

FOR KCC USE:

FORM CB-1 12/93

EFFECTIVE DATE: 5-1-96

State of Kansas

FORM MUST BE TYPED

DISTRICT # 2

CATHODIC PROTECTION BOREHOLE INTENT DRAFT

FORM MUST BE SIGNED

SGA? Y Yes ... No

Must be approved by the K.C.C. sixty (60) days prior to commencing well.

ALL BLANKS MUST BE FILLED IN

Expected Spud (Starting) Date 6-24-96 APP
month day year

Spot (Location) 0/0/0

East

SE NW NE Sec. 25 Twp 33 S, Rg 7 X West

1050 feet from South (North) line of Section

1280 feet from East (West) line of Section

(Circle directions from nearest outside corner boundary)

IS SECTION X REGULAR ... IRREGULAR?

(Spot well on the Section Plat on Reverse Side)

County: HARPER

OPERATOR: License # 31769

Name: Greeley Gas Company

Address: Penn. Center Suite 800 1301 Pennsylvania

City/State/Zip: Denver, Co. 80203-5015

Contact Person: Steve Mitchell

Phone: 303-831-5685

Lease Name: ... Well #: ...

Facility Name: Anthony Rect. #2 D.W. No. 1

Ground Surface Elevation: ... MSL

Cathodic Borehole Total Depth 250 ft.

Depth to Bedrock 60-25-30 ft.

WATER INFORMATION: HARPER SILTSTONE

Aquifer Penetration: ... None X Single ... Multiple

Depth to bottom of fresh water: 30'

Depth to bottom of usable water: X

Water well within one-quarter mile: ... yes ... no

Public water supply well within one mile: ... yes X no

Water Source for Drilling Operations:

... well ... farm pond ... stream X other

Water Well Location: ...

DWR Permit #: ...

Standard Dimension Ratio (SDR) is = Schedule 40

(cathodic surface OD csg. in inches / MWT in inches = SDR)

Annular space between borehole and casing will be grouted

with: ... Concrete ... Bentonite Cement

X Neat cement ... Bentonite clay

Anode vent pipe will be set at: 3 ft. above surface

Anode conductor (backfill) material TYPE: Coke Breeze

Depth to BASE of Backfill installation material: 250'

Depth to TOP of Backfill installation material: 50'

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-104, et. seq. It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office prior to spudding of and again before plugging well;
2. A copy of the approved notice of intent to drill shall be posted on each drilling rig;
3. The minimum amount of cathodic surface casing as specified below shall be set by grouting to the top.
4. An agreement between the operator and the district office on plugs and placement is necessary prior to plugging;
5. The appropriate district office will be notified before well is either plugged or casing is grouted in;
6. 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: 2/26/96 Signature of Operator or Agent: Steve Mitchell Title: Conservation Specialist

FOR KCC USE:

API # 15-

077-21300 0000

Conductor pipe required NONE feet

Minimum cathodic surface casing required 40' feet (ACT 3)

Approved by: JK 4-26-96

This authorization expires: 10-26-96

(This authorization void if drilling not started within 6 months of effective date.)

Spud date: ... Agent: ...

REMEMBER TO:

- File Drill Pit Application (form CDP-1) with Intent to Install;
- File Completion Form CB-2 within 30 days of spud date;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CB-4) within 30 days after plugging is completed.

Mail to: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.

MAX. CATHODIC BOREHOLE
TOTAL DEPTH = 250'

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25
33
7W

cathodic borehole. Please show all the wells, existing cathodic boreholes, pipelines or facilities within 1/2 mile of the proposed borehole.

API NO. 15-
 OPERATOR Greeley Gas Company
 LEASE
 WELL NUMBER
 FACILITY NAME Anthony Rect.#9 D.W. No.1

LOCATION OF WELL: COUNTY Harper
1050 feet from ~~east~~/north line of section
1280 feet from east/~~west~~ line of section
 SECTION 25 TWP 33S RG 7W

