

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: November 15 2009 | Spot Description: |
| month day year | ME NEXT O OF OF |
| OPERATOR: License# 5263 | |
| | loor nom Live La d' Eine or Section |
| Name: Midwestern Exploration Co. | |
| Address 1: 3500 S. Boulevard, Suite 2B | ls SECTION: X Regular Inregular? |
| Address 2: | (Note: Locate well on the Section Plat on reverse side) |
| Sity: Edmond State: OK zip: 73013+ Contact Person: Dale J. Lollar, President | County: Stevens |
| Phone: 405-340-4300 | Lease Name: <u>Ha11</u> Well #: <u>1-9</u> |
| | Field Name: Gooch |
| ONTHINOTOTIC LICCHOCH | Is this a Prorated / Spaced Field? |
| lame: Advise on ACO-1 | Target Formation(s): Mississippian Chester, Morrow |
| Well Drilled For: Well Class: Type Equipment: | Nearest Lease or unit boundary line (in footage): 660 |
| ☑ Oil ☑ Enh Rec ☐ Infield ☑ X Mud Rotary | Ground Surface Elevation: 2984 (est) feet MSL |
| X Gas Storage X Pool Ext. Air Rotary | Water well within one-quarter mile: |
| Disposal Wildcat Cable | Public water supply well within one mile: |
| Seismic ; # of Holes Other | Depth to bottom of fresh water: |
| Other: | Depth to bottom of usable water: 620 ' |
| | Surface Pipe by Alternate: X I III |
| If OWWO: old well information as follows: | Length of Surface Pipe Planned to be set: 1650 |
| Operator: | Length of Conductor Pipe (if any):40 1 |
| Well Name: | Projected Total Depth: 6750' |
| Original Completion Date: Original Total Depth: | Formation at Total Depth: St. Louis |
| | Water Source for Drilling Operations: |
| Directional, Deviated or Horizontal wellbore? Yes X No | X Well Farm Pond Other 1se water from existing |
| Yes, true vertical depth: | DWR Permit #: |
| Bottom Hole Location: | (Note: Apply for Permit with DWR |
| (CC DKT #: | Will Cores be taken? |
| | If Yes, proposed zone: |
| PRORATED & SPACED: HOLOTOU-PANOMA AFFI | |
| • | DAVIT Cing of this well will comply with K.S.A. 55 of soc. |
| he undersigned hereby affirms that the drilling, completion and eventual plug | ging of this well will comply with A.S.A. 35 et. seq. |
| is agreed that the following minimum requirements will be met: | OCT 1 6 2009 |
| 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 of | drilling rig; y circulating cement to the top; in all cases surface pipe KGG WICHITA |
| through all unconsolidated materials plus a minimum of 20 feet into the | / circulating cement to the top; in all cases surface pipe sharts set ICHIIA |
| If the well is dry hole, an agreement between the operator and the district. | |
| 5. The appropriate district office will be notified before well is either plugger | |
| 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 #13: must be completed within 30 days of the spud date or the well shall be p | |
| · | , , , |
| hereby certify that the statements made herein are true and correct to the be- | syon may karonwiedge and beliet. |
| Date: 10-14-09 Signature of Operator or Agent: | Title: President |
| Signature of Operator of Agent. | |
| Fac KOO Has ONLY | |
| For KCC Use ONLY | / Remember to: |
| | - File Drill Pit Application (form CDP-1) with Intent to Drill; |
| API # 15 - 189-22688-00-00 | File Drill Pit Application (form CDP-1) with Intent to Drill; - File Completion Form ACO-1 within 120 days of sould date: |
| Conductor pipe required None feet | File Drill Pit Application (form CDP-1) with Intent to Drill; - File Completion Form ACO-1 within 120 days of sould date: |
| Conductor pipe required None feet | 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; |
| Conductor pipe required None feet Minimum surface pipe required 640 feet per ALT. III | 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; |
| Conductor pipe required None feet Minimum surface pipe required 640 feet per ALT. III Approved by: 41-3-2009 | - 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. |
| Conductor pipe required None feet Minimum surface pipe required 640 feet per ALT. [II] Approved by: [11-3-2009] This authorization expires: 11-3-2010 | 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); |
| Conductor pipe required None feet Minimum surface pipe required (490 feet per ALT II III Approved by: Fute-11-3-2009 | 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. |
| Conductor pipe required None feet Minimum surface pipe required 640 feet per ALT. [II] Approved by: Fut-1+3-2009 This authorization expires: 11-3-2010 | 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 |

