

For KCC Use: 7-2708
Effective Date: 7-27-08
District #: 1
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: August 1, 2008
month day year

OPERATOR: License# 3581 ✓
Name: Red Oak Energy, Inc
Address 1: P.O. Box 783140
Address 2: _____
City: Wichita State: Ks Zip: 67207 +
Contact Person: Kevin Davis
Phone: 316-652-7373

CONTRACTOR: License# 33610 ✓
Name: Fossil 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: 1600-FNL-4725-FWL
Approx. NW SE NW Sec. 23 Twp. 29 S. R. 17 ☐ E ☒ W
(Q/Q/Q) 1,600 feet from ☒ N / ☐ S Line of Section
1,725 feet from ☐ E / ☒ W Line of Section

Is SECTION: ☒ Regular ☐ Irregular?

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

County: Kiowa
Lease Name: Robbins Ranch Well #: 1-23

Field Name: Conklin Estate

Is this a Prorated / Spaced Field? ☐ Yes ☒ No

Target Formation(s): Mississippian

Nearest Lease or unit boundary line (in footage): 760

Ground Surface Elevation: 1980 est 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: 120

Depth to bottom of usable water: 180

Surface Pipe by Alternate: ☒ I ☐ II

Length of Surface Pipe Planned to be set: 220

Length of Conductor Pipe (if any): N.A.

Projected Total Depth: 5000

Formation at Total Depth: Viola

Water Source for Drilling Operations: ☐ Well ☒ Farm Pond ☐ Other: _____

DWR Permit #: _____

(Note: Apply for Permit with DWR ☒)

Will Cores be taken? ☐ Yes ☒ No

If Yes, proposed zone: _____

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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 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 correct to the best of my knowledge and belief.

Date: July 17, 2008 Signature of Operator or Agent: _____ Title: Agent

For KCC Use ONLY

API # 15 - 097-21639-0000
Conductor pipe required None feet
Minimum surface pipe required 200 feet per ALT. ☒ I ☐ II
Approved by: RMA 7-22-08
This authorization expires: 7-22-09
(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: _____

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

23
29
17
☐ E
☒ W

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 - 097-21639-0000Operator: Red Oak Energy, IncLease: Robbins RanchWell Number: 1-23

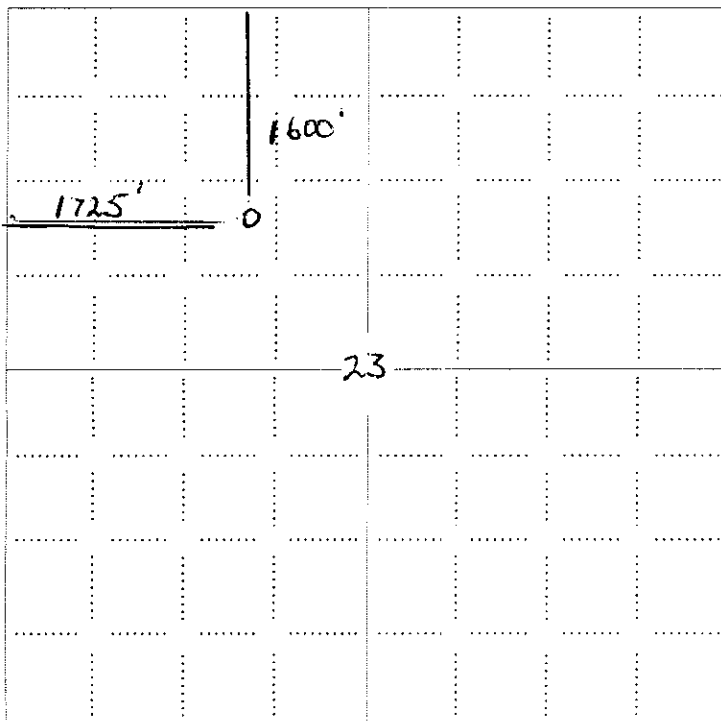
Field: _____

Number of Acres attributable to well: _____

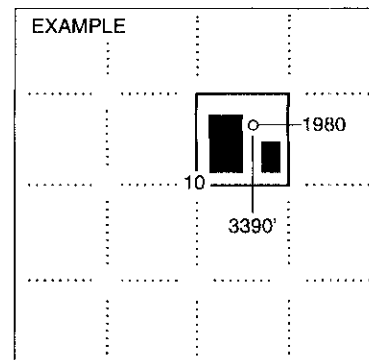
QTR/QTR/QTR/QTR of acreage: Approx. - NW - SE - NW

Location of Well: County: Kiowa1,600 feet from ☒ N / ☐ S Line of Section1,725 feet from ☐ E / ☒ W Line of SectionSec. 23 Twp. 29 S. R. 17 ☐ 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.**RECEIVED
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JUL 18 2008

CONSERVATION DIVISION
WICHITA, KS

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: Red Oak Energy, Inc		License Number: 3581	
Operator Address: P.O. Box 783140		Wichita Ks 67207	
Contact Person: Kevin Davis		Phone Number: 316-652-7373	
Lease Name & Well No.: Robbins Ranch 1-23		Pit Location (QQQQ): Approx. <u>NW</u> <u>SE</u> <u>NW</u> Sec. <u>23</u> Twp. <u>29</u> R. <u>17</u> ☐ East ☒ West <u>1,600</u> Feet from ☒ North / ☐ South Line of Section <u>1,725</u> Feet from ☐ East / ☒ West Line of Section <u>Kiowa</u> County	
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>5,000</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		Artificial Liner? ☐ Yes ☒ No	
How is the pit lined if a plastic liner is not used? Bentonite and Native solids			
Pit dimensions (all but working pits): <u>80</u> Length (feet) <u>80</u> Width (feet) ☐ N/A: Steel Pits Depth from ground level to deepest point: <u>4</u> (feet) ☐ 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 JUL 18 2008 CONSERVATION DIVISION WICHITA, KS	
Distance to nearest water well within one-mile of pit <u>3.59</u> 1/2 mile feet Depth of water well <u>33</u> feet		Depth to shallowest fresh water <u>28</u> <u>9</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>Fresh water-Chemical</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>Remove free fluids, evaporate, backfill and restore when conditions allow</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. July 17, 2008 Date Signature of Applicant or Agent			

15-097-21639-0000

KCC OFFICE USE ONLY		Steel Pit ☐	RFAC ☐	RFAS ☒
Date Received: <u>7/18/08</u>	Permit Number: _____	Permit Date: <u>7/22/08</u>	Lease Inspection: ☒ Yes ☐ 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

July 22, 2008

Mr. Kevin Davis
Red Oak Energy, Inc.
PO Box 783140
Wichita, KS 67207

RE: Drilling Pit Application
Robbins Ranch Lease Well No. 1-23
NW/4 Sec. 23-29S-17W
Kiowa County, Kansas

Dear Mr. Davis:

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 **lined with bentonite or native clay**. 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. **Keep pits away from the underground natural gas line.**

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, 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