

For KCC Use: 5-8-2011  
 Effective Date: 3  
 District #: 3  
 SGA?  Yes  No

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

Must be approved by KCC five (5) days prior to commencing well  
 Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

Expected Spud Date: May / June 2011  
 month day year

OPERATOR: License# 30661  
 Name: Jay Leedy L & B Crude, Inc.  
 Address 1: 402 W. 7th  
 Address 2: \_\_\_\_\_  
 City: Neosho Falls State: KS Zip: 66758 + \_\_\_\_\_  
 Contact Person: Jay Leedy - Mark Leedy  
 Phone: 620-963-7303 620-490-0034

CONTRACTOR: License# Must be licensed by KCC  
 Name: Unknown Advise on ACO-1

Well Drilled For:  Oil  Gas  
 Enh Rec  Storage  Disposal  
 Seismic; # of Holes \_\_\_\_\_  
 Other: \_\_\_\_\_

Well Class:  Infield  Pool Ext.  Wildcat  Other  
 Type Equipment:  Mud Rotary  Air Rotary  Cable

If OWWO: old well information as follows:  
 Operator: \_\_\_\_\_  
 Well Name: \_\_\_\_\_  
 Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Directional, Deviated or Horizontal wellbore?  Yes  No  
 If Yes, true vertical depth: \_\_\_\_\_  
 Bottom Hole Location: \_\_\_\_\_  
 KCC DKT #: \_\_\_\_\_

Spot Description: North of river  
SE - NE - NE - NE Sec. 25 Twp. 23 S. R. 16  E  W  
 (010000) 4,890 feet from  N /  S Line of Section  
75 feet from  E /  W Line of Section

Is SECTION:  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Woodson  
 Lease Name: Entz Well #: 23

Field Name: Leroy/Neosho Falls - Neosho Falls - Leroy  
 Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): Squirrel

Nearest Lease or unit boundary line (in footage): Coen Energy 165' min

Ground Surface Elevation: Est 976 feet MSL

Water well within one-quarter mile:  Yes  No

Public water supply well within one mile:  Yes  No

Depth to bottom of fresh water: 20ft

Depth to bottom of usable water: 20ft 150

Surface Pipe by Alternate:  I  II

Length of Surface Pipe Planned to be set: 40ft

Length of Conductor Pipe (if any): 900ft

Projected Total Depth: 940ft

Formation at Total Depth: Squirrel

Water Source for Drilling Operations:  Well  Farm Pond  Other: creek

DWR Permit #: \_\_\_\_\_

(Note: Apply for Permit with DWR )

Will Cores be taken?  Yes  No

If Yes, proposed zone: Squirrel

Lease map attached.

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.  
 It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office prior to spudding of well;
2. A copy of the approved notice of intent to drill shall be posted on each drilling rig;
3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 DAYS of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. In all cases, NOTIFY district office prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 7-20-11 Signature of Operator or Agent: Jay Leedy Title: President

For KCC Use ONLY  
 API # 15 - 207-27849-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 40 feet per ALT.  I  II  
 Approved by: RMS-23-2011  
 This authorization expires: 5-23-2012  
 (This authorization void if drilling not started within 12 months of approval date.)  
 Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

Remember to:

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
- 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 60 days);
- Obtain written approval before disposing or injecting salt water.
- 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.

Well will not be drilled or Permit Expired Date: \_\_\_\_\_  
 Signature of Operator or Agent: \_\_\_\_\_

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

25  
 23  
 16  
 E  W

For KCC Use ONLY

API # 15 - 207-27849-0000

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: Jay Leedy
Lease: Entz
Well Number: 23
Field: Leroy/Neosho Falls

Location of Well: County: Woodson
4,890 feet from N / S Line of Section
75 feet from E / W Line of Section
Sec. 25 Twp. 23 S. R. 16 E W

Number of Acres attributable to well:
QTR/QTR/QTR/QTR of acreage: - NE - NE - NE

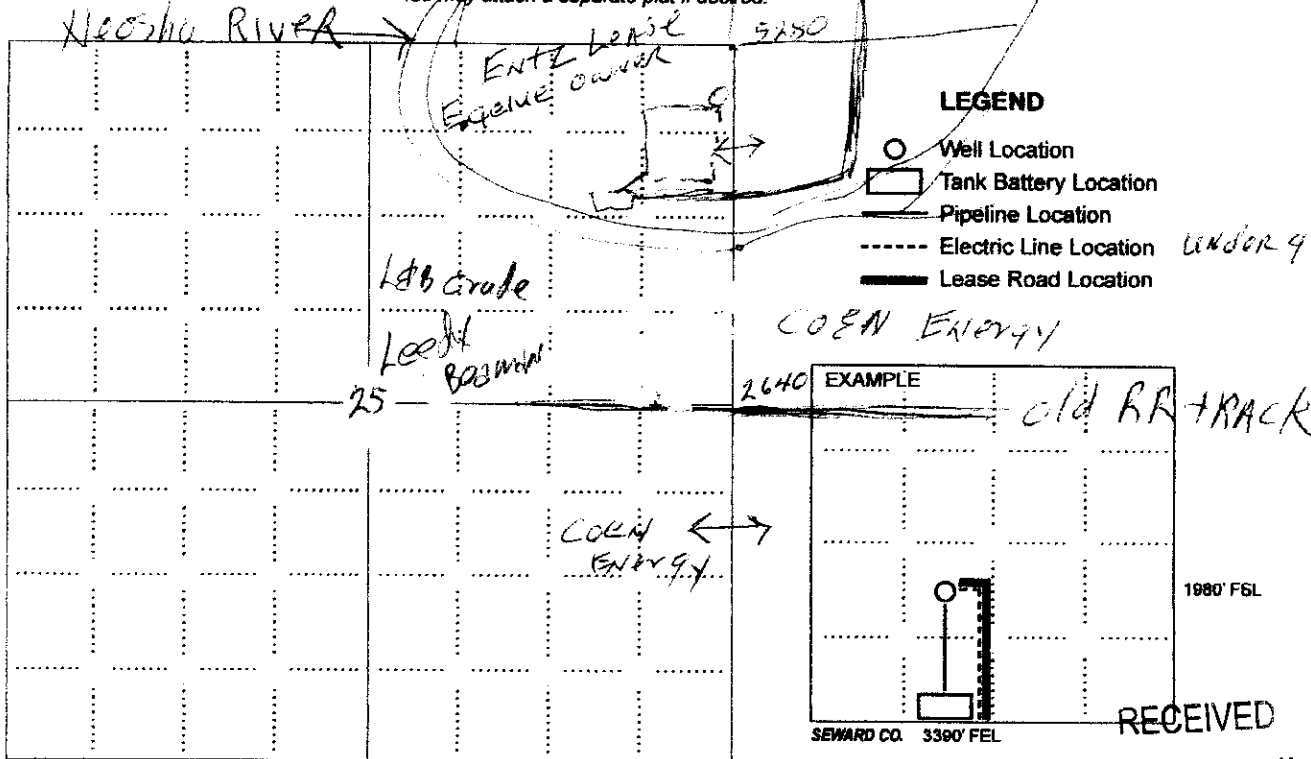
Is Section: [X] Regular or [ ] Irregular

