

**RECEIVED**  
KANSAS CORPORATION COMMISSION

**APR 05 2012**

**BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS**

**LEGAL SECTION**

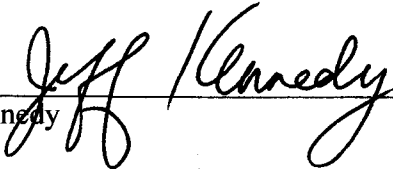
IN THE MATTER OF THE APPLICATION	)	
OF THE GHK COMPANY, LLC. FOR	)	DOCKET NO. 12-CONS-242-CHOR
AUTHORITY TO DRILL A WELL	)	OPERATOR NO. 34702
HORIZONTALLY INTO THE CHEROKEE	)	CONSERVATION DIVISION
FORMATION PURSUANT TO K.A.R. 82-3-	)	
103a FOR THE WINHOLZ #1-24H WELL IN	)	
SECTION 24, TOWNSHIP 13 SOUTH,	)	
RANGE 22 WEST, IN TREGO COUNTY,	)	
<u>KANSAS.</u>	)	

**AFFIDAVIT OF MAILING**


STATE OF KANSAS            )  
   ) ss:  
 SEDGWICK COUNTY         )

Jeff Kennedy, of lawful age, being first duly sworn on oath states:

That he is one of the attorneys for the Applicant; that he served a copy of the attached Notice and related Amended Application by depositing the same in the United States mail, postage prepaid, on the 4th day of April, 2012, addressed to the persons listed within the attached Application.

  
 \_\_\_\_\_  
 Jeff Kennedy

SUBSCRIBED AND SWORN to before me this 4th day of April, 2012.

  
 \_\_\_\_\_  
 Notary Public

My appointment expires:

00707944.doc



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SECTION 24, TOWNSHIP 13 SOUTH, )  
RANGE 22 WEST, IN TREGO COUNTY, )  
KANSAS. )

**NOTICE OF PENDING APPLICATION**

THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS:  
ALL OIL AND GAS PRODUCERS AND OIL  
AND GAS PURCHASERS, ROYALTY OWNERS,  
LAND OWNERS, AND ALL PERSONS  
WHATSOEVER CONCERNED:

YOU, and each of you, are hereby notified that The GHK Company, LLC by and through Jeff Kennedy of Martin, Pringle, Oliver Wallace & Bauer has filed an Amended Application with the State Corporation Commission of the State of Kansas requesting an Order for authority to drill a horizontal well pursuant to K.A.R. 82-3-103a for the Winholz #1-24H well, located in Section 24, Township 13 South, Range 22 West, Trego County, Kansas.

YOU are further notified that unless written protest is received by the State Corporation Commission within 15 days after publication of this Notice, the Amended Application in this matter will be granted by administrative approval after said 15 day period. Any such protest should be mailed to the State Corporation Commission of the State of Kansas, Conservation Division, 130 South Market, Room 2078, Wichita, KS 67202, and to the Applicant at the address below.

All parties in any wise interested or concerned shall take notice of the foregoing and govern themselves accordingly.

Jeff Kennedy  
Martin, Pringle, Oliver, Wallace & Bauer, L.L.P.  
100 N. Broadway, #500  
Wichita, KS 67202  
(316) 265-9311  
Attorneys for GHK Company, L.L.C.

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IN THE MATTER OF THE APPLICATION	)	
OF THE GHK COMPANY, LLC. FOR	)	
AUTHORITY TO DRILL A WELL	)	DOCKET NO. 12-CONS-242-CHOR
HORIZONTALLY INTO THE CHEROKEE	)	OPERATOR NO. 34702
FORMATION PURSUANT TO K.A.R. 82-3-	)	
103a FOR THE WINHOLZ #1-24H WELL IN	)	CONSERVATION DIVISION
SECTION 24, TOWNSHIP 13 SOUTH,	)	
RANGE 22 WEST, IN TREGO COUNTY,	)	
KANSAS.	)	

