

For KCC Use: 2-28-2010  
Effective Date: 3  
District # 3  
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  
December 2002  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

Expected Spud Date February 28 2010  
month day year

OPERATOR: License# 6168 ✓  
Name: Lester Scheuneman  
Address: 27800 Pleasant Valley Rd.  
City/State/Zip: Wellsville, Kansas 66092  
Contact Person: Lester Scheuneman  
Phone: 785-883-4621

CONTRACTOR: License# Dale Jackson 4339 ✓  
Name: dba Dale E. Jackson Production Co.

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil <input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield <input type="checkbox"/> Pool Ext.	<input checked="" type="checkbox"/> Mud Rotary <input type="checkbox"/> Air Rotary
<input type="checkbox"/> Gas <input type="checkbox"/> Storage	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> OWWO <input type="checkbox"/> Disposal	<input type="checkbox"/> Other	
<input type="checkbox"/> Seismic; # of Holes		
<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 NE SE NW NW Sec. 25 Twp. 20 S. R. 21 ☒ East ☐ West  
4313 feet from ☐ N / ☒ S Line of Section  
3969 feet from ☒ E / ☐ W Line of Section  
Is SECTION Regular ☒ Irregular?

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

County: Linn

Lease Name: Penka Well #: 3-1

Field Name: Goodrich-Parker

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

Target Formation(s): Squirrel

Nearest Lease or unit boundary: 165

Ground Surface Elevation: 968 N.A. 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: 100

Depth to bottom of usable water: 150

Surface Pipe by Alternate: ☐ 1 ☒ 2

Length of Surface Pipe Planned to be set: 20

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

Projected Total Depth: 610

Formation at Total Depth: Squirrel

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: \_\_\_\_\_

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 to the best of my knowledge and belief.

Date: 2-19-2010 Signature of Operator or Agent: Lester Scheuneman Title: owner/operator

For KCC Use ONLY

API # 15 - 107-24143-00-00

Conductor pipe required None feet

Minimum surface pipe required 20 feet per Alt. X2

Approved by: Rum 2-23-2010

This authorization expires: 2-23-2011

(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;
- 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

RECEIVED

FEB 22 2010

KCC WICHITA

25-20-21E

**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 - 107-24143-00-00  
 Operator: Lester Scheuneman  
 Lease: Penka  
 Well Number: S-1  
 Field: Goodrich  
 Number of Acres attributable to well: 140  
 QTR / QTR / QTR of acreage: NE SE NW NW

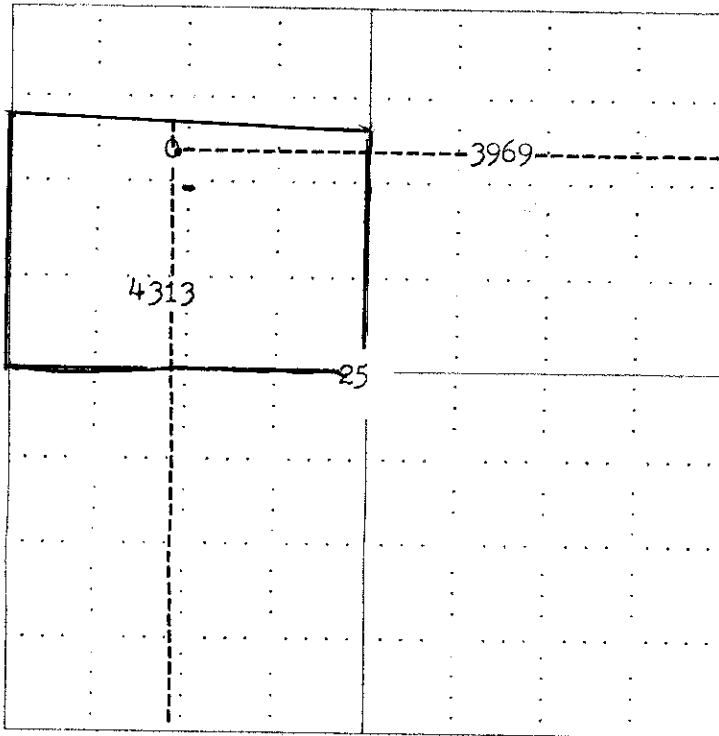
Location of Well: County: Linn  
4313 feet from ☐ N / ☒ S Line of Section  
3969 feet from ☒ E / ☐ W Line of Section  
 Sec. 25 Twp. 20 S. R. 21 ☒ East ☐ West

