For KCC Use: 1-25-2011 Effective Date: District # Yes No SGA?

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

| Form KS | SONA-1, Certification | on of Compli | ance with the Kansa | e (a) days prior to commencing well s Surface Owner Notification Act, MUST be submitted with this form. | |
|--|---|----------------|---------------------------------------|---|-------------|
| Expected Spud Date: | 02 | 1, | 2011 | Spot Description: | |
| | month | day | year | N/2 - Se - Ne - Se Sec. 13 Twp. 22 S. R. 34 E | ⊠w |
| OPERATOR: License# | 5210 V | | | (Qroro/o) 1,800 feet from N / X S Line of S | انسنا |
| Name: Lebsack Oil Produ | etion | | | 330 feet from X E / W Line of S | |
| Address 1: P.O. Box 489 | | | | Is SECTION: Regular Irregular? | octon |
| Address 2: | | | · · · · · · · · · · · · · · · · · · · | | |
| | State: _K | S Zio 6 | 7601 + | (Note: Locate well on the Section Plat on reverse side) | |
| Contact Person: Wayne L | _ebsack | | | County: Finney | |
| Phone: 620-938-2396 | | | | Lease Name: Barlow Well #: 1 | |
| | ± 33793 ✓ | | | Field Name: West ext. Damme | |
| CONTRACTOR: Licenses Name: H2 Drilling LLC | 4 | | | Is this a Prorated / Spaced Field? | ∑ No |
| Name, | | | 7 | Target Formation(s): Maraton-Mississippian | |
| Well Drilled For: | Well Class: | Тур | e Equipment: | Nearest Lease or unit boundary line (in footage): 330 | |
| X oil | Rec Infield | - 一区 | Mud Rotary | Ground Surface Elevation: 29/2 / 2908.4 pm 0per fee | t MSL |
| Gas Stora | | | Air Rotary | Water well within one-quarter mile: | |
| Dispo | | | Cable | Public water supply well within one mile: | No |
| Seismic ;# | انسنا | · - | | Depth to bottom of fresh water: 180 | |
| Other: | | | | Depth to bottom of usable water: 1000 | |
| | | | | Surface Pipe by Alternate: | D $^-$ |
| If OWWO: old well | l information as folk | ws: | | Length of Surface Pipe Planned to be set: 400 | |
| Operator: | | | | Length of Conductor Pipe (if any): JAN 2 0 2 | J11 |
| Well Name: | | | | Projected Total Depth: 5000 | |
| Original Completion D | late: | Original Total | Denth: | Formation at Total Depth: St. Louis KCC WICH | TA |
| Original Completion D | ate. | Original lotal | , Depui | Water Source for Drilling Operations: | 1/1 |
| Directional, Deviated or Ho | orizontal wellbore? | | Yes X No | Well Farm Pond Other: Trucked Water | |
| If Yes, true vertical depth: | | | | <u> </u> | |
| Bottom Hole Location: | | | | DWR Permit #:(Note: Apply for Permit with DWR | |
| KCC DKT #: | | | | | |
| | | | | Will Cores be taken? | XIN0 |
| 2 | | | ำ | If Yes, proposed zone: | |
| PRORATED & S | DACEO: HUI | -OTOW-1 | ANDMA AF | FIDAVIT | |
| | | | | ugging of this well will comply with K.S.A. 55 et. seq. | |
| It is agreed that the follow | | | | agging or the new compty man more at soot. | |
| <u>.</u> | , | | | | |
| Notify the appropri | | | | to della media. | |
| 2. A copy of the appro | | | | | |
| | | | | t by circulating cement to the top; in all cases surface pipe shall be set be underlying formation. | |
| | | | | strict office on plug length and placement is necessary <i>prior to plugging</i> ; | |
| 5. The appropriate di | strict office will be | notified befo | re well is either plua | ged or production casing is cemented in; | |
| | | | | ed from below any usable water to surface within 120 DAYS of spud date. | |
| Or pursuant to App | oendix "B" - Easter | n Kansas su | ırface casing order# | 133,891-C, which applies to the KCC District 3 area, alternate II cementing | |
| must be completed | d within 30 days of | the spud da | ite or the well shall b | e plugged. In all cases, NOTIFY district office prior to any cementing. | |
| I hereby certify that the si | tatements made h | erein are tru | e and to the best of | my knowledge and belief. | |
| | | | | 2011 | |
| Date: 1-19-20 | LL Signature of | f Operator o | r Agent: | Title: Agent | |
| f | | | | Remember to: | |
| For KCC Use ONLY | _ | _ | _ | | 1 - |
| API#15-055- | -22098 | 7-00- | \sim $ $ | File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill; | 2 |
| / | Non | _ | | - File Drill Pit Application (form CDP-1) with Intent to Drill; | |
| Conductor pipe required . | , | | eet | - File Completion Form ACO-1 within 120 days of spud date; | |
| Minimum surface pipe red | 901100 | XO feet | per ALT. 🔲 I 🛂 🛭 | - File acreage attribution plat according to field proration orders; | 1 |
| Approved by: Put | 1-20-2011 | | | Notify appropriate district office 48 hours prior to workover or re-entry; | 1 |
| This authorization expires | 1-22-6 | 20/2 | | - Submit plugging report (CP-4) after plugging is completed (within 60 days); | 4 |
| (This authorization expires | -· | | of approval date) | Obtain written approval before disposing or injecting salt water. | + |
| 1 | Started With | | o. approval date.) | - If well will not be drilled or permit has expired (See: authorized expiration date) | , , |
| Soud date: | Anent. | | | please check the box below and return to the address below. | ` L_ |
| Spud date: | Agent: | | | Well will not be drilled or Permit Expired Date: | <u></u> |
| | 1 | | | Signature of Operator or Agent: | Ž |
| | KCC - Conserva | | • | - G | ٤ |
| 130 S. Market | Room 2078, Wid | znita, Kansa | IS 67202 | | |

