

For KCC Use: 10-14-2012
Effective Date: 4
District # 4
SGA? ☒ Yes ☐ No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

Expected Spud Date: October 15 2012
month day year

OPERATOR: License# 34559
Name: WM KS Energy Resources LLC
Address 1: PO Drawer H
Address 2: _____
City: Plainville State: KS Zip: 67663 + _____
Contact Person: Bill Robinson
Phone: 785-688-4040

CONTRACTOR: License# _____ Will be reported on ACO-1
Name: Must be licensed by KCC

Well Drilled For: ☐ Oil ☐ Gas ☐ Enh Rec ☐ Storage ☒ Disposal ☐ Seismic; _____ # of Holes ☐ Other: _____
Well Class: ☐ Infield ☐ Pool Ext. ☐ Wildcat ☐ Other: _____
Type Equipment: ☒ Mud Rotary ☐ Air Rotary ☐ Cable

☐ If OWWO: old well information as follows:
Operator: Great Eastern Energy & Development Corp.
Well Name: Bethel # 1
Original Completion Date: 6/6/2005 Original Total Depth: 3558

Directional, Deviated or Horizontal wellbore? ☐ Yes ☒ No
If Yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DKT #: _____

Well to be recompleted as a Cedar Hill SWD pending design approval. Casing already in hole with Alt II completed.

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: October Signature of Operator or Agent: [Signature] Title: Agent

For KCC Use ONLY
API # 15 - 065-23061-00-01
Conductor pipe required _____ feet
Minimum surface pipe required 212 feet per ALT. ☐ I ☒ II
Approved by: [Signature] 10-9-2012
This authorization expires: 10-9-2013
(This authorization void if drilling not started within 12 months of approval date.)
Spud date: _____ Agent: _____

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

Spot Description: _____
SE - NE - NW - SE Sec. 1 Twp. 8 S. R. 21 ☐ E ☒ W
(a/a/a/a) 2,145 feet from ☐ N / ☒ S Line of Section
1,400 feet from ☒ E / ☐ W Line of Section

Is SECTION: ☒ Regular ☐ Irregular?

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

County: Graham
Lease Name: Bethel SWD Well #: 1
Field Name: WC

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

Target Formation(s): Cedar Hill Sandstone

Nearest Lease or unit boundary line (in footage): 1400'

Ground Surface Elevation: 1986 Surveyed _____ 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: 150

Depth to bottom of usable water: 850

Surface Pipe by Alternate: ☐ I ☒ II

Length of Surface Pipe Planned to be set: 212

Length of Conductor Pipe (if any): 85

Projected Total Depth: 1548'

Formation at Total Depth: Anhydrite

Water Source for Drilling Operations:

☐ Well ☐ Farm Pond ☒ Other: Haul

DWR Permit #: _____

(Note: Apply for Permit with DWR ☐)

Will Cores be taken? ☐ Yes ☒ No

If Yes, proposed zone: _____

AFFIDAVIT

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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: _____

1
8
21
☐ E ☒ W

For KCC Use ONLY

API # 15

065-23061-0001

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

Operator: WM KS Energy Resources LLC
 Lease: Bethel SWD
 Well Number: 1
 Field: WC

Number of Acres attributable to well: _____
 QTR/QTR/QTR/QTR of acreage: SE - NE - NW - SE

Location of Well: County: Graham
 2,145 feet from ☐ N / ☒ S Line of Section
 1,400 feet from ☒ E / ☐ W Line of Section
 Sec. 1 Twp. 8 S. R. 21 ☐ E ☒ W

