

For KCC Use: 1-20-2010  
Effective Date: 2  
District # 2  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

OWWO

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: 2-20-2010  
month day year

OPERATOR: License# 33097 ✓  
Name: Southern Star Central Gas Pipeline  
Address 1: 4700 Hwy. 56  
Address 2: P.O. Box 20010  
City: Owensboro State: KY Zip: 42304 + 0 0 1 0  
Contact Person: D. Mark Rouse  
Phone: 270-852-4490  
CONTRACTOR: License# 5142  
Name: Sterling Drilling Company

Spot Description: \_\_\_\_\_  
NW SE NW Sec. 15 Twp. 21 S. R. 9  E  W  
(a/a/a/a) 1,650 feet from  N /  S Line of Section  
1,650 feet from  E /  W Line of Section

Is SECTION:  Regular  Irregular?  
(Note: Locate well on the Section Plat on reverse side)

County: Rice  
Lease Name: Fair Well #: 0-26

Field Name: Alden Gas Storage Field  
Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): Arbuckle Group  
Nearest Lease or unit boundary line (in footage): 1000'

Ground Surface Elevation: 1677' 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: 75'

Depth to bottom of usable water: 100'  
Surface Pipe by Alternate:  I  II

Length of Surface Pipe ~~\_\_\_\_\_~~ set: 506'  
Length of Conductor Pipe (if any): \_\_\_\_\_

Projected Total Depth: 3550'  
Formation at Total Depth: Arbuckle Group

Water Source for Drilling Operations:  Well  Farm Pond  Other: Lyons Compressor Station

DWR Permit #: \_\_\_\_\_  
(Note: Apply for Permit with DWR )

Will Cores be taken?  Yes  No  
If Yes, proposed zone: \_\_\_\_\_

Well Drilled For:  Oil  Gas  Seismic; # of Holes \_\_\_\_\_  
 Enh Rec  Storage  Disposal  
 Other: \_\_\_\_\_  
Well Class:  Infield  Pool Ext.  Wildcat  Other  
Type Equipment:  Mud Rotary  Air Rotary  Cable

If OWWO: old well information as follows: \_\_\_\_\_  
Operator: Petro-Pak Corp  
Well Name: Fair #1  
Original Completion Date: 7/03/1982 Original Total Depth: 3550'

Directional, Deviated or Horizontal wellbore?  Yes  No  
If Yes, true vertical depth: \_\_\_\_\_  
Bottom Hole Location: \_\_\_\_\_  
KCC DKT #: \_\_\_\_\_

\* Gas Storage Area.

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: 11-17-2009 Signature of Operator or Agent: D. Mark Rouse Title: Geologist V

For KCC Use ONLY  
API # 15 - 159-21377-00-01  
Conductor pipe required None feet  
Minimum surface pipe required 506 feet per ALT.  I  II  
Approved by: [Signature] 1-15-2010  
This authorization expires: 1-15-2011  
(This authorization void if drilling not started within 12 months of approval date.)  
Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

Remember to:  
- File Drill Pit Application (form GDP-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: \_\_\_\_\_

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JAN 14 2010  
KCC WICHITA

15  
21  
9  
 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 - 159-21377-00-01

Operator: Southern Star Central Gas Pipeline

Lease: Fair

Well Number: 0-26

Field: Alden Gas Storage Field

Number of Acres attributable to well: \_\_\_\_\_

QTR/QTR/QTR/QTR of acreage: \_\_\_\_\_ - NW - SE - NW

Location of Well: County: Rice  
 \_\_\_\_\_ feet from  N /  S Line of Section  
 \_\_\_\_\_ feet from  E /  W Line of Section  
 Sec. 15 Twp. 21 S. R. 9  E  W

Is Section:  Regular or  Irregular

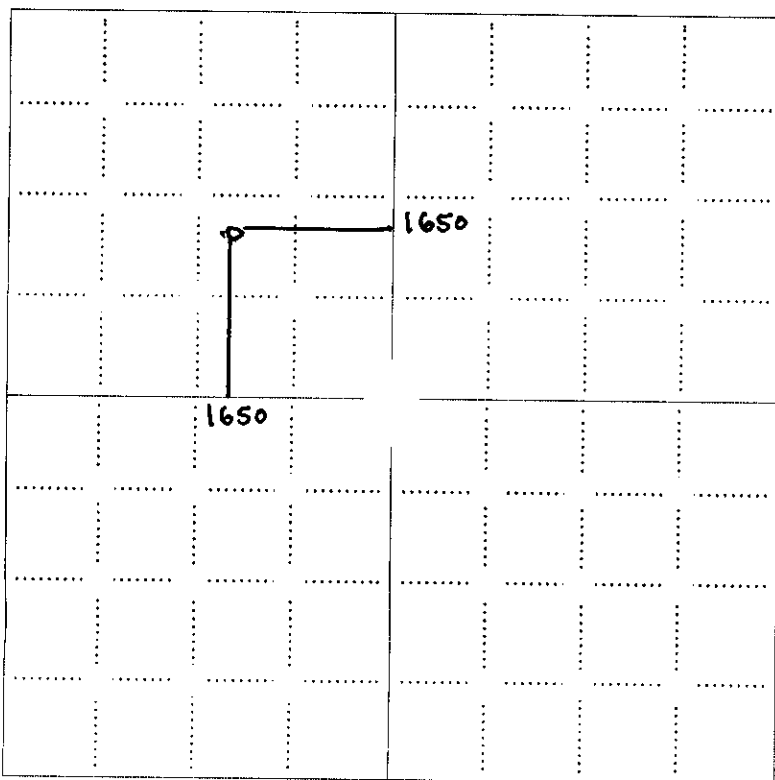
**If Section is Irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

