For KCC Use: 2-3-2013 Effective Date: District

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 March 2010 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 KS	SONA-1, Certificati	ion of Comp		Surface Owner Notification Act, MUST be submitted with this form.	
Expected Spud Date:	02	14	2013	Spot Description:	
Expecieu Spuu Dale	month	day	year	SW_NW_NW_NE Sec. 36 Twp. 27 S. R. 16	7
	34443	,		(a/a/a/a) 4755 sec. wp. s. H. S. Line of Sec.]W
OPERATOR: License# Name: Blue Top E	neray LLC			2463 feet from XE / W Line of See	
Address 1 P.O.Box	31			Is SECTION: Regular Irregular?	Alon
	orest			Constraint	
City: Girard	State:	(S Zip: E	66743,	(Note: Locate well on the Section Plat on reverse side) County:	
Contact Domon: DEIII	IS LISACK			Lease Name: Sargeant Well # 8	
Phone: 502-639-2	7,001			Field Name: Buffalo-Vilas	
CONTRACTOR: Licensei	# /160°			le this a Prorated / Spaced Field?	No
CONTRACTOR: Licenses	suer		****	Target Formation(s): Squirrei, Cattleman	
Well Drilled For:	Well Class	s: Typ	e Equipment:	Nearest Lease or unit boundary line (in footage):	
	Rec Infield		Mud Rotary	Ground Surface Elevation: 1030feet !	_
	age Pool	_	Air Rotary	Water well within one-quarter mile:	
Disp	oosal Wildo	at	Cable	Public water supply well within one mile:	No
Seismic ;#	of Holes Dthe		_	Depth to bottom of fresh water: 50' Depth to bottom of usable water: 150'	
Other:				Sopar to Bottom or double water.	
If OWWO: old we	ell information as fol	lows:		Surface Pipe by Alternate: Surface Pipe Planned to be set: 20'	
				Length of Conductor Pipe (if any):	
Operator: Well Name:				Projected Total Depth: 1000	
Original Completion D			al Depth:	Formation at Total Depth: Cattleman	
,		•		Water Source for Drilling Operations:	
Directional, Deviated or H			∐Yes X No	Well X Farm Pond Other:	
ff Yes, true vertical depth: Bottom Hole Location:				DWR Permit #:	
KCC DKT #:				(Note: Apply for Permit with DWR	A.,
				Will Cores be taken? Yes If Yes, proposed zone:	No
				PEOPI	
	een had a later of			FIDAVIT	
			•	ugging of this well will comply with K.S.A. 55 et. seq. 28 2013	
It is agreed that the follo	-	•		20 21113	
 Notify the appropr A copy of the app 		• •	•	h drilling rig: KCC WIOLUM.	
				by circulating cement to the top; in all cases surface pipe shall be set	
through all uncons	solidated materials	s plus a min	imum of 20 feet into t	e underlying formation.	
-			•	trict office on plug length and placement is necessary <i>prior to plugging;</i> ged or production casing is cemented in;	
				ed from below any usable water to surface within 120 DAYS of spud date.	
Or pursuant to Ap	pendix "B" - Easte	ern Kansas s	surface casing order #	133,891-C, which applies to the KCC District 3 area, alternate II cementing	
				e plugged. In all cases, NOTIFY district office prior to any cementing.	
I hereby certify that the	statements made	herein are tr	ue and to the best of	my knowledge and belief	
Date: 01-23 13	Signature	of Operator	or Agent:	Title: Manager	
For KCC Use ONLY			_	Remember to: - File Certification of Compliance with the Kansas Surface Owner Notification	⊣ယ
API # 15 - 205	- 28096	0-000	>	Act (KSONA-1) with Intent to Drill;	36
Conductor pipe required	None	2.	feet	- File Drill Pit Application (form CDP-1) with Intent to Drill;	1
Minimum surface pipe re	7	^	et per ALT.	- File Completion Form ACO-1 within 120 days of spud date;	27
Approved by: Pure-1-			at per Act.	 File acreage attribution plat according to field proration orders; Notify appropriate district office 48 hours prior to workover or re-entry; 	ļ
	1-10 15	14		 Notify appropriate district office 46 flours prior to workover of re-entry; Submit plugging report (CP-4) after plugging is completed (within 60 days); 	16
This authorization expire (This authorization void if	· · · · · · · · · · · · · · · · · · ·		ns of approval date.)	Obtain written approval before disposing or injecting salt water.	5,
	÷		.,	- If well will not be drilled or permit has expired (See: authorized expiration date)	∇
Spud date:	Agent:			please check the box below and return to the address below.	
L					
				Well will not be drilled or Permit Expired Date: Signature of Operator or Agent:	