AMENDED APPLICATION

COMES NOW, Applicant The GHK Company, L.L.C. ("GHK"), by and through its attorney, Jeff Kennedy, Martin, Pringle, Oliver, Wallace & Bauer, L.L.P., and in support of its Application in the captioned matter states as follows:

1. GHK is a corporation authorized to do business in the State of Kansas and has a street address of 6305 Waterford Boulevard, Suite 300 Oklahoma City, Oklahoma 73118-1116.
2. GHK has been issued operator's license 34702 by the Kansas Corporation Commission.
3. GHK owns and operates oil and gas leases covering the following tracts of land located in Trego County, Kansas to-wit:

All of Section 24, except a tract described as follows: beginning at a point 427.0' NW on a bearing of N 76 degrees 35 minutes W of the SE corner of Section 24-13S-22W, that being the point of beginning of the tract of land surveyed; thence W on a bearing of S 89 degrees 41 minutes W a distance of 294.5 feet, thence NW on a bearing of N 32 degrees 43 minutes W a distance of 264.5 feet, thence SE on a bearing of S 74 degrees 30 minutes E a distance of 253.4 feet, thence SE on a bearing of S 51 degrees 34 minutes E a

distance of 246.2 feet to point of beginning, said Section 24 containing 638.96 acres, more or less, in Township 13 South, Range 22 West, Trego County, Kansas.

4. GHK proposes to drill a horizontal well on the subject land to be known as the Winholz #1-24H well (the "Subject Well"). The target producing formation for the well is in the Cherokee Formation. The surface location for said well will be 1200 feet from the South line and 185 feet from the East line of Section 24, Township 13 South, Range 22 West, Trego County, Kansas. The well will be drilled directionally and will enter the Cherokee Formation at a point that is no closer than 330 feet from the South line and no closer than 330 feet from the West line of Section 24, Township 13 South, Range 22 West, Trego County, Kansas. GHK will file a Notice of Intent to Drill (KCC Form C-1) for the Subject Well in due course.

5. A plat showing the surface location, the intended bottom hole location and the path of the horizontal portion of the Subject Well is attached hereto as Exhibit A. This application is being amended to add a revised Exhibit A.

6. The proposed well, including the horizontal section and bottom hole location should optimize the rate of initial production from the Subject Well and the ultimate recoverable reserves from the Cherokee Formation in the subject area. At the same time, the proposed well will not violate correlative rights and will prevent physical and economic waste.

7. GHK plans to pool the well in a 638.966276 acre unit comprising the lands described in paragraph 3 above.

8. At present it is anticipated the Applicant will hydraulically fracture the Cherokee Formation pending log analysis in a manner conducive to optimal well performance.

9. If the well is determined not to be commercially productive, GHK will plug the well in accordance with K.A.R. 82-3-113 and 114 after consultation with the Commission.

10. Blow-out preventers will be utilized from the 200 feet to total depth including the horizontal section of the well. Directional surveys will be run and provided to the Commission within thirty (30) days of the completion of the well.

11. GHK is causing notice of filing of its Application to be published in the following newspapers according to the Commission's rules and regulations: Western Kansas World and the Wichita Eagle. Following publication, GHK will provide Affidavits of Publication to the Commission.

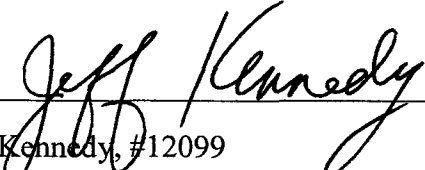
12. Further, pursuant to the Commission's rules and regulations, GHK is mailing notice to each operator or lessee of record or unleased mineral interest owner within a one-half (1/2) mile radius of the well. This application is being amended for the purpose of adding names to Exhibit B attached hereto.

WHEREFORE, The GHK Company, LLC prays that its application be granted and that an appropriate Order be entered permitting GHK to drill the Winholz #1-24H well horizontal well and for such other relief as the commission deems just and equitable.

Respectfully submitted,

MARTIN, PRINGLE, OLIVER, WALLACE  
& BAUER, L.L.P.

By

  
Jeff Kennedy, #12099  
100 North Broadway, Suite 500  
Wichita, KS 67202  
(316) 265-9311  
Attorneys for The GHK Company, L.L.C.

