

For KCC Use:  
 Effective Date: 10-22-08  
 District # \_\_\_\_\_  
 SGA?  Yes  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: December 5th, 2008  
month day year

OPERATOR: License# 32787  
 Name: Kansas Natural Gas Operating, Inc.  
 Address 1: P.O. Box 815  
 Address 2: \_\_\_\_\_  
 City: Sublette State: KS Zip: 67877  
 Contact Person: Steve Lehning  
 Phone: 620-675-8185  
 CONTRACTOR: License# 33784  
 Name: Trinidad Drilling - LLC

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: \_\_\_\_\_  
 SW - NE - SW - Sec. 12 Twp. 29 S. R. 33  E  W  
(1/4/4/4)  
1,338 feet from  N /  S Line of Section  
1,455 feet from  E /  W Line of Section  
 Is SECTION:  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)  
 County: Haskell  
 Lease Name: F. McCoy Well #: 1-3  
 Field Name: Hugoton-Chase Series  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Hugoton-Chase  
 Nearest Lease or unit boundary line (in footage): 1338' FSL  
 Ground Surface Elevation: 2930.4 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: 600'  
 Depth to bottom of usable water: 690' 800'  
 Surface Pipe by Alternate:  I  II  
 Length of Surface Pipe Planned to be set: 750' 820 min  
 Length of Conductor Pipe (if any): None  
 Projected Total Depth: 2750'  
 Formation at Total Depth: Chase Formation  
 Water Source for Drilling Operations:  
 Well  Farm Pond  Other: Hauled Fresh Water  
 DWR Permit #: \_\_\_\_\_  
 (Note: Apply for Permit with DWR )  
 Will Cores be taken?  Yes  No  
 If Yes, proposed zone: \_\_\_\_\_

**PRORATED & SPACED: HUGOTON-PANOMA**

**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:

RECEIVED  
 KANSAS CORPORATION COMMISSION  
 OCT 17 2008  
 CONSERVATION DIVISION  
 WICHITA, KS

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: OCT. 15<sup>TH</sup> 2008 Signature of Operator or Agent: Steven M. Lehning Title: Supr.

For KCC Use ONLY  
 API # 15 - 081-21844-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 820 feet per ALT.  I  II  
 Approved by: PLM 10-17-08  
 This authorization expires: 10-17-09  
(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: \_\_\_\_\_

12  
29  
33  
 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 - ~~New Well - (Infield)~~ **15-081-21844-0000**  
 Operator: Kansas Natural Gas Operating, Inc.  
 Lease: F. McCoy  
 Well Number: 1-3  
 Field: Hugoton-Chase Series  
 Number of Acres attributable to well: 640  
 QTR/QTR/QTR/QTR of acreage: SW - NE - SW -

Location of Well: County: Haskell  
 1,338 feet from  N /  S Line of Section  
 1,455 feet from  E /  W Line of Section  
 Sec. 12 Twp. 29 S. R. 33  E  W

Is Section:  Regular or  Irregular

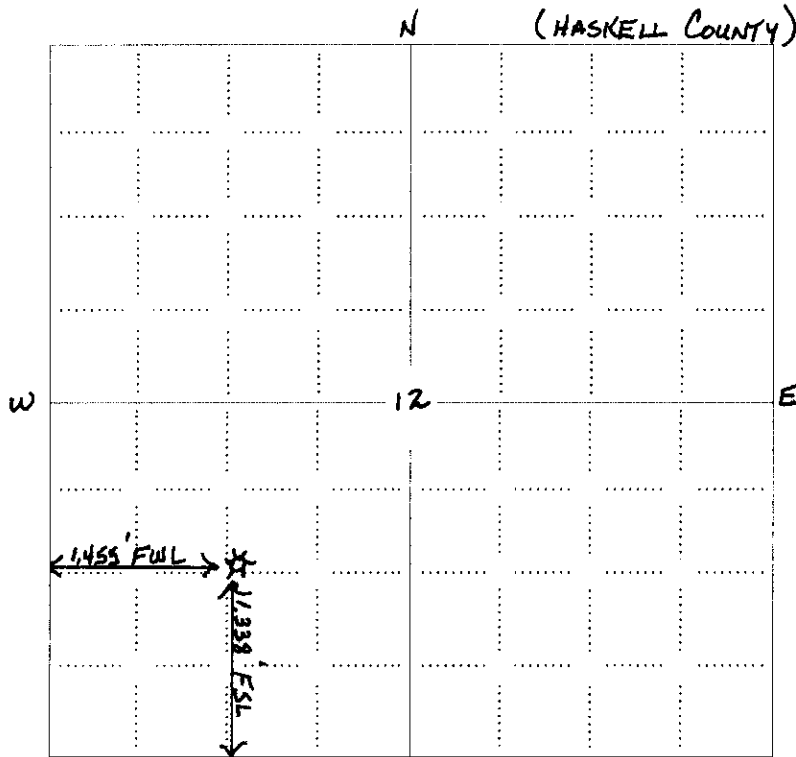
If Section is Irregular, locate well from nearest corner boundary.

