

CORRECTED

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For KCC Use: 5-28-2011
Effective Date: 4
District #: 4
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: June 4, 2011
month day year

OPERATOR: License# 5249
Name: Osborn Heins Company
Address 1: P.O. Box 17968
Address 2: _____
City: San Antonio State: TX Zip: 78217 + _____
Contact Person: Gary Cunningham
Phone: (210) 826-0700

* CONTRACTOR: License# 31548
Name: Discovery Drilling

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 #: 11-CON-055-CWLE

* WAS: Contractor TBO
IS: 31548 Discovery Drilling

Spot Description: _____
NW - SW - SE - NE Sec. 11 Twp. 18 S. R. 12 ☐ E ☒ W
(00000) 2,160 feet from ☒ N / ☐ S Line of Section
1,250 feet from ☒ E / ☐ W Line of Section
Is SECTION: ☒ Regular ☐ Irregular?

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

County: Barton
Lease Name: Kinzel Well #: 12
Field Name: Kinzel

Is this a Prorated / Spaced Field? ☐ Yes ☒ No
Target Formation(s): Lansing/Arbuckle

* Nearest Lease or unit boundary line (in footage): 70 ft

Ground Surface Elevation: 1806 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: 180 ft

Depth to bottom of usable water: 280 ft

Surface Pipe by Alternate: ☒ I ☐ II

Length of Surface Pipe Planned to be set: 350 ft

Length of Conductor Pipe (if any): N/A

Projected Total Depth: 3,500 ft

Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:

☐ Well ☐ Farm Pond ☒ Other: hauling

DWR Permit #: _____

(Note: Apply for Permit with DWR ☒)

Will Cores be taken? ☐ Yes ☒ No

If Yes, proposed zone: _____

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: June 2, 2011 Signature of Operator or Agent: Gary D. Cunningham Title: Operations Manager

For KCC Use ONLY
API # 15 - 009-25564-00-00
Conductor pipe required None feet
Minimum surface pipe required 280 feet per ALT. ☒ I ☐ II
Approved by: Paul 5-23-2011 / Paul 6-2-2011
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

11
18
12
☐
☒

For KCC Use ONLY

API # 15 - 00925564000

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: Osborn Heirs Company

Lease: Kinzel

Well Number: 12

Field: Kinzel

Number of Acres attributable to well:

QTR/QTR/QTR/QTR of acreage: NW - SW - SE - NE

Location of Well: County: Barton

2,160

feet from ☒ N / ☐ S Line of Section

1,250

feet from ☒ E / ☐ W Line of Section

Sec. 11

Twp. 18

S. R. 12

☐ E ☒ WIs Section: ☒ Regular or ☐ Irregular

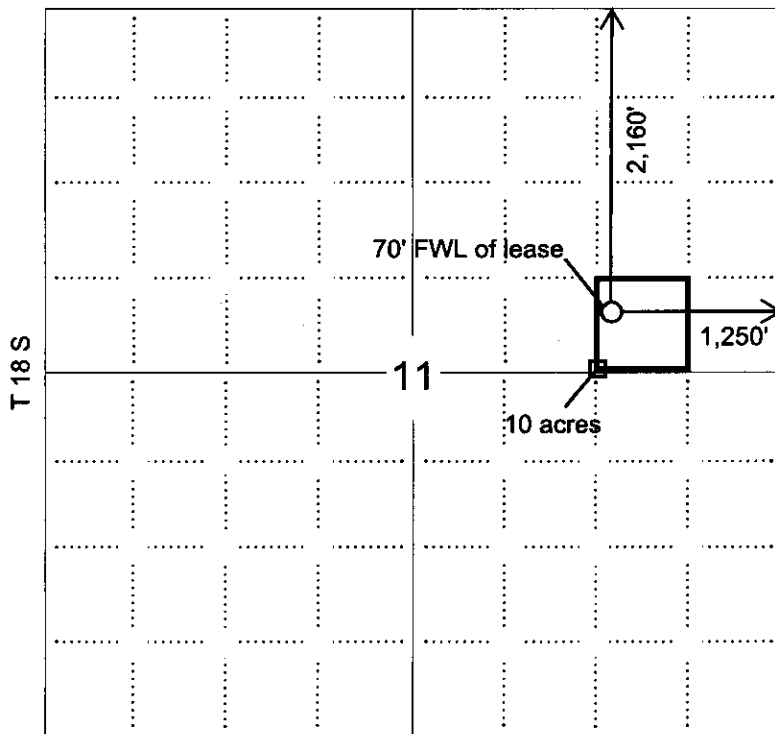
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: ☐ NE ☐ NW ☐ SE ☐ SW**CORRECTED****PLAT**

