

APR 11 2019
CONSERVATION DIVISION
WICHITA, KS

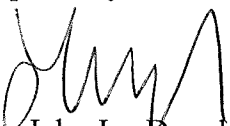
Darrah Oil Company
125 North Market #1425
Wichita, KS 67201
Telephone 316-219-3390

April 11, 2019

Requested answer to: 9. Please explain why the intended use for the well requires an extension of its TA status.

- a. This lease currently has one active injection well for the Noble Simpson Sand Water Flood Unit, the Vacek A #2. Presently the A#2 and the Vacek A #4 have passed prior MITs. The Vacek A #2 and Vacek A #4 are approved input wells that support pressure maintains for the John Vacek #3 which is part of the Noble Simpson Water Flood and is also completed in the Simpson Sand reservoir.
- b. Estimated cost of plugging the Vacek A #4 is \$16,000.
- c. Currently the John Vacek #3 is making 2 BOPD and 120 BWPD. We have survey and are filed an intent to drill (see attached) a development well that is designed to capture banked and non-drained Simpson Sand reservoir oil that is believe to extend several more locations west of our present and historic Simpson Sand extraction wells. This potential is based on 3D seismic and subsurface control.
- d. An engineered volumetric case can be made that there is an additional 120,000 barrels EUR to be recovered from the Noble Simpson Water Flood.
- e. The Vacek A #4 well was TA 10 years ago when the Simpson Water Flood pattern was changed and was then supported by input wells Vacek A #2 and Vacek A #5. The Vacek A #5 has since been plugged and abandoned, which leaves inputting option in jeopardy if we are now required to immediately plug the Vacek A #4, particularly considering our intent to drill an additional extraction well, the John Vacek #7, later in this current quarter, 2019.
- f. We have partner approval to drill and complete the John Vacek #7 as a Simpson Sand test. The AFE was \$120,000 to evaluate the hole and \$50,000 to complete.

Repectfully Submitted,


By John Jay Darrah