

For KCC Use: 3-3-2010
 Effective Date: _____
 District # 1
 SGA? Yes No

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: March 12 2010
month day year

OPERATOR: License# 34269 ✓
 Name: Apache Corporation
 Address 1: 6120 S Yale Ave #1500
 Address 2: _____
 City: Tulsa State: OK Zip: 74136 + _____
 Contact Person: Randy Poeling
 Phone: 580-225-9490

CONTRACTOR: License# 34000 ✓
 Name: Kenai Mid-Continent Inc.

Well Drilled For: Oil Enh Rec Gas Storage Disposal Seismic; _____ # of Holes Other: _____
 If OWWO: old well information as follows: _____

Well Class: Infield Pool Ext. Wildcat Other

Type Equipment: Mud Rotary Air Rotary Cable

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: _____
N2 - nw - ne Sec. 13 Twp. 34 S. R. 28 E W
 (200/00) 330 feet from N / S Line of Section
1,980 feet from E / W Line of Section

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

County: Meade
 Lease Name: Hager Well #: 1-13
 Field Name: Johan

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Cherokee
 Nearest Lease or unit boundary line (in footage): 330

Ground Surface Elevation: 2268 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: 480
 Surface Pipe by Alternate: I II
 Length of Surface Pipe Planned to be set: 1600'
 Length of Conductor Pipe (if any): 80'
 Projected Total Depth: 5850'
 Formation at Total Depth: Cherokee

Water Source for Drilling Operations:
 Well Farm Pond Other: Creek
 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:

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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: 2/22/2010 Signature of Operator or Agent: [Signature] Title: Consulting Engineer & Agent

For KCC Use ONLY
 API # 15 - 119-21252-00-00
 Conductor pipe required None feet
 Minimum surface pipe required 500 feet per ALT. I II
 Approved by: [Signature] 2-26-2010
 This authorization expires: 2-26-2011
 (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 (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: _____

13
34
28
 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 - 119-21252-00-00
Operator: Apache Corporation
Lease: Hager
Well Number: 1-13
Field: Johan

Location of Well: County: Meade
330 feet from N / S Line of Section
1,980 feet from E / W Line of Section
Sec. 13 Twp. 34 S. R. 28 E W

Number of Acres attributable to well: 600 acre lease
QTR/QTR/QTR/QTR of acreage: - c - nw - ne

