RESUMMITTED CP-1

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

WELL PLUGGING APPLICATION

Form KSQNA-1, Certification of Compliance with the Kansas Surface Owner Notification Act,

March 2010
This Form must be Typed
Form must be Signed
All blanks must be Filled

<u>31.788</u>	MUST be submitted wi			17
OPERATOR: License #: 17357		API No. 15 - 003-2	20810-00-00	
Name: Veenker Resources, Inc.				
Address 1: P.O. Box 14339		Spot Description: SW/4 NE/4 SE/4 of Sec. 32-22S-21E SW_NE_SESec. 32Twp22SR21		
Address 2:				
City: Oklahoma City State: OK Zip: 73113 +		1,550 Feet from North / South Line of Section		
Contact Person: Mark Veenker				
Phone: (405) 388-3882		Footages Calculated from	m Nearest Outside Secti NW SE SW	
Titolic. ()		County: Anderso		,
		Lease Name: LOCKV	······································	#: 13
Check One: Oil Well Gas Well	OG D&A Cathod	fic Water Supply Well	EOR-	Permit # F-16,816
SWD Permit #:			Storage Permit #:	
Conductor Casing Size:				
Surface Casing Size:				
Production Casing Size: 2 3/8"				
•	Set at:	Cemented with:	140 58	Sacks
List (ALL) Perforations and Bridge Plug Sets: Perfs 753-779				
Elevation: (G.L./ K.B.) T.D.: 80	5 PBTD: A	Anhydrite Depth:		
Condition of Well: ☐ Good ✔ Poor ☐ Junk in H	Hole Casing Leak at:		(Stone Corral Formati	on)
Proposed Method of Plugging (attach a separate page if a		(Interval)		
Set cement plug from perfs to surf				
cor comon plag nom pone to can	400.			
Is Well Log attached to this application? Yes	No Is ACO-1 filed? Yes	∐ No		
If ACO-1 not filed, explain why:				
Plugging of this Well will be done in accordance witl	h K S A 55-101 at san and the Rul	as and Regulations of the St	ata Carnaration Comm	icelon
Company Representative authorized to supervise plugg		es and regulations of the of	ate corporation commi	331011
	City:	Moran Sta	to: KS zio: 667	 '55 +
Phone: (620) 490-0596	Olty.	Jia	te Z ip, 	T
Plugging Contractor License #: 34059		Hurricane Servi	ces. Inc.	
Address 1: P.O. Box 782228	Addre			ALEXANDER OF THE PROPERTY OF T
	Addie			78
Phone: (316) 685-5908		Sta	re: 110 Zip: 012	+
Proposed Date of Plugging (if known): August 1	6 2010			
Proposed Date of Plugging (If known): 109031 1	0, 2010			
Payment of the Plugging Fee (K.A.R. 82-3-118) will be	e guaranteed by Operator or Agen	(A)		
Date: 08/16/2010 Authorized Operator / /		-these		RECEIVED
·		(Signature)		

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form KSONA-1 July 2010 Form Must Be Typed Form must be Signed All blanks must be Filled

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)		
OPERATOR: License # 17357 Veenker Resources, Inc.	Well Location: SW_NE_SE_Sec.32_Twp. 22_S. R. 21		
Address 1: P.O. Box 14339	County: Anderson		
Address 2:	Lease Name: Lockwood Well #: 13		
City: Oklahoma City State: OK Zip: 73113 + Contact Person: Mark Veenker	If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:		
Phone: (405) 388-3882 Fax: (405) 755-5662			
Email Address: veenkerresources@coxinet.net			
Surface Owner Information: Name: Robert Vermillion Address 1: 27803 SE 600 Rd. Address 2:	When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.		
the KCC with a plat showing the predicted locations of lease roads, tank	dic Protection Borehole Intent), you must supply the surface owners and a batteries, pipelines, and electrical lines. The locations shown on the plat in the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.		
 ✓ I certify that, pursuant to the Kansas Surface Owner Notice A owner(s) of the land upon which the subject well is or will be loced. CP-1 that I am filing in connection with this form; 2) if the form to form; and 3) my operator name, address, phone number, fax, at ☐ I have not provided this information to the surface owner(s). I at KCC will be required to send this information to the surface owner. 	pocated: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form Deing filed is a Form C-1 or Form CB-1, the plat(s) required by this and email address. Since I have not provided this information, the purer(s). To mitigate the additional cost of the KCC performing this		
task, I acknowledge that I am being charged a \$30.00 handling If choosing the second option, submit payment of the \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-	fee with this form. If the fee is not received with this form, the KSONA-1		
I hereby certify that the statements made herein are true and correct to	the best of my knowledge and belief.		
Date: 08/16/2010 Signature of Operator or Agent:	Title: Production Analyst		

RECEIVED AUG 1 7 2010



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

August 16, 2010

Paul Veenker Veenker Resources, Inc. PO BOX 14339 OKLAHOMA CITY, OK 73113-0339

RE: Transfer of Operations at the LOCKWOOD lease, located in Section 32, Township 22S, Range 21E, ANDERSON County, Kansas

Dear Paul Veenker:

On August 16, 2010, an operator well plugging report (CP-4) was received, which indicated to Staff that you are the current operator of the LOCKWOOD lease. However, Conservation Division records indicate that a Request for Change of Operator; Transfer of Injection or Surface Pit Permit (Conservation Division Form "T-1") transferring to you operator responsibility for the LOCKWOOD lease has not been filed.