VERIFICATION

STATE OF KANSAS )  
 ) ss:  
COUNTY OF SEDGWICK )

Jeff Kennedy of lawful age, being first duly sworn, upon oath states:

That he is the attorney for The GHK Company, L.L.C., applicant herein; that he has read the above and foregoing Application of The GHK Company, L.L.C. and is familiar with the contents thereof; and, that the statements made therein are true and correct to the best of his knowledge and belief.

*Jeff Kennedy*  
\_\_\_\_\_  
Jeff Kennedy

SUBSCRIBED and sworn to before me this 4<sup>th</sup> day of April, 2012.

*Marks*  
\_\_\_\_\_  
Notary Public

My Appointment Expires:



# Section 24-13S-22W Trego County, Kansas

**Kansas Wells**

- ⊕ D&A
- ⊗ INJ-P&A
- ⊛ O&G-P&A
- OIL
- ⊙ OIL-P&A
- OTHER
- ⊕ SWD

**Leasehold Owner**

**Well Name**

**Mineral Owner**

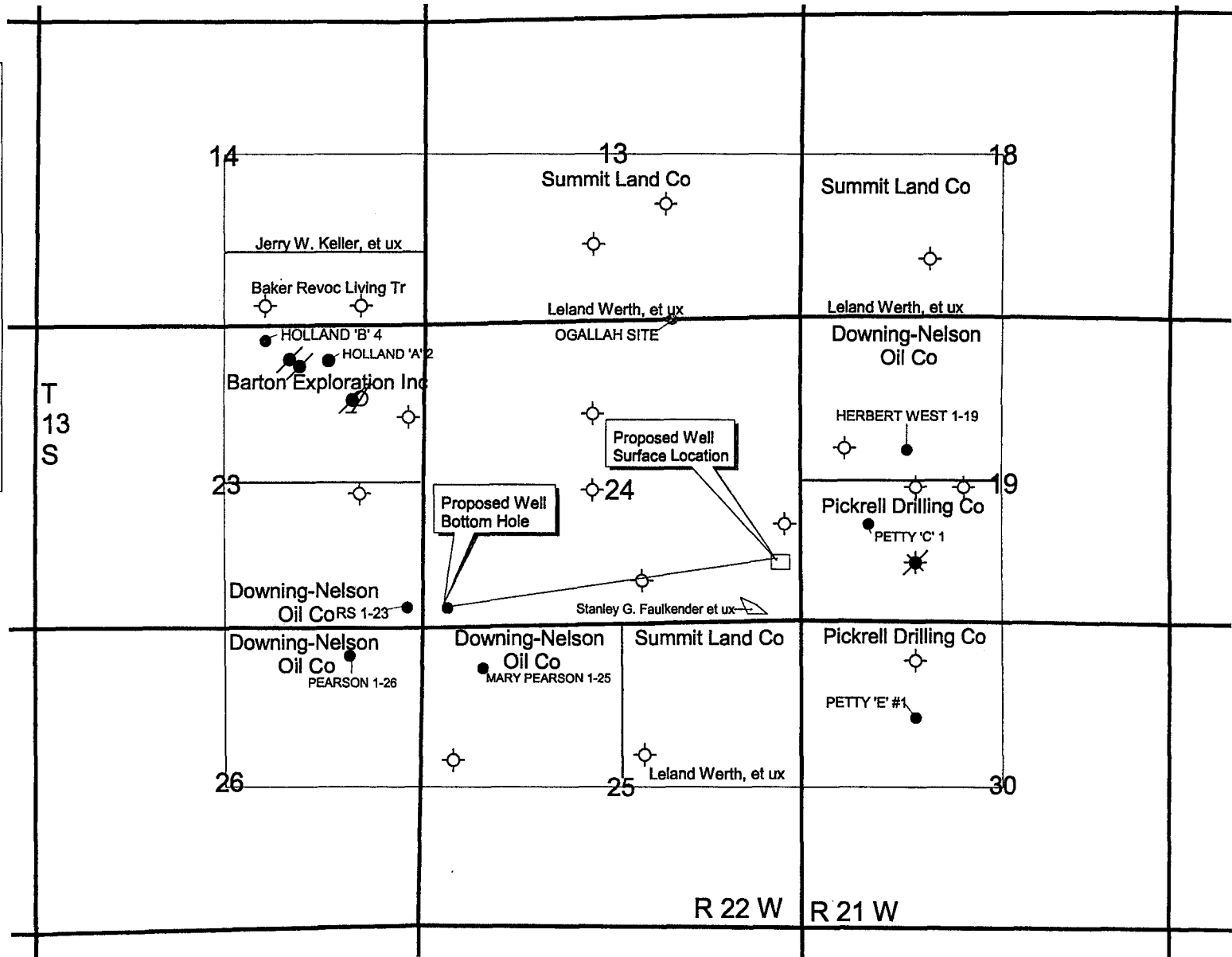


Exhibit "A"

Section 24-13S-22W, Trego County

Offset Contact Information

Section 13-13S-22W

S/2 Leland and Janice Werth, Leased unto Summit Land Company

24023 360 Ave.

Ellis, KS 67637

Section 14-13S-22W

S/2 SE/4 Jerry W. Keller and Lois Keller, husband and wife, Unleased

37092 N. Road

Ellis, KS 67637

N/2 SE/4 Lois M. Baker, Trustee for the Baker Revocable Living Trust dated

September 6, 1990, Unleased

20004 NE 116<sup>th</sup> Street

Liberty, MO 64068

Section 23-13S-22W

NE/4, HBP by the Holland 'B' 4 well operated by Barton Exploration, Inc., 623 W. 16<sup>th</sup> St., Russell, KS 67665

SE/4, HBP by the RS 1-23 well operated by Downing-Nelson Oil Co. Inc., 113 W. 13<sup>th</sup> St., Hays, KS 67601

Section 25-13S-22W