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.)



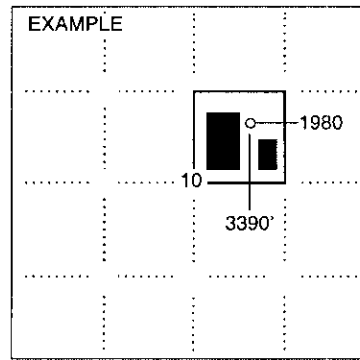
NOTE: In all cases locate the spot of the proposed drilling location.

RECEIVED  
KANSAS CORPORATION COMMISSION

OCT 17 2008

CONSERVATION DIVISION  
WICHITA, KS

Unit comprised of all of  
Sec. 12-29S-33 West  
Total of 640 Acres



**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).

# 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

API NUMBER 15- 15-081-21844-0000  
New Well Infield

LOCATION OF WELL: COUNTY Haskell

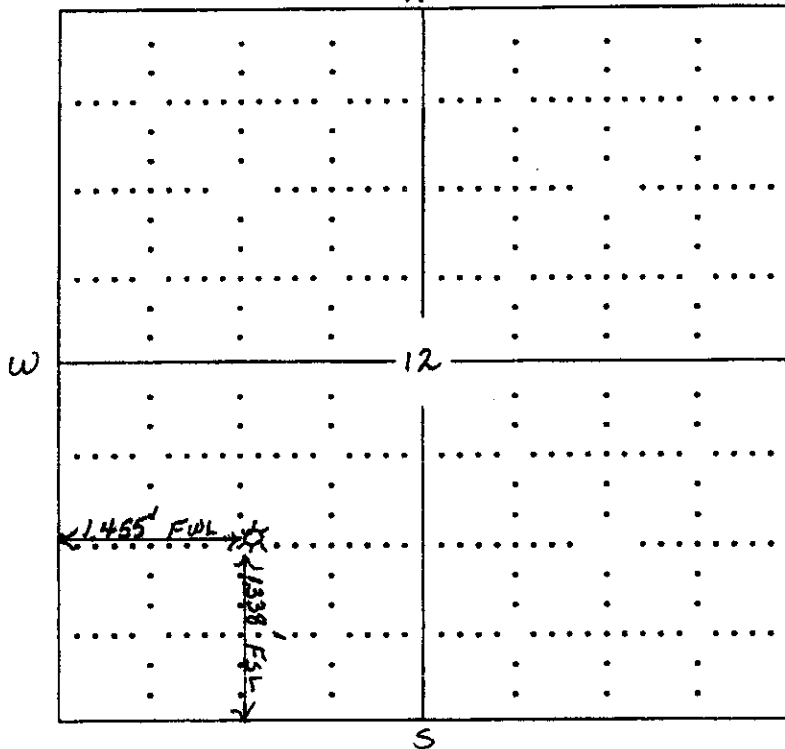
OPERATOR Kansas Natural Gas Operating, Inc  
 LEASE F McCoy  
 WELL NUMBER 1-3  
 FIELD Hugoton - Chase Series

1338 feet from south north line of section  
1455 feet from east west line of section

NUMBER OF ACRES ATTRIBUTABLE TO WELL 640  
 QTR/QTR/QTR OF ACREAGE SW - NE - SW

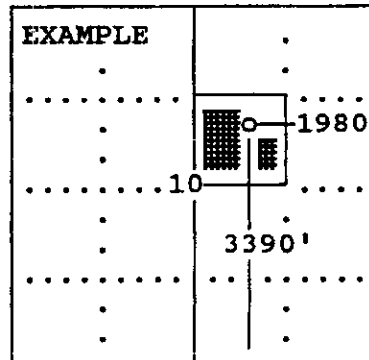
SECTION 12 TWP 29 (S) RG 33 E/W (W)  
 IS SECTION X REGULAR or IRREGULAR  
 IF SECTION IS IRREGULAR, LOCATE WELL FROM  
 NEAREST CORNER BOUNDARY. (check line below)  
 Section corner used: NE NW SE SW

(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).