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

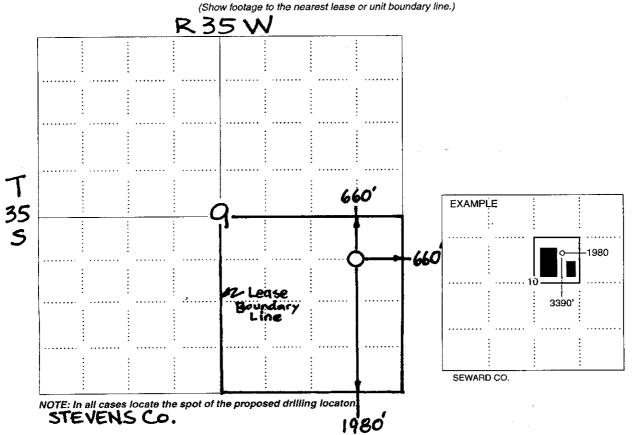
Plat of acreage attributable to a well in a prorated or spaced field

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 - 189-22688-00-00 | |
|---------------------------------------|--|
| Operator: | Location of Well: County: |
| Lease: | feet from N / S Line of Section feet from E / W Line of Section |
| Well Number: | |
| Field: | SecTwpS. R E W |
| Number of Acres attributable to well: | Is Section: Regular or Irregular |
| QTR/QTR/QTR of acreage: | |
| | 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.)



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: (C0-7 for oil wells; CG-8 for gas wells).

Kansas Corporation Commission Oil & Gas Conservation Division

Form CDP-1 Aprit 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

| Operator Name: Midwestern Exploration Co. | | | License Number: 5263 | |
|--|--------------------------|--|--|---------------|
| | | B, Edmond, | Oklahoma 73013 | |
| Contact Person: Dale J. Lollar | | Phone Number: (405) 340 - 4300 | 7 | |
| Lease Name & Well No.: Hall #1-9 | | Pit Location (QQQQ): | | |
| Type of Pit: | Pit is: | | NE <u>NE</u> ≤ | |
| Emergency Pit Burn Pit | x Proposed | Existing | Sec. 9 Twp. 35 R. 35 East X West | |
| Settling Pit X Drilling Pit | If Existing, date of N/A | onstructed: | 1980 Feet from North / X South Line of Section | n |
| Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) | Pit capacity: | /hble\ | 660Feet from A East / West Line of Section | 1 |
| | | (bbls) | n/a | |
| Is the pit located in a Sensitive Ground Water | Area? Yes <u>x</u> | _No_ | Chloride concentration: mg/l | |
| Is the bottom below ground level? | Artificial Liner? | | How is the pit lined if a plastic liner is not used? | |
| X Yes No | Yes X | No | Pit is self-sealing with drilling muc | 1. |
| Pit dimensions (all but working pits):125 | Length (fe | eet) | Width (feet) N/A: Steel Pits | |
| Depth fr | om ground level to de | eepest point: | 5 (feet) | |
| If the pit is lined give a brief description of the material, thickness and installation procedure | | | edures for periodic maintenance and determining nocluding any special monitoring. RECEIVED KANSAS CORPORATION CO | MMISS |
| N/A | | | N/A OCT 1 9 200 |) 9 |
| | | · | CONSERVATION D | |
| Distance to nearest water well within one-mile of pit Depth to shalk Source of info | | west fresh water <u>164</u> feet. WICHITA, K | 1 | |
| 3733 — feet Depth of water well | 340 _{feet} | measu | redwell ownerelectric logX website | <u> </u> |
| Emergency, Settling and Burn Pits ONLY: | | Drilling, Work | over and Haul-Off Pits ONLY: | |
| Producing Formation: | | " | al utilized in drilling/workover: <u>Drilling Mud</u> One (1) | 15 |
| Number of producing wells on lease: | | i . | king pits to be utilized:procedure: Evaporation to atmosphere until | |
| Barrels of fluid produced daily: | | | ly dry-side walls pushed in & leveled. | |
| Does the slope from the tank battery allow all flow into the pit? Yes No | spilled fluids to | Drill pits must | be closed within 365 days of spud date. | 8 |
| I hereby certify that the above state | ments are true and o | correct to the bes | t of my knowledge and belief. | 68 |
| 10-16-09 Date | | Kal | ignature of Applicant or Agent | 9-22688-00-00 |
| | KCC | OFFICE USE O | NLY QF96 | \neg |
| Date Received: 10/19/09 Permit Num | ber: | Perm | it Date: 11/3/09 Lease Inspection: 4 Yes No | |



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

November 3, 2009

Midwestern Exploration Co. 3500 S. Boulevard Ste 2B Edmond, OK 73013

RE: D

Drilling Pit Application Hall Lease Well No. 1-9 SE/4 Sec. 09-35S-35W Stevens County, Kansas

Dear Sir or Madam:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, 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 as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again within 96 hours after drilling operations have ceased. **Keep pits away from draw/drainage.**

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

Department of Environmental Protection and Remediation

cc: File