| For KCC Use: | 10-24-2011 |
|-------------------|------------|
| Effective Date: _ | 1007001 |
| District # | <u> </u> |
| SGA2 TVes | X 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

| SGA? Yes XNo | NOTICE OF | INTENT TO DRILL | Form must be Signed All blanks must be Filled |
|---|--|--|---|
| Form KSON | Must be approved by KCC. A-1, Certification of Compliance with the Kan: | five (5) days prior to commencing well sas Surface Owner Notification Act, MUST be submitted with | |
| Expected Spud Date: | October 18, 2011 | Spot Description: | |
| | month day year | SW NE - NE - NW Sec. 14 Twp. 14 | |
| OPERATOR: License# | 34592 — | (Q/Q/Q/Q) 4.675 Sec. 1Wp. 14 | _S. R. <u>22</u> [X]E W |
| lame: Kansas Resource Exp | loration & Development, LLC | 4,675 feet from 3,038 | E / W Line of Section |
| ddress 1: 9393 W. 110th St. | | Is SECTION: Regular Irregular? | = / Line of Section |
| ddress 2: | | | |
| | State: KS Zip: 66210 + | (Note: Locate well on the Section Plat on County: Johnson | reverse side) |
| ontact Person: Brad Kramer hone: (913) 669-2253 | <u> </u> | Lease Name: Knabe D | Weil #: KRI-10 |
| | | Field Name: Gardner | vveil #: |
| ONTRACTOR: License#_8 | | Is this a Prorated / Spaced Field? | Yes XNo |
| ame: Evans Energy Developm | ient, Inc. | Target Formation(s): Cherokee Group | Ties Vivo |
| Well Drilled For: | Well Class: Type Equipment: | Nearest Lease or unit boundary line (in footage): 466 | _ |
| Oil Enh Rec | | Ground Surface Elevation: 1,030 Estimated | feet MSL |
| Gas Storage | Pool Ext. XAir Rotary | Water well within one-quarter mile: | Yes X No |
| Disposal | Wildcat Cable | Public water supply well within one mile: | Yes X No |
| Seismic :# of H | oles Other | Depth to bottom of fresh water: 200 | |
| Other: | | Depth to bottom of usable water: 300 | |
| f OWWO: old well info | ormation as follows: | Surface Pipe by Alternate: | |
| | | Length of Surface Pipe Planned to be set: 20' | |
| Well Name: | | Length of Conductor Pipe (if any): Projected Total Depth: 900' | |
| | Original Total Depth: | Formation at Total Depth: Bartlesville | |
| | - , <u></u> | Water Source for Drilling Operations: | |
| irectional, Deviated or Horizon | | | |
| Yes, true vertical depth: | | DWR Permit #: | |
| | | (Note: Apply for Permit with DWR | |
| 00 BK1 #. | | Will Cores be taken? | Yes No |
| | | If Yes, proposed zone: | |
| | | FFIDAVIT | ~ |
| | | plugging of this well will comply with K.S.A. 55 et. seq. | RECEIVEL |
| is agreed that the following | minimum requirements will be met: | | 00- · |
| Notify the appropriate of the control of the c | district office prior to spudding of well; | | OCT 17 20 |
| A copy of the approved The minimum amount of | I notice of intent to drill shall be posted on ea | ach drilling rig; | |
| through all unconsolida | ated materials plus a minimum of 20 feet into | ach drilling rig; set by circulating cement to the top; in all cases surface pipe the underlying formation. | shall be KeCC WICHIT |
| | | | or to plugging; |
| itte appropriate district | t office will be notified before well is either plu | igged or production casing is cemented in: | |
| Or pursuant to Append | ix "B" - Eastern Kansas surface casing order | nted from below any usable water to surface within 120 DAY #133,891-C, which applies to the KCC District 3 area, altern | S of spud date. |
| must be completed with | nin 30 days of the spud date or the well shall | be plugged. In all cases, NOTIFY district office prior to a | nv cementing |
| | ments made herein are true and to the best o | | |
| 10 7 11 | | \sim \sim | |
| ate: 10-7-11 | Signature of Operator or Agent: | | |
| For KCC Use ONLY | | Remember to: | |
| 09/- | 23688-00-00 | - File Certification of Compliance with the Kansas Surface | Owner Notification |
| SF1# 10 | | Act (KSONA-1) with Intent to Drill; | 4 |
| Conductor pipe required | None feet | File Drill Pit Application (form CDP-1) with Intent to Drill; File Completion Form ACO-1 within 120 days of spud days | |
| linimum surface pipe required | | File acreage attribution plat according to field proration o | |
| Approved by: | -19-2011 | - Notify appropriate district office 48 hours prior to workove | er or re-entry; |
| his authorization expires: | 10-19-2012 | · - Submit plugging report (CP-4) after plugging is complete | d (within 60 days); |
| This authorization void if drilling | not started within 12 months of approval date.) | - Obtain written approval before disposing or injecting salt | water. |
| anud data: | Anont | If well will not be drilled or permit has expired (See: author please check the box below and return to the address be | rized expiration date) |
| Spud date: | Agent: | Well will not be drilled or Permit Expired Date: | elow. |
| 88 - 11 4 14 A | 0.00 | Signature of Operator or Agent: | |
| | С - Conservation Division, от 2078, Wichita, Kansas 67202 | , | × |

