

For KCC Use:
Effective Date: 9-2-08
District #
SGA? [] Yes [x] No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form C-1
October 2007
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

Expected Spud Date 08 16 2008
month day year

Spot Description:
C SE SE Sec 5 Twp 30 S. R 32 [] E [x] W
(Q/Q/Q/Q)

OPERATOR: License # 4549
Name: Anadarko Petroleum Corporation
Address: 1201 Lake Robbins Drive
City/State/Zip: The Woodlands, TX 77380
Contact Person: Diana Smart
Phone: (832) 636-8380

660 feet from [] N / [x] S Line of Section
660 feet from [x] E / [] W Line of Section
Is SECTION [x] Regular [] Irregular?

(Note: Locate well on Section Plat on Reverse Side)

CONTRACTOR: License #: 30606
Name: Murfin Drilling Co., Inc.

County: Haskell
Lease Name: Orth A Well #: 3H
Field Name: Hugoton

Is this a Prorated/Spaced Field? [x] Yes [] No

Target Formation(s): Chase

Nearest Lease or unit boundary: 660'

Ground Surface Elevation: 2902.7' feet MSL

Water well within one-quarter mile: [] Yes [x] No

Public water supply within one mile: [x] Yes [] No

Depth to bottom of fresh water: 580'

Depth to bottom of usable water: 700'

Surface Pipe by Alternate: [x] I [] II

Length of Surface Pipe Planned to be set: 750'

Length of Conductor pipe (if any):

Projected Total Depth: 3100'

Formation at Total Depth: Council Grove

Water Source for Drilling Operations:

[x] Well [] Farm Pond [] Other

DWR Permit #: Service company will apply for permit

(Note: Apply for Permit with DWR [])

Will Cores Be Taken?: [] Yes [x] No

If yes, proposed zone:

Well Drilled For: Oil [] Gas [x] Enh Rec [] Storage [] Disposal [] Seismic; # of Holes [] Other []
Well Class: [x] Infield [] Pool Ext. [] Wildcat [] Other []
Type Equipment: [x] 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 [x] No
If yes, true vertical depth:
Bottom Hole Location
KCC DKT # 09-CONS-OIL-CW1E

PRORATED & SPACED: HUGOTON

AFFIDAVIT

RECEIVED
KANSAS CORPORATION COMMISSION

JUL 24 2008

CONSERVATION DIVISION
WICHITA, KS

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55- 101 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 cemented 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: 07/23/2008 Signature of Operator or Agent: Diana Smart Title: Staff Regulatory Analyst

For KCC Use ONLY
API # 15- 081-21835-00-00
Conductor pipe required None feet
Minimum surface pipe required 720 feet per ALT. [x] I [] II
Approved by: [Signature] 8-28-08
This authorization expires: 8-28-09
(This authorization void if drilling not started within 12 months of effective 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 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:

5-30-32 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 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- 09121835-0000
 Operator Anadarko Petroleum Corporation
 Lease Orth A
 Well Number 3H
 Field Hugoton

Location of Well: County: Haskell
660 feet from N / S Line of Section
660 feet from E / W Line of Section
 Sec 5 Twp 30 S. R. 32 E W

