

DEC 16 2011

Form C-1
March 2010

For KCC Use: 1-8-2012
Effective Date: 1-8-2012
District #: 1
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

LEGAL SECTION

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: January 5 2012
month day year

OPERATOR: License# 34191
Name: Reeder Operating, LLC
Address 1: 4925 Greenville Avenue, Suite 1400
Address 2:
City: Dallas State: TX Zip: 75013
Contact Person: Steve Bryson
Phone: 214-373-7793

CONTRACTOR: License# 34571
Name: Atlas Drilling, LLC

Well Drilled For: Oil Enh Rec Infield Mud Rotary
 Gas Storage Pool Ext. Air Rotary
 Seismic: # of Holes Wildcat Cable
 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: 950' 3420
Bottom Hole Location: 330' FNL & 1980' FWL-36-30S-21W
KCC DKT #:

Horizontal

Spot Description: S2 SW SE SE SW Sec 36 Twp. 30 S. R. 21 E W
150 feet from N / S Line of Section
1,980 feet from E / W Line of Section

Is SECTION: Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)

County: Clark
Lease Name: Ronny Evans Well #: 1-36H
Field Name: None

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Mississippian

Nearest Lease or unit boundary line (in footage): 180' 330
Ground Surface Elevation: 2256 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: 100' 140
Depth to bottom of usable water: 120' 220

Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set: 800'

Length of Conductor Pipe (if any): 50'
Projected Total Depth: 10,000' (+/-) TMD

Formation at Total Depth: Viola
Water Source for Drilling Operations:
 Well Farm Pond Other:

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: 12-9-11 Signature of Operator or Agent: [Signature] Title: Vice President

For KCC Use ONLY
API # 15 - 025-21536-01-00
Conductor pipe required None feet
Minimum surface pipe required 240 feet per ALT. I II
Approved by:
This authorization expires:
(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

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21
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 W

For KCC Use ONLY
 API # 15 - 025-21536-01-00

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: Reeder Operating, LLC
 Lease: Ronny Evans
 Well Number: 1-36H
 Field: None

Location of Well: County: Clark
 150 feet from N / S Line of Section
 1,980 feet from E / W Line of Section
 Sec. 36 Twp. 30 S. R. 21 E W

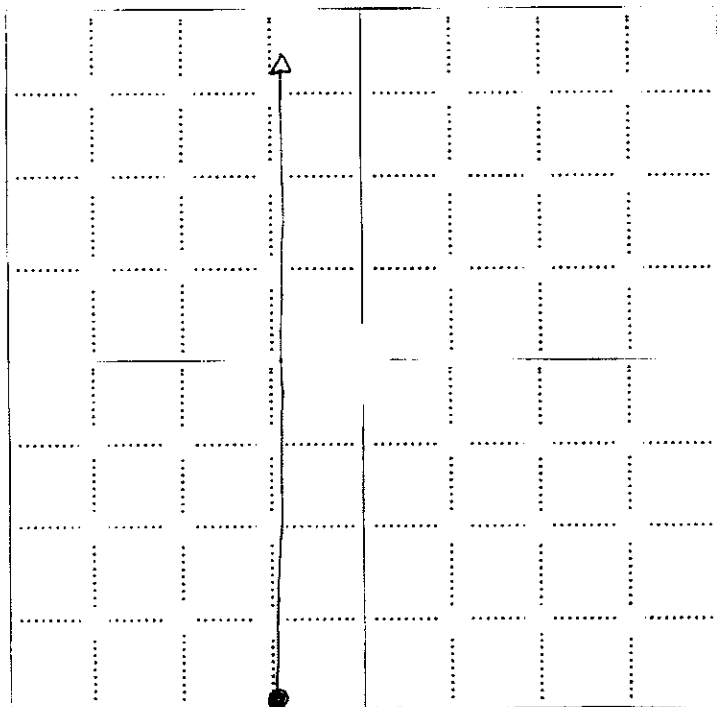
Number of Acres attributable to well: 640 (all of Section 36-30S-21W)
 QTR/QTR/QTR/QTR of acreage: SW - SE - SE - SW
52 52

Is Section: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.
 Section corner used: NE NW SE SW