For KCC Use ONLY
API # 15 205-28096000

RECEIVED

SAM 2 R 2113

1980' FSL

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

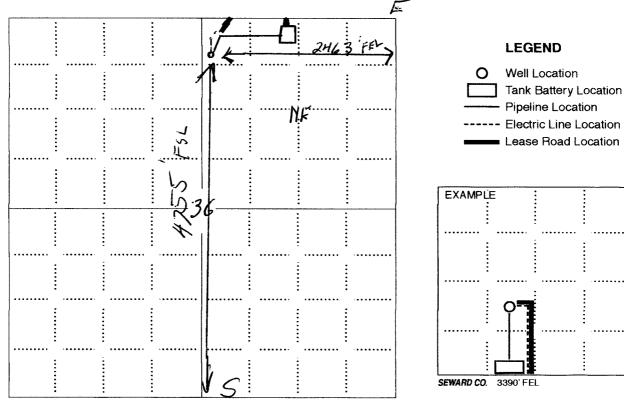
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this pagKCC WICHITA

Operatog: Blue Top Energy LLC	Location of Well: County: Wilson
Lease: Sargeant	feet from N / X S Line of Section
Well Number: O Field: Buffalo-Vilas	2463 feet from E / W Line of Section Sec. 36 Twp. 27 S. R. 16 E W
Number of Acres attributable to well: QTR/QTR/QTR/QTR of acreage: SW _ NW _ NW _ NE	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.



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.

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)	8-1 (Cathodic Protection Borehole Intent)	r) CP-1 (Plugging Application)
OPERATOR: License # 34443 Name: Blue Top Energy LLC	Well Location: SWNWNWNE Sec. 36 Twp. 27	s s 16 🔽=
Name: Blue Top Energy LLC Address 1: P.O. Box 31	\ A #1 = =	
Address 2: 110 E Forest	County: VIISON Lease Name: Sargeant	1A/all #: 8
Oinsud 1/O 00740		
City: GITATO State: KS Zip: 66743 + Contact Person: Dennis Lisack Phone: (502) 639-2047 Fax: () Email Address: dlisack@aol.com		
Surface Owner Information: Name: Henry M. and Theresa D. Jesseph Address 1: 22963 Reno Road Address 2: City: Buffalo State: KS zip: 66717 +	When filing a Form T-1 involving multiple so sheet listing all of the information to the lecture owner information can be found in the reccounty, and in the real estate property tax recounty.	ft for each surface owner. Surface ords of the register of deeds for the
If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathe KCC with a plat showing the predicted locations of lease roads, are preliminary non-binding estimates. The locations may be entered Select one of the following:	tank batteries, pipelines, and electrical lines. T	he locations shown on the plat
I certify that, pursuant to the Kansas Surface Owner Notice owner(s) of the land upon which the subject well is or will I CP-1 that I am filing in connection with this form; 2) if the form; and 3) my operator name, address, phone number, far	oe located: 1) a copy of the Form C-1, Form C rm being filed is a Form C-1 or Form CB-1, the	CB-1, Form T-1, or Form
I have not provided this information to the surface owner(s). KCC will be required to send this information to the surface task, I acknowledge that I am being charged a \$30.00 hand	e owner(s). To mitigate the additional cost of t	he KCC performing this
If choosing the second option, submit payment of the \$30.00 hand form and the associated Form C-1, Form CB-1, Form T-1, or Form		ed with this form, the KSONA-1
I hereby certify that the statements made herein are true and correct Date: 01. 23. 13 Signature of Operator or Agent:		lanas er
		lanager
		RECEIVED
		M 28 2013
		MM 2 8 2013 KCC WICHITA

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

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Any such form submitted without an accompanying Form KSONA-1 will be returned.

