| For KCC Use: | 4-5-2010 |
|-------------------|----------|
| Effective Date: _ | 7-3 2010 |
| District # | 9 |
| SGA2 Voc | □ No. |

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form must be Typed Form must be Signed All blanks must be Filled

NOTICE OF INTENT TO DRILL

| widst be approved by NCC live | e (5) days prior to commencing well |
|---|---|
| Expected Spud Date: 4 5 2010 | Spot Description: SW SW HE |
| month day year | <u>SW _SW _NE Sec. 17 Twp. 11 S. R. 17 </u> |
| OPERATOR: License# | (0/0/0/0) 2,310 feet from N / S Line of Section |
| Name: Meridian Energy Inc. d/b/a | 2,310 feet from $X \to X$ E / $X \to X$ W Line of Section |
| Address 1: 1475 N. Ward Cr. | Is SECTION: Regular Irregular? |
| Address 2: | (Note: Locate well on the Section Plat on reverse side) |
| City: Franktown State: CO Zip: 80116 + | County: Ellis |
| Contact Person: Neal LaFon, President | Lease Name: Mock Well #: #1 |
| Phone: 303-688-4022 | Field Name: Bemis-Shutts |
| CONTRACTOR: License# Must be licensed by KCC | Is this a Prorated / Spaced Field? |
| Name: Advise on ACO-1 | Target Formation(s): Arbuckle |
| Well Drilled For: Well Class: Type ∉ quipment: | Nearest Lease or unit boundary line (in footage): 330' |
| 77.7 | Ground Surface Elevation: 1815 feet MSL |
| | Water well within one-quarter mile: |
| Gas Storage Pool Ext. Air Rotary 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, 520 |
| | Surface Pipe by Alternate: |
| ∑If OWWO: old well information as follows: | Length of Surface Pipe Renned to be set: 1000 |
| Operator: Champlin Refining Co. | Length of Conductor Pipe (if any): |
| Well Name: #1 Mock | Projected Total Depth: _3365 |
| Original Completion Date: 6/21/41 Original Total Depth: 3359 | Formation at Total Depth: Arbuckle |
| | Water Source for Drilling Operations: |
| Directional, Deviated or Horizontal wellbore? | Well Farm Pond Other: truck haul |
| If Yes, true vertical depth: | DWR Permit #: |
| Bottom Hole Location: | (Note: Apply for Permit with DWR |
| KCC DKT #: | Will Cores be taken? |
| MAR 29 2017 | If Yes, proposed zone: |
| CONSERVATION DIVISION AFF The undersigned hereby affirms that the drilling, completion and eventual plus | IDAVIT |
| | gging 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 <i>prior</i> to spudding of well; | |
| 2. A copy of the approved notice of intent to drill shall be posted on each | |
| The minimum amount of surface pipe as specified below shall be set to through all unconsolidated materials plus a minimum of 20 feet into the | |
| If the well is dry hole, an agreement between the operator and the distriction. | , , |
| 5. The appropriate district office will be notified before well is either plugge | |
| 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented | |
| Or pursuant to Appendix "B" - Eastern Kansas surface casing order #15 must be completed within 30 days of the spud date or the well shall be | 33,891-C, which applies to the KCC District 3 area, alternate It cementing |
| I hereby certify that the statements made herein are true and correct to the be | • |
| Data 3/25/10 Signature of Operator of Aparts | 1) Lutan President |
| Date: 3/25/10 Signature of Operator or Agent: 1 | Title: |
| | Remember to: |
| For KCC Use ONLY | - File Drill Pit Application (form CDP-1) with Intent to Drill; |
| API#15-15-051-19294-00-02 | - File Completion Form ACO-1 within 120 days of spud date; |
| Conductor pipe requiredfeet | - File acreage attribution plat according to field proration orders; |
| Minimum surface pipe required | Notify appropriate district office 48 hours prior to workover or re-entry; Submit plugging report (CP-4) after plugging is completed (within 60 days); |
| Approved by: Put 3-31-2010 | Submit plugging report (CF-4) after plugging is completed (within 60 days); Obtain written approval before disposing or injecting salt water. |
| 2-21-2011 | - If this permit has expired (See: authorized expiration date) please |
| This dather added to April 60. | check the box below and return to the address below. |
| (This authorization void if drilling not started within 12 months of approval date.) | Well Not Drilled - Permit Expired Date: |
| Spud date: Agent: | Signature of Operator or Agent: |
| Spud date | |