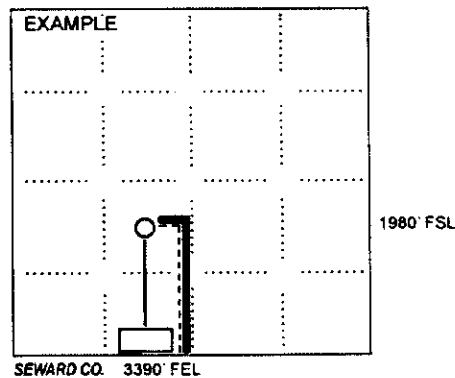
PLAT

Show location of the well. 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.



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:

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.

15-025-21536-01-00

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 # 34191
Name: Reeder Operating, LLC
Address 1: 4925 Greenville Avenue, Suite 1400
Address 2: _____
City: Dallas State: TX Zip: 75013
Contact Person: Steve Bryson
Phone: (214) 373-7793 Fax: (214) 373-7832
Email Address: sbryson@reederenergy.com

Well Location:
SW SE SE SW Sec. 36 Twp. 30 S. R. 21 East West
County: Clark
Lease Name: Ronny Evans Well #: 1-36H

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

Surface Owner Information:

Name: Ronny R. & Elaine K. EvansEvans
Address 1: 211 West Center
Address 2: _____
City: Bucklin State: KS Zip: 67834 + 0000

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: 12-9-11 Signature of Operator or Agent:  Title: Vice President

December 12, 2011

RE: Drilling Summary
Reeder Operating, LLC
Ronny Evans #1-36H
Section 36-30S-21W
Clark County, Kansas

The referenced well is a planned horizontal well targeting the Mississippian formation at approximately 5200' TVD. The surface location will be located at 150' FSL and 1980' FWL of section 36-30S-21W, Clark County, Kansas and will be drilled with a pilot hole to approximately 6050' into the Viola, logged and then plugged back and drilled directionally to intersect the Mississippian formation at 700' FSL and 1980' FWL and then proceed to a bottom hole location at 350' FNL and 1980' FWL of the same section. The well bore will be "kicked off" at approximately 4650' building angle at the rate of 10 degrees per 100', landing at 10,000' TMD and 5200' TVD. Adjustments may be made in the TMD and TVD according to formation. The lateral portion of the wellbore will run from south to north approximately 1980' FWL of the section.



December 15, 2011

Mr. and Mrs. Ronny Evans
211 West Center
Bucklin, KS 67834-0000

RE: Reeder Energy Ronny Evans #1-36H
Section 36-T30S-R21W
Clark County, Kansas

Dear Mr. and Mrs. Evans,

In March of this year, you executed an Oil and Gas Lease covering the referenced land in Clark County, Kansas in favor of Reeder Energy Partners of Dallas, Texas. Under Exhibit "A" of the lease and the Kansas Surface Owner Notice Act (House Bill 2032), Reeder would like to drill a well and are hereby seeking your approval to commence such operations.

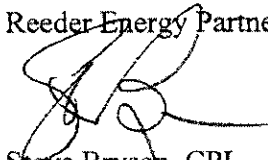
Reeder Energy is proposing the drilling of a horizontal Mississippian test with the location in the SE/4SW/4 of the section on the south section line and drilling a Horizontal Mississippian well. The horizontal section of the well would go north approximately 1980' off of the west line of the section and terminate approximately 340-350' from the north section line (an estimated 4,250' horizontal wellbore). We might need to drill a water well or utilize a water well on the property for our drilling and completion operations. The best access we can determine from aerial photos would be from the county road near the southwest corner of the section. Any gas pipelines needed to produce the well would utilize the same access route by laying the pipeline in the bar ditch of the road. We will install cattle guards, gates or fencing if necessary to protect any livestock on the property. This would have the least impact on the property that we can determine through photos and surface inspection. Upon completion of the well, we will reduce the size of the location to accommodate our production equipment and maintain the location. I have included copies of aerial photos, maps and plats to indicate the proposed location, location layout, and the wellbore direction. The proposed unit which will be requested from the Kansas Corporation Commission would be all of section 20 containing 640 acres, more or less.