OPERATOR: License #34443	Well Location:		
OPERATOR: License # 34443 Name: Blue Top Energy LLC	SWNWNWNE Sec. 36 Twp. 27 S. R. 16 Eas West		
Address 1. P.O. Box 31	County: Wilson		
Address 2: 110 E Forest	County: Wilson Lease Name: Sargeant Well #: 8		
City: Girard State: KS Zip: 66743	If filing a Form T-1 for multiple wells on a lease, enter the legal description o		
Contact Person: Dennis Lisack	the lease below:		
Phone: (502) 639-2047 Fax: ()			
Email Address: dlisack@aol.com			
Surface Owner Information:			
Name: Gary & Waunita F. Bridges Address 1: 22963 Reno Road	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.		
Address 2:	County, and in the real estate property tax records of the county treasurer.		
Gian Buttalo Gran. KS Zin. 66/1/			
City: Buffalo State: KS Zip: 66717 +	(Cathodic Protection Borehole Intent), you must supply the surface owners and		
If this form is being submitted with a Form C-1 (Intent) or CB-1 the KCC with a plat showing the predicted locations of lease roa are preliminary non-binding estimates. The locations may be en Select one of the following: I certify that, pursuant to the Kansas Surface Owner Nowner(s) of the land upon which the subject well is or we CP-1 that I am filing in connection with this form; 2) if the form; and 3) my operator name, address, phone number I have not provided this information to the surface owner KCC will be required to send this information to the sur	(Cathodic Protection Borehole Intent), you must supply the surface owners and ads, tank batteries, pipelines, and electrical lines. The locations shown on the plat attered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. Notice Act (House Bill 2032), I have provided the following to the surface will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this er, fax, and email address. I acknowledge that, because I have not provided this information, the face owner(s). To mitigate the additional cost of the KCC performing this handling fee, payable to the KCC, which is enclosed with this form.		
If this form is being submitted with a Form C-1 (Intent) or CB-1 the KCC with a plat showing the predicted locations of lease roa are preliminary non-binding estimates. The locations may be en Select one of the following: I certify that, pursuant to the Kansas Surface Owner Nowner(s) of the land upon which the subject well is or voc CP-1 that I am filing in connection with this form; 2) if the form; and 3) my operator name, address, phone number I have not provided this information to the surface owner KCC will be required to send this information to the surface in task, I acknowledge that I am being charged a \$30.00 h	Notice Act (House Bill 2032), I have provided the following to the surface will be located: 1) a copy of the Form C-1, Form CB-1, the plat(s) required by this er, fax, and email address. I acknowledge that, because I have not provided this information, the face owner(s). To mitigate the additional cost of the KCC performing this handling fee with this form. If the fee is not received with this form, the KSONA-1		
If this form is being submitted with a Form C-1 (Intent) or CB-1 the KCC with a plat showing the predicted locations of lease roa are preliminary non-binding estimates. The locations may be en Select one of the following: I certify that, pursuant to the Kansas Surface Owner Nowner(s) of the land upon which the subject well is or we CP-1 that I am filing in connection with this form; 2) if the form; and 3) my operator name, address, phone number I have not provided this information to the surface owner KCC will be required to send this information to the surface owner task, I acknowledge that I am being charged a \$30.00 has lift choosing the second option, submit payment of the \$30.00 has	Notice Act (House Bill 2032), I have provided the following to the surface will be located: 1) a copy of the Form C-1, Form CB-1, Form CB-1, Form T-1, or Form the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this er, fax, and email address. I acknowledge that, because I have not provided this information, the face owner(s). To mitigate the additional cost of the KCC performing this handling fee, payable to the KCC, which is enclosed with this form, the KSONA-1 arm CP-1 will be returned.		

RECEIVED
AN 2 8 2013
KCC WICHITA

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: Blue Top Energy LL	_C	License Number: 34443				
Operator Address: P.O.Box 31		E. Forest Girard KS 66743				
Contact Person: Dennis Lisack		Phone Number: 502-639-2047				
Lease Name & Well No.: Sargeant	8	, , ,	Pit Location (QQQQ):			
Type of Pit:	Pit is:		SW - NW - NW - NE			
Emergency Pit Burn Pit	X Proposed	O Existing	Sec. 36 Twp. 27 R. 16 X East () West			
Settling Pit X Drilling Pit	If Existing, date constructed:		4750 4755 Feet from North / South Line of Section			
Workover Pit Haul-Off Pit	Pit capacity:		2468 2443 Feet from X East / West Line of Section			
(If WP Supply API No. or Year Drilled)	- it capacity.	(bbls)	Wilson			
Is the pit located in a Sensitive Ground Water	Area? 🔘 Yes 💢	No	Chloride concentration: mg/l			
			(For Emergency Pits and Settling Pits only)			
is the bottom below ground level? X Yes No	Is the bottom below ground level? Artificial Liner? Yes No		How is the pit lined if a plastic liner is not used?			
Pit dimensions (all but working pits):	O' Length (fe	et) 15'	Width (feet) N/A: Steel Pits			
Depth fr	om ground level to de	epest point:	4' (feet)			
If the pit is lined give a brief description of the I material, thickness and installation procedure.	iner	,	edures for periodic maintenance and determining any special monitoring.			
material, thorness and instantion procedure.		inioi iinogray, ii	RECEIVED			
			ANN 2 8 2013			
			KCC WICHITA			
Distance to nearest water well within one-mile	of pit:	Depth to shallo Source of infor	west fresh water 50 feet.			
NAfeet Depth of water well	feet	measured	well owner electric log KDWR			
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: Evaporate then back fill and grade				
Barrels of fluid produced daily:		Abandonment				
Does the slope from the tank battery allow all s flow into the pit? Yes No	spilled fluids to	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.						
<u>01-23.13</u>		J Kis Company				
Date Signature of Applicant or Agent						
KCC OFFICE USE ONLY Liner Steel Pit RFAC RFAS						
Date Received: 1-28-/3 Permit Num	it Date: 1-28-13 Lease Inspection: Yes Q 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 Thomas E. Wright, Commissioner Shari Feist Albrecht, Commissioner

January 28, 2013

Blue Top Energy, LLC PO Box 31 Girard, KS 66743

RE:

Drilling Pit Application Sargeant Lease Well No. 8 NE/4 Sec. 36-27S-16E Wilson 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 Drill.

If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,

Kathy Haynes
Kathy Haynes

Environmental Protection and Remediation Department

cc: File