

For KCC Use: 10-21-2009  
Effective Date: 10-21-2009  
District # 1  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**NOTICE OF INTENT TO DRILL**

Form C-1  
December 2002  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date 12-01-09  
month day year

OPERATOR: License# 31458  
Name: HJ INC  
Address: 70 N Farmland Rd.  
City/State/Zip: Garden City, KS 67846  
Contact Person: Kenneth Lang  
Phone: (620) 640-8218

CONTRACTOR: License# 33784  
Name: Trinidad Drilling

|  |                                   |   |
|--|-----------------------------------|---|
| Well Drilled For:                            | Well Class:                       | Type Equipment:                               |
| <input checked="" type="checkbox"/> Oil      | <input type="checkbox"/> Enh Rec  | <input type="checkbox"/> Infield              |
| <input checked="" type="checkbox"/> Gas      | <input type="checkbox"/> Storage  | <input checked="" type="checkbox"/> Pool Ext. |
| <input type="checkbox"/> OWWO                | <input type="checkbox"/> Disposal | <input type="checkbox"/> Wildcat              |
| <input type="checkbox"/> Seismic: # of Holes | <input type="checkbox"/> Other    | <input type="checkbox"/> Cable                |
| <input type="checkbox"/> 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  East  
SE - NW - SE Sec 30 Twp. 30 S. R. 32  West  
1640 feet from  N /  S Line of Section  
1888 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: Leonard #1-30 Well #: 1

Field Name: Victory East

Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): Marrow

Nearest Lease or unit boundary: 1640

Ground Surface Elevation: 2898.6 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: 250 500

Depth to bottom of usable water: 750 580

Surface Pipe by Alternate:  1  2

Length of Surface Pipe Planned to be set: 1800'

Length of Conductor Pipe required: \_\_\_\_\_

Projected Total Depth: 5800'

Formation at Total Depth: St. Genevieve

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: \_\_\_\_\_

**PRORATED & SPACED: HUGOTON**

**AFFIDAVIT**

**RECEIVED**

**OCT 16 2009**

**KCC WICHITA**

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 to the best of my knowledge and belief.

Date: 10-15-09 Signature of Operator or Agent: Kenneth Lang Title: Vice-President

For KCC Use ONLY  
API # 15 - 081-21881-00-00  
Conductor pipe required None feet  
Minimum surface pipe required 1000 feet per Alt. 1  
Approved by: KLM 10-16-2009  
This authorization expires: 10-16-2010  
(This authorization void if drilling not started within 6 months of effective date.)  
Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

**Remember to:**

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACC-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;
- 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

Signature of Operator or Agent: \_\_\_\_\_

Date: \_\_\_\_\_

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

30-30-32W

**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 - 081-21881-00-00  
 Operator: H.J. INC  
 Lease: Leonard #1-30  
 Well Number: #1  
 Field: Victory East  
 Number of Acres attributable to well: 160  
 QTR / QTR / QTR of acreage: SE - NW - SE