We would like to start operations as soon as possible as we anticipate having a drilling rig available around the first of January. If this meets with your approval, please execute and return one original letter to the undersigned. Should you have

any questions or would like to discuss any of the plans I have outlined, please let me or Steve Hamilton know and we will be happy to call or arrange to meet you or a representative. I can be reached at 214-373-7793 or on my cell at 214-232-2039.

Very truly yours,

Reeder Energy Partners, LP



Steve Bryson, CPL
Vice President -- Land

AGREED TO AND ACCEPTED THIS ____ DAY OF December, 2011.

Ronny R. Evans

Elaine K. Evans

REEDER OPERATING, LLC
Ronny Evans #1-36H
150' FSL & 1980' FWL
Section 36-T30S-R21W
Clark County, Kansas

C (1.): Wellbore Diagram – attached

C (2.): Plat Map – attached

C (3.): Drilling Contactor
Atlas Drilling, L.L.C.
P.O. Box 1305
Woodward, OK 73802
580-256-8222

C (4.): Casing and Cement
9 5/8" 36# J-55 casing set at 800' in 12 1/4" hole size
Cemented with 390 sx Common, 1.34 cu.ft./sx (100% excess)

7" 26# J-55 casing set at 5550' MD, 5240' TVD in 8 3/4" hole size
Cemented with 25 sx 60/40 POZ, 1.64 cu.ft./sx and 185 sx Common, 1.49
cu.ft./sx (35% excess), est. TOC 4000'

4 1/2" 11.6# N-80 casing set at 9780' MD, 5240' TVD in 6 1/8" hole size
Cemented with 50 sx 60/40 POZ, 1.64 cu.ft./sx and 410 sx Common, 1.24
cu.ft./sx (10% excess), est. TOC 4300'

C (5.): Fracture Stimulation

The target formation will be fracture stimulated in 10 stages, approximately 5000 bbls treated water and 100,000 lbs proppant per stage. Number of stages and volumes subject to change based on formation evaluation.

C (6.): Proposed Plugging Procedure

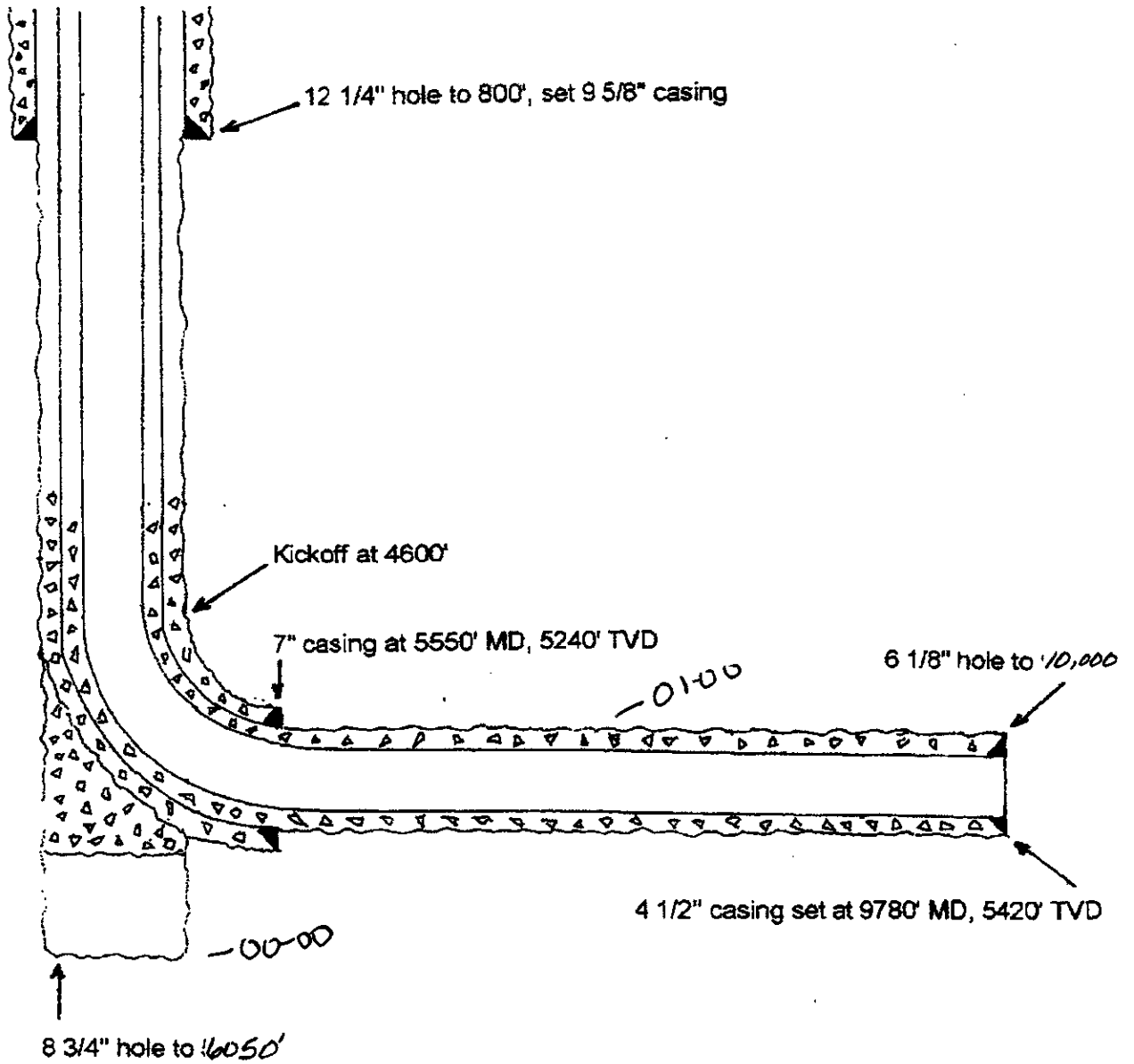
Set 7" cast iron bridge plug at 5000', cap with 20' cement
Cut 7" casing at 4000'+/- and recover, set 200' plug from 4000' – 3800'
Set 100' plug from 850' – 750'
10 sx plug at surface, 5 sx in rathole, 5 sx in mousehole

