

*** CORRECTED**

*** CORRECTION**



For KCC Use:
Effective Date: 09/30/2014
District # 3
SGA? Yes No

KANSAS CORPORATION COMMISSION 1224669
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: 10/1/2014
month day year

Spot Description: * 33
SE - NE - SW - SE Sec. 8 Twp. 32 S R. 10 E W
825 feet from N / S Line of Section
1485 feet from E / W Line of Section

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

Is SECTION: Regular Irregular?

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

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

Lease Name: Underwood Well #: 110
Field Name: Unnamed Leniton

Is this a Prorated / Spaced Field? Yes No

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

Nearest Lease or unit boundary line (in footage): 825
Ground Surface Elevation: 1103 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: 2200
Formation at Total Depth: Mississippian

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:

* WAS: TWP 32 S; Field Name: Unnamed
IS: TWP 33 S; " " Leniton

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 - 15-019-27482-00-00
Conductor pipe required 0 feet
Minimum surface pipe required 40 feet per ALT. I II
Approved by: Rick Hestermann 09/25/2014
This authorization expires: 09/25/2015
(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 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,
130 S. Market - Room 2078, Wichita, Kansas 67202

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