NW/4, HBP by the Mary Pearson 1-25 well operated by Downing-Nelson Oil Co. Inc., 113 W. 13<sup>th</sup> St., Hays, KS 67601

NE/4 Lester D. Windolz , Leased unto Summit Land Company

35074 J. Road

Ogallah, KS 67656

Arthur G. Windholz, Leased unto Summit Land Company

35043 I. Road

Ogallah, KS 67656

Section 26-13S-22W

NE/4, HBP by Pearson 1-26 well operated by Downing-Nelson Oil Co. Inc., 113 W. 13<sup>th</sup> St., Hays, Ks 67601

Section 18-13S-21W

SW/4, Leland F. Werth and Janice Werth, Leased unto Summit Land Company

24023 360 Ave.

Ellis, KS 67637

Section 19-13S-21W

NW/4, HBP by the Herbert West 1-19 well operated by Downing Nelson Oil Co. Inc., 113 W. 13<sup>th</sup> St., Hays, KS 67601

SW/4, HBP by the Petty 'C' 1 well operated by Pickrell Drilling Co., 3408 Railroad Ave., Great Bend, KS 67530

Section 30-13S-21W

NW/4, HBP by the Petty "E" #1 operated by Pickrell Drilling Co., Inc., 3408 Railroad Ave., Great Bend, KS  
67530

**TRACT #4:**

A tract described as follows, beginning at a point 427.0' NW on a bearing of N 76 degrees 35 minutes W of the SE corner of Section 24-13S-22W, the being the point of beginning of the tract of land surveyed; Thence W on a bearing of S 89 degrees 41 minutes W a distance of 294.5 feet, thence NW on a bearing of N 32 degrees 43 minutes W a distance of 264.5 feet, thence SE on a bearing of S 74 degrees 30 minutes E a distance of 253.4 feet, thence SE on a bearing of S 51 degrees 34 minutes E a distance of 246.2 feet to point of beginning, containing 1.033724 acres, more or less

**SURFACE OWNERSHIP:**

Stanley G. Faulkender and  
Sherri E. Faulkender, H/W, JT's  
R. R. 1 Box 122  
Ellis, KS 67637