D: Blowout Preventer

An 11" 3000 psi double ram and 11" 3000 psi annular preventers will be used during drilling operations

15025-21536-01-00

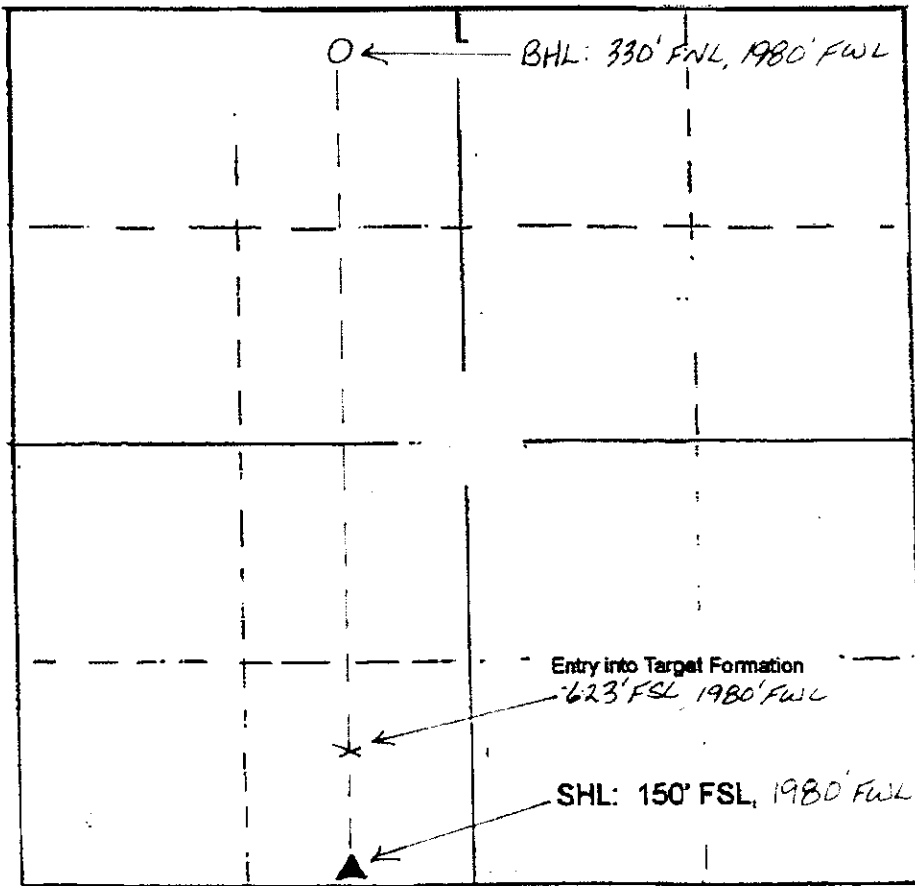
REEDER OPERATING, LLC
Ronny Evans #1-36H
150' FSL & 1980' FWL
Section 36-T30S-R21W
Clark County, Kansas



