

CORRECTION 1st CORRECTED 2-4-2016



For KCC Use:
Effective Date: 11/17/2014
District # 3
SGA? Yes No

KANSAS CORPORATION COMMISSION 1231339
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: 11/14/2014
month day year

* MW NE
Spot Description: MW NE
SW - SE - SW - SE Sec. 17 Twp. 33 S. R. 10 E W
(0/0/0/0) * 190 feet from N / S Line of Section
1965 feet from E / W Line of Section
Is SECTION: Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
County: Chautauqua
Lease Name: Fulsom B Well # 1
Field Name: Leniton

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Mississippi

* Nearest Lease or unit boundary line (in footage): 1965 190
Ground Surface Elevation: 1020 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: 480
Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set: 40
Length of Conductor Pipe (if any):
Projected Total Depth: 2300
Formation at Total Depth: Mississippi

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:

OPERATOR: License# 35116
Name: SM Oil & Gas, Inc.
Address 1: PO BOX 189
Address 2:
City: SKIATOOK State: OK Zip: 74070 + 0189
Contact Person: Skylar Miller
Phone: 918-520-4244

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

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

* WAS: SW-SE-SW-SE 190' FSL; NLUB: 1965
IS: NW-NE-NW-NE 190' FNL; NLUB: 190

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 in Person Tom OAST 1/12/2016

For KCC Use ONLY
API # 15 - 15-019-27503-00-00
Conductor pipe required 0 feet
Minimum surface pipe required 40 feet per ALT. I II
Approved by: Rick Hestermann 11/12/2014 [Signature] 2-4-2016
This authorization expires: 11/12/2015
(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 prorations 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:
Signature of Operator or Agent:

17
33
10
 E
 W

Received
KANSAS CORPORATION COMMISSION
FEB 04 2016
CONSERVATION DIVISION
WICHITA, KS



1231339

For KCC Use ONLY
API # 15 - 15-019-27503-00-00

CORRECTED

Received
KANSAS CORPORATION COMMISSION

FEB 04 2016

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

CONSERVATION DIVISION
WICHITA, KS

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

Operator: SM Oil & Gas, Inc.
Lease: Fulsom B
Well Number: 1
Field: Leniton

Location of Well: County: Chautauqua
190 feet from N / S Line of Section
1965 feet from E / W Line of Section
Sec. 17 Twp. 33 S. R. 10 E W

Number of Acres attributable to well: NW NE NW NE
QTR/QTR/QTR/QTR of acreage: SW SE SW SE

Is Section: Regular or Irregular

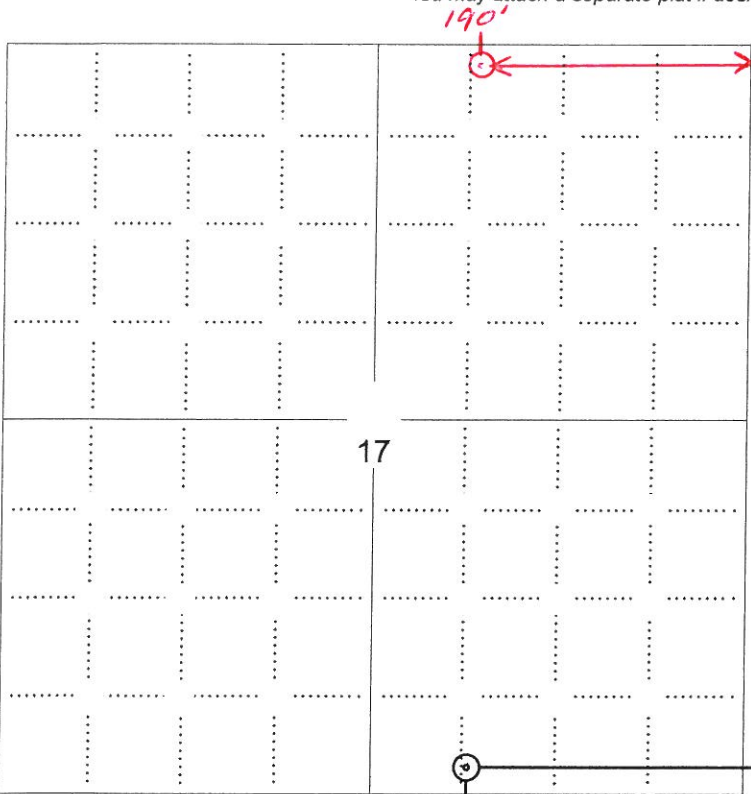
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

