

For KCC Use: 7-13-2009
Effective Date: _____
District # _____
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: July 9 2009
month day year

OPERATOR: License# 32119
Name: Northern Natural Gas
Address 1: 1111 South 103rd Street
Address 2: _____
City: Omaha State: NE Zip: 68124 + 1 0 0 0
Contact Person: Michael Loeffler
Phone: 402-398-7103

CONTRACTOR: License# 34127
Name: Torncat Drilling, LLC

Well Drilled For: Well Class: Type Equipment:
☐ Oil ☐ Enh Rec ☐ Infield ☒ Mud Rotary
☐ Gas ☐ Storage ☐ Pool Ext. ☐ Air Rotary
☐ Seismic: # of Holes ☐ Wildcat ☐ Cable
☒ Other: Monitoring ☒ Other

☐ 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: SE
NW NW SE Sec. 1 Twp. 27 S. R. 11 ☐ E ☒ W
(a a a) 2,311 feet from ☐ N / ☒ S Line of Section
2,290 feet from ☒ E / ☐ W Line of Section

Is SECTION: ☐ Regular ☒ Irregular?

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

County: Pratt
Lease Name: Guthrie Well #: 1-31
Field Name: Cunningham

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

Target Formation(s): Viola

Nearest Lease or unit boundary line (in footage): 340

Ground Surface Elevation: 1751' 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: 130'

Depth to bottom of usable water: 130' / 130'

Surface Pipe by Alternate: ☒ I ☐ II

Length of Surface Pipe Planned to be set: 1625'

Length of Conductor Pipe (if any): 175'

Projected Total Depth: 4500'

Formation at Total Depth: Arbuckle

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: Viola

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 2, 2009 Signature of Operator or Agent: Clay Hutchcraft Title: Agent

For KCC Use ONLY

API # 15 151-22336-00-00
Conductor pipe required 175 feet
Minimum surface pipe required 200 feet per ALT ☒ I ☐ II
Approved by: KMH 7-8-2009
This authorization expires: 7-8-2010
(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 - 151-22336-00-00
 Operator: Northern Natural Gas
 Lease: Guthrie
 Well Number: 1-31
 Field: Cunningham

Number of Acres attributable to well: _____
 QTR/QTR/QTR/QTR of acreage: SE - NW - NW - SE

Location of Well: County: Pratt
 2,311 feet from ☐ N / ☒ S Line of Section
 2,290 feet from ☒ E / ☐ W Line of Section
 Sec. 1 Twp. 27 S. R. 11 ☐ E ☒ W

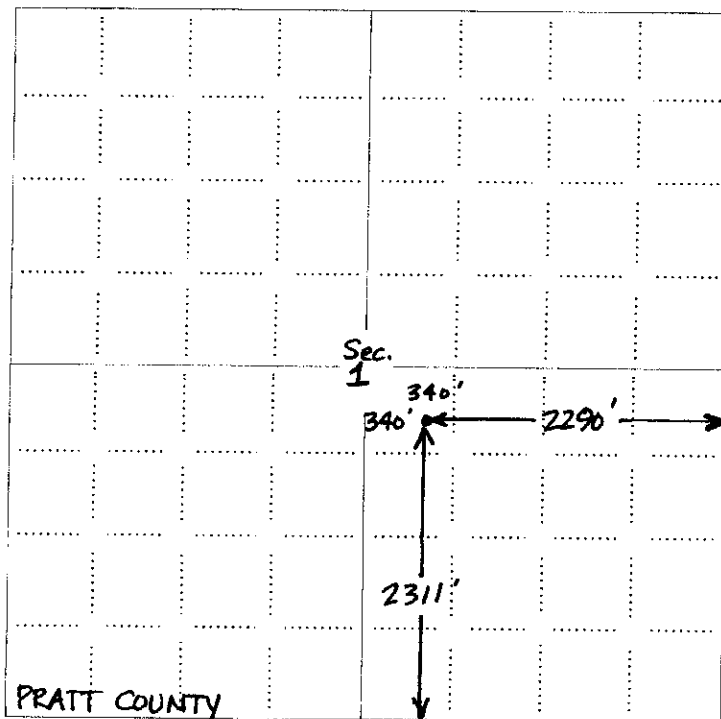
Is Section: ☐ Regular or ☒ Irregular

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

Section corner used: ☐ NE ☐ NW ☒ SE ☐ SW

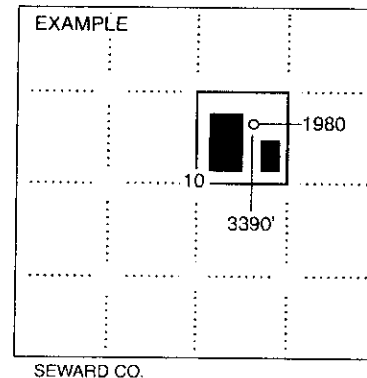
PLAT

*(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
 JUL 02 2009
 KCC WICHITA

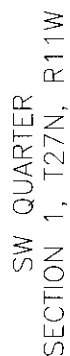


SEWARD CO.