REEDER OPERATING, LLC
Ronny Evans #1-36H
150' FSL & 1980' FWL
Section 36-T30S-R21W
Clark County, Kansas

R:

T3:



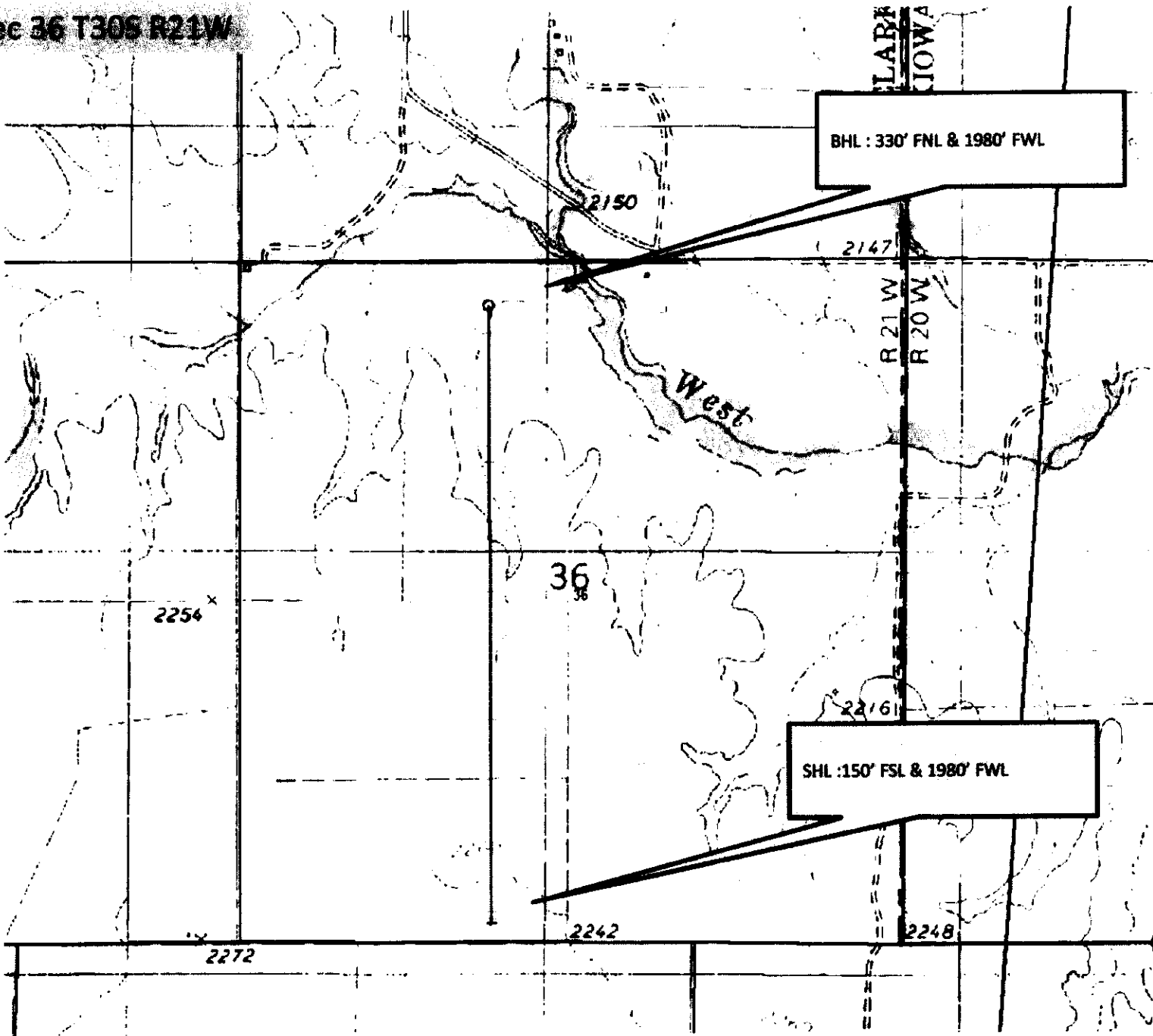
**Reeder Operating LLC
Ronny Rvans 1-36H
Clark Co., KS**

