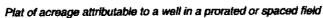
| Corrected by B | cent Whiteman |
|---|--|
| En Doctor | |
| | C Form C-1 October 2007 |
| ISION X | |
| | rm must be Signed was must be Filled |
| commencing well | |
| on: | |
| . NW . NW Sec. 17 Twp. 32 S. R. | 8 1XIF W |
| | S Line of Section |
| feet from E / X | W Line of Section |
| Regulartrreguler? | |
| (Note: Locate well on the Section Plat on reverse | side) |
| Foun. Rutte X | Init #-4- 17-1 |
| School Group Horter Windson Southers | |
| ted / Spaced Field? | Tyes XINo |
| ion(s): Bertherdia. | |
| or unit boundary line (in lootage): 330 | The second secon |
| e Elevation: 1400 | feet MSL |
| hin one-quarter mile: | HYes King |
| upply well within one mile: m of fresh water: 150 | LIYES AINO |
| m of usable water: 200 430 | |
| w Alternate: VII III | |
| ace Pipe Planned to be set: 300 450 | - 48% P 4 |
| ductor Pipe (if any): | and the second second |
| Depth: 3000 ft Otal Depth: Bertlesville | and the second s |
| for Drilling Operations: | |
| Farm Pond Other: | |
| · | |
| (Note: Apply for Permit with DWR 1) taken? | Yes No |
| ed zone: | |
| Kang | Sec on RECENS |
| • | SAS COMPORATION COMMISSION |
| vill comply with K.S.A. 55 et. seq. | JAN - |
| | JAN 1 3 2010 |
| COA | (SED) |
| ent to the top; in all cases surface pipe shall tion. | ISERVATION DIVISION |
| tion. ength and placement is necessary <i>prior to</i> ; | |
| asing is cemented in; | hundila di |
| sable water to surface within 120 DAYS of s pplies to the KCC District 3 area, alternate i | · · · · · · · · · · · · · · · · · · · |
| ses, NOTIFY district office prior to any ce | _ |
| ge and belief. | - |
| B-C Steel Tille: Manage | ~ |
| - | <u> </u> |
|); Application (form CDD 4) with intent to Drill. | 17 |
| Application (form CDP-1) with Intent to Drill; tion Form ACO-1 within 120 days of spud date; | |
| attribution plat according to field proration order | ers; 👸 |
| priate district office 48 hours prior to workover (ging report (CP-4) after plugging is completed (| within 60 days) |
| and | man do dayay, ion |