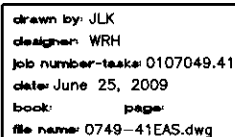
In plotting the proposed location of the well, you must show:

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).

NE corner, SE 1/4
Section 1, T27N, R11W



SE corner
Section 1, T27N, R11W



15-151-22336-00-00

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


RECEIVED

JUL 01 2009

Form CDP-1
April 2004
Form must be Typed

KCC WICHITA

Submit in Duplicate

Operator Name: Northern Natural Gas		License Number: 32119	
Operator Address: 1111 South 103rd Street		Omaha NE 68124	
Contact Person: Michael Loeffler		Phone Number: 402-398-7103	
Lease Name & Well No.: Guthrie 1-31		Pit Location (QQQQ): NW NW SE Sec. <u>1</u> Twp. <u>27</u> R. <u>11</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West 2,311 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 2,240 2290 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Pratt 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 checked="" 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: 1,000 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		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 the pit lined if a plastic liner is not used? Steel Pits			
Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) <input checked="" type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ (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.	
Distance to nearest water well within one-mile of pit Approx. 1400 feet Depth of water well 52 feet		Depth to shallowest fresh water 17 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> 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 pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Water-Based Mud Number of working pits to be utilized: 2 Abandonment procedure: Haul-Off 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;"> <div> June 29, 2009 Date </div> <div>  Signature of Applicant or Agent </div> </div>			

15-151-2233600-00

KCC OFFICE USE ONLY		Steel Pit <input checked="" type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>
Date Received: 7/1/09	Permit Number: _____	Permit Date: 7/1/09 Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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



*Mark Parkinson, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner*

July 1, 2009

Northern Natural Gas
111 South 103rd St
Omaha, NE 68124

RE: Drilling Pit Application
Guthrie Lease Well No. 1-31
SE/4 Sec. 01-27S-11W
Pratt County, Kansas

According to the drilling pit application referenced above, no earthen pits will be used at this location. Steel pits will be used. Please inform the Commission in writing as to which disposal well you utilized to dispose of the contents in the steel pits and the amount of fluid that was disposed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal.

Should a haul-off pit be necessary please file form CDP-1 (April 2004), Application for Surface Pit, This location will have to be inspected prior to approval of the haul-off pit application.

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 District Office at (620) 225-8888.

**HAUL-OFF PIT APPLICATION
FILING REQUIREMENTS**

82-3-607. DISPOSAL OF DIKE AND PIT CONTENTS.

- (a) Each operator shall perform one of the following when disposing of dike or pit contents:
- (1) Remove the liquid contents to a disposal well or other oil and gas operation approved by the commission or to road maintenance or construction locations approved by the department;
 - (2) dispose of reserve pit waste down the annular space of a well completed according to the alternate I requirements of K.A.R. 82-3-106, if the waste to be disposed of was generated during the drilling and completion of the well; or
 - (3) dispose of the remaining solid contents in any manner required by the commission. The requirements may include any of the following:
 - (A) Burial in place, in accordance with the grading and restoration requirements in K.A.R. 82-3-602 (f);
 - (B) removal and placement of the contents in an on-site disposal area approved by the commission;
 - (C) removal and placement of the contents in an off-site disposal area on acreage owned by the same landowner or to another producing lease or unit operated by the same operator, if prior written permission from the landowner has been obtained; or
 - (D) removal of the contents to a permitted off-site disposal area approved by the department.
- (b) Each violation of this regulation shall be punishable by the following:
- (1) A \$1,000 penalty for the first violation;
 - (2) a \$2,500 penalty for the second violation; and
 - (3) a \$5,000 penalty and an operator license review for the third violation.

Complete and return with Haul-Off Pit Application, Form CDP1(2004)

Haul-off pit will be located in an on-site disposal area: Yes ☐ No ☐

Haul-off pit is located in an off-site disposal area on acreage owned by the same landowner: ☐
Yes ☐ No ☐ If yes, written permission from the landowner must be obtained. Attach written permission to haul-off pit application.

Haul-off pit is located in an off-site disposal area on another **producing** lease or unit operated by the same operator: ☐s ☐No ☐ If yes, written permission from the landowner must be obtained. Attach permission and a copy of the lease assignment that covers the acreage where the haul-off pit is to be located, to the haul-off pit application.