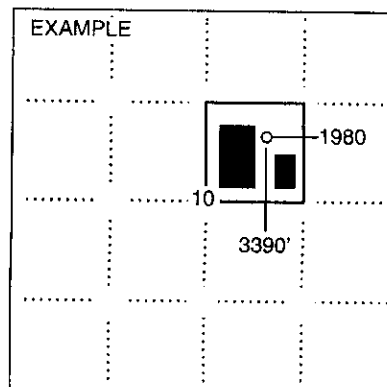
**PLAT**

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)*

*(Show footage to the nearest lease or unit boundary line.)*



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SEWARD CO.

**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 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).

**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>Southern Star Central Gas Pipeline</b>		License Number: <b>33067</b>
Operator Address: <b>4700 Hwy. 56</b>		
Contact Person: <b>D. Mark Rouse</b>		Phone Number: <b>270-852-4490</b>
Lease Name & Well No.: <b>Fair # 0-26</b>		Pit Location (QQQQ): _____ NW _____ SE _____ NW
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: _____ (bbls)
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Sec. <u>15</u> Twp. <u>21</u> R. <u>9</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>1,650</u> Feet from <input checked="" type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <u>1,650</u> Feet from <input checked="" type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <u>Rice</u> County
Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>
Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No		How is the pit lined if a plastic liner is not used?
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 <u>1190</u> feet    Depth of water well <u>62</u> feet		Depth to shallowest fresh water <u>15</u> feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" 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>drilling mud</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>haul water to disposal.</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>11/17/2009</u> Date		<u>D. Mark Rouse</u> Signature of Applicant or Agent
RECEIVED JAN 14 2010 KCC WICHITA		
<b>KCC OFFICE USE ONLY</b> Steel Pit <input checked="" type="checkbox"/> RFAC <input checked="" type="checkbox"/> RFAS <input type="checkbox"/>		
Date Received: <u>1-14-10</u> Permit Number: _____    Permit Date: <u>1-15-10</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

15-159-21377-00-01



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

January 15, 2010

Southern Star Central Gas Pipeline  
4700 Hwy 56  
PO Box 20010  
Owensboro, KY 42304-0010

RE: Drilling Pit Application  
Fair Lease Well No. 0-26  
NW/4 Sec. 15-21S-09W  
Rice 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](http://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 (316) 630-4000.

CONSERVATION DIVISION

Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802  
(316) 337-6200 • Fax: (316) 337-6211 • <http://kcc.ks.gov/>

**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 land owner 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 land owner 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.

KANSAS  
STATE CORPORATION COMMISSION  
CONSERVATION DIVISION AGENT REPORT

FORM CP-3  
Rev. 1-8-82  
RECEIVED  
STATE CORPORATION COMMISSION  
JUL 12 1982  
CONSERVATION DIVISION  
Wichita, Kansas

API Number 15-159-21377

200 Colorado Derby Building  
Wichita, KS 67202

Operator's Full Name Petro Pak

Complete Address 1355 Pennsylvania, Denver, Colorado, 80203

Lease Name Fair Well No. 1

Location NW-SE-SW Sec. 15 Twp. 21 Rge. 9 (~~10~~) (West)

County Rice Total Depth 3550'

Abandoned Oil Well  Gas Well  Input Well  SWD Well  D&A

Other well as hereinafter indicated \_\_\_\_\_

Plugging Contractor Levie Duly

Address Same License No. \_\_\_\_\_

Operation Completed: Hour: 4:00 Pm Day: 2 Month: July Year: 19 82

Plugging Operations attended by Agent?: All  Part  None

The above well was plugged as follows:  
hole circ - 15 sks spotted @ 3531' (12:45 Pm 7-1-82), 50 sks @ 3346-3315' did not  
fill up enough - spotted 50 sks @ 3309-3181' (12:15 Am 7-2-82) - 30 sks @ 2992-2895' (11:15 Am 7-2-82)  
hole was circ'd between checking fill up of Bridges @ Per times shown.  
50 sks spotted @ 585' - 10 sks on solid Bridge (2 sks hulls)  
plug, filled to surface. No rat hole or mouse hole.

Sun Cnty. Co. ticket # 11248

Amount of Surface Casing: 8 5/8" @ 510' 4 3/4" 325 sks 3 7/8" 2 7/8" Circ.

I hereby certify that the above plugging instructions were given as herein stated.

Signed: Merlan W. Hursh  
Conservation Division Agent

I hereby state that I was not present while the above well was being plugged, however, to the best of my knowledge and belief it was plugged as herein stated. A full account for my not being present is as follows:

Signed: \_\_\_\_\_  
Conservation Division Agent

7-13-82  
636-w