

For KCC Use: 11-27-2011

Effective Date: 3

District # 3

SGA? ☐ Yes ☒ No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Form C-1

October 2007

Form must be Typed

Form must be Signed

All blanks must be Filled

Expected Spud Date: Nov 21 2011
month day year

OPERATOR: License# 31941 ✓

Name: 3B Energy, Inc.

Address 1: PO Box 354

Address 2: 3494 Saline Rd

City: Neodesha State: Ks Zip: 66757 + 0354

Contact Person: Bruce B Burkhead

Phone: 620-330-7854

CONTRACTOR: License# 5675

Name: McPherson Drilling

Well Drilled For:

☒ Oil ☐ Enh Rec ☒ Infield ☐ Mud Rotary
☐ Gas ☐ Storage ☐ Pool Ext. ☒ Air Rotary
☐ Seismic; # of Holes ☐ Wildcat ☐ Cable
☐ Other: ☐ Other

☐ 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:
 (a/a/a/a) 1,155 feet from ☐ N / ☒ S Line of Section
 165 feet from ☐ E / ☒ W Line of Section

Is SECTION: ☒ Regular ☐ Irregular?

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

County: Wilson

Lease Name: Phillips Well #: 33 A

Field Name: Neodesha

Is this a Prorated / Spaced Field? ☐ Yes ☒ No

Target Formation(s): Bartlesville

Nearest Lease or unit boundary line (in footage): 165

Ground Surface Elevation: 825 811 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: 50

Depth to bottom of usable water: 150

Surface Pipe by Alternate: ☐ I ☒ II

Length of Surface Pipe Planned to be set: 20 Ft

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

Projected Total Depth: 850

Formation at Total Depth: Shale

Water Source for Drilling Operations:

☐ Well ☐ Farm Pond ☒ Other: City

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 correct to the best of my knowledge and belief.

Date: 11-21-11 Signature of Operator or Agent: [Signature] Title: President

For KCC Use ONLY

API # 15 - 205-27987-0000

Conductor pipe required None feet

Minimum surface pipe required 20 feet per ALT. ☐ I ☒ II

Approved by: [Signature] 11-22-2011

This authorization expires: 11-22-2012

(This authorization void if drilling not started within 12 months of approval date.)

Spud date: _____ Agent: _____

Remember to:

- 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 this permit has expired (See: authorized expiration date) please check the box below and return to the address below.

☐ Well Not Drilled - Permit Expired Date: _____

Signature of Operator or Agent: _____

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

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NOV 22 2011

KCC WICHITA

26 30 16 ☒ E ☐ W

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW*Plat of acreage attributable to a well in a prorated or spaced field*

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - 205-27987-0000
 Operator: 3B Energy, Inc.
 Lease: Phillips
 Well Number: 33A
 Field: Neodesha

Number of Acres attributable to well: 5
 QTR/QTR/QTR/QTR of acreage: SW SW NW NW
NW NW SW SW

Location of Well: County: Wilson
1,155 feet from ☐ N / ☒ S Line of Section
165 feet from ☐ E / ☒ W Line of Section
 Sec. 26 Twp. 30 S. R. 16 ☒ E ☐ W

