Effective Date: 12/14/2011 OIL & GAS CONS District # 3 SGA? Yes XNo NOTICE OF IN	RATION COMMISSION 1070036 Form C-1 March 2010 Form must be Typed Form must be Signed All blanks must be Filled
Form KSONA-1, Certification of Compliance with the Kansas S Expected Spud Date: 12/10/2011 month day year OPERATOR: License# Name: Hughes Drilling Co, a General Partnership Address 1: 122 MAIN	Surface Owner Notification Act, MUST be submitted with this form. Spot Description: SW NE NW NE Sec. 2 Twp. 16 S. R. 20 XE W (OXO/OXO) 4900 feet from N / X S Line of Section 1675 feet from E / W Line of Section Is SECTION: Regular Irregular?
Address 7: Address 2: City: WELLSVILLE State: KS Zip: 66092 + 8522 Contact Person: Clay Hughes Phone: 913-963-9127 CONTRACTOR: License# Name: Advise on ACO-1 Must be licensed by KCC	(Note: Locate well on the Section Plat on reverse side) County: Franklin Lease Name: McMillen Well #: 1-3 Field Name: LeLoup Is this a Prorated / Spaced Field? Yes No Target Formation(s): Squirrel
Well Drilled For: Well Class: Type Equipment: Oil XEnh Rec Infield XMud Rolary Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable Seismic; # of Holes Other	Nearest Lease or unit boundary line (in footage): 1675 Ground Surface Elevation: 954 Estimated Estimated feet MSL Water well within one-quarter mile: No Public water supply well within one mile: Yes No Depth to bottom of fresh water: 100 Depth to bottom of usable water: 200
Other: If OWWO: old well information as follows: Operator: Well Name: Original Completion Date: Original Total Depth:	Surface Pipe by Alternate: I
Directional, Deviated or Horizontal wellbore? If Yes, true vertical depth: Bottom Hole Location: KCC DKT #:	Water Source for Drilling Operations: Well Farm Pond Other: DWR Permit #: (Note: Apply for Permit with DWR) Will Cores be taken? If Yes, proposed zone: RECEIVED
AFF The undersigned hereby affirms that the drilling, completion and eventual plug It is agreed that the following minimum requirements will be met:	IDAVIT DEC 1.5. 2011

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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.

Submitted Electronically

For KCC Use ONLY API # 15 - 15-059-25883-00-00	
Conductor pipe required 0 Minimum shrface pipe required 20 Approved by: Rick Hestermann 12/0	feet per ALT. 🔲 I 🔀 II
This authorization expires: 12/09/2012 (This authorization void of drilling not started with	hin 12 months of approval date.)
Spud date: Agent:	ation Division,

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.		

V	Well will not be drilled or Permit Expired Signature of Operator or Agent:	Date: 15	118	11
7	Signature of Operator or Agent:	1,000	Ί, Ι	
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