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 - 051-70005 051-19294-00-02 | | |
|--|-------------------------------|---|
| Operator: Meridian Energy Inc. d/b/a | Location of Well: County: _E | Ellis |
| Lease: Mock | 2,310 | feet from N / S Line of Section |
| Well Number: #1 | 2,310 | feet from X E / W Line of Section |
| Field: Bernis-Shutts | Sec. <u>17</u> Twp. <u>11</u> | S. R. <u>17</u> E 🔀 W |
| Number of Acres attributable to well: | Is Section: X Regular o | or Irregular |
| QTR/QTR/QTR of acreage: SW _ SW _ NE | 13 Occilori. Milegulai C | in egulai |
| | · · · | ate well from nearest corner boundary. NE NW SE SW |

PLAT

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

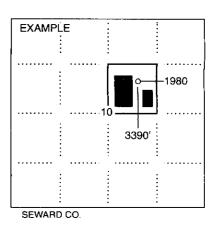
(Show footage to the nearest lease or unit boundary line.)

| | : : | | | | : | | |
|---|---------|---|--------------|-------------------|--------|-------|----------|
| | • | | ******** | | | • | • |
| | : | | | 4310 | : | | |
| | | | | M | | | |
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RECEIVED
KANSAS CORPORATION COMMISSION

MAR 29 2010

CONSERVATION DIVISION WICHITA, KS



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

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

| Operator Name: Meridian Energy Inc. d/b/a | | License Number: 33937 | | | | | |
|---|--|-----------------------------------|---|----------------------------|-----------------|------------|--|
| Operator Address: 1475 N. Ward Cr. | | | | Franktown | СО | 80116 | |
| Contact Person: Neal LaFon, President | | Phone Number: 303-688-4022 | | | | | |
| Lease Name & Well No.: MOCK | #1 | | Pit Location (QQ | QQ): | | | |
| Type of Pit: | Pit is: | | SW _ SW | NE | | | |
| Emergency Pit Burn Pit | Proposed | Existing | Sec. 17 Twp. | 11 _{R.} 17 | East X | West | |
| Settling Pit Drilling Pit | If Existing, date o | onstructed: | 2,310 Fe | et from North / | South Line | of Section | |
| Werkover Pit Haul-Off Pit | Pit capacity: | | 2,310 Feet from East / West Line of Section | | | | |
| (If WP Supply API No. or Year Drilled) | | (bbls) | Ellis | | | _ `` | |
| Is the pit located in a Sensitive Ground Water | Area? Yes | No | Chloride concentra | ation: | | mg/l | |
| | | | (For | Emergency Pits and Settli | ng Pits only) | | |
| Is the bottom below ground level? Yes No | Artificial Liner? | No | How is the pit line | d if a plastic liner is no | t used? | | |
| Pit dimensions (all but working pits): | | 15 |) | | | | |
| | | | c | | N/A: Steel | Pits | |
| 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. RECEIVED KANSAS CORPORATION COMMISSION temporary pit- visual monitoring | | | | OMMISSION | | | |
| | | | | M. | AR 29 20 |)10 | |
| | ······································ | | | | ERVATION D | DIVISION | |
| Distance to nearest water well within one-mile | of pit | | oth to shallowest fresh water | | | | |
| | measu | ured well owner electric log KDWR | | | | | |
| Emergency, Settling and Burn Pits ONLY: | | Drilling, Work | Workover and Haul-Off Pits ONLY: | | | | |
| Producing Formation: | | Type of materia | Type of material utilized in drilling/workover: water | | | | |
| Number of producing wells on lease: | | | king pits to be utilize | | | —— ļ | |
| Barrels of fluid produced daily: Ab | | | Abandonment procedure: evaporate or dispose of water, remove liner and backfill | | | | |
| Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Drill | | | 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. | | | | | | | |
| 3/25/10 Date | The state of the s | Man I A | JUFm ignature of Applican | t or Agent | <u>.</u> | Ş | |
| | | | | | <u></u> | | |
| | KCC (| OFFICE USE OI | NLY Ste | el Pit RFAC | X RFAS | `` | |
| Date Received: 3-29-10 Permit Numl | per: | Perm | it Date: 3 · 30 · | 10 Lease Inspection | n: X Yes | □No | |



March 30, 2010

Meridian Energy, Inc. 1475 N. Ward Cr. Franktown, CO 80116

RE: Drilling Pit Application Mock Lease Well No. 1 NE/4 Sec. 17-11S-17W Ellis 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 practical after drilling operations have ceased. **Keep pits away from draw/creek.**