OCT 2 9 2010

KCC WICHITA

| District # | NSERVATION DIVISION Form must be Typed |
|--|--|
| | NSERVATION DIVISION NTENT TO DRILL Ne (5) days prior to commencing well October 2007 Form insust be Signed in the commencing well October 2007 Form insust be Signed in the commencing well October 2007 Form insust be Signed in the commencing well October 2007 |
| Expected Spud Date: 2-10-2010 receipt day year | Spot Description: NW NW Sec. 17 Twp. 32 S. R. 8 XE W |
| OPERATOR: Licenself | 330 teet from N / S Line of Section teet from E / W Line of Section is SECTION: Regular Irregular? |
| Address 2: | (Note: Locate well on the Section Plat on reverse side) County: Cowley |
| Contact Person: Bert Carlson Phone: 620-285-8084 | Lease Name: Foots. BUTS Well #- 17-1 Field Name: School Greek Horter WindSox Southeast |
| CONTRACTOR: Licensell Name: Advice on ACO-1 - Name be licensed by KCC | Is this a Prorated / Spaced Field? |
| | Target Formation(s): Nearest Lease or unit boundary line (in lootage): 330 |
| Well Drifted For: Well Class: Type Equipment: | Ground Surface Elevation: 1400 leet MSL |
| ☐ Enh Rec | 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 | Denth to bottom of fresh water: 150 |
| Other: | Depth to bottom of usable water: 200 430 |
| | Custome Dine by Aberrate VIII 11 11 |
| iff OWWO: old well information as follows: | Length of Surface Pipe Planned to be set: 300 450 |
| Coerstor: | Length of Conductor Pipe (if any): |
| Well Name: | Projected Total Depth: 3000 ft |
| Original Completion Date: Original Total Depth: | Formation at Total Depth: Bertlesvillo |
| Directional, Deviated or Horizontal wellbore? | Water Source for Drilling Operations: Well Sarm Pond Dither: |
| If Yes, true vertical depth: Bottom Hole Location: | DWR Permit #: |
| KCC DKT #: | - (Note: Apply for Permit with DWR [1]) |
| | ─ Will Cores be taken? |
| NAS: Lease name: eam IS: Butts =17-1 | |
| NAS: Lease name: Team*1 IS: Butts #17-1 WAS: Target Formation: Bart RSUINE IS: Layton AF | If Yes, proposed zone: KANSAS CORPORATION |
| WAS: Target Formation: Bartlesulle Is: Layton | FFIDAVIT |
| WAS: Target Formation: Boot RSVINE IS: Lay to AF The undersigned hereby affirms that the drilling, completion and eventual p | FFIDAVIT |
| WAS: Target Formation: Boot RSVINE IS: Lay to AF The undersigned hereby affirms that the drilling, completion and eventual p It is agreed that the following minimum requirements will be met: | FFIDAVIT Slugging of this well will comply with K.S.A. 55 et. seq. JAN 13 2010 |
| WAS: Tarset Formation: Boot RSVINE IS: Lay to AF The undersigned hereby affirms that the drilling, completion and eventual p It is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office prior to epudding of well; | FFIDAVIT Alugging of this well will comply with K.S.A. 55 et. seq. JAN 1 3 2010 |
| WAS: Target Formation: Bout RSVINe Ts: Lay to AF The undersigned hereby affirms that the drilling, completion and eventual p It is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office prior to epudding of well; 2. A copy of the approved notice of intent to drill shall be posted on ear 3. The minimum amount of surface pipe as specified below shall be as through all unconsolidated materials plus a minimum of 20 feet into t 4. If the well is dry hole, an agreement between the operator and the di | FFIDAVIT blugging of this well will comply with K.S.A. 55 et. seq. JAN 1 3 2010 ch drilling rig; pt by circulating cement to the top; in all cases surface pipe shell blues into, KS the underlying formation. istrict office on plug length and placement is necessary prior to plugging; |
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| WAS: Tarset Formation: Bart RSVINe Ts: Lay for the undersigned hereby affirms that the drilling, completion and eventual p it is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office prior to epudding of well; 2. A copy of the approved notice of intent to drill shall be posted on ear through all unconsolidated materials plus a minimum of 20 feet into the set of the well is dry hole, an agreement between the operator and the district office will be notified before well is either plus for an ALTERNATE II COMPLETION, production pipe shall be cement or pursuant to Appendix "B" - Eastern Kaneas surface ceeing order to | FFIDAVIT blugging of this well will comply with K.S.A. 55 et. seq. JAN 1 3 2010 ch drilling rig; or to y circulating coment to the top; in all cases surface pipe shall blugging; the underlying formation. istrict office on plug length and placement is necessary prior to plugging; gged or production casing is cemented in; |
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| The undersigned hereby affirms that the drilling, completion and eventual p it is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office prior to epudding of well; 2. A copy of the approved notice of intent to drill shall be posted on ear through all unconsolidated materials plus a minimum of 20 feet into t. 4. If the well is dry hole, an agreement between the operator and the district office will be notified before well is either plus 6. If an ALTERNATE II COMPLETION, production pipe shall be cement Or pursuant to Appendix "B" - Eastern Kansas surface caeing order a must be completed within 30 days of the spud date or the well shall be hereby certify that the statements made herein are true and correct to the Date: I - II - I D | ch drilling rig: ch drilling rig: ch trib y circulating cement to the top; in all cases surface pipe shell bited tria. Ks the underlying formation. istrict office on plug length and placement is necessary prior to plugging; gged or production casing is cemented in; ted from below any usable water to surface within 120 DAYS of spud date. #133,891-C, which applies to the KCC District 3 area, alternate it cementing be plugged. In all cases, NOTIFY district office prior to any cementing. be best of my-knowledge and belief. 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 80 days): Obtain written approval before disposing or injecting saft water. If this permit has expired (See: authorized expiration date) please check the box below and return to the address below. |
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IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

