For KCC Use: Effective Date:

KANSAS CORPORATION COMMISSION REGULATORY OIL & GAS CONSERVATION DIVISION

Form C-1 October 2007

	NTENT TO DRILL Form must be Si	
	ive (5) days prior to commencing well	
xpected Spud Date: 11 05 2008 month day year	Spot Description:	
your your	SE - NW - NW Sec. 32 Twp. 32 S. R. 17	w
PERATOR: License# 34027	(Q/Q/Q/Q) 829 feet from N / S Line of Se	ection
ame: _CEP Mid-Continent LLC	feet from E / X W Line of Se	ction
Idress 1: 15 West Sixth Street, Suite 1400	Is SECTION: Regular Irregular?	
ty: Tulsa State: OK Zip: 74119 + 5415	(Note: Locate well on the Section Plat on reverse side)	
y: Tulsa State: OK Zip: 74119 + 5415 ontact Person: David Spitz, Engineering Manager	County: Montgomery	
one: (918) 877-2912, ext. 309	Lease Name: KNISLEY Well #: 32-1	
	Field Name: Coffeyville-Cherryvale	
ONTRACTOR: License#34126 / 33832 me: _Smith Oilfield Services, Inc. (vert. to KOP) / Pense Bros. Drig. (horiz. portion)	Is this a Prorated / Spaced Field?	No
Me Brown State State State , me. (Vert. to NOF) / Feinse Bros. Drig. (nonz. ponion)	Target Formation(s): Weir-Pitt	
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary line (in footage): 770'	
Oil Enh Rec Infield Mud Rotary	Ground Surface Elevation: 833' feet I	MSL
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile:	= /
Disposal Wildcat Cable	Public water supply well within one mile:	No
Seismic ;# of Holes Other	Depth to bottom of fresh water:	
Other:	Depth to bottom of usable water: 29-150	
If OWWO: old well information as follows:	Surface Pipe by Alternate:	
	Length of Surface Pipe Planned to be set: 20' est.	
Operator:	Length of Conductor Pipe (if any): none	
Well Name:Original Completion Date: Original Total Depth:	Projected Total Depth: 1120' Weir-Pitt	
Original Completion Date Original lotal Depth:	Formation at Total Depth: Weir-Pitt	
ectional, Deviated or Horizontal wellbore?	Water Source for Drilling Operations:	
s, true vertical depth:	Well Farm Pond Other: City	
	DWR Permit #:(Note: Apply for Parmit with DWR	
	(Note: Apply for Permit with DWR 🗾)	1
AF a undersigned hereby affirms that the drilling, completion and eventual plu	(Note: Apply for Permit with DWR) Will Cores be taken? If Yes, proposed zone: FIDAVIT KANSAS CORPORATION COMMISSION RECEIVE	ED
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One Allen Center 500 Dallas Street, Suite 3300 Houston, TX 77002 CEP Mid-Continent LLC 15 West Sixth Street, Suite 1400 Tulsa, OK 74119-5415 918-877-2912

February 19, 2009

15-125-31840-01-00

Mr. Rick Hestermann Kansas Corporation Commission Conservation Division 130 S. Market, Room 2078 Wichita, KS 67202

Dear Mr. Hestermann:

Re: Proposed Knisley #32-1 Horizontal Well NW Section 32, Township 32 South, Range 17 East, Montgomery Co., Kansas

As we spoke about today by phone, the above-referenced proposed well was permitted and approved by the KCC on 11-26-08 and assigned API #15-125-31840-01-00. A decision has been made by our geology and engineering personnel that this well will NOT be drilled at this time and location because it may compromise the integrity of an existing nearby gas well. As you instructed, enclosed is a copy of the approved Form C-1 indicating the well was not drilled, dated and signed by David F. Spitz, our VP, Engineering. Please cancel this proposed well and API number in your records.

A proposal is currently in progress to drill this well a later date possibly this year or next at approximately the same surface hole location but in a different direction. A new Notice of Intent to Drill will be submitted to the KCC at that time.

Thank you for your assistance in this matter.

Sincerely,

Sarah Schalk Regulatory Affairs

Sarah Schalk

/ss

Enclosure

KANSAS CORPORATION COMMISSION -

FEB 2 3 2009 RECEIVED

cc: D. Spitz, Eng. R. Tate, Geol. Well File