For KCC Use: 12-14-2010 Effective Date: 2 SGA? Yes \ No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Form C-1
December 2002
Form must be Typed
Form must be Signed
All blanks must be Filled

| Expected Spud Date | Spot |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| month day year 🤄 | SW SW Sec. 4 Twp.34 S. R. 9 KX West |
| OPERATOR: License# 33936 | feet from N / X S Line of Section |
| Name: Griffin, Charles N. | feet from E / X W Line of Section |
| Address 901 Holmes Street | Is SECTION X RegularIrregular? |
| City/State/Zip: Kiowa, Kansas 67070 | |
| Contact Person: Charles N. Griffin | (Note: Locate well on the Section Plat on reverse side) County: Harper |
| Phone: 720-490-5648 | Monana |
| | Field Name: Corwin North |
| CONTRACTOR: License# 5929 | |
| Name: Duke Drilling Co., Inc. | Is this a Prorated / Spaced Field? Yes \(\times No |
| | Target Information(s): Simpson: |
| Well Drilled For: Well Class: Type Equipment: | Nearest Lease or unit boundary: 330 |
| ☑ Oil ☐ Enh Rec ☐ Infield ☑ Mud Rotary | Ground Surface Elevation: 1305 feet MSL Water well within one-quarter mile: |
| X Gas Storage Pool Ext. Air Rotary | |
| CWWO Disposal X Wildcat Cable | Depth to bottom of fresh water: |
| Seismic; # of Holes Other | Depth to bottom of usable water. |
| Other | Surface Pipe by Alternate: X 1 2 |
| W 000000 | Length of Surface Pipe Planned to be set: 2501 |
| If OWWO: old well information as follows: | |
| Operator: 3 | |
| Well Name: | Projected Total Depth: 4,750 Formation at Total Depth: Simpson DEC 0 8 2010 |
| Original Completion Date:Original Total Depth: | Water Source for Drilling Operations: |
| Directional, Deviated or Horizontal wellbore? | |
| If Yes, true vertical depth: | Well X Farm Pond Other KCC WICHIT |
| Bottom Hole Location: | DWR Permit #: |
| KCC DKT #: | (Note: Apply for Permit with DWR |
| 100 DICE # | Will Cores be taken? If Yes, proposed zone: Yes X No |
| 5. The appropriate district office will be notified before well is either plug 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall be thereby certify that the statements made herein are true and to the best of the complete of the statements of the second of the statements. | If by circulating cement to the top; in all cases surface pipe shall be set the underlying formation. In this istrict office on plug length and placement is necessary prior to plugging; ged or production casing is cemented in; and from below any usable water to surface within 120 days of spud date. If 133,891-C, which applies to the KCC District 3 area, alternate II cementing be plugged. In all cases, NOTIFY district office prior to any cementing. |
| Date: 12-8-2010 Signature of Operator or Agent: AVWIII | Remember to: |
| For KCC Use ONLY API # 15 - 077-21727-00-00 Conductor pipe required None feet Minimum surface pipe required 200 feet per Alt. Approved by: Pull 12-9-200 This authorization expires: 12-9-201 | 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; Obtain written approval before disposing or injecting salt water. If this permit has expired (See: authorized expiration date) please |
| (This authorization void if drilling not started within 6 months of effective date.) | check the box below and return to the address below. Well Not Drilled - Permit Expired |
| Spud date: Agent: | Signature of Operator or Agent: |
| Mail to: KCC - Conservation Division, 130 5 | S. Market - Room 2078, Wichita, Kansas 67202 |

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

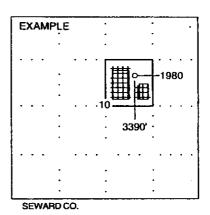
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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.

| Location of Well: County: Harper |
|--------------------------------------------------------------------|
| feet from N/XS Line of Section |
| |
| Sec. 4 Twp. 34 S. R. 9 East XX Wesi |
| |
| Is Section: X Regular or Irregular |
| If Section is Irregular, locate well from nearest corner boundary. |
| Section comer 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.)

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330' FWL

330' FSL

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 section's south / north and east / west.
- 3. The distance to the nearest lease or unit boundary line.
- 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).