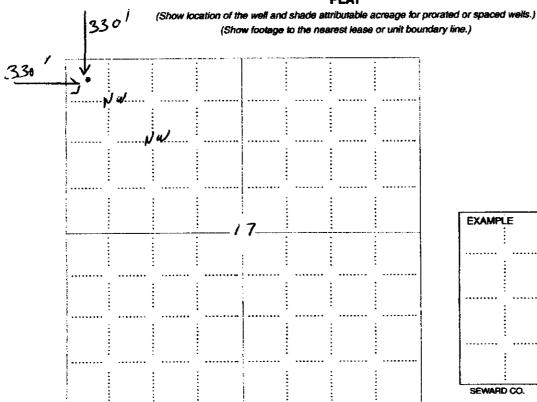


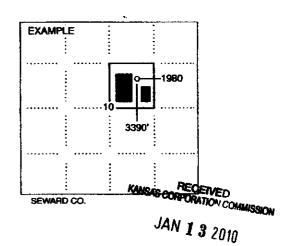


If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 035-24345-00-00 | | | |
|---|--|--|-----------------------------------|--|
| | Onergior: B-C Steel, LLC | Location of Well: County: C | on of Well: County: Cowley | |
| Ł | Lease Tagent But 45 | 330 | feet from N / S Line of Section | |
| | Well Number: 17-1 | 330 | feet from E / X W Line of Section | |
| | Field: School Creek North | Sec. <u>17</u> Twp. <u>32</u> | S. R. 8 🔀 E 🔲 W | |
| | Number of Acres attributable to well: OTR/QTR/QTR/QTR of acreage: NW - NW - NW - NW | Is Section: Regular or | r Irregular | |
| | | If Section is irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW | | |

PLAT





In plotting the proposed location of the well, you must show:

CONSERVATION DIVISION WICHITA, KS 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,

2. The distance of the proposed drilling location from the south / north and east / west outside section lines.

NOTE: in all cases locate the spot of the proposed drilling locaton.

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).

> RECEIVED OCT 2 9 2010

KCC WICHITA

KANSAS CORPORATION COMMISSION Oil & Gas Conservation Division

APPLICATION FOR SURFACE PIT

Form CDP-1 **April 2004** Form must be Typed

CORRECTE Submit in Duplicate Operator Name: B-C Steel, LLC License Number: 33711 Operator Address: 209 N Fry Street **Bert Carlson** 66783 Contact Person: Bert Carlson Phone Number: 620-285-6064 Lease Name & Well No .: Team Butts Pit Location (QQQQ): NW NW Pit is: Type of Pit: X Proposed Sec. 17 Twp. 32 R. 8 East Existing Emergency Pit Burn Pit If Existing, date constructed: Settling Pit X Drilling Pit Feet from North / South Line of Section Workover Pit Haul-Off Pit 330 Feet from East / West Line of Section Pit capacity: (If WP Supply API No. or Year Drilled) Cowley (bbls) County Is the pit located in a Sensitive Ground Water Area? Chlorida concentration: _ (For Emergency Pits and Settling Pits only) is the bottom below ground level? Artificial Liner? How is the pit lined if a plastic liner is not used? X Yes Yes XNo 10 Pit dimensions (all but working pits): Length (feet) Width (feet) N/A: Steel Pits Depth from ground level to deepest point: (feet) No Pit If the pit is lined give a brief description of the liner Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. material, thickness and installation procedure. Mud 00-00 5484C-580S Distance to nearest water well within one-mile of pit Depth to shallowes! fresh water Source of information Depth of water well tes: .. electric log Envergency, Settling and Surn Pits ONLY: Drilling, Workover and Haul-Off Pits ONLY: Producing Formation: Type of material utilized in drilling/workover. Drilling Mud Number of working pils to be utilized:

Abandonment procedure: Remove fluids and backfill

ABSAS CORPORATION COMPONITION COMPONITION COMPONITION COMPONITION COMPONITION COMPONITION COMPONITION COMPONITION COMPONITION COMP 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? Yes I horeby certify that the above statements are true and correct to the best of my knowledge and berief. CONSERVATION DIVISION WICHITA KS 1-- //-- / D KCC OFFICE USE ONLY Stee! Pit RFAC RFAS Date Received: 1-13-10 Permit Number: Permit Date: 1-13-10 Lease Inspection Yes & No

Mail to: KSG - Conservation Division, 130 S. Market - Room 2076, Wichite, Kensas, 67202

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KCC WICHITA