Unit comprised of all of  
 Sec. 12-29-33 E/W  
 Total of 640 Acres  
**RECEIVED**  
 KANSAS CORPORATION COMMISSION  
**OCT 17 2008**

CONSERVATION DIVISION  
 WICHITA, KS



SEWARD CO.

The undersigned hereby certifies as Steven M. Lehning, Supt (title) for

Kansas Natural Gas Operating, Inc. (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.

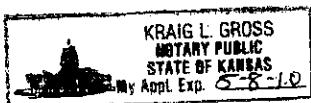
Signature Steven M. Lehning, Supt.

Subscribed and sworn to before me on this 15<sup>th</sup> day of October, 192008

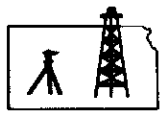
Kraig Gross  
 Notary Public

My Commission expires May 8, 2010

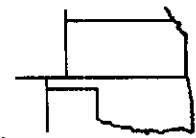
FORM CG-8 (12/94)



15-081-21844-0000



**ROBINSON SERVICES**  
Oil Field & Construction Staking  
P.O. Box 2324  
Garden City, Kansas 67846  
Office/Fax: (620) 276-6159  
Cell: (620) 272-1499



**y100808-i**  
PLAT NO.

**7946**  
INVOICE NO.

**Kansas Natural Gas, Inc.**  
OPERATOR

**F. McCoy #1-3**  
LEASE NAME

**Haskell County, KS**  
COUNTY

**12 29s 33w**  
Sec. Twp. Rng.

**1338' FSL - 1455' FWL**  
LOCATION/SPOT

SCALE: **1" = 1000'**  
DATE STAKED: **Oct. 3<sup>rd</sup>, 2008**  
MEASURED BY: **Harris S.**  
DRAWN BY: **Gabe Q.**  
AUTHORIZED BY: **Steve L. & Gary U.**

