| For KCC Use:      | 11-7-2010 |
|-------------------|-----------|
| Effective Date: _ | 11-1200   |
| District #        |           |
|                   | <b>—</b>  |

### KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 March 2010 Form must be Typed Form must be Signed

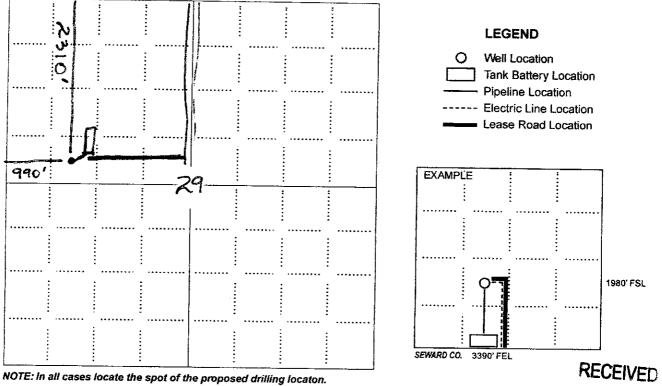
| SGA? Nes No NOTICE OF I  | NTENT TO DRILL  All blanks must be Filled  |
|--|--|
| must be approved by ACC TIV  Form KSONA-1, Certification of Compliance with the Kansas   | e (5) days prior to commencing well<br>Surface Owner Notification Act, MUST be submitted with this form.   |
| Expected Spud Date: November 1, 2010   | Spot Description:  |
| month day year   |  |
| 33936  | SE SW - NW Sec. 29 Twp. 32 S. R. 9 DE WW  (0000) 2,310 Feet from VIN / S. Line of Section  |
| OPERATOR: License#   | 2,310 feet from N / S Line of Section geo feet from E / W Line of Section  |
| Address 1: P.O. Box 347  | Is SECTION: Regular Imagular?  |
| Address 2:   |  |
| City: Pratt State: KS Zip: 67124 +   | (Note: Locate well on the Section Plat on reverse side)  County: Harper  |
| Contact Person: Charles N. Griffin   | Lease Name: Ferguson Well # 1  |
| Phone: 720-490-5648  | Field Name: Little Sardy Creek East  |
| CONTRACTOR: License#34233  | Is this a Prorated / Spaced Field?   |
| Name: Maverick Dritting, LLC   | Target Formation(s): Mississippian   |
| Well Drilled For: Well Class: Type Equipment:  | Nearest Lease or unit boundary line (in footage): 990'   |
| ⊠Oil Enh Rec Infield ⊠Mud Rotary   | Ground Surface Elevation: 1399' feet MSL   |
| Gas Storage Pool Ext. Air Rotary   | Water well within one-quarter mile:  |
| Disposal XMidcat Cable   | Public water supply well within one mile:  |
| Seismic ; # of Holes Other   | Depth to bottom of fresh water: 75   |
| Other:   | Depth to bottom of usable water:   |
| If OWWO: old well information as follows:  | Surface Pipe by Alternate: XI III  |
| <del></del>  | Length of Surface Pipe Planned to be set: 200'+ RECEIVED   |
| Operator:  | Length of Conductor Pipe (if any): none Projected Total Depth: 4700 CT 2 9 2010  |
| Well Name:   |  |
| Original Completion Date: Original Total Depth:  | Formation at Total Depth: Mississippian  |
| Directional, Deviated or Horizontal wellbore?  | Water Source for Drilling Operations: KCC WICHIT   |
| If Yes, true vertical depth:   | WellFarm PondOther:  |
| Bottom Hole Location:  | (Note: Apply for Permit with DWR   |
| KCC DKT #:   | Wifl Cores be taken?   |
|  | If Yes, proposed zone:   |
| AEI  | FIDAVIT  |
| The undersigned hereby affirms that the drilling, completion and eventual plu  |  |
| It is agreed that the following minimum requirements will be met:  | ago of the term of the control of th |
| 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  | drilling rig;  |
| <ol><li>The minimum amount of surface pipe as specified below shall be set</li></ol>   | by circulating cement to the top; in all cases surface nine shall he set   |
| through all unconsolidated materials plus a minimum of 20 feet into the  | underlying formation.  |
| <ol> <li>If the well is dry hole, an agreement between the operator and the dist</li> <li>The appropriate district office will be notified before well is either plugg</li> </ol>  | rict office on plug length and placement is necessary prior to plugging;  led or production casing is computed in:   |
| <ol><li>If an ALTERNATE II COMPLETION, production pipe shall be cemented</li></ol>   | d from below any usable water to surface within 120 DAYS of soud date  |
| Or pursuant to Appendix "B" - Eastern Kansas surface casing order #1   | 33,891-C, which applies to the KCC District 3 area, alternate II cementing   |
|  | plugged. In all cases, NOTIFY district office prior to any cementing.  |
| I hereby certify that the statements made herein are true and to the   | sy knowledge and belief.   |
| Date: 10/27/2010 Signature of Operator or Agent:   | Title: Agent   |
|  | 1,00   |
| For KCC Use ONLY   | Remember to:   |
| API#15-077-21717-00-00   | - File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;  |
| Conductor pipe required None feet  | - File Drill Pit Application (form CDP-1) with Intent to Drill;  |
| 200 -6   | - File Completion Form ACO-1 within 120 days of spud date;   |
| instruction actions pipe requiredinstruction in the rection of the rectio | - The acreage attribution plat according to held profation orders,   |
| Approved by: Purt 11-2-2010  This authorization expires:   | <ul> <li>Notify appropriate district office 48 hours prior to workover or re-entry;</li> </ul>   |
| This   |  |
| ,  | - Submit plugging report (CP-4) after plugging is completed (within 60 days);  |
| (This authorization void if drilling not started within 12 months of approval date.)   | <ul> <li>Submit plugging report (CP-4) after plugging is completed (within 60 days);</li> <li>Obtain written approval before disposing or injecting salt water.</li> </ul>   |
| (This authorization void if drilling not started within 12 months of approval date.)   | <ul> <li>Submit plugging report (CP-4) after plugging is completed (within 60 days);</li> <li>Obtain written approval before disposing or injecting salt water.</li> <li>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.</li> </ul>  |
| ,  | <ul> <li>Submit plugging report (CP-4) after plugging is completed (within 60 days);</li> <li>Obtain written approval before disposing or injecting salt water.</li> <li>If well will not be drilled or permit has expired (See: authorized expiration date)</li> </ul>  |