SPOT: QTR/QTR/QTR/QTR OF ACREAGE
 - - - - -

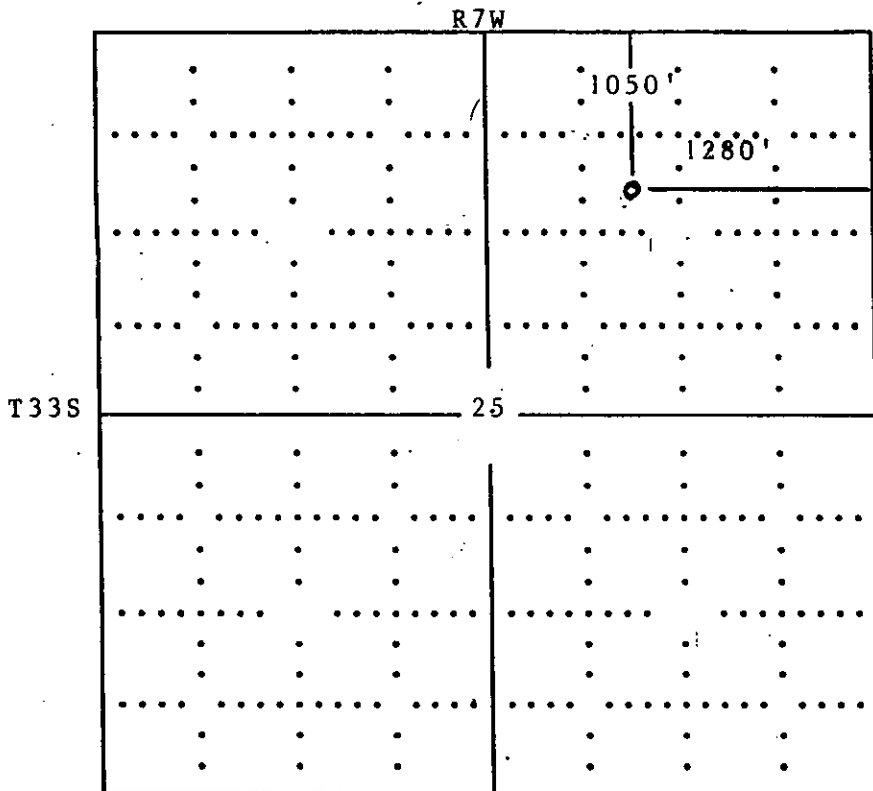
IS SECTION X REGULAR or IRREGULAR
 IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST
 CORNER BOUNDARY.

Section corner used: NE NW SE SW

PLAT

(Show location of intended cathodic borehole.)

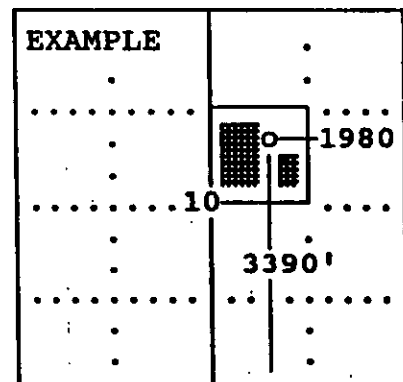
(Show footage from nearest lease, unit or outside section boundary line.)



HARPER CO.

N
↑

SE NW NE



SEWARD CO.

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 section's south/north and east/west; and
- 3) the distance to the nearest lease, unit or outside section boundary line.

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HERRINGTON RECEIVED APR 8 1996

DEEP GROUNDBED
DISPOSAL OF DRILLING FLUIDS
LETTER OF AGREEMENT

This Agreement is made and entered into this 4 day of
APRIL, 1996 by and between GREELEY GAS COMPANY, a
division of ATMOS ENERGY CORPORATION, whose address is 1301
Pennsylvania Street, Suite 800, Denver, Colorado, 80203-5015,
hereinafter referred to as the "Company", and

McLean's CP Installation (806) 383-5047

4520 State Highway 136

Amarillo, TX 79107

hereinafter referred to as the "Contractor", with

CITY OF ANTHONY

124 SOUTH BLUFF

ANTHONY KANSAS 67003

hereinafter referred to as the "Property Owner".

The Property Owner acknowledges that the signing of this
Agreement is an independent act and the Property Owner agrees to
allow access to their property at:

State: KANSAS

County: HARPER

ALL OF BLOCK 72 NE 1/4, of the NW 1/4

IN THE ORIGINAL

CITY OF ANTHONY Section: 25 Range: 7 W

Township: 33 S Principal Meridian: 6 TH

by either the Company or the Contractor for the purpose of
disposing of drilling fluids, obtained during the course of
drilling cathodic protection bore holes using municipal or
potable water supplies, upon the surface of the Property Owner's
land.

IN WITNESS WHEREOF, the parties have executed this Agreement
in several counterpart originals on the day and year first above
written.

RECEIVED
KANSAS CORP COMM

1996 APR 24 A 10:50

**DEEP GROUNDED
DISPOSAL OF DRILLING FLUIDS
LETTER OF AGREEMENT**

Company: Greeley Gas Company

A Division of ATMOS Energy Corporation

By:

[Signature]
Senior Vice President Technical Services

Contractor:

McLean's CP Installation

By:

Property Owner:

CITY OF ANTHONY BY

[Signature]
City Superintendent

Attestor:

GREELEY GAS COMPANY BY