KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CP-1
March 2010
This Form must be Typed
Form must be Signed
All blanks must be Filled

WELL PLUGGING APPLICATION

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

| OPERATOR: License #: 6988 | | API No. 15 - 159-21,991-00-00 | |
|--|---|--|---------------------|
| Name: SMITH OIL OPERATIONS | | If pre 1967, supply original completion date: | |
| Address 1: PO BOX 550 | | Spot Description: 100' SOUTH OF CENTER OF | |
| Address 2: | | <u>SW_NW_NE</u> Sec. <u>11</u> Twp. <u>18</u> S. R. <u>8</u> | _ ☐ East 🗹 West |
| City: HUTCHINSON State: KS Zip: 67504 + 0550 | | 1,090 Feet from North / South Line of Section | |
| Contact Person: DALE R. OHL | | | est Line of Section |
| Phone: (620) 663-6622 | | Footages Calculated from Nearest Outside Section C | Corner: |
| Phone. (See) | | V NE NW SE SW County: RICE | |
| | | Lease Name: ROSS 'B' Well #: | 1 |
| | | Ecase Name | |
| Check One: ✓ Oil Well Gas Well OG | D&A Cathodic | Water Supply Well Other: | |
| SWD Permit#: | ENHR Permit #: | Gas Storage Permit #: | |
| Conductor Casing Size: | _ Set at: | Cemented with: | Sacks |
| Surface Casing Size: 10 3/4" | Set at:219 | Cemented with: 130 | Sacks |
| Production Casing Size: | Set at: <u>3247</u> | Cemented with: 100 | Sacks |
| List (ALL) Perforations and Bridge Plug Sets: | | | |
| OPEN HOLE - 3247 - 3250 | | | |
| | | | |
| Elevation: 1770 (G.L. / K.B.) T.D.: 3250 | PBTD: <u>3250</u> An | | <u>.</u> |
| Condition of Well: Good Poor Junk in Hole | Casing Leak at: | (Stone Corral Formation) | |
| Proposed Method of Plugging (attach a separate page if additi | (In | iterval) | |
| Will plug well according to the rules a | | State of Kansas | DECEN |
| The property of the property o | 3 | | RECEIVED |
| | L A00 4 51-40 7 | ¬ | FEB 02 2011 |
| | Is ACO-1 filed? Yes | No | |
| If ACO-1 not filed, explain why: N/A | | | KCC WICHITA |
| N/A | | | |
| Plugging of this Well will be done in accordance with K. | S.A. 55-101 <u>et, seq</u> . and the Rule | es and Regulations of the State Corporation Commiss | ion |
| Company Representative authorized to supervise plugging of | operations: DALE R. OHL | | |
| | | HUTCHINSON State: KS Zip: 67504 | + 0550 |
| Phone: (620) 663-6622 | | | |
| | | MIKE'S TESTING & SALVAGE, INC | • |
| DO DOV 467 | Addre | ss 2: | |
| City: CHASE | | State: KS Zip: 67524 | + _0467 |
| Phone: (<u>620</u>) <u>938-2943</u> | | | |
| Proposed Date of Plugging (if known): ASAP AFTE | R RECEIVING APPROV | AL. | |
| | | <u> </u> | |
| Payment of the Plugging Fee (K.A.R. 82-3-118) will be gu | Jaranteed by Operator or Agent | (ILCR DIL | |
| Date: 01/31/2011 Authorized Operator / Age | nt: ———————————————————————————————————— | (Signature) | |
| | | (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 # 6988 | Well Location: | | |
| OPERATOR: License # 6988 Name: SMITH OIL OPERATIONS | SW_NW_NE Sec. 11 Twp. 18 S. R. 8 East West | | |
| Address 1: PO BOX 550 | | | |
| Address 2: | County: RICE Lease Name: ROSS 'B' Well #: 1 | | |
| City: HUTCHINSON State: KS Zip: 67504 + 0550 | If filing a Form T-1 for multiple wells on a lease, enter the legal description of | | |
| Contact Person: DALE R. OHL | the lease below: | | |
| Phone: (620) 663-6622 Fax: (620) 663-1771 | | | |
| Email Address: dale@smithacctg.com | | | |
| Surface Owner Information: Name: BERT F. ROSS JR. Address 1: 7500 W. FORDSON DR. 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. | | |
| If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. | | | |
| Select one of the following: I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address. | | | |
| ☐ I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form. | | | |
| If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned. | | | |
| I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief. Pate: 01/31/2011 Signature of Operator or Agent: 110 CONTROLLER Title: CONTROLLER FEB 0 2 2011 | | | |

KCC WICHITA



Sam Brownback, Governor, Thomas E. Wright, Chairman Ward Loyd, Commissioner

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

SMITH, RICHARD E. DBA SMITH OIL OPERATIONS 327 W 4TH PO BOX 550 HUTCHINSON, KS 67501-4842 February 03, 2011

Re: ROSS B TWIN #1

API 15-159-21991-00-00

11-18S-8W, 4218 FSL 2439 FEL

RICE COUNTY, KANSAS

Dear Operator:

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.

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. 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 August 2, 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,

Steve Bond

Stue Bond

Production Department Supervisor

District: #2

3450 N. Rock Road, Suite 601

Wichita, KS 67226 (316) 630-4000