For KCC Use ONLY API#15. 077-2/7/7-00-00

### 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: Charles N. Griffin  | Location of Well: County: Harper   |
|---|--|
| Lease: Ferguson   | 2 340  |
| Well Number: 1  | 990 feet from E / X W Line of Section  |
| Field:  | Sec. 29 Twp. 32 S. R. 9 E W  |
| Number of Acres attributable to well:                                 |  |
| QTR/QTR/QTR of acreage:SE SW NW                                       | Is Section: Regular or I irregular   |
|   | If Section is Irregular, locate well from nearest corner boundary.  Section corner used: NE NW SE SW |
| PLA   |  |
| Show location of the well. Show footage to the nearest lea            | se or unit boundary line. Show the predicted locations of  |
| lease roads, tank batteries, pipelines and electrical lines, as requi | red by the Kansas Surface Owner Notice Act (House Bill 2032).  |
| You may attach a sens   |  |

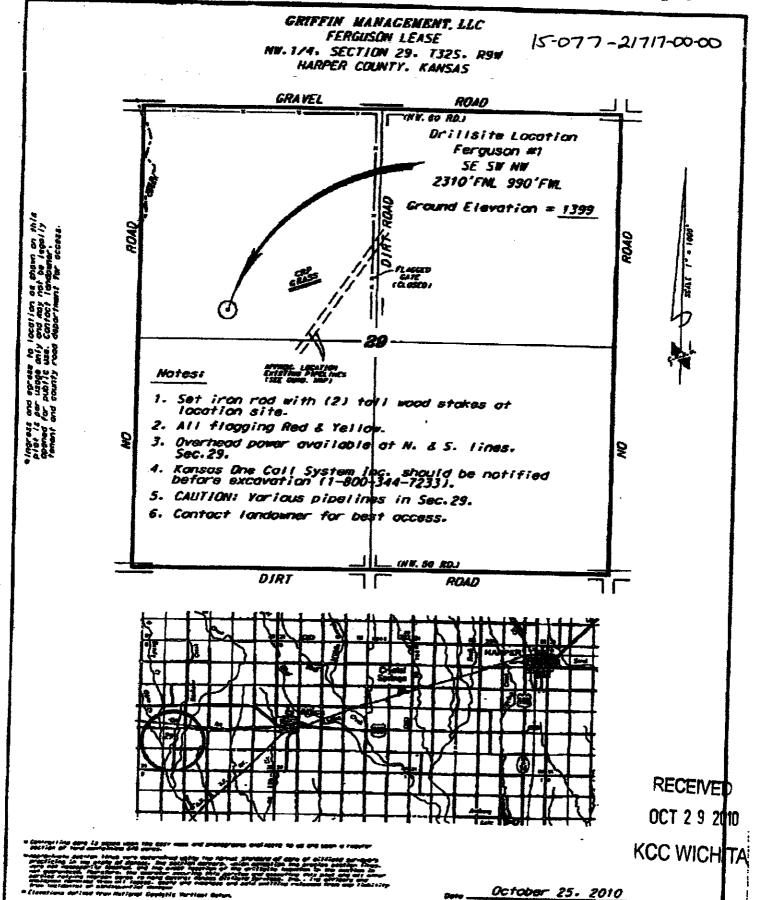


In plotting the proposed location of the well, you must show:

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 KCC WICHITA 4 sections, etc.

OCT 2 9 2010

- 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).
- 5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.