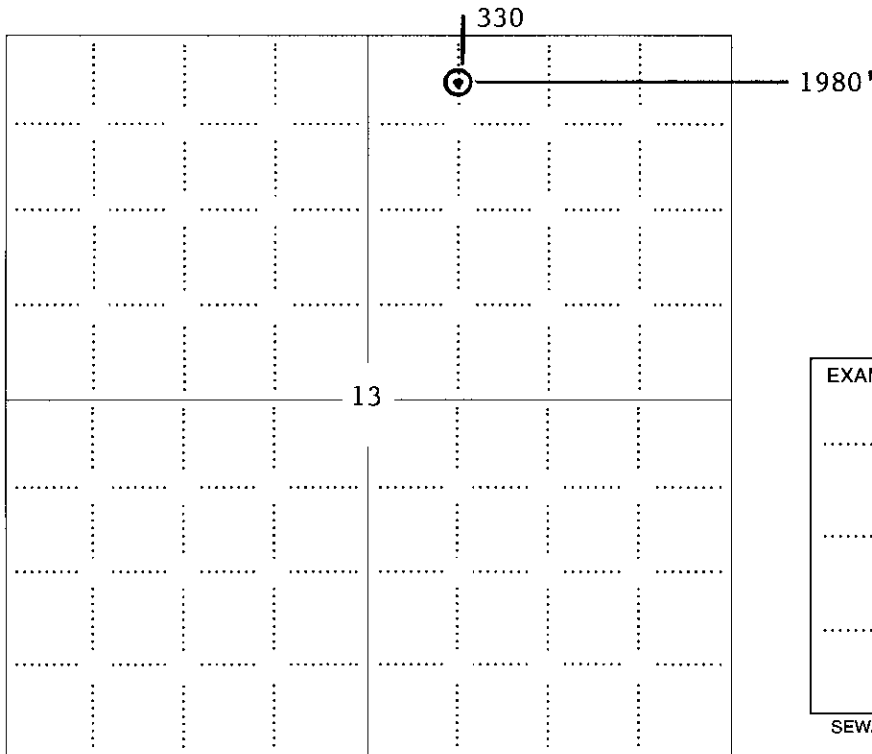
Is Section: Regular or Irregular

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

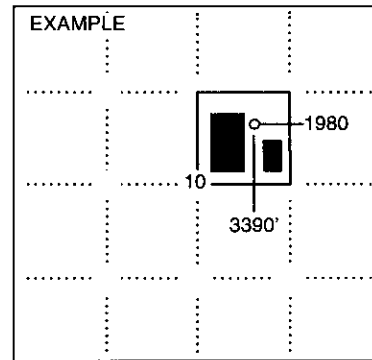
Section corner used: NE NW SE SW

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 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 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).

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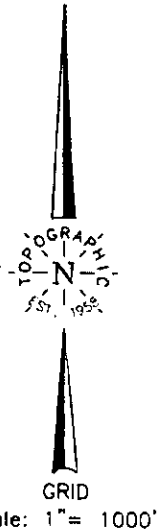
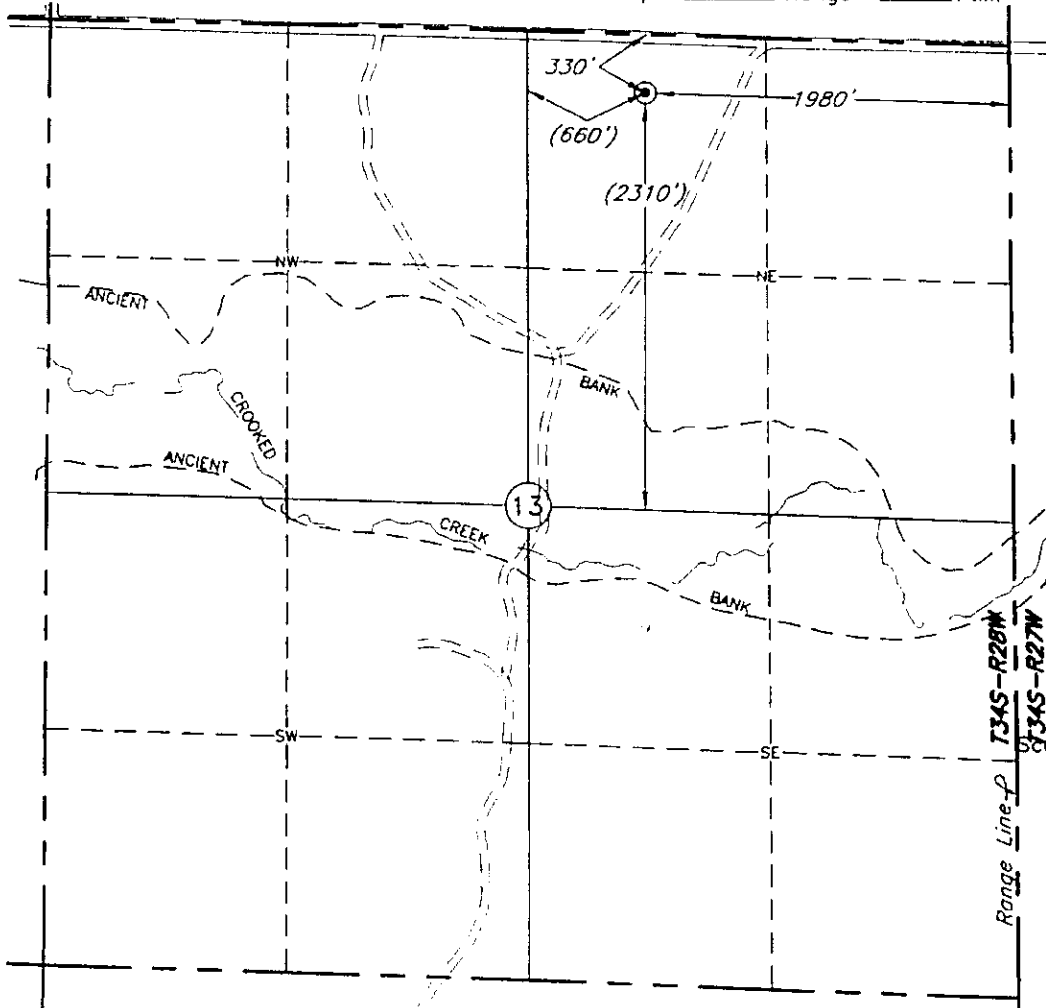
TOPOGRAPHIC LAND SURVEYORS

6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 • LOCAL (405) 843-4847 • OUT OF STATE (800) 654-3219
Certificate of Authorization No. LS-99, Exp. Dec 31, 2010

MEADE

County, Kansas

330'FNL - 1980'FEL Section 13 Township 34S Range 28W P.M.



