

XOWWOX

For KCC Use: 4-11-10
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: April 6 2010
month day year

Spot Description: _____
_____ SW _____ NW Sec. 5 Twp. 21 S. R. 19 E W
(0000) 1,980 feet from N / S Line of Section
660 feet from E / W Line of Section

OPERATOR: License# 34244
Name: Cortez heartland, LLC
Address 1: 3131 McKinney Ave. Suite 430
Address 2: _____
City: Dallas State: Tx Zip: 75204 + _____
Contact Person: Mike Catrino
Phone: 214-628-9155

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

CONTRACTOR: License# 5893
Name: Pratt Well Service

County: Pawnee
Lease Name: Smith Well #: SWDW

Well Drilled For: Oil Gas Seismic Other: Workover unit
Well Class: Enh Rec Infield Pool Ext Wildcat Other
Type Equipment: Mud Rotary Air Rotary Cable

Field Name: _____
Is this a Prorated / Spaced Field? Yes No

If OWWO: old well information as follows:
Operator: L. D. Davis
Well Name: Smith #1
Original Completion Date: 6/75 Original Total Depth: 4352

Target Formation(s): Cedar Hills
Nearest Lease or unit boundary line (in footage): 660
Ground Surface Elevation: 2135 feet MSL

Directional, Deviated or Horizontal wellbore? Yes No

Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No

If Yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DKT #: _____

Depth to bottom of fresh water: 180
Depth to bottom of usable water: 380
Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 322

Length of Conductor Pipe (if any): _____
Projected Total Depth: 900
Formation at Total Depth: Cedar Hills

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: 4/5/10 Signature of Operator or Agent: Paul Auser Title: Geologist

For KCC Use ONLY
API # 15 - 145-20388-00-01
Conductor pipe required None feet
Minimum surface pipe required 322 feet per ALT. I II
Approved by: SB 4-6-10
This authorization expires: 4-6-11
(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: _____

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas **KANSAS CORPORATION COMMISSION**

RECEIVED
APR 05 2010

CONSERVATION DIVISION
WICHITA, KS

5
21
19
 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 - 145-20388-00-01
Operator: Cortez heartland, LLC
Lease: Smith
Well Number: SWDW
Field: _____

Number of Acres attributable to well: _____
QTR/QTR/QTR/QTR of acreage: _____ - _____ - SW - NW

Location of Well: County: Pawnee
1,980 feet from N / S Line of Section
660 feet from E / W Line of Section
Sec. 5 Twp. 21 S. R. 19 E W

Is Section: Regular or Irregular

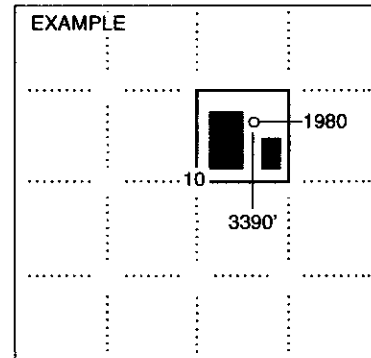
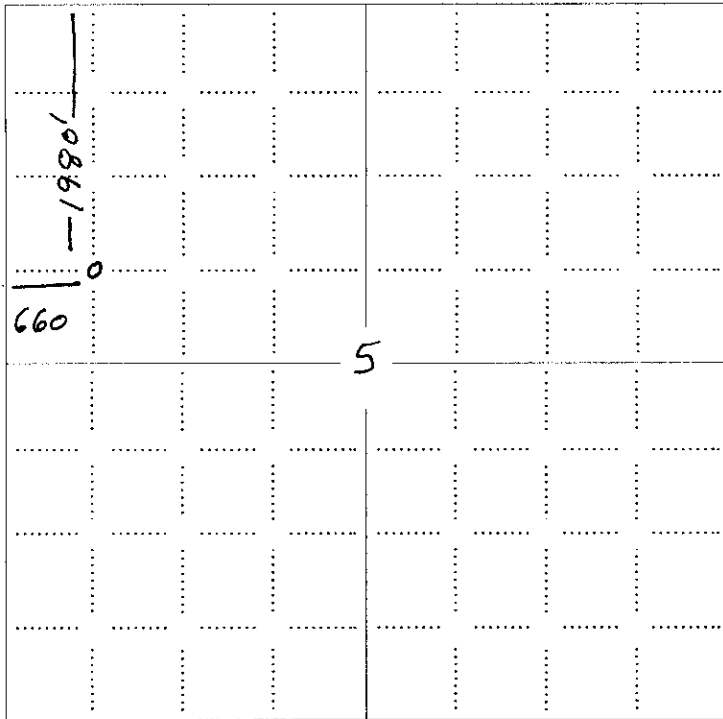
If Section is Irregular, locate well from nearest corner boundary.

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.)



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 (CG-8 for gas wells).

