

For KCC Use: 39-08
Effective Date: 3-9-08
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
October 2007
Form must be Typed
Form must be Signed
All blanks must be Filled

Expected Spud Date: March 15, 2008
month day year

OPERATOR: License# 4941 ✓
Name: Union Valley Petroleum Corporation
Address 1: 10422 Pinto Lane
Address 2: _____
City: Enid, OK 73701 State: _____ Zip: _____ + _____
Contact Person: Paul Youngblood
Phone: 580-237-3959 Mob: 580-541-1417

CONTRACTOR: License# 33132 ✓
Name: Dan D. Drilling

Well Drilled For: ☐ Oil ☒ Gas ☐ Enh Rec ☐ Storage ☐ Disposal ☐ Seismic; # of Holes _____ ☐ Other: _____
Well Class: ☐ Infield ☐ Pool Ext. ☒ Wildcat ☐ Other _____
Type Equipment: ☒ Mud Rotary ☐ Air Rotary ☐ Cable
☐ If OWWO: old well information as follows: _____

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

Directional, Deviated or Horizontal wellbore? ☐ Yes ☒ No
If Yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DKT #: _____

Spot Description: _____
W/2 - NE - SE - SE Sec. 34 Twp. 33 S. R. 6 ☐ E ☒ W
(10/10/10) 1,050 feet from ☐ N / ☒ S Line of Section
550 feet from ☒ E / ☐ W Line of Section

Is SECTION: ☒ Regular ☐ Irregular?

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

County: Harper
Lease Name: Suzanne Well #: 1-34
Field Name: Eastham North

Is this a Prorated / Spaced Field? ☐ Yes ☒ No
Target Formation(s): Mississippi

Nearest Lease or unit boundary line (in footage): 550'
Ground Surface Elevation: 1275 feet MSL

Water well within one-quarter mile: ☒ Yes ☐ No
Public water supply well within one mile: ☐ Yes ☒ No

Depth to bottom of fresh water: 150'
Depth to bottom of usable water: 180'

Surface Pipe by Alternate: ☒ I ☐ II
Length of Surface Pipe Planned to be set: 240'

Length of Conductor Pipe (if any): na
Projected Total Depth: 4520

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

☐ Well ☒ Farm Pond ☐ Other: 15 acre draw feet exempt
DWR Permit #: _____

(Note: Apply for Permit with DWR ☐)

Will Cores be taken? ☐ Yes ☒ No
If Yes, proposed zone: _____

AFFIDAVIT

RECEIVED
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 #133,887-0, 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 correct to the best of my knowledge and belief.

Date: 02-18-08 Signature of Operator or Agent: _____ Title: President

For KCC Use ONLY

API # 15 - 077-21618-0000
Conductor pipe required None feet
Minimum surface pipe required 200 feet per ALT. ☒ I ☐ II
Approved by: But 3-4-08
This authorization expires: 3-4-09
(This authorization void if drilling not started within 12 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 (within 60 days);
- 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.

