

For KCC Use: 7-26-2017
 Effective Date: 7-26-2017
 District #: 4
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

Form C-1
 July 2014
 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: 07 27 2017
 month day year

OPERATOR: License# 30717
 Name: Downing Nelson Oil Co., Inc.
 Address 1: PO Box 1019
 Address 2: _____
 City: Hays State: KS Zip: 67601 + _____
 Contact Person: Ron Nelson
 Phone: 785-621-2610

CONTRACTOR: License# 31548
 Name: Discovery Drilling Co Inc

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

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: _____
 SW - SW - NE - NW Sec. 19 Twp. 13 S. R. 21 E W
 (a/a/a/a) 1,180 feet from N / S Line of Section
1,600 feet from E / W Line of Section

Is SECTION: Regular Irregular?
 (Note: Locate well on the Section Plat on reverse side)

County: Trego
 Lease Name: Herbert West Well #: 2-19
 Field Name: Petty

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

Nearest Lease or unit boundary line (in footage): 1040
 Ground Surface Elevation: 2222 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: 150
 Depth to bottom of usable water: 780

Surface Pipe by Alternate: I II
 Length of Surface Pipe Planned to be set: 200

Length of Conductor Pipe (if any): _____
 Projected Total Depth: 4100
 Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:
 Well Farm Pond Other: Unknown at this time

DWR Permit #: Apply if needed.
 (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.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 07/20/2017 Signature of Operator or Agent: Michael Meier Title: Office Manager

For KCC Use ONLY
 API # 15 - 195-23026-0000
 Conductor pipe required None feet
 Minimum surface pipe required 200 feet per ALT I II
 Approved by: RNB 7-21-2017
 This authorization expires: 7-21-2018
 (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: _____
 Signature of Operator or Agent: _____

Mail to: KCC - Conservation Division,
 266 N Main St, Ste 220, Wichita, KS 67202-1513

RECEIVED
 KANSAS CORPORATION COMMISSION
 JUL 21 2017
 CONSERVATION DIVISION
 WICHITA, KS

19
 13
 21
 E
 W

JUL 21 2017

CONSERVATION DIVISION
WICHITA, KS

For KCC Use ONLY

API # 15 - 195-23026-0000

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

Operator: Downing Nelson Oil Co., Inc.

Lease: Herbert West

Well Number: 2-19

Field: Petty

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: SW - SW - NE - NW

Location of Well: County: Trego

1,180 feet from N / S Line of Section

1,600 feet from E / W Line of Section

Sec. 19 Twp. 13 S. R. 21 E W

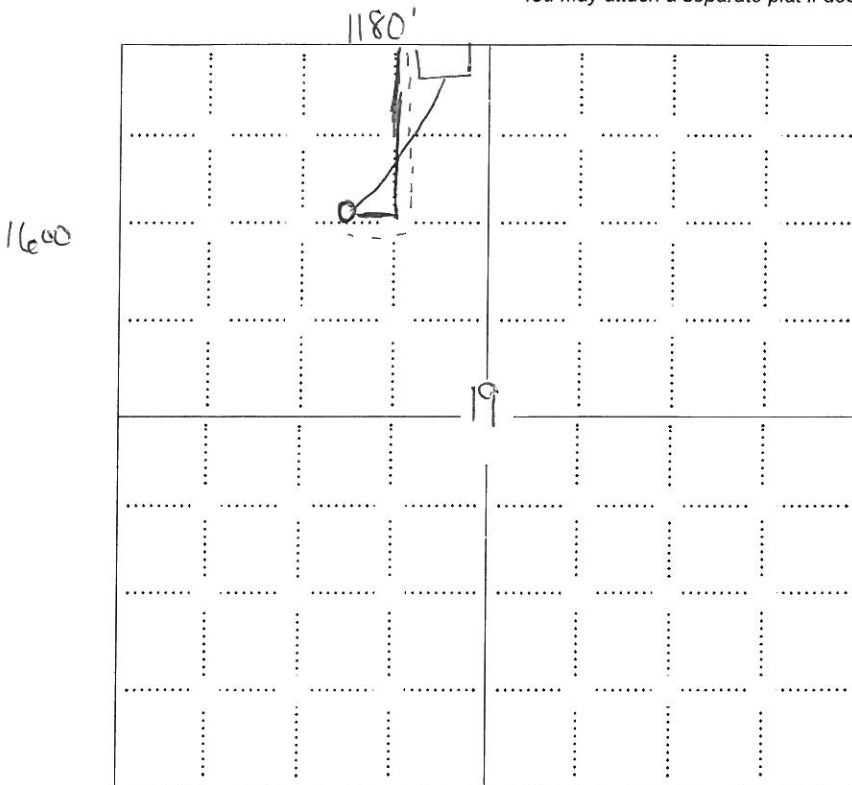
Is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