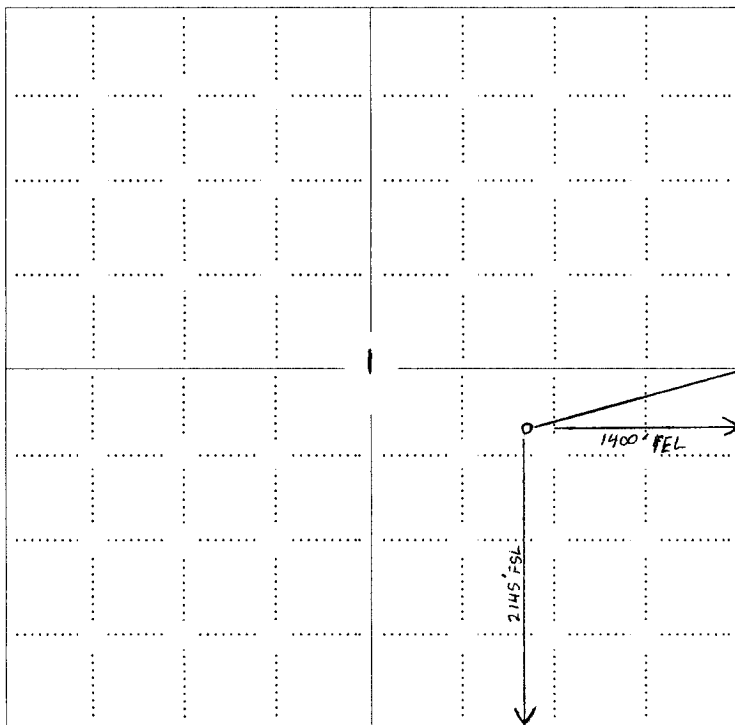
Is Section: ☒ Regular or ☐ Irregular

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

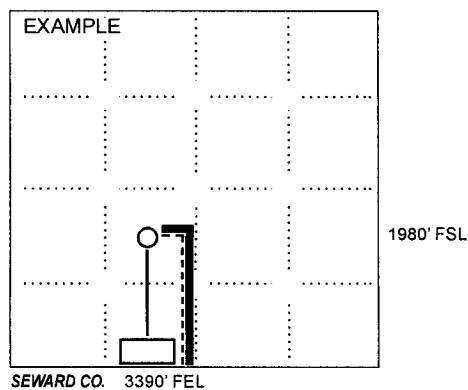
Section corner used: ☐ NE ☐ NW ☒ SE ☐ SW

PLAT

Show location of the well. 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:

- 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.
- The distance of the proposed drilling location from the south / north and east / west outside section lines.
- The distance to the nearest lease or unit boundary line (in footage).
- 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).
- The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

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**

15-065-23061-00-01

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 # 34559
Name: WM KS Energy Resources LLC
Address 1: PO Drawer H
Address 2: _____
City: Plainville State: KS Zip: 67663 + _____
Contact Person: Bill Robinson
Phone: (785) 688-4040 Fax: (_____) _____
Email Address: _____

Well Location:
SE NE NW SE Sec. 1 Twp. 8 S. R. 21 ☐ East ☒ West
County: Graham
Lease Name: Bethel SWD Well #: 1
If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: B Bar B Ranch
Address 1: 58 Walnut Drive
Address 2: _____
City: Hill City State: KS Zip: 67642 + _____

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: October Signature of Operator or Agent: B. B. Title: agent

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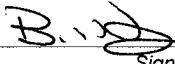
OCT 04 2012

KCC WICHITA

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: WM KS Energy Resources LLC		License Number: 34559	
Operator Address: PO Drawer H		Plainville KS 67663	
Contact Person: Bill Robinson		Phone Number: 785-688-4040	
Lease Name & Well No.: Bethel SWD 1		Pit Location (QQQQ): SE - NE - NW - SE Sec. 1 Twp. 8 R. 21 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 2,145 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1,400 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Graham County	
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 checked="" type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit (If WP Supply API No. or Year Drilled) 15-065-23061-00-01	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: Pit capacity: 2,500 (bbls)		
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l (For Emergency Pits and Settling Pits only)	
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? Native clay and drilling mud	
Pit dimensions (all but working pits): 60 Length (feet) 60 Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: 4 (feet) <input type="checkbox"/> No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure. Native clay and drilling mud		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. Daily inspection	
Distance to nearest water well within one-mile of pit: 3214 feet Depth of water well 82 feet		Depth to shallowest fresh water 62 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" 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: Fresh Water Number of working pits to be utilized: 1 Abandonment procedure: Dewater, air dry and back fill 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. October 1, 2012 Date  Signature of Applicant or Agent			

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15-065-23061-00-01

KCC OFFICE USE ONLY

☒ Liner ☐ Steel Pit ☒ RFAC ☐ RFAS

Date Received: 10-4-12 Permit Number: Permit Date: 10-9-12 Lease Inspection: ☒ Yes ☐ No

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

Notice: Fill out COMPLETELY
and return to Conservation Division
at the address below within
60 days from plugging date.