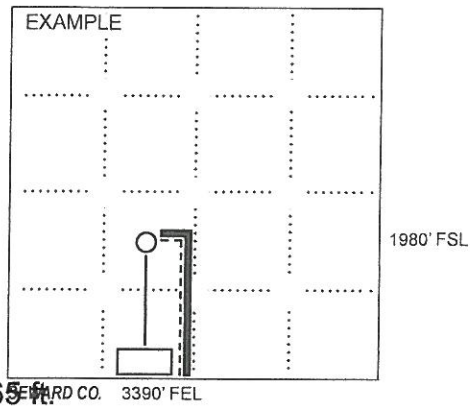
Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).

You may attach a separate plat if desired.



LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location



NOTE: In all cases locate the spot of the proposed drilling location.

190 ft.

In plotting the proposed location of the well, you must show:

- 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.
- The distance of the proposed drilling location from the south / north and east / west outside section lines.
- The distance to the nearest lease or unit boundary line (in footage).
- If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells)
- The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.



KANSAS CORPORATION COMMISSION 1231339
OIL & GAS CONSERVATION DIVISION

Form CDP-1
May 2010
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: SM Oil & Gas, Inc.		License Number: 35116	
Operator Address: PO BOX 189		SKIATOOK OK 74070	
Contact Person: Skylar Miller		Phone Number: 918-520-4244	
Lease Name & Well No.: Fulsom B 1		Pit Location (QQQQ): ^{NW NE} SW - SE - SW - SE ^{NW NE}	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 1500 (bbls)	Sec. <u>17</u> Twp. <u>33</u> R. <u>10</u> <input checked="" type="checkbox"/> East <input type="checkbox"/> West <u>190</u> Feet from <input checked="" type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <u>1965</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Chautauqua County	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>	
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? Native Clay	
Pit dimensions (all but working pits): <u>40</u> Length (feet) <u>30</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>6</u> (feet) <input type="checkbox"/> No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. Received KANSAS CORPORATION COMMISSION FEB 04 2016 CONSERVATION DIVISION WICHITA, KS	
Distance to nearest water well within one-mile of pit: <u>4203</u> feet Depth of water well <u>10</u> feet	Depth to shallowest fresh water <u>9</u> feet. Source of information: <input type="checkbox"/> measured <input checked="" type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KDWR		
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No	Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: <u>water</u> Number of working pits to be utilized: <u>2</u> Abandonment procedure: <u>Let fluid evaporate, cover pit, restore location</u> Drill pits must be closed within 365 days of spud date.		
Submitted Electronically <i>in PERSON Tom OAST 1/12/2016</i>			

KCC OFFICE USE ONLY

Date Received: 11/10/2014 Permit Number: 15-019-27503-00-00 Permit Date: 11/12/2014 2/4/16
 Liner Steel Pit RFAC RFAS
Lease Inspection: Yes No



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) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License # 35116
Name: SM Oil & Gas, Inc.
Address 1: PO BOX 189
Address 2: _____
City: SKIATOOK State: OK Zip: 74070 + 0189
Contact Person: Skylar Miller
Phone: (918) 520-4244 Fax: (_____) _____
Email Address: _____

Well Location: NW NE NW NE
SW SE SW SE Sec. 17 Twp. 33 S. R. 10 East West
County: Chautauqua
Lease Name: Fulsom B Well #: 1

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Received
KANSAS CORPORATION COMMISSION
FEB 04 2016
CONSERVATION DIVISION
WICHITA, KS

Surface Owner Information:

Name: Paul Fulsom, Jr.
Address 1: PO Box 231
Address 2: _____
City: Cedar Vale State: KS Zip: 67024 + 0231

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.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.

