



For KCC Use:
 Effective Date: 10/25/2014
 District # 3
 SGA? Yes No

KANSAS CORPORATION COMMISSION 1228258
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: 11/03/2014
 month day year

Spot Description:
 SE - SE - NW - SW Sec. 13 Twp. 18 S. R. 22 E W
 (0000) 1485 feet from N / S Line of Section
 4125 feet from E / W Line of Section

OPERATOR: License# 34592
 Name: Kansas Resource Exploration & Development, LLC
 Address 1: 9393 W 110TH ST, STE 500
 Address 2:
 City: OVERLAND PARK State: KS Zip: 66210 +
 Contact Person: Brad Kramer
 Phone: 813-451-6758

Is SECTION: Regular Irregular?
 (Note: Locate well on the Section Plat on reverse side)
 County: Miami
 Lease Name: Hays Well #: KR-28
 Field Name: Paola-Rantoul

CONTRACTOR: License#
 Name: Advise on ACO-1 -- Must be licensed by KCC

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Squirrel
 Nearest Lease or unit boundary line (in footage): 1155
 Ground Surface Elevation: 874 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: 200
 Surface Pipe by Alternate: I II

Well Drilled For: Well Class: Type Equipment:
 Oil Enh Rec Infield Mud Rotary
 Gas Storage Pool Ext. Air Rotary
 Selsmic: # of Holes Wildcat Cable
 Other: Other

Length of Surface Pipe Planned to be set: 20
 Length of Conductor Pipe (if any):
 Projected Total Depth: 600
 Formation at Total Depth: Squirrel
 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:

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 #:

Received
 NOV 19 2014
 KANSAS CORPORATION COMMISSION
 CONSERVATION DIVISION
 WICHITA, KS

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 - 15-121-30792-00-00
 Conductor pipe required 0 feet
 Minimum surface pipe required 20 feet per ALT. I II
 Approved by: NAOMI JAMES 10/20/2014
 This authorization expires: 10/20/2015
 (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

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 prorallon 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: 11/19/14
 Signature of Operator or Agent: *JK*

13
 18
 22
 E
 W