For KCC Use ONLY
API # 15 - 055 - 22092-000

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

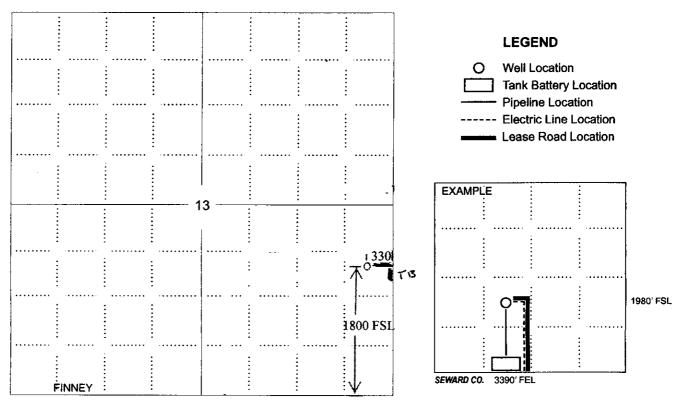
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

| Operator: Lebsack Oil Production | Location of Well: County: Finney |
|---------------------------------------|--|
| Lease: Barlow | |
| Well Number: 1 | 1,800 feet from N / X S Line of Section 330 feet from X E / W Line of Section |
| Field: West ext. Damme | Sec. 13 Twp. 22 S. R. 34 E W |
| Number of Acres attributable to well: | 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.



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

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.
- 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).
- 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.