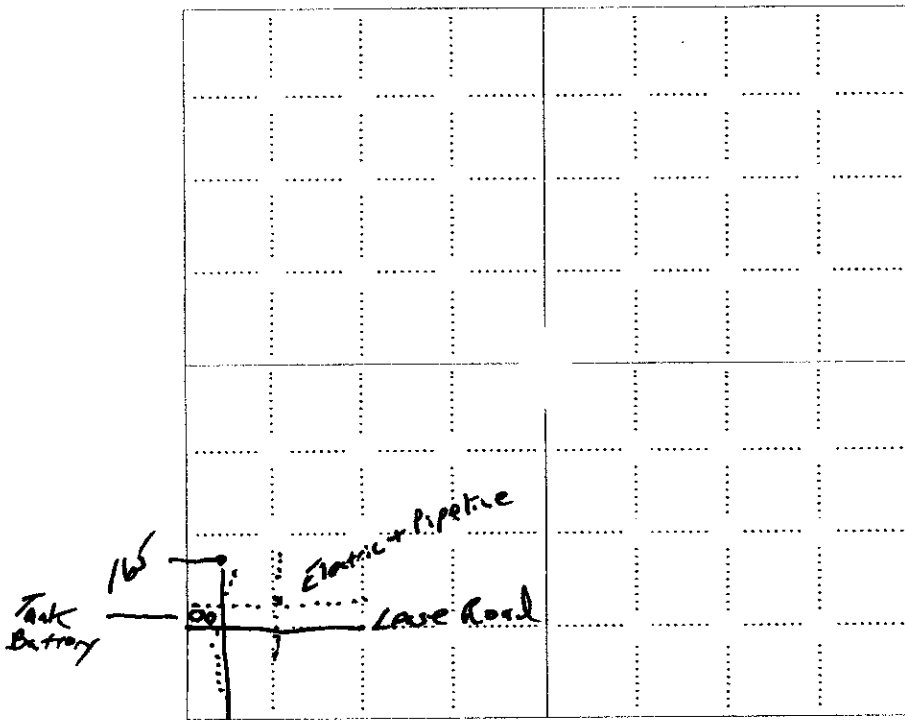
Is Section: ☒ Regular or ☐ Irregular

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

Section corner used: ☐ NE ☐ NW ☐ SE ☐ SW

PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)
 (Show footage to the nearest lease or unit boundary line.)



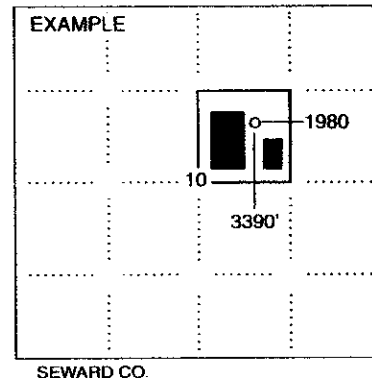
NOTE: In all cases locate the spot of the proposed drilling location.

1155

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).

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KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

**CERTIFICATION OF COMPLIANCE WITH THE
KANSAS SURFACE OWNER NOTIFICATION ACT**

15-205-27987-0000

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.

Form KSONA-1
July 2010
Form Must Be Typed
Form must be Signed
All blanks must be Filled

Select the corresponding form being filed: ☒ C-1 (Intent) ☐ CB-1 (Cathodic Protection Borehole Intent) ☐ T-1 (Transfer) ☐ CP-1 (Plugging Application)

OPERATOR: License # 31941
Name: 3B Energy, Inc.
Address 1: PO Box 354
Address 2: 315 Mill
City: Neodesha State: Ks Zip: 66757 + 0354
Contact Person: Bruce B Burkhead
Phone: (620) 330-7854 Fax: ()
Email Address: bbburkhead@gmail.com

NW-NW-SW-SW
Well Location:
SW-SW-NW-NW Sec. 26 Twp. 30 S. R. 14 ☒ East ☐ West
County: Wilson
Lease Name: Phillips Well #: 33A

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

Surface Owner Information:

Name: Bruce B Burkhead
Address 1: PO Box 354
Address 2: 315 Mill
City: Neodesha State: KS Zip: 66757 + 0354

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.

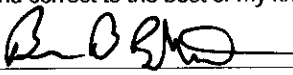
Select one of the following:

☒ 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: 11-21-2011 Signature of Operator or Agent:  Title: President

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**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: 3B Energy, Inc.		License Number: 31941	
Operator Address: PO Box 354		Neodesha	Ks 66757 0354
Contact Person: Bruce B Burkhead		Phone Number: 620-330-7854	
Lease Name & Well No.: Phillips #33 A		Pit Location (QQQQ): 	
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 <small>(If WP Supply API No. or Year Drilled)</small>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 320 (bbls)	Sec. 26 Twp. 30 R. 16 <input checked="" type="checkbox"/> East <input type="checkbox"/> West 1,155 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 165 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Wilson County	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>	
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? Earth	
Pit dimensions (all but working pits): 25 Length (feet) 10 Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: 6 (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 N/A feet Depth of water well _____ feet		Depth to shallowest fresh water 20 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: Earthen Number of working pits to be utilized: 1 Abandonment procedure: Doze in and reseed 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. <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div> 11-21-2011 _____ Date </div> <div> _____ Signature of Applicant or Agent </div> </div>			

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15-205-27987-00-00

KCC OFFICE USE ONLY

Steel Pit ☐ RFAC ☐ RFAS ☐

Date Received: **11-22-11** Permit Number: _____ Permit Date: **11-22-11** Lease Inspection: ☐ Yes ☒ No

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