RECEIVED
KANSAS CORPORATION COMMISSION
APR 05 2010
OIL & GAS DIVISION
WICHITA, KS

**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: Cortez heartland, LLC		License Number: 34244
Operator Address: 3131 McKinney Ave. Suite 430		Dallas Tx 75204
Contact Person: Mike Catrino		Phone Number: 214-628-9155
Lease Name & Well No.: Smith SWDW		Pit Location (QQQQ): _____
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 checked="" 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)	Sec. <u>5</u> Twp. <u>21</u> R. <u>19</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>1,980</u> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <u>660</u> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Pawnee County
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ 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? CLAY
Pit dimensions (all but working pits): <u>50</u> Length (feet) <u>20</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>4</u> (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>1023</u> feet Depth of water well <u>41</u> feet		Depth to shallowest fresh water <u>21</u> 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: <u>water</u> Number of working pits to be utilized: _____ Abandonment procedure: <u>Dry and fill</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>4/5/10</u> Date	 Signature of Applicant or Agent	

15-145-20388-00-01

KCC OFFICE USE ONLY		Steel Pit <input type="checkbox"/>	RFAC <input type="checkbox"/>	RFAS <input type="checkbox"/>
Date Received: <u>4-5-10</u>	Permit Number: _____	Permit Date: <u>4-5-10</u>	Lease Inspection: <input checked="" type="checkbox"/> RECEIVED	KANSAS CORPORATION COMMISSION

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

APR 05 2010

CONSERVATION DIVISION
WICHITA, KS

**NOTICE TO OPERATORS FILING INTENT TO DRILL
FOR DISPOSAL OR ENHANCED RECOVERY
INJECTION WELLS, (CLASS II INJECTION WELL)**

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved "Intent to Drill" does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in **K.A.R. 82-3-400 et seq** of our regulations. Associated regulations governing drilling, completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sandstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a "Design Approval" before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.

KANSAS

Form CP-3
Rev. 6-4-68

STATE CORPORATION COMMISSION
CONSERVATION DIVISION AGENT'S REPORT

J. Lewis Brock
Administrator
P. O. Box 17027
Wichita, Kansas 67217

RECEIVED
STATE CORPORATION COMMISSION
JUN 30 1975
CONSERVATION DIVISION
WICHITA, KANSAS

Operator's Full Name Davis & Reed
Complete Address 645 4th Financial Center, Wichita, Kansas
Lease Name R. T. Smith Well No. 1 15-195-20388-00-00
Location C SW NW Sec. 5 Twp. 21 Rge. (E) (W) 19
County Pawnee Total Depth 4352'
Abandoned Oil Well Gas Well Input Well SWD Well D & A XX
Other well as hereafter indicated
Plugging Contractor Duke Drlg.
Address License No.
Operation Completed: Hour 10:15 A Day 27 Month 6 Year 1975

The above well was plugged as follows:

RTD 4352' 8 5/8 csg set 322' cwc 200 sk. Flg. Mat. 50-50 poz 2% total gel.
Gunned pits, circulated heavy mud, set 50 sk cmt plug at 500' thru drill pipe.
Heavy mud to 270' set 25 sk cmt plug thru drill pipe. Heavy mud to 40' set solid
bridge & 10 sk cmt plug to base of cellar.

I hereby certify that the above well was plugged as herein stated.

Signed: Ken Z. Wansley
Well Plugging Supervisor

INVOICED

DATE 7/31/75
IV. NO. 1564-W

STATE OF KANSAS
STATE CORPORATION COMMISSION
CONSERVATION DIVISION
P. O. BOX 17027
WICHITA, KANSAS 67217

FORM CP-4

WELL PLUGGING RECORD

Pawnee County, Sec 5 Twp 21 Rge 19 (E) X (W)

Location as "NE/CNW/SE" or footage from lines C SW NW

Lease Owner Davis and Reed

Lease Name R. T. SMITH Well No. 1

Office Address P. O. Box 324, Great Bend, Kansas

Character of Well (completed as Oil, Gas or Dry Hole) Dry Hole

Date well completed June 27 19 75

Application for plugging filed June 27 19 75

Application for plugging approved June 27 19 75

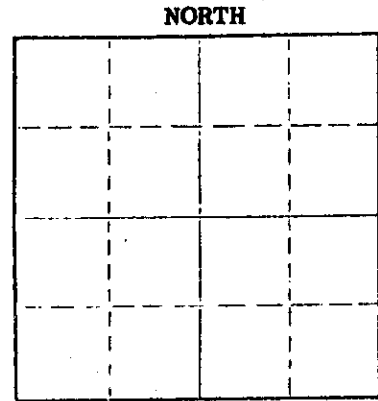
Plugging commenced June 27 19 75

Plugging completed June 27 19 75

Reason for abandonment of well or producing formation Dry Hole

If a producing well is abandoned, date of last production 19

Was permission obtained from the Conservation Division or its agents before plugging was commenced? yes



Locate well correctly on above Section Plat

Name of Conservation Agent who supervised plugging of this well Leo Massey

Producing formation _____ Depth to top _____ Bottom _____ Total Depth of Well 4352 Feet

Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS

CASING RECORD

FORMATION	CONTENT	FROM	TO	SIZE	PUT IN	PULLED OUT

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same and depth placed, from _____ feet to _____ feet for each plug set.

Bottom plug @ 500' w/50 sacks cement thru drill pipe.
Middle plug @ 270' w/25 sacks cement thru drill pipe.
Top plug @ 40' w/1/2 sack hulls and 10 sacks cement. 2 sacks cement in rat hole.

RECEIVED
STATE CORPORATION COMMISSION
JUN 28 1975

Name of Plugging Contractor Duke Drilling Co.
Address P. O. Box 823, Great Bend, Kansas 67530

STATE OF KANSAS COUNTY OF BARTON ss.
Leonard Williamson (employee of owner) or (owner or operator) of the above-described

well, being first duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the log of the above-described well as filed and that the same are true and correct. So help me God.

(Signature) Leonard Williamson
P. O. Box 823, Great Bend, Kansas
(Address)

SUBSCRIBED AND SWORN TO before me this 27th day of June, 19 75

My commission expires April 11, 1978
Dorothy M. Hague Notary Public.