15-091-23688-00-00

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.

| OPERATOR: License # 34592 | Molt Looption | | | |
|---|--|--|--|--|
| Name: Kansas Resource Exploration & Development, LLC | Well Location: SW_NE_NE_NW_Sec. 14Twp. 14_ | c = 22 🔽 - 🗔 | | |
| OPERATOR: License # 34592 Name: Kansas Resource Exploration & Development, LLC Address 1: 9393 W. 110th St., Suite 500 | County: Johnson | S. RNest | | |
| Address 2: | County: Johnson Lease Name: Knabe D | Woll # KRI-10 | | |
| City: Overland Park State: KS Zip: 66210 + | If filing a Form T 1 for multiple wells and a | | | |
| Contact Person: Brad Kramer | If filing a Form T-1 for multiple wells on a le the lease below: | ease, enter the legal description of | | |
| Phone: ((913)) 669-2253 Fax: (913) 451-6750 | - | | | |
| Address 2: | - | | | |
| Surface Owner Information: | | | | |
| Name: Ronald & Susan Rushing | | urface owners, attach an additional | | |
| Address 1: 661 N Pine Cir. | sheet listing all of the information to the lef owner information can be found in the reco | 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 estate property tax re | ecords of the county treasurer. | | |
| City: Gardner State: KS Zip: 66030 + | _ | | | |
| If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cath | hodic Protection Borehole Intent), you must s | supply the surface owners and | | |
| the RCC with a plat showing the predicted locations of lease roads, ta are preliminary non-binding estimates. The locations may be entered Select one of the following: | nk batteries, pipelines, and electrical lines. Ti on the Form C-1 plat, Form CB-1 plat, or a se | he locations shown on the plat eparate plat may be submitted. | | |
| the NCC with a plat snowing the predicted locations of lease roads, ta | ink batteries, pipelines, and electrical lines. The control of the Form C-1 plat, Form CB-1 plat, or a set the Form C-1 plat of the set the control of the Form C-1, Form C on being filed is a Form C-1 or Form CB-1, the | the locations shown on the plat eparate plat may be submitted. following to the surface | | |
| I certify that, pursuant to the Kansas Surface Owner Notice owner(s) of the land upon which the subject well is or will be CP-1 that I am filling in connection with this form; 2) if the form form; and 3) my operator name, address, phone number, fax, I have not provided this information to the surface owner(s). I KCC will be required to send this information to the surface otask, I acknowledge that I am being charged a \$30.00 handling. | Act (House Bill 2032), I have provided the stocated: 1) a copy of the Form C-1, Form C on being filed is a Form C-1 or Form CB-1, the and email address. acknowledge that, because I have not provided the stocated: 0). To mitigate the additional cost of the gree, payable to the KCC, which is enclosed. | the locations shown on the plat eparate plat may be submitted. following to the surface EB-1, Form T-1, or Form e plat(s) required by this ded this information, the ne KCC performing this d with this form. | | |
| I certify that, pursuant to the Kansas Surface Owner Notice 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, I have not provided this information to the surface owner(s). I KCC will be required to send this information to the surface of | Act (House Bill 2032), I have provided the stocated: 1) a copy of the Form C-1, Form C on being filed is a Form C-1 or Form CB-1, the and email address. acknowledge that, because I have not provided the stocated: 0). To mitigate the additional cost of the gree, payable to the KCC, which is enclosed. | the locations shown on the plat eparate plat may be submitted. following to the surface EB-1, Form T-1, or Form e plat(s) required by this ded this information, the ne KCC performing this d with this form. | | |
| I certify that, pursuant to the Kansas Surface Owner Notice 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, I have not provided this information to the surface owner(s). I KCC will be required to send this information to the surface ot task, I acknowledge that I am being charged a \$30.00 handling. | Act (House Bill 2032), I have provided the stocated: 1) a copy of the Form C-1, Form CB being filed is a Form C-1 or Form CB-1, the and email address. acknowledge that, because I have not provided when the provided that is a copy of the form CB-1, the and email address. acknowledge that, because I have not provided by the provided that is acknowledge that is ack | the locations shown on the plat eparate plat may be submitted. following to the surface EB-1, Form T-1, or Form e plat(s) required by this ded this information, the ne KCC performing this d with this form. | | |

