

For KCC Use:
Effective Date: 07/24/2012
District # 1
SGA? ☒ Yes ☐ No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

1086407

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: 03/24/2013
month day year

OPERATOR: License# 34662
Name: Tug Hill Operating, LLC
Address 1: 550 BAILEY AVE, STE 510
Address 2:
City: FT. WORTH State: TX Zip: 76107 +
Contact Person: Winnie Scott
Phone: 817-632-3400

CONTRACTOR: License# 34670
Name: Patterson-UTI Drilling Company LLC

Well Drilled For: ☒ Oil ☐ Enh Rec ☐ Infield ☒ Mud Rotary
☒ Gas ☐ Storage ☐ Pool Ext. ☐ Air Rotary
☐ Disposal ☒ Wildcat ☐ Cable
☐ Seismic; # of Holes ☐ Other
☐ 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: 4950
Bottom Hole Location: 330 FNL & 660 FEL
KCC DKT #:

Top of salt @ appr. 1350'. Max. surface casing 1250'.

Spot Description:
S2 - S2 - SE - SE Sec. 7 Twp. 27 S. R. 20 ☐ E ☒ W
(or or or or) 200 feet from ☐ N / ☒ S Line of Section
660 feet from ☒ E / ☐ W Line of Section

Is SECTION: ☒ Regular ☐ Irregular?

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

County: Kiowa
Lease Name: Einsel Well #: 1-7H
Field Name: Martin

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

Target Formation(s): Mississippian

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

Ground Surface Elevation: 2300 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: 100

Depth to bottom of usable water: 340

Surface Pipe by Alternate: ☒ I ☐ II

Length of Surface Pipe Planned to be set: 900

Length of Conductor Pipe (if any): 80

Projected Total Depth: 10000

Formation at Total Depth: Mississippian

Water Source for Drilling Operations: ☒ Well ☐ Farm Pond ☐ Other:

DWR Permit #: 20120411

(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.

Submitted Electronically

For KCC Use ONLY
API # 15 - 15-097-21731-01-00
Conductor pipe required 0 feet
Minimum surface pipe required 360 feet per ALT. ☒ I ☐ II
Approved by: Rick Hestermann 07/19/2012
This authorization expires: 07/19/2013
(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: 9/6/13
Signature of Operator or Agent: Winnie Scott

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



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

Corporation Commission

Sam Brownback, Governor

REQUEST FOR INFORMATION

September 03, 2013

TUG HILL OPERATING, LLC -- KCC LICENSE # 34662
550 BAILEY AVE, STE 510
FT. WORTH, TX 76107

RE: API Well No. 15-097-21731-01-00
EINSEL 1-7H
S2S2SESE, 7-27S-20W
KIOWA County, Kansas

Dear Operator:

According to KCC records, the Intent to Drill approved by the KCC Conservation Division on July 19, 2012, for the well listed above, has expired. The KCC has not received a spud call or an ACO-1 Completion Report on this well.

If drilling operations on the well never commenced, please check, sign and date below and return this letter to the KCC Wichita office.

☒ Well not drilled: Signature Winnie Scott
Date: 9/6/13

If the well has been drilled, please submit the required ACO-1 Completion Report with all attachments for this well along with a copy of this letter to the KCC Wichita office.

In either case please provide the requested information within 30 days from the date of this letter. Pursuant to K.A.R. 82-3-128, failure to respond to this letter with the requested information may result in assessment of a monetary penalty of \$100.00. Failure to file the ACO-1 form, if applicable, may result in assessment of a monetary penalty of \$500.00.

We appreciate your cooperation in this matter. If you have any questions, please contact me at (316) 337-6200.

Very truly yours,

Steve Bond
Production Department Supervisor

RECEIVED
KANSAS CORPORATION COMMISSION

SEP 10 2013

CONSERVATION DIVISION
WICHITA, KS