

For KCC Use:
 Effective Date: 03/11/2012
 District # 3
 SGA? Yes No

KANSAS CORPORATION COMMISSION 1075794
 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 KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

Expected Spud Date: 03/11/2012
 month day year

OPERATOR: License# 32461
 Name: Tailwater, Inc.
 Address 1: 6421 AVONDALE DR STE 212
 Address 2:
 City: OKLAHOMA CITY State: OK Zip: 73116 + 6428
 Contact Person: CHRIS MARTIN
 Phone: 405 810 0900

CONTRACTOR: License# 8809
 Name: Evans Energy Development, Inc.

Well Drilled For: Oil Gas
 Well Class: Enh Rec Storage Disposal
 Type Equipment: Mud Rotary Air Rotary Cable
 Seismic; # of Holes
 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:
 Bottom Hole Location:
 KCC DKT #:

Spot Description:
 NW - NE - SE Sec. 16 Twp. 20 S. R. 20 E W
 2310 feet from N / S Line of Section
 990 feet from E / W Line of Section

Is SECTION: Regular Irregular?

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

Lease Name: TETER Well #: 9-1W
 Field Name: GARNETT SHOESTRING

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): BARTLESVILLE

Nearest Lease or unit boundary line (in footage): 330

Ground Surface Elevation: 981 Estimated Estimated 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: 80

Depth to bottom of usable water: 120

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 20

Length of Conductor Pipe (if any):

Projected Total Depth: 800

Formation at Total Depth: BARTLESVILLE

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 completion.

RECEIVED
 MAR 11 2013

Submitted Electronically

For KCC Use ONLY
 API # 15 - 15-003-25410-00-00
 Conductor pipe required 0 feet
 Minimum surface pipe required 20 feet per ALT. I II
 Approved by: Rick Hestermann 03/06/2012
 This authorization expires: 03/06/2013
 (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: 3-6-13
 Signature of Operator or Agent:

Sean M. Danaher

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

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