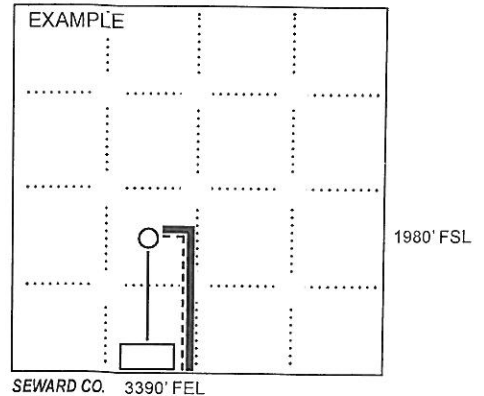
PLAT

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 locaton.

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 south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. 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).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

15-195-23026-0000

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form KSONA-1
July 2014
Form Must Be Typed
Form must be Signed
All blanks must be Filled

**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 # 30717
Name: Downing Nelson Oil Co., Inc.
Address 1: PO Box 1019
Address 2: _____
City: Hays State: KS Zip: 67601 + _____
Contact Person: Ron Nelson
Phone: (785) 621-2610 Fax: (785) 621-2612
Email Address: _____

Well Location:
SW SW NE NW Sec. 19 Twp. 13 S. R. 21 East West
County: Trego
Lease Name: Herbert West Well #: 2-19

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

RECEIVED
KANSAS CORPORATION COMMISSION
JUL 21 2017
CONSERVATION DIVISION
WICHITA, KS

Surface Owner Information:

Name: Glen E Herbert Trust
Address 1: 8540 Chaparral Cir
Address 2: _____
City: Lincoln State: NE Zip: 68520 + 1 1 7 9

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 hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.


Date: 07/20/2017 Signature of Operator or Agent: Mel Me Title: Office Manager

15-195-23026-0000

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT

Form GDP-1
July 2014
Form must be Typed

Submit in Duplicate

Operator Name: Downing Nelson Oil Co., Inc.		License Number: 30717	
Operator Address: PO Box 1019		Hays KS 67601	
Contact Person: Ron Nelson		Phone Number: 785-621-2610	
Lease Name & Well No.: Herbert West 2-19		Pit Location (QQQQ): SW - SW - NE - NW Sec. 19 Twp. 13 R. 21 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1,180 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 1,600 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Trego County	
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: 3,000 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input 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? Sealed with clay soil, native and fresh mud.			
Pit dimensions (all but working pits): 70 Length (feet) 70 Width (feet) Depth from ground level to deepest point: 5 (feet)		<input type="checkbox"/> N/A: Steel Pits <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 JUL 21 2017 CONSERVATION DIVISION WICHITA, KS	
Distance to nearest water well within one-mile of pit: 4823 feet Depth of water well 37 feet		Depth to shallowest fresh water 18 feet. Source of information: <input type="checkbox"/> measured <input 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: Fresh mud Number of working pits to be utilized: 3 Abandonment procedure: Allow liquid contents to evaporate, let cuttings dry and backfill Drill pits must be closed within 365 days of spud date.	
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.			
07/20/2017 Date		 Signature of Applicant or Agent	

KCC OFFICE USE ONLY

Liner Steel Pit RFAC RFAS

Date Received: 7/21/17 Permit Number: _____ Permit Date: 7/21/17 Lease Inspection: Yes No

Conservation Division
266 N. Main St., Ste. 220
Wichita, KS 67202-1513



Phone: 316-337-6200
Fax: 316-337-6211
<http://kcc.ks.gov/>

Pat Apple, Chairman
Shari Feist Albrecht, Commissioner
Jay Scott Emler, Commissioner

Sam Brownback, Governor

July 21, 2017

Ron Nelson
Downing Nelson Oil Co., Inc.
PO Box 1019
Hays, KS 67601

RE: Drilling Pit Application
Herbert West 2-19
NW/4 Sec. 19-13S-21W
Trego County, Kansas

Dear Ron Nelson:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluid should be removed again after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (785) 261-6250 when the fluids have been removed. Please file form CDP-5, Exploration and Production Waste Transfer, within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,

A handwritten signature in black ink that reads "Kathy Haynes".

Kathy Haynes
Environmental Protection and Remediation Department

cc: district