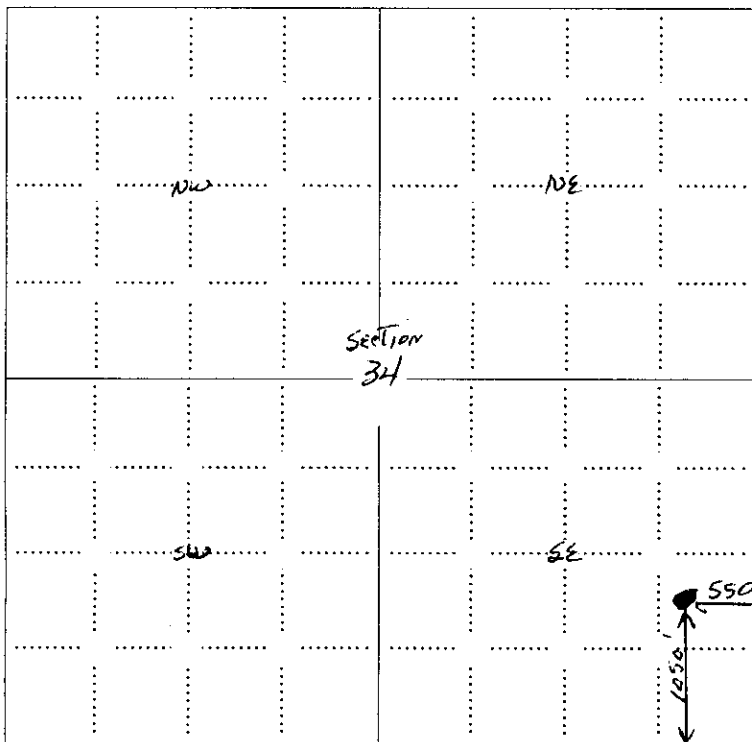
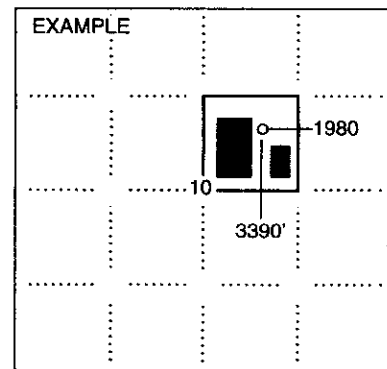
☐ Well Not Drilled - Permit Expired Date: _____
Signature of Operator or Agent: _____

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 - 077-21618-0000Operator: Union Valley Petroleum CorporationLease: SuzanneWell Number: 1-34Field: Eastham North

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: W/2 - NE - SE - SELocation of Well: County: Harper1,050 feet from ☐ N / ☒ S Line of Section550 feet from ☒ E / ☐ W Line of SectionSec. 34 Twp. 33 S. R. 6 ☐ E ☒ WIs 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.**

SEWARD CO.

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: (CO-7 for oil wells; CG-8 for gas wells).

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

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Union Valley Petroleum Corporation		License Number: 4941	
Operator Address: 10422 Pinto Lane		Enid, OK 73701	
Contact Person: Paul Youngblood		Phone Number: 580-237-3959; Mob: 580-541-1417	
Lease Name & Well No.: Suzanne 1-34		Pit Location (QQQQ): W/2 NE SE SE Sec. 34 Twp. 33 R. 6 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1,050 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 550 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Harper County	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 4,500 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: 1,100 mg/l <small>(For Emergency Pits and Settling Pits only)</small>	
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
How is the pit lined if a plastic liner is not used? Shale and Clay sub-soil			
Pit dimensions (all but working pits): 150 Length (feet) 100 Width (feet) <input checked="" type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: 4 (feet) <input type="checkbox"/> 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.	
		RECEIVED KANSAS CORPORATION COMMISSION FEB 27 2008 CONSERVATION DIVISION WICHITA, KS	
Distance to nearest water well within one-mile of pit 1956 feet Depth of water well 42 feet		Depth to shallowest fresh water 32 feet. WICHITA, KS Source of information: <input type="checkbox"/> measured <input checked="" type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> 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? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Drilling Mud Number of working pits to be utilized: 1 Abandonment procedure: Haul Free water; Evaporation; Backfill 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. <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="text-align: center;"> 02/18/08 Date </div> <div style="text-align: center;"> Signature of Applicant or Agent </div> </div>			

15-077-21618-0003

KCC OFFICE USE ONLY		Steel Pit <input type="checkbox"/>	RFAC <input checked="" type="checkbox"/> RFAS <input checked="" type="checkbox"/>
Date Received: 2/22/08	Permit Number: _____	Permit Date: 3/3/08	Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

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



Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner

March 3, 2008

Mr. Paul Youngblood
Union Valley Petroleum Corp.
10422 Pinto Lane
Enid, OK 73701

Re: Drilling Pit Application
Suzanne Lease Well No. 1-34
SE/4 Sec. 34-33S-06W
Harper County, Kansas

Dear Mr. Youngblood:

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 within 72 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 (316) 630-4000 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
Environmental Protection and Remediation Department

cc: File