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: Kansas Resource Exploration & Development, LLC License Number: 34592 Operator Address: 9393 W. 110th St., Suite 500 Overland Park KS 66210 Contact Person: Brad Kramer Phone Number: (913) 669-2253 Lease Name & Well No.: Knabe D **KRI-10** Pit Location (QQQQ): SW _ NE _ NE _ NW Type of Pit: Pit is: Sec. 14 Twp. 14 R. 22 X East West Emergency Pit Burn Pit ➤ Proposed Existing Settling Pit X Drilling Pit 4,675 If Existing, date constructed: Feet from North / X South Line of Section Workover Pit Haul-Off Pit 3.038 Feet from X East / West Line of Section (If WP Supply API No. or Year Drilled) Pit capacity: 120 Johnson (bbls) County Is the pit located in a Sensitive Ground Water Area? Yes X No Chloride concentration: (For Emergency Pits and Settling Pits only) is the bottom below ground level? Artificial Liner? How is the pit lined if a plastic liner is not used? X Yes No Yes X No Native Clay Pit dimensions (all but working pits): Length (feet) _Width (feet) N/A: Steel Pits Depth from ground level to deepest point: _ (feet) No Pit If the pit is lined give a brief description of the liner Describe procedures for periodic maintenance and determining material, thickness and installation procedure. liner integrity, including any special monitoring. Distance to nearest water well within one-mile of pit: Depth to shallowest fresh water_ Source of information: N/A well owner feet Depth of water well _ measured electric log X KDWR Emergency, Settling and Burn Pits ONLY: Drilling, Workover and Haul-Off Pits ONLY: Drilling Mud Producing Formation:__ Type of material utilized in drilling/workover: Number of producing wells on lease: ____ Number of working pits to be utilized: Air dry and backfill Barrels of fluid produced daily: _ Abandonment procedure:_ Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No 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. 10-7-11 Date Signature of Applicant or Agent KCC OFFICE USE ONLY Liner Steel Pit RFAC RFAS Date Received: 10-17-11 Permit Number: Permit Date: 10-18-11 Lease Inspection: Yes 🗓 No

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/

Sam Brownback, Governor

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

NOTICE TO OPERATORS FILING INTENT TO DRILL FOR DISPOSAL OR ENHANCED RECOVERY INJECTION WELLS, (CLASS II INJECTION WELL)

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved "Intent to Drill" does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in **K.A.R. 82-3-400 et seq** of our regulations. Associated regulations governing drilling, completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sandstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a "Design Approval" before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.