

For KCC Use: 7-14-2010
Effective Date: 3
District #: 3
SGA? ☐ Yes ☒ No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form C-1
March 2010
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
Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

Expected Spud Date: July 5, 2010
month day year

OPERATOR: License# 34014
Name: Peterson Oil LLC
Address 1: 2530 Bayard Avenue
Address 2: _____
City: Kansas City State: KS Zip: 66105 + 1112
Contact Person: Kelly Peterson
Phone: (913) 642-7771

CONTRACTOR: License# 32834
Name: JTC Oil, Inc.

Well Drilled For: ☒ Oil ☐ Gas ☐ Enh Rec ☐ Storage ☐ Disposal ☐ Seismic; # of Holes _____
Well Class: ☒ Infield ☐ Pool Ext. ☐ Wildcat ☐ Other _____
Type Equipment: ☒ Mud Rotary ☐ Air Rotary ☐ Cable
☐ 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 Description: _____
SE NE SE NW Sec. 21 Twp. 20 S. R. 22 ☒ E ☐ W
(22/22) 3,360 feet from ☐ N / ☒ S Line of Section
2,400 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: Cox Well #: 3
Field Name: Goodrich-Parker
Is this a Prorated / Spaced Field? ☐ Yes ☒ No
Target Formation(s): Squirrel

Nearest Lease or unit boundary line (in footage): 240 feet MSL
Ground Surface Elevation: n/a est 955 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: ☐ I ☒ II
Length of Surface Pipe Planned to be set: 20
Length of Conductor Pipe (if any): _____
Projected Total Depth: 600
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

RECEIVED
KANSAS CORPORATION COMMISSION

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: June 30, 2010 Signature of Operator or Agent: Danora Phanda Title: Agent

For KCC Use ONLY

API # 15 - 107-24301-00-00
Conductor pipe required None feet
Minimum surface pipe required 20 feet per ALT. ☐ I ☒ II
Approved by: June 7-9-2010
This authorization expires: 7-9-2011
(This authorization void if drilling not started within 12 months of approval date.)
Spud date: _____ Agent: _____

Remember to:

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
- 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 well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.

☐ Well will not be drilled or Permit Expired Date: _____
Signature of Operator or Agent: _____

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

21
20
22
☒ E ☐ W

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API # 15 - 107-24301-00-00**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: Peterson Oil LLCLease: CoxWell Number: 3Field: Goodrich-Parker

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: SE - NE - SE - NWLocation of Well: County: Linn3,360

feet from

☐

N

/

☒

S

Line of Section

2,400

feet from

☐

E

/

☒

W

Line of Section

Sec. 21Twp. 20S. R. 22☒

E

☐

W

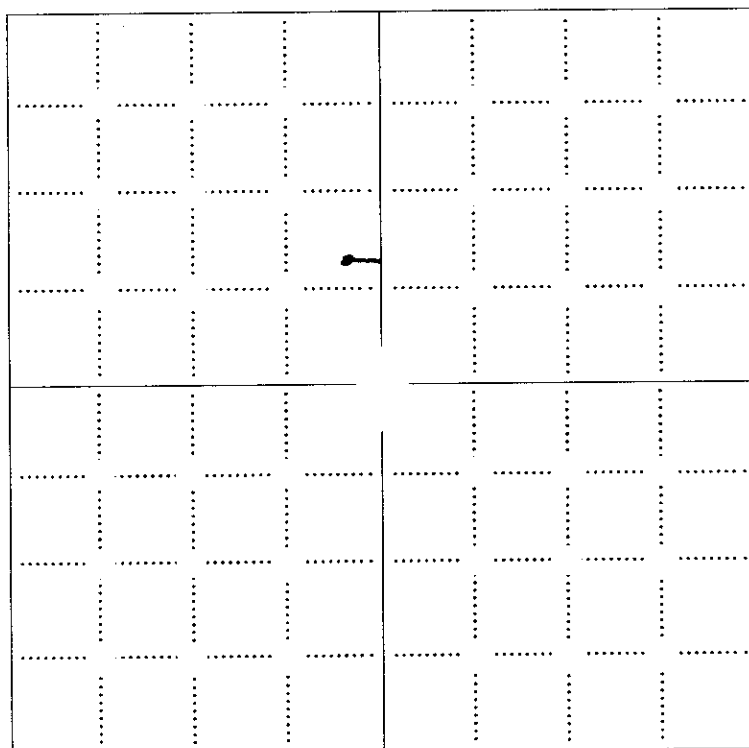
Is Section: ☒ Regular or ☐ Irregular

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

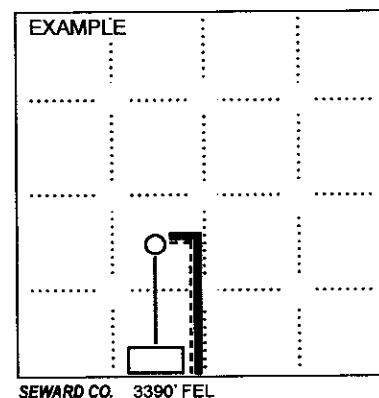
Section corner used: ☐ NE ☐ NW ☐ SE ☐ SW**PLAT**

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).

You may attach a separate plat if desired.

**LEGEND**

- ☐ Well Location
- ☐ Tank Battery Location
- ☐ Pipeline Location
- ☐ Electric Line Location
- ☐ Lease Road Location


**NOTE: In all cases locate the spot of the proposed drilling location.****In plotting the proposed location of the well, you must show:**

- 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.
- The distance of the proposed drilling location from the south / north and east / west outside section lines.
- The distance to the nearest lease or unit boundary line (in footage).
- 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).
- The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
May 2010
Form must be Typed

Submit in Duplicate

| | | |
|---|---|---|
| Operator Name: Peterson Oil LLC | | License Number: 34014 |
| Operator Address: 2530 Bayard Avenue | | Kansas City KS 66105 |
| Contact Person: Kelly Peterson | | Phone Number: (913) 642-7771 |
| Lease Name & Well No.: Cox 3 | | Pit Location (QQQQ): SE NE SE NW Sec. 21 Twp. 20 R. 22 <input checked="" type="checkbox"/> East <input type="checkbox"/> West 3,360 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 2,400 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Linn 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: _____ Pit capacity: 250 (bbls) | |
| 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? Native clay |
| Pit dimensions (all but working pits): 6 Length (feet) 12 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: n/a feet Depth of water well _____ feet | | Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input 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: drilling mud Number of working pits to be utilized: 2 Abandonment procedure: Let air dry and backfill 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. <div style="display: flex; justify-content: space-between;"> <div> June 30, 2010 Date </div> <div>  Signature of Applicant or Agent </div> <div> <div style="border: 1px solid black; padding: 5px; transform: rotate(-5deg);"> RECEIVED KANSAS CORPORATION COMMISSION JUN 30 2010 CONSERVATION DIVISION WICHITA, KS </div> </div> </div> | | |

KCC OFFICE USE ONLY

☐ Liner ☐ Steel Pit ☒ RFAC ☐ RFAS

Date Received: **6-30-10** Permit Number: _____ Permit Date: **7-8-10** Lease Inspection: ☒ Yes ☐ No

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

15-107-24301-0000

July 08, 2010

Peterson Oil LLC
2530 Bayard Ave
Kansas City, KS 66105-1112

RE: Drilling Pit Application
Cox Lease Well No. 3
NW/4 Sec. 21-20S-22E
Linn 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 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.

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) 432-2300 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: File