Conservation Division Staff understands that the burden of transferring operator responsibility first falls upon the transferring operator. However, in instances in which the transferring operator is no longer a licensed operator, or Staff is unable to determine the last operator of the subject lease, the burden of verifying operator responsibility falls upon the current operator of such lease. Staff is therefore requesting that you verify whether or not you are the current operator of the LOCKWOOD lease.

The proper way to notify the Conservation Division that you are the current operator of the LOCKWOOD lease is to file a Request for Change of Operator; Transfer of Injection or Surface Pit Permit (Conservation Division Form "T-1"). Staff will provide you with 28 days from this letter's date to provide a T-1 for the LOCKWOOD lease. As such, you have until September 13, 2010, to file a T-1 for the LOCKWOOD lease. A blank T-1 is enclosed with this letter. The T-1 is also available on the Conservation Division's website, at http://kcc.ks.gov/conservation/forms/index.htm, or upon request in the Conservation Division's central office in Wichita or any of the Conservation Division's district offices. If the past operator of the subject lease is unknown, or the past operator no longer has an active license, Staff is willing to accept other documentation in lieu of the past operator's signature on the T-1 form. Staff needs the T-1 signed by or on behalf of Veenker Resources, Inc., as well as a copy of the bill or contract of sale under which you purchased the LOCKWOOD lease, a copy of the agreement under which you are operating the lease, a copy of the assignment of the lease to you, or a copy of the new lease under which you are operating.

If you do not believe you are the operator of the LOCKWOOD lease, you need to contact Jonelle Rains, the Conservation Division's Supervisor of Environmental Protection and Remediation, immediately to address the situation. Jonelle Rains may be reached at the Conservation Division's central office in Wichita, at the contact information listed below.

If by September 13, 2010, Commission Staff has not received the required information, or you have not contacted Jonelle Rains and resolved this situation, Staff may refer this matter to Conservation Division legal staff with a recommendation for an administrative penalty or penalties. Under K.A.R. 82-3-128, the failure to verify information requested by the Commission is punishable by a \$100 penalty. In addition, Staff may ask the Commission to shut in your current operations until compliance is achieved.

Please contact the Conservation Division immediately, or provide the requested information within 28 days of this letter's date, to remedy the above possible violation(s) and avoid further compliance action by the Commission. Please include a copy of this letter with the completed T-1 form upon filing with the Conservation Division.

Yours truly, KCC Conservation Division Staff

cc: KCC Conservation Division



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

NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

• VEENKER RESOURCES, INC. PO BOX 14339 OKLAHOMA CITY, OK 73113-0339

August 16, 2010

Re: LOCKWOOD #13

API 15-003-20810-00-00

32-22S-21E, 1550 FSL 1150 FEL ANDERSON COUNTY, KANSAS

Dear Operator:

The purpose of this letter is twofold. First, this letter is to notify you that the Conservation Division has received your plugging proposal, form CP-1, for the above well and has reviewed the proposal for completeness. The central office will now forward your CP-1 to the district office listed below for review of the proposed plugging method. Please contact the district office for approval of your proposed plugging method at least five (5) days before plugging the well, pursuant to K.A.R. 82-3-113(b). If a workover pit will be used during the plugging of the well it must be permitted. A CDP-1 form must be filed and approved prior to the use of the pit in accordance with K.A.R. 82-3-600.

This letter is also to notify you that during the central office's review of your CP-1 for license number vertication, staff has discovered that you are not the current operator of record of the above well on file with the Conservation Division. Central office staff is therefore requesting that you verify that you are the operator of record of the above well. The proper procedure for verifying operator authority is by filing a Conservation Division form T-1 (Request for Change of Operator; Transfer of Injection or Surface Pit Permit). If a T-1 has already been filed with the Conservation Division reflecting the transfer of operator authority, please disregard this paragraph. If a T-1 has not been filed reflecting the transfer, please see the attached letter, which explains the T-1 filing process.

The Conservation Division's review of form CP-1, either in the central or district office, does not include an inquiry into well ownership or the filing operator's legal right to plug the well. Furthermore, this notice in no way constitutes authorization to plug the above well by persons not having legal rights of ownership or interest in the well.

This notice is void after February 12, 2011. The CP-1 filing does not bring the above well into compliance with K.A.R. 82-3-111 with regard to the Commission's temporary abandonment requirements.

Sincerely,

District: #3 1500 W. 7th

Chanute, KS 67220

(316) 432-2300

Steve Bond

Production Department Supervisor

Steve Bond