15-077-21727-0000

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

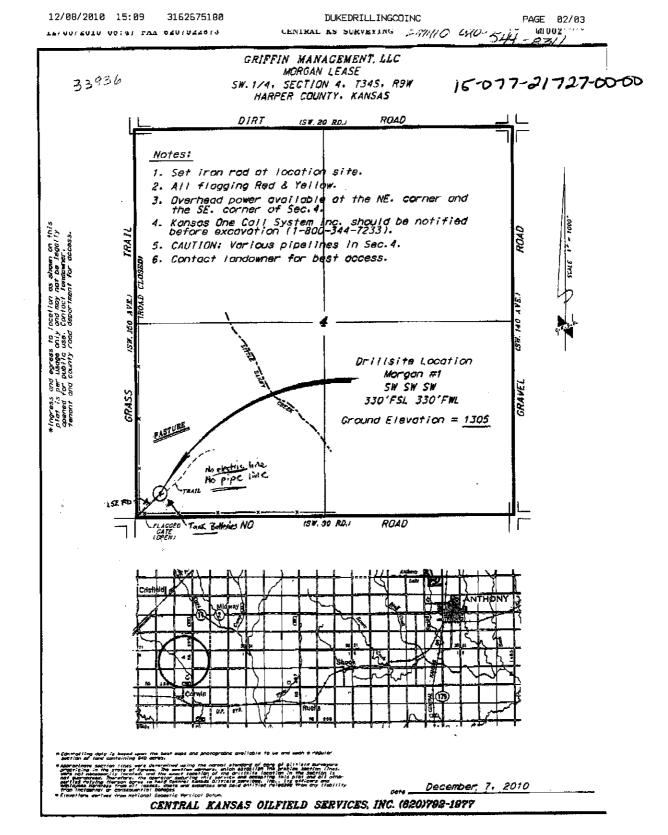
Form KSONA-1 July 2010 Form Must Be Typed Form must be Signed All blanks must be Filled

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.

| OPERATOR: License # 33936 | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| Name: Griffin Management, LLC | | |
| Address 1: 801 Holmes Street | County: Harper | |
| Address 2. | Lease Name: Morgan Well #: 1 | |
| City: Kiowa State: KS Zip: 67070 + | If filing a Form T-1 for multiple wells on a lease, enter the legal description of | |
| Contact Person: Charles N. Griffin | the lease below: | |
| Phone: (720) 490-5648 Fax: () | | |
| Email Address: | DEC 0 8 2010 | |
| Surface Owner Information: | KCC WICHITA | |
| Name: Chad O. Morgan | When filing a Form T-1 involving multiple surface owners, attach an additional | |
| Address 1: P.O. Box 271 | sheet listing all of the information to the left for each surface owner. Surface | |
| Address 2: | 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. | |
| City: Tallulah State: <u>LA</u> Zíp:71282 + 0271 | | |
| | athodic Protection Borehole Intent), you must supply the surface owners and | |
| the KCC with a plat showing the predicted locations of lease roads, are preliminary non-binding estimates. The locations may be entere | | |
| the KCC with a plat showing the predicted locations of lease roads, are preliminary non-binding estimates. The locations may be entered select one of the following: XX I certify that, pursuant to the Kansas Surface Owner Notice owner(s) of the land upon which the subject well is or will I CP-1 that I am filing in connection with this form; 2) if the form; and 3) my operator name, address, phone number, fall I have not provided this information to the surface owner(s). KCC will be required to send this information to the surface. | athodic Protection Borehole Intent), you must supply the surface owners and tank batteries, pipelines, and electrical lines. The locations shown on the plat ed on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. ce Act (House Bill 2032), I have provided the following to the surface be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form orm being filed is a Form C-1 or Form CB-1, the plat(s) required by this | |
| the KCC with a plat showing the predicted locations of lease roads, are preliminary non-binding estimates. The locations may be entered. Select one of the following: XX I certify that, pursuant to the Kansas Surface Owner Notice owner(s) of the land upon which the subject well is or will I CP-1 that I am filing in connection with this form; 2) if the form; and 3) my operator name, address, phone number, fall I have not provided this information to the surface owner(s). KCC will be required to send this information to the surface task, I acknowledge that I am being charged a \$30.00 hand. | athodic Protection Borehole Intent), you must supply the surface owners and tank batteries, pipelines, and electrical lines. The locations shown on the plat ed on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. The locations shown on the plat and the following to the surface be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form own being filed is a Form C-1 or Form CB-1, the plat(s) required by this ax, and email address. I acknowledge that, because I have not provided this information, the e owner(s). To mitigate the additional cost of the KCC performing this dling fee, payable to the KCC, which is enclosed with this form. | |
| the KCC with a plat showing the predicted locations of lease roads, are preliminary non-binding estimates. The locations may be entered. Select one of the following: XX I certify that, pursuant to the Kansas Surface Owner Notice owner(s) of the land upon which the subject well is or will I CP-1 that I am filing in connection with this form; 2) if the form; and 3) my operator name, address, phone number, fall I have not provided this information to the surface owner(s). KCC will be required to send this information to the surface task, I acknowledge that I am being charged a \$30.00 hand. If choosing the second option, submit payment of the \$30.00 hand. | athodic Protection Borehole Intent), you must supply the surface owners and tank batteries, pipelines, and electrical lines. The locations shown on the plat ed on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. The locations shown on the plat and on the Form C-1 plat, or a separate plat may be submitted. The located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form orm being filed is a Form C-1 or Form CB-1, the plat(s) required by this ax, and email address. The locations shown on the surface be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form orm being filed is a Form C-1 or Form CB-1, the plat(s) required by this ax, and email address. The locations shown on the plat is accordance be located in the surface be located: 1) a copy of the Form C-1, Form CB-1, the plat(s) required by this ax, and email address. The locations shown on the plat is accordance be located: 1) a copy of the Form C-1, Form CB-1, the plat(s) required by this ax, and email address. The locations shown on the locations shown on the plat is accordance be located: 1) a copy of the Form C-1, Form CB-1, the plat is accordance by the surface be located: 1) a copy of the Form C-1, Form CB-1, the plat is accordance by the surface be located: 1) a copy of the Form C-1, Form CB-1, the plat is accordance by the surface be located: 1) a copy of the Form C-1, Form CB-1, the plat is accordance by the surface by the surface be located: 1) a copy of the Form C-1, Form CB-1, the plat is accordance by the surface by th | |