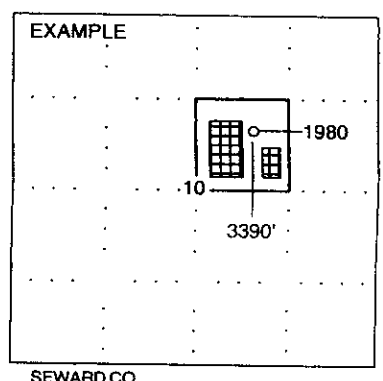
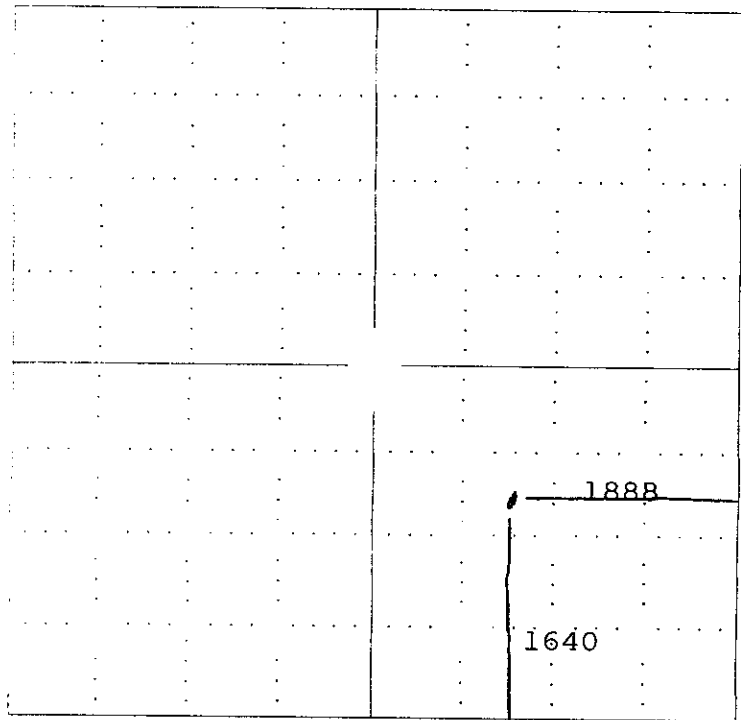
Location of Well: County: Haskell  
1640 feet from  N /  S Line of Section  
1888 feet from  E /  W Line of Section  
 Sec. 30 Twp. 30 S. R. 32  East  West

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 locaton.**

**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.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 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: <u>H. J. INC</u>   |  | License Number: <u>31458</u>   |
| Operator Address: <u>70 N. Farmland Rd. Garden City, KS 67846</u>   |  |  |
| Contact Person: <u>Kenneth Lang</u>   |  | Phone Number: ( <u>620</u> ) <u>640 8218</u>   |
| Lease Name & Well No.: <u>Leonard #1-30</u>   |  | Pit Location (QQQQ):<br><u>SE - NW - SE -</u><br>Sec. <u>30</u> Twp. <u>30</u> R. <u>32</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West<br><u>1640</u> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section<br><u>1888</u> Feet from <input type="checkbox"/> East / <input type="checkbox"/> West Line of Section<br><u>Haskell</u> County |
| Type of Pit:<br><input type="checkbox"/> Emergency Pit <input type="checkbox"/> Workover Pit<br><input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit<br><input type="checkbox"/> Burn Pit <input type="checkbox"/> Haul-Off Pit<br>(If WP Supply API No. or Year Drilled)         | Pit is:<br><input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing<br>If Existing, date constructed:<br>Pit capacity:<br>(bbls) |  |
| Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |  | Chloride concentration: _____ mg/l<br>(For Emergency Pits and Settling Pits only)  |
| Is the bottom below ground level?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  | Artificial Liner?<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   | How is the pit lined if a plastic liner is not used?<br><u>Rotary Mud</u>  |
| Pit dimensions (all but working pits): <u>100</u> Length (feet) <u>100</u> Width (feet) <u>N/A</u> Steel Pits<br>Depth from ground level to deepest point: <u>4</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.  |
| Distance to nearest water well within one-mile of pit<br><u>1273</u><br><u>2000</u> feet Depth of water well <u>500</u> feet  |  | Depth to shallowest fresh water <u>300</u> feet.<br>Source of information:<br>_____ measured <input checked="" type="checkbox"/> well owner _____ electric log _____ KDWR  |
| <b>Emergency, Settling and Burn Pits ONLY:</b><br>Producing Formation: _____<br>Number of producing wells on lease: _____<br>Barrels of fluid produced daily: _____<br>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><br>Type of material utilized in drilling/workover: <u>Rotary Mud</u><br>Number of working pits to be utilized: <u>1</u><br>Abandonment procedure: <u>Evaporation &amp; Backfill</u><br>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.<br><br><u>10-15-09</u><br>Date  |  | <b>RECEIVED</b><br><b>OCT 16 2009</b><br><b>KCC WICHITA</b><br><br>Signature of Applicant or Agent   |
| <b>KCC OFFICE USE ONLY</b>  |  |  |
| Date Received: <u>10/16/09</u> Permit Number: _____ Permit Date: <u>10/16/09</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |  |  |