I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I must provide the name and address of the surface owner by filling out the top section of this form and that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I Submitted Electronically

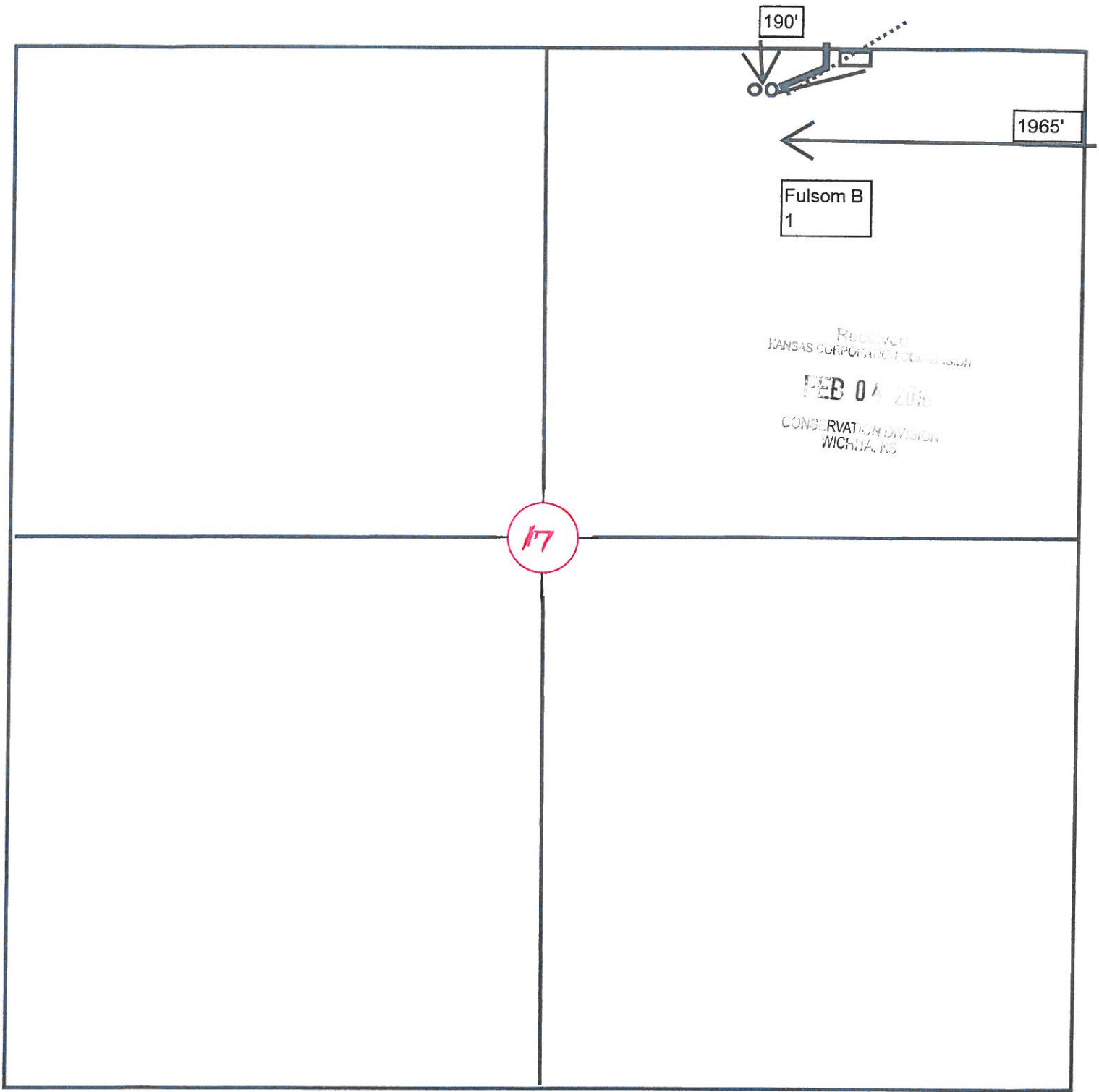
SEC: 17

Township: 33S

Range: 10E

Lease Name: Fulsom B

Well Number: 1



○ Well Location

▭ Tank Battery

— Road

— pipeline

..... Electric