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 location.

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 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: (CO-7 for oil wells; CG-8 for gas wells).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

RECEIVED APR 22 2011

KCC WICHITA

ELMER GLEUE  
LAND OWNER

ENTZ LEASE

U14

20TH

ELMER GLEUE  
215TH

GLEUE  
VIOLET

VALLEY

EDWARD CROTTS

WAYNE BOLEN

DOUGLAS BADER

MURRAY

DOUGLAS GLEUE

ELMER GUATNEY

GLEUE

GLEUE

GARBERTSON

THOMAS, RALPH

LONNIE BEDWELL

CHARLES WHITELEY

ROBERT BADER

DYLAN EVANS

EVANS

DOUGLAS GLEUE

ULA SHOCKLEY

HAYS

G GLEUE

15-207-27849-0000  
RECEIVED  
APR 22 2011  
KCC MICHITA

BETTY LOVETT

ENTZ LEASE

GLEUE

TIDD  
D GLEUE

JERRY MURRAY

GLAY YOHO

DOUGLAS GLEUE

DOUGLAS GLEUE

D. C. BEAMAN

TIDD

BRUNER

GERMAN

EVANS, M. J

RICHARD GARBERTSON

CARLY FLORES

MARGARET GUATNEY

ELMER GUATNEY

DOUGLAS GLEUE

BILL FREEMAN

GEORGE

200TH

REGINA LAYMON

LAYMON

ALICE BROCKHOUSE

DARYL HESLOP

BRODMERKLE

URSINE

NEWTON BLAKE

OSWALT

SULLIVAN

TIM YOHO

LAYMON, LLC

ROSALIE SULLIVAN

LAYMON

ROBERT RILEY

RILEY

CARLY FLORES

THELMA BEDENBENDER

WEILAND

GERMAN

FITZPATRICK

KEE FARMS

HAEN

LAIR

JOHN SPECHT

WILMA HAEN

GREGORY LAIR

KENNETH

ILMA HAEN

AROLYN GOWN

KEE

SHEPARD

N3

DALE

15-207-27849-00-00

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 # 30661  
Name: Jay Leedy  
Address 1: 402 W. 7th  
Address 2: \_\_\_\_\_  
City: Neosho Falls State: KS Zip: 66758 + \_\_\_\_\_  
Contact Person: Jay Leedy  
Phone: (620) 963-7303 Fax: (\_\_\_\_) \_\_\_\_\_  
Email Address: \_\_\_\_\_

Well Location:  
NE NE NE Sec. 25 Twp. 23 S. R. 16  East  West  
County: Woodson  
Lease Name: Entz Well #: 23

*If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:*

**Surface Owner Information:**

Name: Elmer Gleue  
Address 1: 2006 Hwy 58 SE  
Address 2: \_\_\_\_\_  
City: Leroy State: KS Zip: 66857 + \_\_\_\_\_

*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.

Date: 4-20-2011 Signature of Operator or Agent: Jay E Leedy Title: President

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APR 22 2011  
KCC WICHITA



Conservation Division  
Finney State Office Building  
130 S. Market, Rm. 2078  
Wichita, KS 67202-3802



phone: 316-337-6200  
fax: 316-337-6211  
<http://kcc.ks.gov/>

Thomas E. Wright, Chairman  
Ward Loyd, Commissioner

Sam Brownback, Governor

April 22, 2011

Jay Leedy  
402 W. 7<sup>th</sup>  
Neosho Falls, KS 66758

RE: Drilling Pit Application  
Leedy Lease Well No. 23  
NE/4 Sec. 25-23S-16E  
Woodson County, Kansas

Dear Sir or Madam:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, 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 immediately 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 (620) 432-2300 when the fluids have been removed. Please file form CDP-5 (August 2004), 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](http://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 the undersigned at the above address.

Sincerely,

A handwritten signature in cursive script that reads "Kathy Haynes".

Kathy Haynes  
Environmental Protection and Remediation Department

cc: File