Number of Acres attributable to well: 640

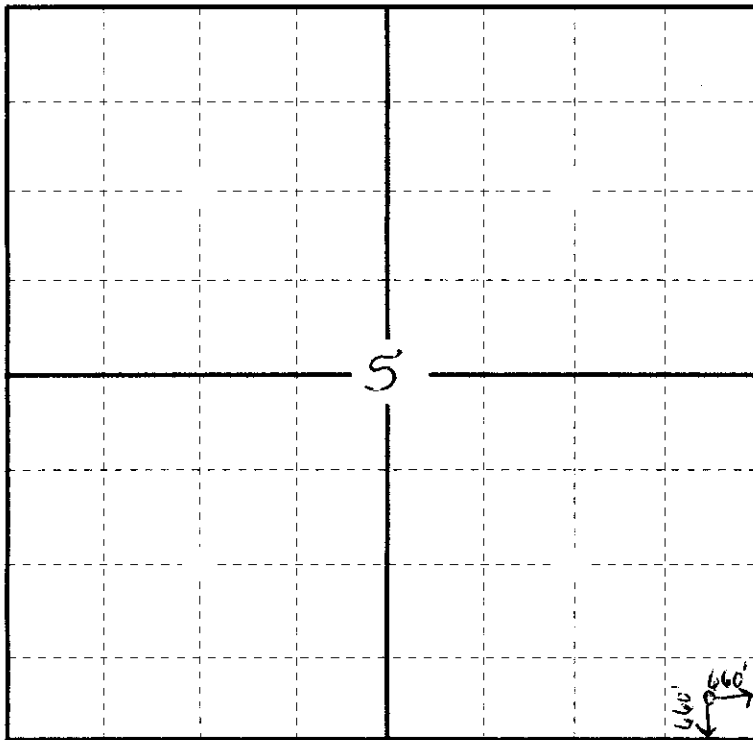
Is Section Regular or Irregular

QTR/QTR/QTR/QTR of acreage: - C - SE SE

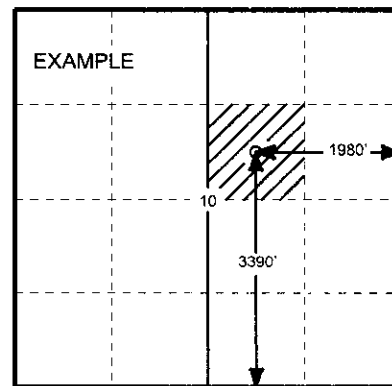
If Section is irregular, locate well from nearest corner boundary.
 Section corner used: NE NW SE SW

PLAT

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



Haskell County



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 section's 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).

PLAT AND CERTIFICATION OF ACREAGE ATTRIBUTABLE TO A GAS WELL

Kansas Corporation Commission, Conservation Division
 Finney State Office Building, 130 South Market, Room 2078
 Wichita, Kansas 67202

09-CDNS-011-CWLE

API NUMBER 15- 081-21835-0000

LOCATION OF WELL: COUNTY Haskell

OPERATOR Anadarko Petroleum Corporation

LEASE Orth A

WELL NUMBER 3H

FIELD Hugoton

660 feet from south/~~north~~ line of section

660 feet from east /~~west~~ line of section

SECTION 5 TWP 30 (S) RG 32 E/W

IS SECTION x REGULAR or IRREGULAR

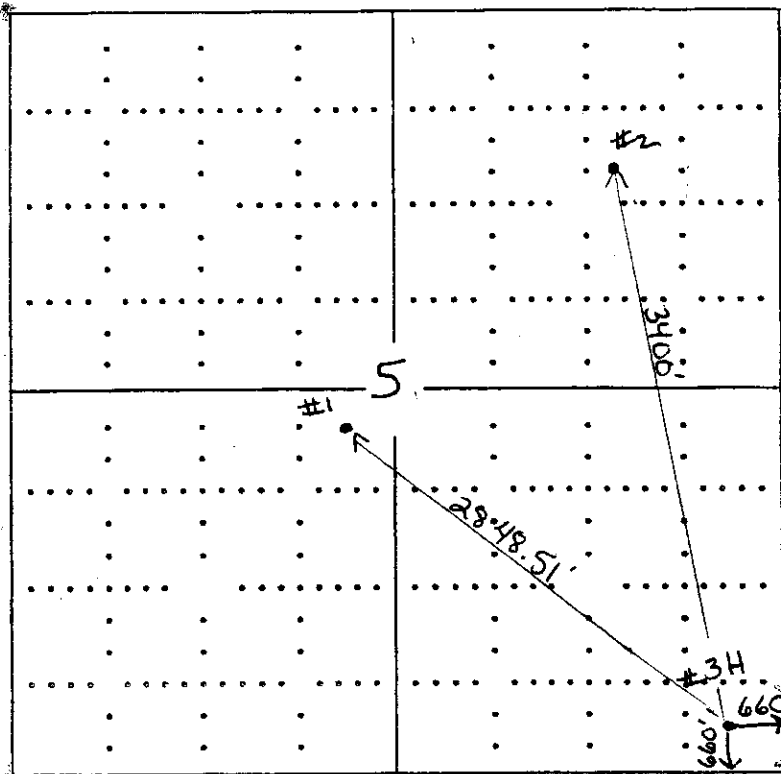
IF SECTION IS IRREGULAR, LOCATE WELL FROM
 NEAREST CORNER BOUNDARY. (check line below)