Sec 36 T30S R21W
SL: 150' FSL & 1980' FWL
BHL : 330' FNL & 1980' FWL

Sec 36 T30S R21W

CLARK
IOWA

BHL : 330' FNL & 1980' FWL



SHL : 150' FSL & 1980' FWL

2242

2248

2256^x

2272

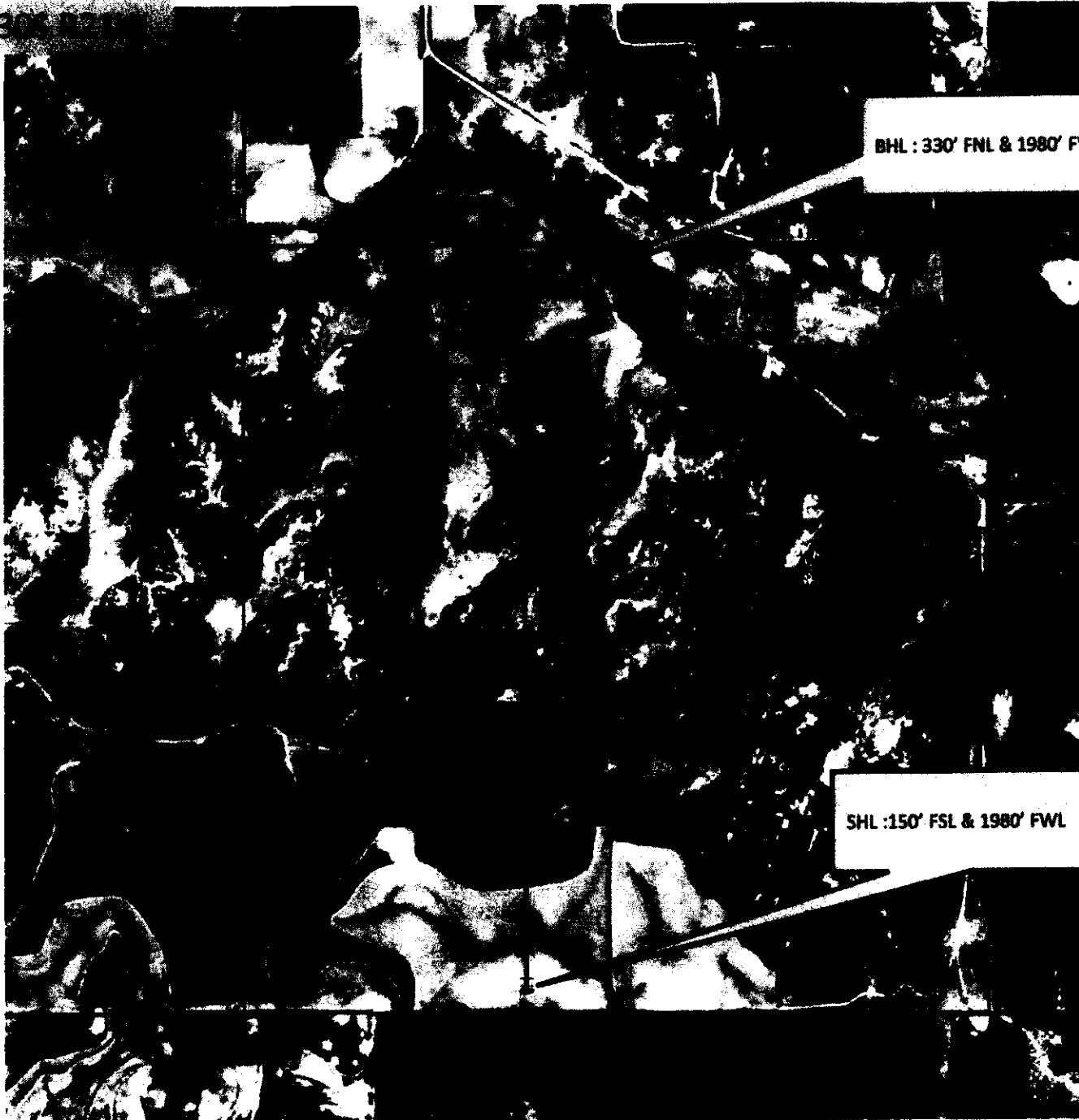
36

West

2147

2150

Sec 36 T30



BHL : 330' FNL & 1980' FWL

SHL : 150' FSL & 1980' FWL



SHL :150' FSL & 1980' FWL



December 15, 2011

Mr. and Mrs. Ronny Evans
211 West Center
Bucklin, KS 67834-0000

RE: Reeder Energy Ronny Evans #1-3611
Section 36-T30S-R21W
Clark County, Kansas

Dear Mr. and Mrs. Evans,

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Very truly yours,


Reeder Energy Partners, LP



Steve Bryson, CPL
Vice President – Land

AGREED TO AND ACCEPTED THIS 19th DAY OF December, 2011.



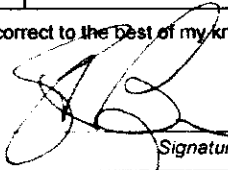
Ronny R. Evans

Elaine K. Evans

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

Form CDP-1
May 2010
Form must be Typed

Submit in Duplicate

Operator Name: Reeder Operating, LLC		License Number: 34191	
Operator Address: 4925 Greenville Avenue, Suite 1400		Dallas TX 75013	
Contact Person: Steve Bryson		Phone Number: 214-373-7793	
Lease Name & Well No.: Ronny Evans 1-36H		Pit Location (QQQQ): S2W S2E SE SW	
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: 10,000 (bbls)	
		Sec. 36 Twp. 30 R. 21 East <input type="checkbox"/> West <input checked="" type="checkbox"/> 150 Feet from North / <input checked="" type="checkbox"/> South Line of Section 1,980 Feet from East / <input checked="" type="checkbox"/> West Line of Section Clark County	
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
How is the pit lined if a plastic liner is not used?			