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 (785) 625-0550 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

Environmental Protection and Remediation Department

cc: district

STATE OF KANSAS STATE CORPORATION COMMISSION

Form CP-4

| Give All Infor | mation Completely |
|----------------|-------------------|
| Make Requires | Affidavit |
| Mail or Delive | r Report to: |
| | |

WELL PLUGGING RECORD

| Conservation Division State Corporation Commission | Elli | .s | _ | . Sec. 17 | 118 _ | 17 | | |
|---|--------------------------|--|----------------|-----------------------|-----------------------------|--|--|--|
|). O. Box 17027 /ichita, Kansas 67217 | Langting as "Ni | CANALUKCINIS* | | | -SW-NE Rge | $(E)_{}^{}(W)$ | | |
| NORTH | | Location as "NE/CNVXSWA" or footage from lines SW-SW-NE Lease Owner CHAMPLIN PETROLEUM COMPANY Lease Name Well No. 1 | | | | | | |
| | Lease Name | | | | | | | |
| | ľ | Office Address 2915 N. Lincoln, Oklahoma City, Okla. 73105 | | | | | | |
| | Character of W | ell (completed | as Oil, Gas or | Dry Hole) | 0il | | | |
| | Date well com | pleted | | | | -7 19 41 -4 19 72 | | |
| | | plugging filed | | | | -4 19 72 -9 10 72 | | |
| | - " | plugging approv | | | | -19 19 72 -19 10 72 | | |
| | 1,5-5- | enced | | · | | -19 19 72 | | |
| | 1 • | leted adonment of wel | | formation | | roduction - | | |
| | neason for abat | | ical to | | | | | |
| | If a producing | well is abandon | ed, date of la | st production_ | 1 | 2-13 _{19.} 67 | | |
| | 1 - | | | _ | r its agents befor | e plugging was com- | | |
| Locale well correctly on above Section Plat | menced? | Yes | | | | | | |
| ame of Conservation Agent who sup | ervised plugging of the | is well Leo | Massey - | Box 582 - | | | | |
| oducing formation Arbuckle | | | Bottom | 3380 | Total Depth of V | vell 3383 Feet | | |
| ow depth and thickness of all wate | r, oil and gas formation | D.S. | | | | | | |
| OIL, GAS OR WATER RECOR | DS | | | | c | ASING RECORD | | |
| FORMATION | CONTENT | FROM | то | SIZE | PUT IN | PULLED OUT | | |
| Arbuckle Lime | Oil | 3351 | 3365 | 16" | 71' | None | | |
| Arbuckle Lime | 011 | 3370 | 3380 | 10-3/4" | 1060' | None | | |
| | | | | 7'' | 3351' | None | | |
| | | | <u> </u> | 53'' | 3316-3383 | None | | |
| | | | | | | | | |
| | <u>- </u> | | | | ├── | | | |
| | | | | | | | | |
| from 360' to 2965'. maining 360' of tubi annulus between 7" a 4-19-72. | ng cement plug | from surfa | ace to 36 | O'. Could | not pump a | iny cement in | | |
| 4-13-72. | | | | | T | | | |
| | | - 1 | S74. | P. | | | | |
| | | | 7,77 | ECOOLCE | · 5>. | Δ | | |
| | | | | URATION | ED MECO | 160 | | |
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| | | - | | | | - · · · · · | | |
| | (If addition | al description is nec | PARMEN IN BACT | Cof this sheet \ | | | | |
| ame of Plugging Contractor | Bill's Well Se | | | | | | | |
| | Box 42, Codell | | | | | | | |
| Y-1 | romant model for | | | | | | | |
| TATE OFOklahom | ia. | CZ35 OF | Oklahoma | | | | | |
| | E. Melvin | | (employee of | | , 53. ner or operator) : | of the above-described | | |
| cell, being first duly sworn on oath bove-described well as filed and th | | nowledge of the | lacts, statem | ents, and matte | | | | |
| | | (Signature) | 71.C./ | nelssen | · | · | | |
| S 5 | | | | | (Address) | a City, Okla. 73 | | |
| STESCRIBED AND SWORN TO be | tore me this3r | dday of | | riay | 7 77 19_ | | | |
| | | | | (Keps) (e | C. Oleves | ······································ | | |
| . 10-8-75 | | | | 11 | | Notary Public. | | |