| For KCC Use: | 12-17-2011 |
|--------------|------------|
| District # | <u> </u> |
| SGA? X Yes | ∏No |

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 March 2010 Form must be Typed Form must be Signed

NOTICE OF INTENT TO DRILL

All blanks must be Filled 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. Spot Description: 69' SOUTH & 61' WEST OF 12/15/2011 Expected Spud Date: ___ month NW _ NE _ SE _ NW Sec. _______ Sec. _______ S. R. _______ XE _ W 34636 * feet from N / S Line of Section OPERATOR: License# feet from E / W Line of Section 2,084 Name: Ascent Operating, Inc. is SECTION: Regular Irregular? Address 1: 345 Miron Dr. Address 2: (Note: Locate well on the Section Plat on reverse side) County: Neosho City: Southlake Contact Person: Steve Nadeau Lease Name: Beachner Phone: __817-403-7067 Field Name: St. Paul - Walnut CONTRACTOR: License# Will advise on ACO-1 Form Is this a Prorated / Spaced Field? Name: Must be licensed by KC(Target Formation(s): Bartlesville Sand Nearest Lease or unit boundary line (in footage): 556 Well Class. Ground Surface Elevation: # Est 840 feet MSL Mud Rotary Enh Rec Infield Water well within one-quarter mile: X No lStorage Pool Ext. X Air Rotary Public water supply well within one mile: Disposal Wildcat Cable Depth to bottom of fresh water: # of Holes Other Seismic Depth to bottom of usable water: Other: ___ Surface Pipe by Alternate: If OWWO: old well information as follows: Length of Surface Pipe Planned to be set: .. Length of Conductor Pipe (if any): None Operator: N/A Projected Total Depth: 850' Well Name: .. Formation at Total Depth: Mississippi Original Total Depth: _ Original Completion Date: ___ Water Source for Drilling Operations: Directional, Deviated or Horizontal wellbore? Well Farm Pond X Other: Air If Yes, true vertical depth: Bottom Hole Location: (Note: Apply for Permit with DWR KCC DKT #: Yes X No Will Cores be taken? 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. 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; Minimum surface pipe required. File acreage attribution plat according to field proration orders; Notify appropriate district office 48 hours prior to workover or re-entry; This authorization expires: 12-12-2012 Submit plugging report (CP-4) after plugging is completed (within 60 days); Obtain written approval before disposing or injecting salt water. (This authorization void if drilling not started within 12 months of approval date.) 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. Soud date: Agent: 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 For KCC Use ONLY
API # 15 - 133-27581-00-00

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

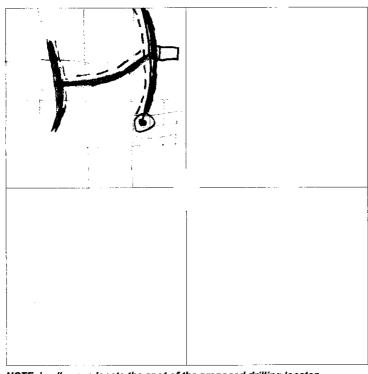
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

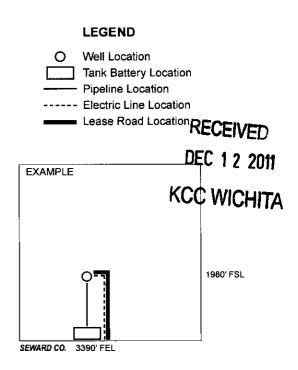
| Operator: Ascent Operating, Inc. | Location of Well: County: Neosho | | |
|--|---|--------------------------------------|--|
| Lease: Beachner | 1,554 | _ feet from X N / S Line of Section | |
| Well Number: A-1 | 2,084 | _ feet from E / X W Line of Section | |
| Field: St. Paul - Walnut | Sec. <u>17</u> Twp. <u>29</u> | S. R. ²¹ 🔀 E 🔲 W | |
| Number of Acres attributable to well: N/A QTR/QTR/QTR/QTR of acreage: NW - NE - SE - NW | Is Section: Regular or | irregular | |
| | If Section is Irregular, located Section corner used: | e well from nearest corner boundary. | |

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 locaton.

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: (C0-7 for oil wells; CG-8 for gas wells).
- 5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

