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KANSAS CORPORATION COMMISSION

APR 24 2017

CONSERVATION DIVISION  
WICHITA, KS

2017.04.24 11:14:41  
Kansas Corporation Commission  
/S/ Amy L. Green

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

In the Matter of the Application of        )  
D & Z Exploration, Inc. for                )  
Well Location Exception for SRF #53       )  
Upon the Sugar Ridge Farms Lease        )  
Located in Section 29, Township 14        )  
North, Range 22 East, Johnson County,) )  
Kansas.                                        )

Docket No. 17-CONS-3620-CWLE

**APPLICATION**

D & Z Exploration, Inc. ("D&Z") requests an order approving the application for a well location exception for well SRF #53 pursuant to K.A.R. 82-3-108d "Application for Well Location Exception". This well is to be located on the Sugar Ridge Farms Lease located in Section 29, Township 14 South, Range 22 East, Johnson County, Kansas.

In support of its Application, D&Z states as follows:

1. D&Z is an Illinois S-corp., duly authorized to do business within the State of Kansas with its principal business address being P.O. Box 159, St. Elmo, IL 62458.

2. D&Z operates an oil and gas lease covering the following described tract of land located in Johnson County, Kansas:

Part of the Southeast Quarter (SE/4) of Section Twenty-nine (29), Township Fourteen (14) South, Range Twenty-two (22) East, in Johnson County, Kansas, described as follows:

Beginning at the Southeast corner of the Southeast Quarter of said Section 29; thence North 89°45'39" West, along the South line of the Southeast Quarter of said Section 29, a distance of 1961.30 feet to a point 660.00 feet East of the Southwest corner of the Southeast Quarter of said Section 29; thence North 0°00'00" East, parallel with the West line of the Southeast Quarter of said Section 29, a distance of 1382.00 feet; thence North 89°45'39" West, parallel with the South line of the Southeast Quarter of said Section 29, a distance of 660.00 feet, to a point on the West line of the Southeast Quarter of said Section 29; thence North 0°00'00" East, along the West line of the Southeast Quarter of said Section 29 a distance of 1245.00 feet to the Northwest corner of the Southeast Quarter of said Section 29; thence South 89°42'42" East, along the North line of the Southeast Quarter of said Section 29, a distance of 2612.29 feet, to the Northeast corner of the Southeast Quarter of said Section 29;

thence South 0°11'48" East, along the East line of the Southeast Quarter of said Section 29 a distance of 2624.81 feet, to the point of beginning; containing 136.80 acres, more or less;

said described land including, and sometimes referred to as, Lot One (1), Sugar Ridge Farms, a subdivision in the Southeast Quarter (SE/4) of Section Twenty-nine (29), Township Fourteen (14) South, Range Twenty-two (22) East, in Johnson County, Kansas (the "Subject Land").

3. D&Z has drilled several wells on the Lease, all of which were drilled to total depths of less than 2,000 feet; said wells are drilled on a 440' pattern with producing wells located approximately 440 feet from the nearest producing well (the "Existing Wells"). D&Z intends to drill an additional oil well (Planned Well) upon that lease as outlined in Exhibit A and Exhibit B, of which will be drilled to a total depth of less than 2,000 feet and be located approximately 220 feet from the nearest producing well. The locations of both the Existing wells and Planned well are outlined in Exhibit A and depicted in Exhibit B. Each of the existing wells have approximately 4.44 acres attributable to each well. The Planned well will have approximately 1.11 acres attributable.

4. Pursuant to K.A.R. 82-3-108d, D&Z requests an order approving of the location of the Planned Well. Due to the nature and characteristics of the producing formation beneath the Lease, and the viscosity and API Gravity of the oil within the formation, it is necessary for the oil wells to be drilled on a denser spacing pattern in order to efficiently produce the oil reserves therefrom without committing undue waste.

5. The granting of this application will prevent waste and not violate correlative rights. In 2014 D&Z was approved to drill SRF #38 well on an identical pattern, Docket No. 15-CONS-340-CWLE. This well has since proved to be a success both economically and by preventing waste and allowing the recovery of previously unrecoverable resources.

6. None of the Existing wells or the Planned well are located closer than 165 feet from the nearest lease boundary lines as required by K.A.R. 82-3-108b(1).

7. There are no offset operators whose lease line is located less than the distance required by K.A.R. 82-3-108b(1), from the Planned well location.

8. There are no unleased mineral owners whose property boundary is located less than the minimum distance required by K.A.R. 82-3-108b(1).

9. D&Z requests an allowable of 11 bbls of oil per day from the Planned well.

10. If approved, D&Z will file the new, proposed well intent to drill pursuant to K.A.R. 82-3-108d.

11. The accompanying documents required by K.A.R. 82-3-108e are enclosed herewith.

12. D&Z will cause a Notice of the filing of this Application to be published once in the following newspapers:

The Olathe News  
514 S. Kansas Avenue  
Olathe, KS 66061

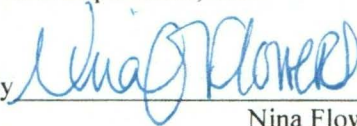
The Wichita Eagle  
825 East Douglas  
Wichita, KS 67202

in accordance with the rules of this Commission. D&Z will file Affidavits of Publication by the publishers with the Commission when the same are received from the publishers.

WHEREFORE, D & Z Exploration, Inc. ("D&Z") prays that this Application be granted, and that an appropriate Order be entered, allowing D&Z to permit, drill and operate the Planned well.

D & Z Exploration, Inc.