Is Section: ☐ Regular or ☒ Irregular

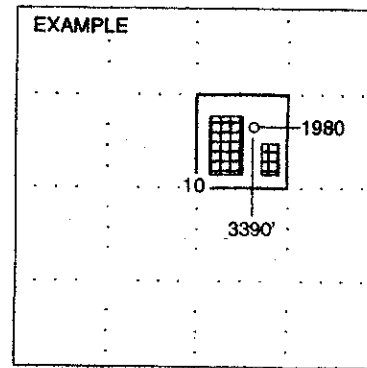
If Section is Irregular, locate well from nearest corner boundary.  
 Section corner used: ☐ NE ☒ NW ☐ SE ☐ SW

**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.)*



Linn Co.



SEWARD CO.

**NOTE:** In all cases locate the spot of the proposed drilling location.

**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: (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: <u>Lester Scheuneman</u>		License Number: <u>6168</u>
Operator Address: <u>27800 Pleasant Valley Rd. Wellsville, Kansas 66092</u>		
Contact Person: <u>Lester Scheuneman</u>		Phone Number: <u>(785) 883 - 4621</u>
Lease Name & Well No.: <u>Penka S-1</u>		Pit Location (QQQQ): <u>NE - SE - NW - NW</u> Sec. <u>25</u> Twp. <u>20</u> R. <u>21</u> <input checked="" type="checkbox"/> East <input type="checkbox"/> West <u>4313</u> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <u>3969</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <u>Linn</u> 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 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: <u>                                </u> Pit capacity: <u>80</u> (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: <u>                                </u> 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? <u>Native clay</u>
Pit dimensions (all but working pits): <u>60</u> Length (feet) <u>10</u> Width (feet) <u>                                </u> N/A: Steel Pits 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 <u>N/A</u> feet    Depth of water well <u>none</u> feet		Depth to shallowest fresh water <u>none</u> feet. Source of information: <u>                                </u> measured <u>                                </u> well owner <u>                                </u> electric log <u>                                </u> KDWR
<b>Emergency, Settling and Burn Pits ONLY:</b> Producing Formation: <u>                                </u> Number of producing wells on lease: <u>                                </u> Barrels of fluid produced daily: <u>                                </u> 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>fresh water</u> Number of working pits to be utilized: <u>2</u> Abandonment procedure: <u>Evaporate backfill</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.		<b>RECEIVED</b> <b>FEB 22 2010</b> <b>KCC WICHITA</b>
<u>2-19-2010</u> Date	<u>Lester Scheuneman</u> Signature of Applicant or Agent	

**KCC OFFICE USE ONLY**

Date Received: 2-22-10 Permit Number:                                  Permit Date: 2-22-10 Lease Inspection: ☐ Yes ☒ No

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

15-107-24143-00-00

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

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

10/2008 ■ Well Completion Reports and Other Well Application  
03/2009 ■ Well Completion Form ACO-1  
03/2009 ■ Commingling Application ACO-4  
09/2005 ■ Dual Completion Report ACO-5  
05/2009 ■ Well Location Exception Application Check List ACO-17  
09/2005 ■ 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  
04/2004 ■ Application for Surface Pit CDP-1  
08/2008 ■ Closure of Surface Pit CDP-4  
■ Exploration and Production Waste Transfer CDP-5

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

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

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

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

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

07/2006 ■ New Pool and Certificate of Enhancement Projects (Severance Tax Exemptions) Request  
10/1999 ■ New Pool Determination-Discovery Allowable ACO-16  
■ 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  
11/2008 ■ UIC Application U-1  
07/2003 ■ 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