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL PLUGGING RECORD
K.A.R. 82-3-117

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JUN - 7 2005
KCC WICHITA

Form CP-4
December 2003
Type or Print on this Form
Form must be Signed
All blanks must be Filled

Lease Operator: Great Eastern Energy & Development Corp.
Address: P.O. Drawer 2436 Midland, TX. 79702
Phone: (432) 682-1178 Operator License #: 9449
Type of Well: D&A Docket #: _____
(Oil, Gas D&A, SWD, ENHR, Water Supply Well, Cathodic, Other) (If SWD or ENHR)
The plugging proposal was approved on: 6-3-05 (Date)
by: Rich Williams (KCC District Agent's Name)
Is ACO-1 filed? ☒ Yes ☐ No If not, is well log attached? ☐ Yes ☐ No
Producing Formation(s): List All (If needed attach another sheet)
none Depth to Top: _____ Bottom: _____ T.D. _____
Depth to Top: _____ Bottom: _____ T.D. _____
Depth to Top: _____ Bottom: _____ T.D. _____

API Number: 15 - 065-23061 - 00 - 00
Lease Name: Bethel
Well Number: 1
Spot Location (QQQQ): SE - ne - nw - se
2145 Feet from ☐ North / ☒ South Section Line
1400 Feet from ☒ East / ☐ West Section Line
Sec. 1 Twp. 8 S. R. 21 ☐ East ☒ West
County: Graham
Date Well Completed: 6-3-05
Plugging Commenced: 6-6-05
Plugging Completed: 6-6-05

Show depth and thickness of all water, oil and gas formations.

Oil, Gas or Water Records		Casing Record (Surface Conductor & Production)				
Formation	Content	From	To	Size	Put In	Pulled Out
		surf	85	13 3/8	85	0
		surface	212	8 5/8	212	0
		surface	3556	4 1/2	3556	0

Describe in detail the manner in which the well is plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same depth placed from (bottom), to (top) for each plug set.

Plugged well down 4 1/2 casing with 175 sks. 60/40 + 10% gel with 400 sks. hulls.

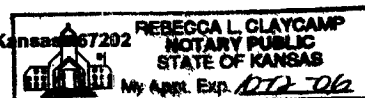
Name of Plugging Contractor: Allied Cementing License #: 99996
Address: P.O. Box 31 Russell, KS. 67665
Name of Party Responsible for Plugging Fees: Great Eastern Energy & Development Corp.
State of Kansas County, Graham, ss.
Bill Robinson (Employee of Operator) or (Operator) on above-described well, being first duly
sworn on oath, says: That I have knowledge of the facts statements, and matters herein contained, and the log of the above-described well is as filed, and the
same are true and correct, so help me God.

(Signature) Bill Robinson

(Address) Box 24 Bill City, KS 67642

SUBSCRIBED and SWORN TO before me this 6 day of June, 20 05
Rebecca L. Claycamp My Commission Expires: 10-12-06
Notary Public

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



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/>

Mark Sievers, Chairman
Thomas E. Wright, Commissioner
Shari Feist Albrecht, Commissioner

Sam Brownback, Governor

October 9, 2012

WM KS Energy Resources LLC
PO Drawer H
Plainville, KS 67663

Re: Drilling Pit Application
Bethel SWD Lease Well No. 1
SE/4 Sec. 01-08S-21W
Graham 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 10 mil. Integrity of the liner must be maintained at all times. The fluids are to be removed from the reserve pit 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 (785) 625-0550 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