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This location has been very carefully staked on the ground according to the best official survey records, maps, and photographs available to us, but its accuracy is not guaranteed. Review this plot and notify us immediately of any possible discrepancy.

Distances shown in (parenthesis) are calculated based upon the Quarter Section being 2640 feet, and have not been measured.

Operator: APACHE CORPORATION
Lease Name: HAGER

ELEVATION:
2268' Gr. at Stake

Well No.: 1-13

Topography & Vegetation Loc. fell in sloped to level grass pasture, ±115' South of fence

Good Drill Site? Yes Reference Stakes or Alternate Location
Stakes Set None

Best Accessibility to Location From North
Distance & Direction From Hwy Jct or Town From Meade, KS, go 13.0 mi. South on St. Hwy, 23, then 2.0 mi. East to the NE Cor. of Sec. 13-T34S-R28W

(The following information was gathered using a GPS receiver Accuracy ±2-3 Meters.)

GPS
DATUM: NAD-27
LAT: 37°05'44.0"N
LONG: 100°18'50.5"W
STATE PLANE
COORDINATES:
ZONE: KS SOUTH
X: 1470908
Y: 161318

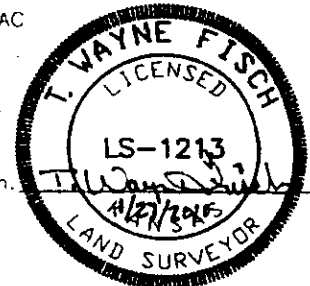
Date of Drawing: Jan. 27, 2010

Invoice # 152589 Date Staked: Jan. 25, 2010 AC

CERTIFICATE:

I, T. Wayne Fisch a Registered Land Surveyor and an authorized agent of Topographic Land Surveyors, do hereby certify that the above described well location was surveyed and staked on the ground as shown herein.

Kansas Reg. No. 1213



**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: Apache Corporation		License Number: 34269	
Operator Address: 6120 S Yale Ave #1500		Tulsa OK 74136	
Contact Person: Randy Poeling		Phone Number: 580-225-9490	
Lease Name & Well No.: Hager 1-13		Pit Location (QQQQ): _____ c _____ nw _____ ne Sec. 13 Twp. 34 R. 28 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 330 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 1,980 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Meade _____ 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 <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 18,000 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
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? Native muds & clay			
Pit dimensions (all but working pits): 150 Length (feet) 150 Width (feet)		<input type="checkbox"/> N/A: Steel Pits	
Depth from ground level to deepest point: 6 (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 3960 feet Depth of water well 160 feet		Depth to shallowest fresh water 35 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: Gel Number of working pits to be utilized: 3 Abandonment procedure: Evaporation/dewater and backfilling of reserve pit 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.		RECEIVED FEB 23 2010 KCC WICHITA	
_____ 2/22/2010 Date		_____ Signature of Applicant or Agent	
KCC OFFICE USE ONLY			
		Steel Pit <input type="checkbox"/> RFAC <input checked="" type="checkbox"/> RFAS <input checked="" type="checkbox"/>	
Date Received: 2/23/10		Permit Number: _____ Permit Date: 2-25-10 Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

15-119-21252-00-00



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

February 25, 2010

Apache Corporation
6120 S Yale Ave #1500
Tulsa, OK 74136

RE: Drilling Pit Application
Hager Lease Well No. 1-13
NE/4 Sec. 13-34S-28W
Meade County, Kansas

Dear Sir or Madam:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level and lined with native clay or bentonite. **Please call the district office at (620) 225-8888 after the pits have been dug. District staff has determined that 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 after drilling operations have ceased.

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,

A handwritten signature in black ink that reads "Kathy Haynes".

Kathy Haynes
Department of Environmental Protection and Remediation

cc: File