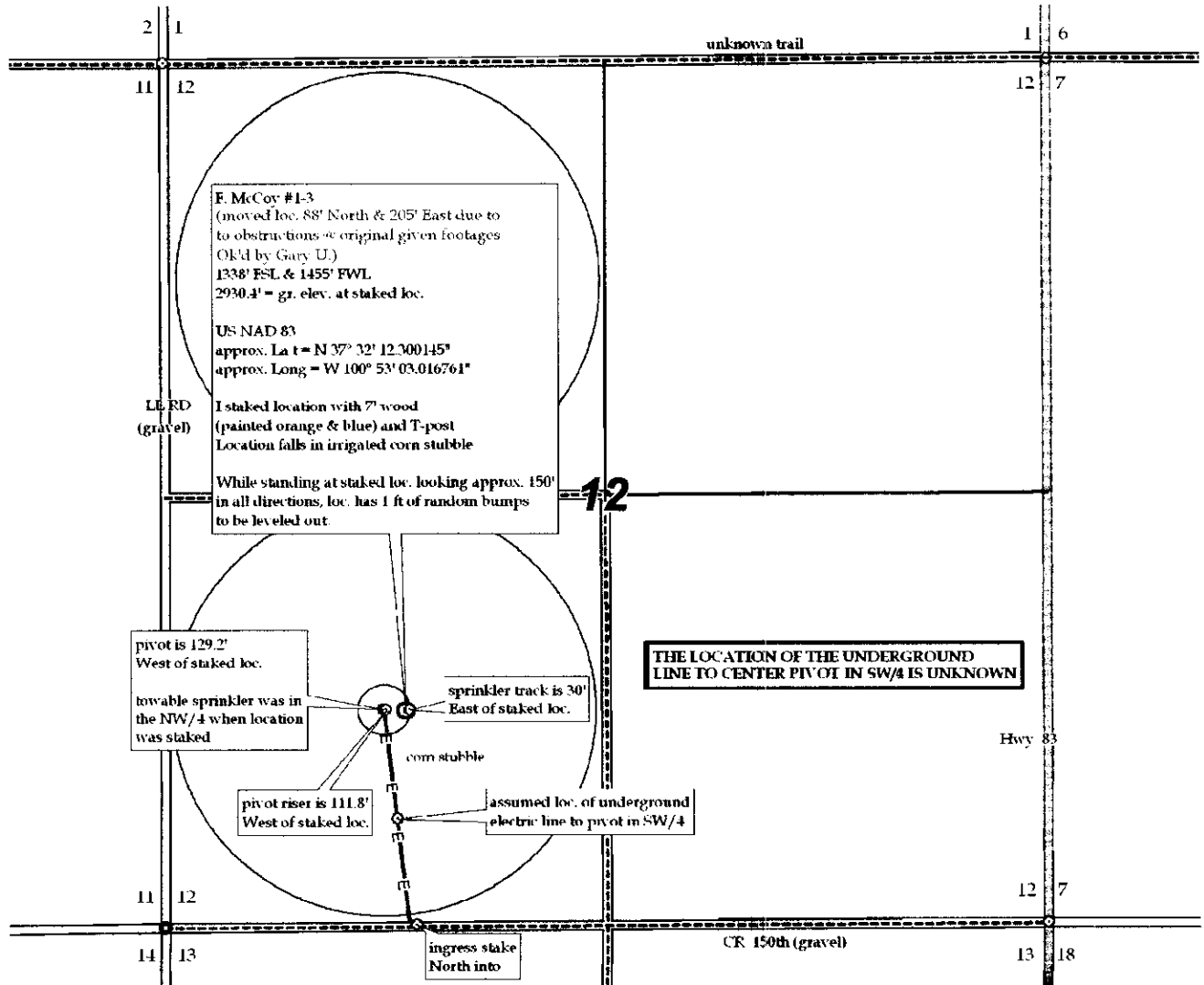


GR. ELEVATION: **2930.4'**

**Directions:** From 1 mile SW of Sublette, Ks at the intersection of Hwy 83 & Hwy 56 - Now go 4 miles North on Hwy 83 to the SE corner of section 12-29s-33w - Now go 0.7 mile West on CR 150<sup>th</sup> to ingress stake North into - Now go 1338' North through irrigated corn stubble into staked location.

Final ingress must be verified with land owner or Kansas Natural Gas, Inc.

*This drawing does not constitute a monumented survey or a land survey plat  
This drawing is for construction purposes only*



RECEIVED  
KANSAS CORPORATION COMMISSION

OCT 17 2008

CONSERVATION DIVISION  
WICHITA, KS

**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: <b>Kansas Natural Gas Operating, Inc</b>		License Number: <b>32787</b>
Operator Address: <b>P. O. Box 815 Sublette, KS 67877</b>		
Contact Person: <b>Steve Lehning</b>		Phone Number: <b>620-675-8185</b>
Lease Name & Well No.: <b>F. McCoy 1-3</b>		Pit Location (QQQQ): <b>SW NE SW 1/4</b>
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: <b>500</b> (bbls)	Sec. <u>12</u> Twp. <u>29</u> R. <u>33</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>1,348</u> <sup>1338</sup> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <u>1,420</u> <sup>1455</sup> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <b>Haskell County</b> County
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: <u>N/A</u> 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? <b>Gel-Mud</b>
Pit dimensions (all but working pits): <u>70</u> Length (feet) <u>10</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>6</u> (feet) <input type="checkbox"/> No Pit		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. <b>NA</b>		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. <b>NA</b>
Distance to nearest water well within one-mile of pit <u>3000</u> feet    Depth of water well <u>N/A</u> feet		Depth to shallowest fresh water <u>600</u> feet. Source of information: <input type="checkbox"/> measured <input checked="" type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <u>Fresh water - Drilling Mud</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: <u>Evaporate till dry. Backfill and spread manure over location.</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>OCTOBER 15<sup>TH</sup> 2008</u> Date		<u>Steven M. Lehning, Supt.</u> Signature of Applicant or Agent

RECEIVED  
KANSAS CORPORATION COMMISSION

OCT 17 2008

CONSERVATION DIVISION  
WICHITA, KS

15-081-21844-000

<b>KCC OFFICE USE ONLY</b>		Steel Pit <input type="checkbox"/>	RFAC <input type="checkbox"/>	RFAS <input type="checkbox"/>
Date Received: <u>10/17/08</u>	Permit Number: _____	Permit Date: <u>10/17/08</u>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

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