Pit dimensions (all but working pits): <u>150</u> Length (feet) <u>75</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits <u>6</u> Depth from ground level to deepest point: (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: <u>1500</u> feet Depth of water well <u>85</u> feet		Depth to shallowest fresh water <u>72</u> feet Source of information: <input checked="" type="checkbox"/> measured <input 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: <u>Fresh water mud</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: <u>Evaporation and backfill</u> 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;"> <div style="text-align: center;"> <u>12-9-11</u> Date </div> <div style="text-align: center;">  Signature of Applicant or Agent </div> </div>			
KCC OFFICE USE ONLY			
Date Received: <u>12-19-11</u> Permit Number: _____ Permit Date: <u>1-3-12</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

15-025-21536-01-00

January 3, 2012

Reeder Operating, LLC
4925 Greenville Ave Ste 1400
Dallas, TX 75013

Re: Drilling Pit Application
Ronny evans Lease Well No. 1-36H
SW/4 Sec. 36-30S-21W
Clark County, Kansas

Dear Sir or Madam:

District staff has inspected the above referenced location and has determined that an unsealed condition will present a pollution threat to water resources. District staff has recommended that the reserve pit be lined. If a plastic liner is to be used it must have a minimum thickness of 20 mil. Integrity of the liner must be maintained at all times.

The free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again within 96 hours after drilling operations have ceased.

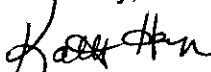
If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Please file form CDP-5 (August 2008), 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