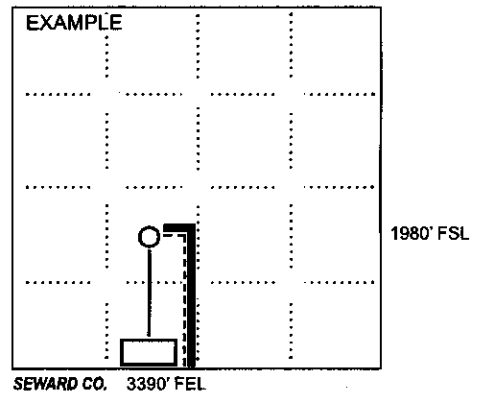
Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).

You may attach a separate plat if desired.

R 12 W

**LEGEND**

- ☐ Well Location
- ☐ Tank Battery Location
- ☐ Pipeline Location
- ☐ Electric Line Location
- ☐ Lease Road Location

**NOTE: In all cases locate the spot of the proposed drilling location.****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.
- The distance of the proposed drilling location from the south / north and east / west outside section lines.
- 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: (CO-7 for oil wells; CG-8 for gas wells).
- The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

CORRECTEDKANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISIONForm CDP-1
May 2010
Form must be Typed**APPLICATION FOR SURFACE PIT**

Submit in Duplicate

Operator Name: Osborn Heirs Company		License Number: 5249	
Operator Address: P.O. Box 17968		San Antonio TX 78217	
Contact Person: Gary Cunningham		Phone Number: (210) 826-0700	
Lease Name & Well No.: Kinzel 12		Pit Location (QQQQ): NW SW SE NE Sec. 11 Twp. 18 R. 12 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 2,170 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 1,210 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Barton County	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: Pit capacity: 4,300 (bbls)		
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l (For Emergency Pits and Settling Pits only)	
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	How is the pit lined if a plastic liner is not used? bentonite clay in drilling fluid	
Pit dimensions (all but working pits): 80 Length (feet) 100 Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: 3 (feet) <input type="checkbox"/> No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit: 1240 feet Depth of water well 200 feet		Depth to shallowest fresh water 100 feet. Source of information: <input type="checkbox"/> measured <input checked="" type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
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 spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: fresh water drilling mud Number of working pits to be utilized: 3 Abandonment procedure: remove fluids and backfill. 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. June 2, 2011 Date Gary D. Cunningham Signature of Applicant or Agent			

15009-25564-0000

KCC OFFICE USE ONLY

☐ Liner ☐ Steel Pit ☒ RFAC ☐ RFASDate Received: 6-3-11 Permit Number: _____ Permit Date: 6-3-11 Lease Inspection: ☒ Yes ☐ No

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

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/>

Mark Sievers, Chairman
Ward Loyd, Commissioner
Thomas E. Wright, Commissioner

Sam Brownback, Governor

June 3, 2011

Osborn Heirs Company
PO Box 17968
San Antonio, TX 78217

RE: Drilling Pit Application
Kinzel Lease Well No. 12
NE/4 Sec. 11-18S-12W
Barton 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 after drilling operations have ceased. **Keep pits away from any drainage.**

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 (785) 625-0550 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.

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.

