐ Irregular

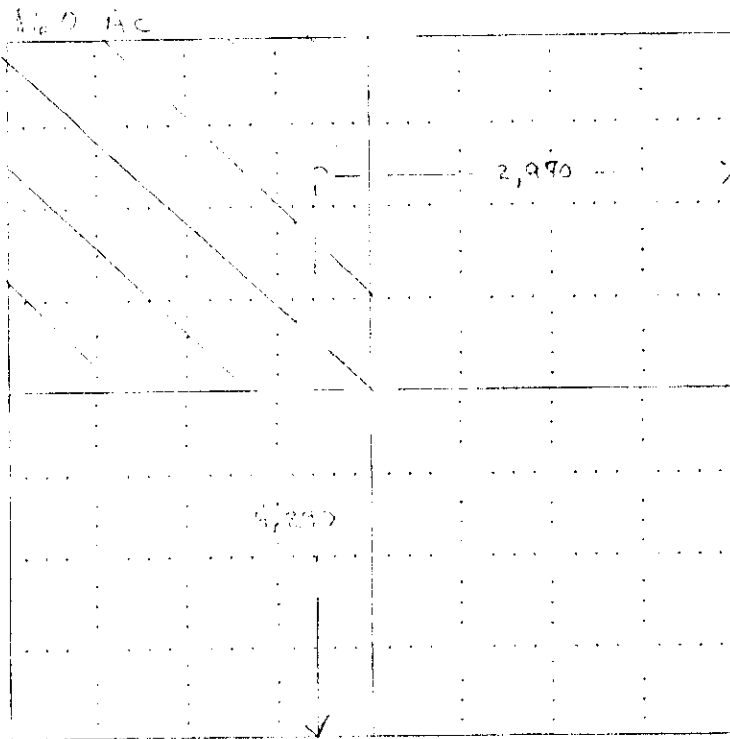
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: ☐ NE ☐ NW ☐ SE ☐ SW

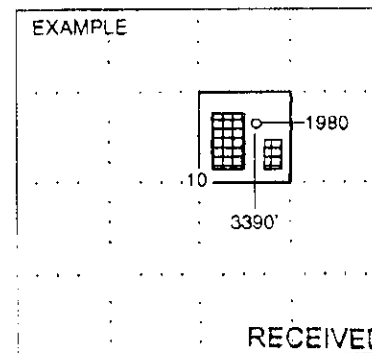
PLAT

(Show location of the well 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 location.



RECEIVED
SEWARD CO. KANSAS CORPORATION COMMISSION

MAY 04 2007

CONSERVATION DIVISION
WICHITA, KS

In plotting the proposed location of the well, you must show:

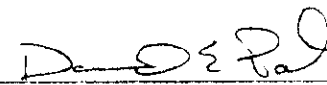
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells;

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

Form CDI
April 2007
Form must be Typ

Submit in Duplicate

CORRECTED

Operator Name: <u>Palm Oil & Gas Company</u>		License Number: <u>33708</u>
Operator Address: <u>2660 S Birmingham Place, Tulsa, OK 74114</u>		
Contact Person: <u>David Palm</u>		Phone Number: <u>(918) 747-8640</u>
Lease Name & Well No.: <u>1 Hess "C"</u>		Pit Location (QQQQ): <u>SE/4 NE/4 NW/4</u>
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: <u>500</u> (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		How is the pit lined if a plastic liner is not used? <u>Soil</u>
Pit dimensions (all but working pits): <u>100</u> Length (feet) <u>100</u> Width (feet) <u>N/A: Steel Pits</u> Depth from ground level to deepest point: <u>4</u> (feet)		
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: <u>None</u> feet Depth of water well _____ feet		Depth to shallowest fresh water <u>43</u> 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: <u>Soil</u> Number of working pits to be utilized: <u>Three</u> Abandonment procedure: <u>Evaporate fluids & backfill</u> 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.		
<u>5/2/07</u> Date	 Signature of Applicant or Agent	RECEIVED MAY 04 2007 KANSAS CORPORATION COMMISSION CONSERVATION DIVISION WICHITA, KS

KCC OFFICE USE ONLY

Date Received: 5/4/07 Permit Number: _____ Permit Date: 5/4/07 Lease Inspection: ☐ Yes ☒ No

15191-21991-00-01

STATE OF KANSAS
STATE CORPORATION COMMISSION
200 Colorado Derby Building
Wichita, Kansas. 67202

WELL PLUGGING RECORD
K.A.R.-82-3-117

API NUMBER 15-191-21,991-00-00

LEASE NAME Hess "C"

WELL NUMBER 1

4290 Ft. from S Section Line

2970 Ft. from E Section Line

SEC. 4 TWP. 35 RGE. 1 (N or W)

COUNTY Sumner

Date Well Completed 5-1-87

Plugging Commenced 5-1-87

Plugging Completed 5-1-87

TYPE OR PRINT
NOTICE: Fill out completely
and return to Cons. Div.
office within 30 days.

LEASE OPERATOR Source Petroleum

ADDRESS 910 Century Plaza Bldg., Wichita, KS 67202

PHONE#(316) 262-7397 OPERATORS LICENSE NO. 4752

Character of Well D & A

(Oil, Gas, D&A, SWD, Input, Water Supply Well)

Did you notify the KCC/KDHE Joint District Office prior to plugging this well? yes

Which KCC/KDHE Joint Office did you notify? District #2

Is ACO-1 filled? Yes If not, is well log attached?

Producing Formation _____ Depth to Top _____ Bottom _____ T.D. _____

Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS

CASING RECORD

Formation	Content	From	To	Size	Put In	Pulled out
		0	276	8 5/8"	276	none

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same and depth placed, from _____ feet to _____ feet each set.

60/40 Pozmix #1 plug @ 4580' w/35 sacks

2% gel, 3% cc #2 plug @ 1250' w/35 sacks

#3 plug @ 325' w/35 sacks

#4 plug @ 60' w/25 sacks 10 sacks in rathole

(If additional description is necessary, use BACK of this form.)

Name of Plugging Contractor ALLEN DRILLING COMPANY License No. 5418

Address P.O. Box 1389 Great Bend, KS 67530

STATE OF Kansas COUNTY OF Barton, ss.

John A. Johnson

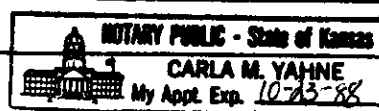
(Employee of Operator) ~~or Operator~~ of above-described well, being first duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the log of the above-described well as filed that the same are true and correct, so help me God.

(Signature) [Signature] RECEIVED STATE CORPORATION COMMISSION

(Address) P.O. Box 1389, Great Bend, KS 67530

SUBSCRIBED AND SWORN TO before me this 14th day of May, 1987

My Commission Expires:



Notary Public