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) | 1 (Cathodic Protection Borehole Intent) | T-1 (Transfer) | CP-1 (Plugging Application) | |
|---|---|------------------------------------|-----------------------------------|--|
| OPERATOR: License # 5210 Name: Lebsack Oil Production Address 1: P.O. Box 489 | Well Location: N/2 Se Ne Se Sec. | 13 _{Twp.} 22 _S | . R. 34 Eas XWest | |
| Address 1. P.O. Box 489 | | | | |
| Address 3: | Lease Name: Barlow | | Well #: 1 | |
| City: Hays State: KS Zip: 67601 + | If filing a Form T.1 for multi | | e, enter the legal description of | |
| Contact Person. Wayne Lebsack | the lease below: | pie weiis on a teas | s, enter the legal description of | |
| Contact Person: Wayne Lebsack Phone: (620) 938-2396 Fax: (620) 938-2223 Email Address: NA | - | | | |
| Surface Owner Information: Name: _James B and Melva Barlow | When filing a Form T-1 invo | olving multiple surfa | ce owners, attach an additional | |
| Address 1: 213 1st Ave | 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 esta | | | |
| City: Inman State: KS Zip: 67546 + | _ | | | |
| Select one of the following: I certify that, pursuant to the Kansas Surface Owner Notice | Act (House Bill 2032). I have | provided the foll | owing to the surface | |
| 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 | e located: 1) a copy of the Form being filed is a Form C-1 or I | m C-1, Form CB- | 1, Form T-1, or Form | |
| 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 handli | owner(s). To mitigate the add | tional cost of the | KCC performing this | |
| 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 C | | e is not received v | vith this form, the KSONA-1 | |
| I hereby certify that the statements made herein are true and correct | to the best of my knowledge a | | | |
| Date: 1-18-2011 Signature of Operator or Agent: | XUIV | _{Title:} <u>Agent</u> | RECEIVED | |
| | | | JAN 2 0 2011 | |
| | | | KCC WICHITA | |

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

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: Lebsack Oil Production | on | License Number: 5210 | | | | | |
|---|--------------------------------|---|--|--|--|--|--|
| Operator Address: P.O. Box 489 | | Hays KS 67601 | | | | | |
| Contact Person: Wayne Lebsack | | | Phone Number: 620-938-2396 | | | | |
| Lease Name & Well No.: Barlow | 1 | | Pit Location (QQQQ): | | | | |
| Type of Pit: | Pit is: | | <u>N/2</u> _ <u>SE</u> _ <u>NE</u> _ <u>SE</u> | | | | |
| Emergency Pit Burn Pit | X Proposed Existing | | Sec13Twp22R34 East 💢 West | | | | |
| Settling Pit X Drilling Pit | If Existing, date constructed: | | 1,800 Feet from North / X South Line of Section | | | | |
| Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) | Pit capacity: | | | | | | |
| | 1,000 (bbls) | | <u>Finney</u> County | | | | |
| Is the pit located in a Sensitive Ground Water Area? Yes 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? Native Clay | | | | |
| Pit dimensions (all but working pits): | DO Length (fee | et)80 | Width (feet) N/A: Steel Pits | | | | |
| Depth fro | om ground level to dea | epest point: | 3 (feet) No Pit | | | | |
| If the pit is lined give a brief description of the li material, thickness and installation procedure. | ner | Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. | | | | | |
| , | | RECEIVED | | | | | |
| | | JAN 2 0 2011 | | | | | |
| | • | KCC WICHITA | | | | | |
| Distance to nearest water well within one-mile | of pit: | Depth to shallowest fresh water 138 feet. Source of information: | | | | | |
| Appr 1800 feet Depth of water well | 168 feet | measured well owner electric log KDWR | | | | | |
| Emergency, Settling and Burn Pits ONLY: | | Drilling, Workover and Haul-Off Pits ONLY: | | | | | |
| Producing Formation: | | Type of material utilized in drilling/workover: Drlg mud | | | | | |
| Number of producing wells on lease: | | Number of working pits to be utilized: | | | | | |
| Barrels of fluid produced daily: | | Abandonment procedure: Air dry + backfill | | | | | |
| Does the slope from the tank battery allow all s flow into the pit? Yes No | pilled fluids to | 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. | | | | | | | |
| /-/9-2011 Date | | Signature of Applicant or Agent | | | | | |
| Signature of Applicant of Agent | | | | | | | |
| KCC OFFICE USE ONLY Liner Steel Pit RFAC RFAS | | | | | | | |
| Date Received: 1-20-11 Permit Num | ber: | Permi | it Date: 1-20-/1 Lease Inspection: Yes X No | | | | |