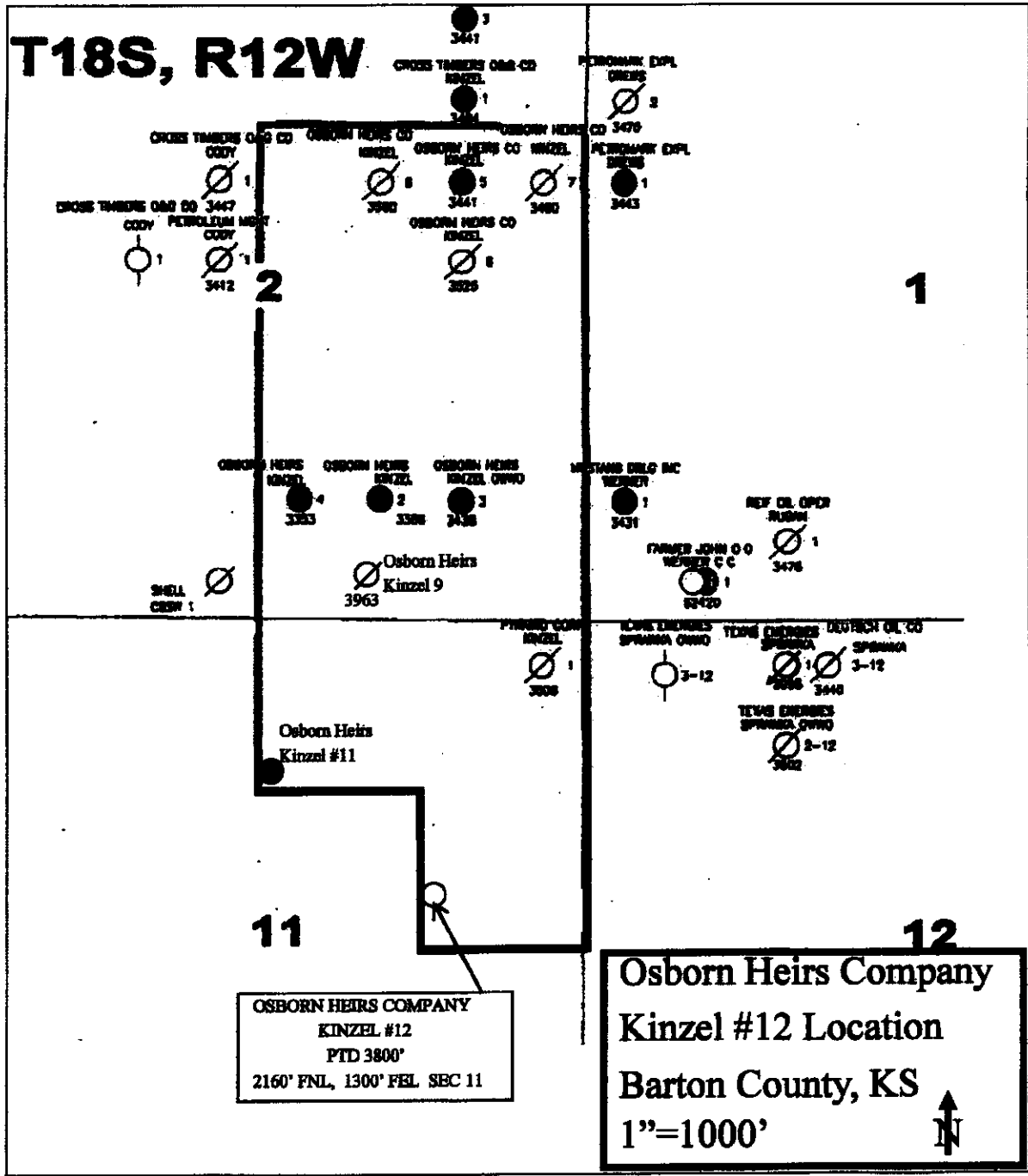
Sincerely,

Kathy Haynes
Environmental Protection and Remediation Department

cc: district

15009-25564-0000

T18S, R12W



CORRECTED

Knizel #12
loc
plat(before
surveyors)

OSBORN HEIRS COMPANY
KINZEL #12
PTD 3800'
2160' FNL, 1300' FEL SEC 11

Osborn Heirs Company
Kinzel #12 Location
Barton County, KS
1"=1000'