CENTRAL KANSAS OILFIELD SERVICES, INC. (620)798-1977

# \\$\scrt{C}\$-\sigma7-21717-\sigma5\infty\$ 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

KCC WICHITA

# 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.

| OPERATOR: License # 33936  | _ Well Location:  |
|--|---|
| Name: Charles N. Griffin   | SE SW NW Sec. 29 Twp. 32 S. R. 9 Eas X West   |
| Name: Charles N. Griffin Address 1: P.O. Box 347   | County: Harper  |
| Address 2:   | Lease Name: Ferguson Well #: 1  |
| City: Pratt State: KS Zip: 67124 +   | If filling a Form T.1 for multiple walls on a lease, optor the local description of   |
| Contact Person: Charles N. Griffin  Phone: ( 720 ) 490-5648 Fax: ( 620 ) 672-5280  | the lease below:  |
| Phone: ( 720 ) 490-5648 Fax: ( 620 ) 672-5280  | _   |
| Email Address:   | -   |
| Surface Owner Information: Name: Edward Earl Ferguson and Elizabeth W. Ferguson  | When filing a Form T-1 involving multiple surface owners, attach an additional  |
| Address 1: 5116 Holly Pointe Lane  | 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   |
| Address 2:   | county, and in the real estate property tax records of the county treasurer.  |
| City: Benton State: LA Zip: 71006 +  | _   |
| the KCC with a plat showing the predicted locations of lease roads, ta   | hodic Protection Borehole Intent), you must supply the surface owners and<br>ank batteries, pipelines, and electrical lines. The locations shown on the plat<br>I on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.  |
| the KCC with a plat showing the predicted locations of lease roads, ta   | ank batteries, pipelines, and electrical lines. The locations shown on the plat   |
| the KCC with a plat showing the predicted locations of lease roads, ta are preliminary non-binding estimates. The locations may be entered Select one of the following:  I certify that, pursuant to the Kansas Surface Owner Notice owner(s) of the land upon which the subject well is or will be CP-1 that I am filing in connection with this form; 2) if the forr form; and 3) my operator name, address, phone number, fax,  | ank batteries, pipelines, and electrical lines. The locations shown on the plat on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.  Act (House Bill 2032), I have provided the following to the surface elocated: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form to being filed is a Form C-1 or Form CB-1, the plat(s) required by this and email address.  |
| the KCC with a plat showing the predicted locations of lease roads, to are preliminary non-binding estimates. The locations may be entered Select one of the following:  I certify that, pursuant to the Kansas Surface Owner Notice owner(s) of the land upon which the subject well is or will be CP-1 that I am filing in connection with this form; 2) if the forr form; and 3) my operator name, address, phone number, fax,  | ank batteries, pipelines, and electrical lines. The locations shown on the plat on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.  Act (House Bill 2032), I have provided the following to the surface elocated: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form to being filed is a Form C-1 or Form CB-1, the plat(s) required by this and email address.  Acknowledge that, because I have not provided this information, the owner(s). To mitigate the additional cost of the KCC performing this  |
| the KCC with a plat showing the predicted locations of lease roads, to are preliminary non-binding estimates. The locations may be entered select one of the following:  I certify that, pursuant to the Kansas Surface Owner Notice owner(s) of the land upon which the subject well is or will be CP-1 that I am filing in connection with this form; 2) if the form form; and 3) my operator name, address, phone number, fax,  I have not provided this information to the surface owner(s). I KCC will be required to send this information to the surface of task, I acknowledge that I am being charged a \$30.00 handling the second option, submit payment of the \$30.00 handling.   | ank batteries, pipelines, and electrical lines. The locations shown on the plat on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.  Act (House Bill 2032), I have provided the following to the surface elocated: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form in being filed is a Form C-1 or Form CB-1, the plat(s) required by this and email address.  Acknowledge that, because I have not provided this information, the owner(s). To mitigate the additional cost of the KCC performing this ing fee, payable to the KCC, which is enclosed with this form. |