RECEIVED
DEC 0.8 2010
KCC WICHITA

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

| Operator Name: Griffin Management, LLC | | License Number: 33936 | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Operator Address: 901 Holmes Street, Kiowa, KS 67070 | | | |
| Contact Person: Charles F. Griffin | | Phone Number: (720)490 - 5648 | |
| Lease Name & Well No.: Morgan #1 | | Pit Location (QQQQ): | |
| Type of Pit: | Pit is: | _ | <u>: sw _ sw _ sw - </u> |
| Emergency Pit Burn Pit | X Proposed | Existing | Sec. 4 Twp. 34S R. 9 East X West |
| Settling Pit X Drilling Pit | If Existing, date or | onstructed: | |
| Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) | Pit capacity: | (bbis) | |
| is the pit located in a Sensitive Ground Water | A | No | Harper County |
| to the fur receiped at a Sentative Clonic Addition | Viest n 100 |) NO | Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) |
| Is the bottom below ground level? X Yes No | Artificial Liner? | No | How is the pit lined if a plastic liner is not used? |
| Pit dimensions (all but working pits): | 100 Length (fe | et)100 | |
| Depth fi | rom ground level to de | | |
| | | | DECENTED |
| material, thickness and installation procedure | | ···liner integrity, i | nctuding any special monitoring. RECEIVED DEC 0 8 20 0 KCC WICHIT |
| Distance to nearest water well within one-mile | | Depth to shallo | DEC 0 8 20 0 KCC WICHIT |
| | e of pit | Depth to shalk Source of info | DEC 0 8 20 0 KCC WICHIT |
| Distance to nearest water well within one-mile | e of pit | Depth to shallo Source of Info | DEC 0 8 20 0 KCC WICHIT |
| Distance to nearest water well within one-mile | o of pit | Depth to shallo Source of information in the control of the contro | CC WICHIT West fresh water &.3feet. mation: ured well owner electric log KDWR over and Haul-Off Pita ONLY: al utilized in drilling/workover: Fresh |
| Distance to nearest water well within one-mile | of pit | Depth to shallo Source of information in the control of information in the control of the contro | CC WICHI West fresh water |
| Distance to nearest water well within one-mile 466 feet Depth of water well Emergency, Settling and Burn Pits ONLY: Producing Formation: Number of producing wells on lease: Barrels of fluid produced daily: | o of pit 55_foot | Depth to shallo Source of information in the control of information in the control of the contro | CC WICHIT West fresh water &.3feet. mation: ured well owner electric log KDWR over and Haul-Off Pita ONLY: al utilized in drilling/workover: Fresh |
| Distance to nearest water well within one-mile | o of pit 55_foot | Depth to shalk Source of informess. Drilling, Work Type of material Number of work Abandonment | KCC WICHIT west fresh water |
| Distance to nearest water well within one-mile 460 feet Depth of water well 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 | o of pit 55_feet i spilled fluids to | Depth to shalk Source of informers. Drilling, Work Type of material Number of work Abandonment. Drilli pits must | KCC WICHIT west fresh water |
| Distance to nearest water well within one-mile | e of pit 55_feet I spilled fluids to ements are true and | Depth to shalk Source of informess. Drilling, Work Type of material Number of work Abandonment. Drill pits must correct to the best correct to the best and the correct to the corre | KCC WICHIT west fresh water |
| Distance to nearest water well within one-mile | e of pit 55_feet I spilled fluids to ements are true and | Depth to shalk Source of informess. Drilling, Work Type of material Number of work Abandonment. Drill pits must correct to the best correct to the best and the correct to the corre | KCC WICHIT west fresh water &3feet. mation: ared well owner electric log KDWR over and Haul-Off Pita ONLY: all utilized in drilling/workover: Fresh rking pits to be utilized: 3 procedure: Evaporate then backfill. be closed within 365 days of spud date. at of my knowledge and belief. G. Matth. Signature of Applicant or Agent |