15-081-2/881-00-00

# KCC -- Conservation Division Forms -- 06/01/2009

Internet KCC Home Page -- <http://kcc.ks.gov>

Conservation Division Home Page -- <http://kcc.ks.gov/conservation/index.htm>

Conservation Division Forms -- <http://kcc.ks.gov/conservation/forms/index.htm>

## ADOBE FILL-IN FORM ON INTERNET

### FORM DATE

04/2008 ■ Electronic Filing of KCC forms  
■ Master Electronic Filing Certificate MEFC

09/2005 ■ General Administrative  
■ License Application OPL-1  
04/2004 ■ Request for Change of Operator; Transfer of Injection or Surface Pit Permit T-1  
06/2009 ■ Well Intentry OWI-1

10/2007 ■ Well Permitting *Please use updated form on future filings*  
■ Notice of Intent to Drill C-1  
04/2004 ■ Application for Surface Pit CDP-1  
12/2008 ■ Cathodic Protection Borehole Intent to Drill CB-1

10/2008 ■ Well Completion Reports and Other Well Application  
■ Well Completion Form ACO-1  
03/2009 ■ Commingling Application ACO-4  
03/2009 ■ Dual Completion Report ACO-5  
09/2005 ■ Well Location Exception Application Check List ACO-17  
05/2009 ■ Venting-Flaring of Gas ACO-18  
09/2005 ■ Extended Gas Venting Affidavit CG-3  
09/2005 ■ Coalbed Natural Gas Venting Affidavit CG-4  
03/2009 ■ Temporary Abandonment Application CP-111  
09/2003 ■ Verified Affidavit For Vacuum Operations V-1

04/2004 ■ Surface Pits and Waste Transfer  
■ Application for Surface Pit CDP-1  
04/2004 ■ Closure of Surface Pit CDP-4  
08/2008 ■ Exploration and Production Waste Transfer CDP-5

03/2009 ■ Well Plugging Report  
■ Well Plugging Application CP-1  
03/2009 ■ Well Plugging Record CP-4  
08/2003 ■ Seismic Hole Affidavit

10/1996 ■ Oil & Gas Well Testing Report  
Oil Productivity Test & GOR Report C-5  
10/1996 Multi-Point Back Pressure Test CG-1  
07/2003 ■ One Point Stabilized Open Flow or Deliverability Test G-2

06/2008 ■ Gas Gathering Report  
■ Gas Gathering Report GG-1  
06/2007 ■ Gas Gathering Segment Report GG-1a

06/1989 ■ Oil and Gas Producer's Report  
Summary of Oil Producers Report CO-8, CO-8A  
08/2000 ■ Gas Producer/Purchaser Monthly Report CG-7, CG-7A

12/1994 ■ Acreage Attribution and Well Spacing Report  
Oil Acreage Attribution Plat CO-7  
12/1994 Gas Acreage Attribution Plat CG-8

07/2006 ■ New Pool and Certificate of Enhancement Projects (Severance Tax Exemptions) Request  
■ New Pool Determination-Discovery Allowable ACO-16  
10/1999 ■ Application for Enhanced Recovery Project Certification CER-1, and  
Calculation Sheet Base Production Calculation and Certification CER 1-A

07/2006 ■ Underground Injection Control Report  
■ UIC Application U-1  
11/2008 ■ Annual Report U3-C. This form is required on an annual basis due each March 1.  
07/2003 ■ Notice of Injection (of commencement or termination of injection) U-5  
07/2003 ■ Application to Amend Injection Order U-8  
07/2003 ■ Notice to Modify Injection Order U-9

08/2003 ■ Wireline Service  
■ Monthly Wireline Service Company Report MWSC-1