| the KCC with a plat showing the predicted locations of lease roads, to are preliminary non-binding estimates. The locations may be entered Select one of the following:  I certify that, pursuant to the Kansas Surface Owner Notice owner(s) of the land upon which the subject well is or will be CP-1 that I am filing in connection with this form; 2) if the form form; and 3) my operator name, address, phone number, fax,  I have not provided this information to the surface owner(s). I KCC will be required to send this information to the surface of task, I acknowledge that I am being charged a \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CB-1.   | Act (House Bill 2032), I have provided the following to the surface elocated: 1) a copy of the Form C-1, Form CB-1, Form CB-1, Form CB-1, Form T-1, or Form meeting filed is a Form C-1 or Form CB-1, the plat(s) required by this and email address.  I acknowledge that, because I have not provided this information, the owner(s). To mitigate the additional cost of the KCC performing this ang fee, payable to the KCC, which is enclosed with this form.  In the fee is not received with this form, the KSONA-1 P-1 will be returned.  |
| the KCC with a plat showing the predicted locations of lease roads, to are preliminary non-binding estimates. The locations may be entered Select one of the following:  I certify that, pursuant to the Kansas Surface Owner Notice owner(s) of the land upon which the subject well is or will be CP-1 that I am filing in connection with this form; 2) if the form form; and 3) my operator name, address, phone number, fax,  I have not provided this information to the surface owner(s). I KCC will be required to send this information to the surface of task, I acknowledge that I am being charged a \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CB-1, | Act (House Bill 2032), I have provided the following to the surface elocated: 1) a copy of the Form C-1, Form CB-1, Form CB-1, Form T-1, or Form meeting filed is a Form C-1 or Form CB-1, the plat(s) required by this and email address.  I acknowledge that, because I have not provided this information, the owner(s). To mitigate the additional cost of the KCC performing this ang fee, payable to the KCC, which is enclosed with this form.  In the fee is not received with this form, the KSONA-1 in the best of my knowledge and belief.   |
| the KCC with a plat showing the predicted locations of lease roads, to are preliminary non-binding estimates. The locations may be entered Select one of the following:  I certify that, pursuant to the Kansas Surface Owner Notice owner(s) of the land upon which the subject well is or will be CP-1 that I am filing in connection with this form; 2) if the form form; and 3) my operator name, address, phone number, fax,  I have not provided this information to the surface owner(s). I KCC will be required to send this information to the surface of task, I acknowledge that I am being charged a \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CB-1 hereby certify that the statements made herein are true and correct  | Act (House Bill 2032), I have provided the following to the surface elocated: 1) a copy of the Form C-1, Form CB-1, Form CB-1, Form T-1, or Form in being filed is a Form C-1 or Form CB-1, the plat(s) required by this and email address.  I acknowledge that, because I have not provided this information, the owner(s). To mitigate the additional cost of the KCC performing this and fee, payable to the KCC, which is enclosed with this form.  In the fee with this form. If the fee is not received with this form, the KSONA-1 P-1 will be returned.                                       |

## KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CDP-1 May 2010 Form must be Typed

### APPLICATION FOR SURFACE PIT

Submit in Duplicate Operator Name: Charles N. Griffin License Number: 33936 Operator Address: P.O. Box 347 Pratt KS 67124 Contact Person: Charles N. Griffin Phone Number: 720-490-5648 Lease Name & Well No.: Ferguson 1 Pit Location (QQQQ): SE SW NW Type of Pit: Pit is: Sec. 29 Twp. 32 R. 9 East X West Emergency Pit Burn Pit X Proposed Existing Settling Pit X Drilling Pit If Existing, date constructed: 2.310 Feet from X North / South Line of Section Workover Pit Haul-Off Pit 990 Feet from East / X West Line of Section Pit capacity: (If WP Supply API No. or Year Drilled) 4.000 Harper (hhis) County Is the pit located in a Sensitive Ground Water Area? X Yes Chloride concentration: mg/l (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 No Yes X No Bentonite and native clays from drilling mud 100 100 Pit dimensions (all but working pits): Length (feet) Width (feet) N/A: Steel Pits Depth from ground level to deepest point: \_ No Pit (feet) If the pit is lined give a brief description of the liner Describe procedures for periodic maintenance and determining material, thickness and installation procedure. liner integrity, including any special monitoring. Distance to nearest water well within one-mile of pit: Depth to shallowest fresh water feet. Source of information: 2961 Depth of water well. measured well owner electric log KDWR feet Emergency, Settling and Burn Pits ONLY: Drilling, Workover and Haul-Off Pits ONLY: Fresh water gel mud. Producing Formation: \_ Type of material utilized in drilling/workover: 3 Number of producing wells on lease: ..... Number of working pits to be utilized: Allow pits to evaporate naturally and Barrels of fluid produced daily: Abandonment procedure: \_ backfill as conditions allow. Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Drill pits must be closed within 365 days of spud date. RECEIVE I hereby certify that the above statements are true and correct to the best of my knowledge and belief. OCI 2 9 2010 10/27/2010 KCC WICHITA Date Signature of Applicant KCC OFFICE USE ONLY Steel Pit X RFAC X RFAS Date Received: 10/29/10 \_\_\_Permit Date: 11/1/10 Permit Number: Lease Inspection: X Yes No



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

November 1, 2010

Charles N Griffin PO Box 347 Pratt KS 67124

Re:

**Drilling Pit Application** 

Ferguson Lease Well No. 1

NW/4 29-32S-9W Harper County, Kansas

Dear Mr. Griffin:

District staff has inspected the above referenced location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has recommended that the reserve pit be lined with bentonite, 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 the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again within 72 hours 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 (316) 630-4000 when the fluids have been removed. Please file form CDP-5, 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 Kathy Haynes at the address listed below.