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

December 9, 2010

Griffin Management, LLC 901 Holmes St Kiowa, KS 67070

RE:

Drilling Pit Application Morgan Lease Well No. 1 SW/4 Sec. 04-34S-09W Harper County, Kansas

Dear Sir or Madam:

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

District staff has instructed that no earthen pits are to be used at the location. Steel pits are to be used. Please inform the Commission in writing as to which disposal well you will utilize to dispose of the contents in the steel pits and the amount of fluid that will be disposed. If a hauloff pit is necessary please file, form CDP-1, Application for Surface Pit. This location will have to be inspected prior to approval of the haul-off pit application.

If fluids are taken to an authorized disposal well, please call the District Office at (316) 630-4000. 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.

Sincerely,

Kathy Haynes

Environmental Protection and Remediation Department

Cc: File

Kansas Corporation Commission Oil & Gas Conservation Division

HAUL-OFF PIT APPLICATION FILING REQUIREMENTS

| 82-3-607. | | DISPOSAL OF DIKE AND PIT CONTENTS. |
|-----------|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (a) | | Each operator shall perform one of the following when disposing of dike or pit contents: |
| | (1) | Remove the liquid contents to a disposal well or other oil and gas operation approved by the commission or to road maintenance or construction locations approved by the department; |
| | (2) | dispose of reserve pit waste down the annular space of a well completed according to the alternate I requirements of K.A.R. 82-3-106, if the waste to be disposed of was generated during the drilling and completion of the well; or |
| | (3) | dispose of the remaining solid contents in any manner required by the commission. The requirements may include any of the following: |
| | | (A) Burial in place, in accordance with the grading and restoration requirements in K.A.R. 82-3-602 (f); |
| | | (B) removal and placement of the contents in an on-site disposal area approved by the commission; |
| | | (C) removal and placement of the contents in an off-site disposal area on acreage owned by the same landowner or to another producing lease or unit operated by the same operator, if prior written permission from the landowner has been obtained; or |
| | | (D) removal of the contents to a permitted off-site disposal area approved by the department. |
| (b) | | Each violation of this regulation shall be punishable by the following: |
| | (1) (2) (3) | A \$1,000 penalty for the first violation; a \$2,500 penalty for the second violation; and a \$5,000 penalty and an operator license review for the third violation. |
| Comple | ete a | and return with Haul-Off Pit Application, Form CDP1(2004) |
| Haul-off | pit | will be located in an on-site disposal area: Yes No |
| □Yes | | is located in an off-site disposal area on acreage owned by the same landowner: No If yes, written permission from the land owner must be obtained. Attach written to haul-off pit application. |
| same of | oera | is located in an off-site disposal area on another producing lease or unit operated by the stor: Yes No If yes, written permission from the land owner must be obtained. Attach and a copy of the lease assignment that covers the acreage where the haul-off pit is to be |

located, to the haul-off pit application.