Section corner used: NE NW SE SW

NUMBER OF ACRES ATTRIBUTABLE TO WELL 640

QTR/QTR/QTR OF ACREAGE C - SE - SE

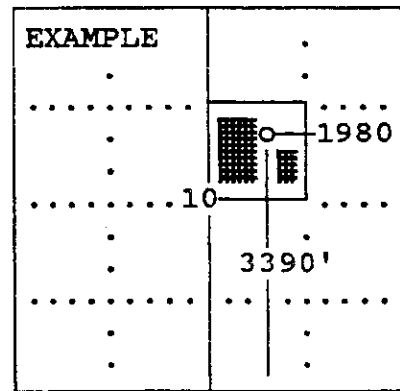
(Show the location of the well and shade attributable acreage for prorated or spaced wells).
 (Show the footage to the nearest lease or unit boundary line; and show footage to the nearest common source supply well).



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CONSERVATION DIVISION
 WICHITA, KS



Haskell County

SEWARD CO.

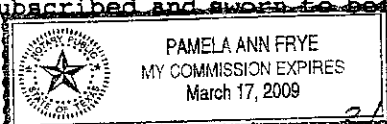
The undersigned hereby certifies as Staff Regulatory Analyst (title) for

Anadarko Petroleum Corporation (Co.), a duly authorized agent, that all

information shown hereon is true and correct to the best of my knowledge and belief, that all acreage claimed attributable to the well named herein is held by production from that well and hereby make application for an allowable to be assigned to the well upon the filing of this form and the State test, whichever is later.

Signature Diana Smart

Subscribed and sworn to before me on this 23rd day of July, 2008



Pamela A Frye
 Notary Public

My Commission expires 3/17/09

FORM CG-8 (12/94)

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: <u>Anadarko Petroleum Corporation</u>		License Number: <u>4549</u>
Operator Address: <u>1201 Lake Robbins Drive The Woodlands, TX 77380</u>		
Contact Person: <u>Diana Smart</u>		Phone Number: <u>(832) 636-8380</u>
Lease Name & Well No.: <u>Orth A 3H</u>		Pit Location (QQQQ): <u>C SE SE</u> <u>5 - 30S - 32</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>660</u> Feet from <input type="checkbox"/> North/ <input checked="" type="checkbox"/> South Line of Section <u>660</u> Feet from <input checked="" type="checkbox"/> East/ <input checked="" type="checkbox"/> West Line of Section <u>Haskell</u> 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 <u>7000</u> (bbls)	
Is the pit located in a Sensitive Ground Water Area? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		Chloride concentration: _____ 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 pit lined if a plastic liner is not used? <u>Earthen lined</u>
Pit dimensions (all but working pits): <u>100</u> Length (feet) <u>100</u> Width (feet) _____ N/A Steel Pits Depth from ground level to deepest point <u>5</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.
		RECEIVED KANSAS CORPORATION COMMISSION JUL 24 2008 CONSERVATION DIVISION WICHITA, KS
Distance to nearest water well within one-mile of pit <u>1874</u> feet Depth of water well <u>460</u> feet		Depth to shallowest fresh water <u>268</u> feet. Source of information: _____ measured _____ well owner _____ electric log <input checked="" 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 pond? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover <u>Fresh water mud</u> Number of working pits to be utilized <u>1</u> Abandonment procedure: <u>Let dry then backfill and restore to original ground level.</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>07/23/2008</u> Date		<u>Diana Smart</u> Signature of Applicant or Agent
KCC OFFICE USE ONLY		
RF9642		
Date Received: <u>7/24/08</u> Permit Number: _____ Permit Date: <u>8/08/08</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

15-081-21835-0000

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

* Public water supply - Sec. 32-29-32w SESESE depth 45'



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

August 28, 2008

Anadarko Petroleum Corporation
1201 Lake Robbins Dr
The Woodlands, TX 77380

Re: Drilling Pit Application
Orth A Lease Well No. 3H
SE/4 Sec. 05-30S-32W
Haskell County, Kansas

Dear Sir or Madam:

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 within 96 hours of drilling completion.

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
Environmental Protection and Remediation Department

cc: File