15733-27581-0000

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 # 34636 | Well Location: |
|---|--|
| Name: Ascent Operating, Inc. | |
| Address 1: 345 Miron Dr. | County: Neosho |
| Address 2: | Lease Name: Beachner Well #: A-1 |
| City: Southlake State: TX Zip: 76092 + | If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below: |
| Contact Person: Steve Nadeau Phone: (817) 403-7067 Fax: (817) 421-6999 | RECEIVED |
| Phone: (817) 403-7067 Fax: (817) 421-6999 | DEO 4 a con |
| Email Address: _nadeology@yahoo.com | DEC 1 2 201 |
| Surface Owner Information: | KCC WICHIT |
| | When filing a Form T-1 involving multiple surface owners, attach an additional |
| Name: Beachner Brothers, Inc. Address 1: PO Box 128 | sheet listing all of the information to the left for each surface owner. Surface |
| Address 2 | county, and in the real estate property tax records of the county treasurer. |
| | |
| State: KS Zip: 66771 + If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cata the KCC with a plat showing the predicted locations of lease roads, taken the KCC with a plat showing the predicted locations of lease roads, taken the KCC with a plat showing the predicted locations of lease roads, taken the KCC with a plat showing the predicted locations of lease roads, taken the KCC with a plat showing the predicted locations of lease roads, taken the KCC with a plat showing the predicted locations of lease roads. | hodic Protection Borehole Intent), you must supply the surface owners and ank batteries, pipelines, and electrical lines. The locations shown on the plat |
| St. Paul State: KS Zip: 66771 House this form is being submitted with a Form C-1 (Intent) or CB-1 (Cate the KCC with a plat showing the predicted locations of lease roads, to the preliminary non-binding estimates. The locations may be entered | hodic Protection Borehole Intent), you must supply the surface owners and |
| State: KS Zip: 66771 + State: KS Zip: 66771 + State: KS Zip: 66771 + If this form is being submitted with a Form C-1 (Intent) or CB-1 (Catathe KCC with a plat showing the predicted locations of lease roads, to are preliminary non-binding estimates. The locations may be entered Select one of the following: | thodic Protection Borehole Intent), you must supply the surface owners and ank batteries, pipelines, and electrical lines. The locations shown on the plat on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. Act (House Bill 2032), I have provided the following to the surface elocated: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form me being filed is a Form C-1 or Form CB-1, the plat(s) required by this |
| State: KS Zip: 66771 + If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cata the KCC with a plat showing the predicted locations of lease roads, to are preliminary non-binding estimates. The locations may be entered Select one of the following: 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). KCC will be required to send this information to the surface | thodic Protection Borehole Intent), you must supply the surface owners and ank batteries, pipelines, and electrical lines. The locations shown on the plat on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. Act (House Bill 2032), I have provided the following to the surface elocated: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form me being filed is a Form C-1 or Form CB-1, the plat(s) required by this |
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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: Ascent Operating, In | C | | License Number: 3463 | 6 |
|--|------------------------|---|---|------------------------------|
| Operator Address: 345 Miron Dr. | | Sou | thlake TX | 76092 |
| Contact Person: Steve Nadeau | | | Phone Number: 817- | 403-7067 |
| Lease Name & Well No.: Beachner | A-1 | | Pit Location (QQQQ): | |
| Type of Pit: | Pit is: | | _ <u>NW . NE . SE . NW</u> | |
| Emergency Pit Burn Pit | X Proposed Existing | | Sec. 17 Twp. 29 R. 21 X East West | |
| Settling Pit X Drilling Pit | If Existing, date co | nstructed: | 1,554 Feet from X North / South Line of Section | |
| Workover Pit Haul-Off Pit | Dit some situ. | | 2,084 Feet from East / X West Line of Section | |
| (If WP Supply API No. or Year Drilled) | | | Neosho | |
| Is the pit located in a Sensitive Ground Water Area? Yes X No | | Chloride concentration:mg/l (For Emergency Pits and Settling Pits only) | | |
| Is the bottom below ground level? X Yes No | Artificial Liner? | No | How is the pit lined if a pla Native Clay | stic liner is not used? |
| Pit dimensions (all but working pits): | 6 Length (fe | et)20 | Width (feet) | N/A: Steel Pits |
| | rom ground level to de | epest point: | (feet) | No Pit |
| If the pit is lined give a brief description of the liner material, thickness and installation procedure. N/A | | | edures for periodic maintenar | |
| | | N/A RECEIV | | |
| | | | | |
| Distance to nearest water well within one-mile of pit: | | Depth to shallowest fresh water <u>Unknown</u> feet. Source of information: | | |
| | | | | |
| Emergency, Settling and Burn Pits ONLY: | | Drilling, Workover and Haul-Off Pits ONLY: | | |
| Producing Formation: | | Type of material utilized in drilling/workover: | | |
| Number of producing wells on lease: | | Number of working pits to be utilized: | | |
| Barrels of fluid produced daily: | | Abandonment | procedure: All | Dry and Backfill |
| 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. | | |
| 1 hereby certify that the above state | ements are true and co | rrect to the best o | f my knowledge and belief. | |
| 12/9/2011 | K | aren, | Awtry | |
| Date | . <u></u> | S | ignature of Applicant or Agen | t |
| | ксс | OFFICE USE O | ONLY | |
| | | _ | Liner | Steel Pit RFAC RFAS |
| Date Received: 12-12-11 Permit Nu | mber: | Perr | nit Date: <u>/2 - / </u> | _ease 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

December 12, 2011

Ascent Operating, Inc. 345 Miron Dr. Southlake, TX 76092

RE:

Drilling Pit Application

Beachner Lease Well No. A-1 NW/4 Sec. 17-29S-21E Neosho County, Kansas

Dear Sir or Madam:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, 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.

A copy of this letter should be posted in the doghouse along with the approved Intent to

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: File