By



Nina Flowers  
D & Z Exploration, Inc.  
P.O. Box 159  
St. Elmo, IL 62458  
(618)-829-3274  
Fax: 618-829-5510



# Exhibit A

## Sugar Ridge Farms Well List

Existing Wells

S29, T14S, R22E Johnson County, KS

Well Number	API Number	Location Footages		
#5	15-091-23479-0000	1980 FSL	220 FEL	OIL
28	15-091-24048-0000	1540 FSL	1980 FEL	OIL
29	15-091-24049-0000	1980 FSL	1980 FEL	OIL
34	15-091-24050-0000	1540 FSL	2420 FEL	OIL
35	15-091-24051-0000	1980 FSL	2420 FEL	OIL
I-19	15-091-24041-0000	1760 FSL	1745 FEL	EOR
I-20	15-091-24042-0000	2200 FSL	1745 FEL	EOR
I-24	15-091-24045-0000	1760 FSL	2200 FEL	EOR
I-25	15-091-24046-0000	2200 FSL	2200 FEL	EOR
# I-1	15-091-23513-0000	440 FSL	440 FEL	EOR
# I-10	15-091-23709-0001	2210 FSL	859 FEL	EOR
# I-11	15-091-23781-0000	438 FSL	1305 FEL	EOR
# I-12	15-091-23782-0000	880 FSL	1313 FEL	EOR
# I-13	15-091-23783-0000	1320 FSL	1320 FEL	EOR
# I-14	15-091-23784-0000	1760 FSL	1320 FEL	EOR
# I-15	15-091-23785-0000	2217 FSL	1298 FEL	EOR
# I-2	15-091-23514-0000	880 FSL	440 FEL	EOR
# I-3	15-091-23515-0000	1320 FSL	440 FEL	EOR
# I-4	15-091-23516-0000	1760 FSL	440 FEL	EOR
# I-5	15-091-23517-0000	2202 FSL	422 FEL	EOR
# I-6	15-091-23705-0001	443 FSL	878 FEL	EOR
# I-7	15-091-23706-0001	888 FSL	901 FEL	EOR
# I-8	15-091-23707-0001	1321 FSL	872 FEL	EOR
# I-9	15-091-23708-0001	1775 FSL	868 FEL	EOR
#1	15-091-23475-0000	220 FSL	220 FEL	OIL
#10	15-091-23484-0000	1540 FSL	660 FEL	OIL
#11	15-091-23485-0000	1980 FSL	660 FEL	OIL
#12	15-091-23486-0000	2420 FSL	660 FEL	OIL
#13	15-091-23758-0000	220 FSL	1100 FEL	OIL
#14	15-091-23759-0000	660 FSL	1100 FEL	OIL
#15	15-091-23760-0000	1100 FSL	1100 FEL	OIL
#16	15-091-23761-0000	1540 FSL	1100 FEL	OIL
#17	15-091-23762-0000	1980 FSL	1100 FEL	OIL
#18	15-091-23763-0000	2420 FSL	1100 FEL	OIL
#19	15-091-23826-0000	220 FSL	1540 FEL	OIL
#2	15-091-23476-0000	660 FSL	220 FEL	OIL
#20	15-091-23827-0000	660 FSL	1540 FEL	OIL
#21	15-091-23828-0000	1100 FSL	1540 FEL	OIL
#22	15-091-23829-0000	1540 FSL	1540 FEL	OIL

#23	15-091-23830-0000	1980 FSL	1540 FEL	OIL
#24	15-091-23764-0000	2420 FSL	1540 FEL	OIL
#3	15-091-23477-0000	1100 FSL	220 FEL	OIL
#30	15-091-23765-0000	2420 FSL	1980 FEL	OIL
#36	15-091-23766-0000	2420 FSL	2420 FEL	OIL
#4	15-091-23478-0000	1540 FSL	220 FEL	OIL
#6	15-091-23480-0000	2420 FSL	220 FEL	OIL
#7	15-091-23481-0000	220 FSL	660 FEL	OIL
#8	15-091-23482-0000	660 FSL	660 FEL	OIL
#9	15-091-23483-0000	1100 FSL	660 FEL	OIL
#GH1	15-091-23462-0000	440 FSL	0 FEL	EOR
#GH2	15-091-23463-0000	880 FSL	0 FEL	EOR
#GH3	15-091-23464-0000	1320 FSL	0 FEL	EOR
#GH4	15-091-23465-0000	1760 FSL	0 FEL	EOR
#GH5	15-091-23466-0000	2200 FSL	0 FEL	EOR
#L-1	15-091-24155-0100	2475 FSL	90 FEL	OIL
#S1	15-091-24285-0000	0 FSL	440 FEL	EOR
#S2	15-091-24286-0000	78 FSL	868 FEL	EOR
#S3	15-091-24287-0000	83 FSL	1303 FEL	EOR
#SE	15-091-24288-0000	0 FSL	0 FEL	EOR
#SED	15-091-24166-0000	0 FSL	0 FEL	SWD
#38	15-091-24445-0000	660 FSL	440 FEL	OIL
#5	15-091-23479-0000	1980 FSL	220 FEL	OIL
#N1	15-091-24357-0000	2635 FSL	440 FEL	EOR
#N2	15-091-24358-0000	2635 FSL	880 FEL	EOR
#N3	15-091-24359-0000	2635 FSL	1320 FEL	EOR
#N4	15-091-24360-0000	2635 FSL	1760 FEL	EOR
#N5	15-091-24362-0000	2635 FSL	2200 FEL	EOR
#NW	15-091-24361-0000	2635 FSL	2635 FEL	EOR

Planned Well

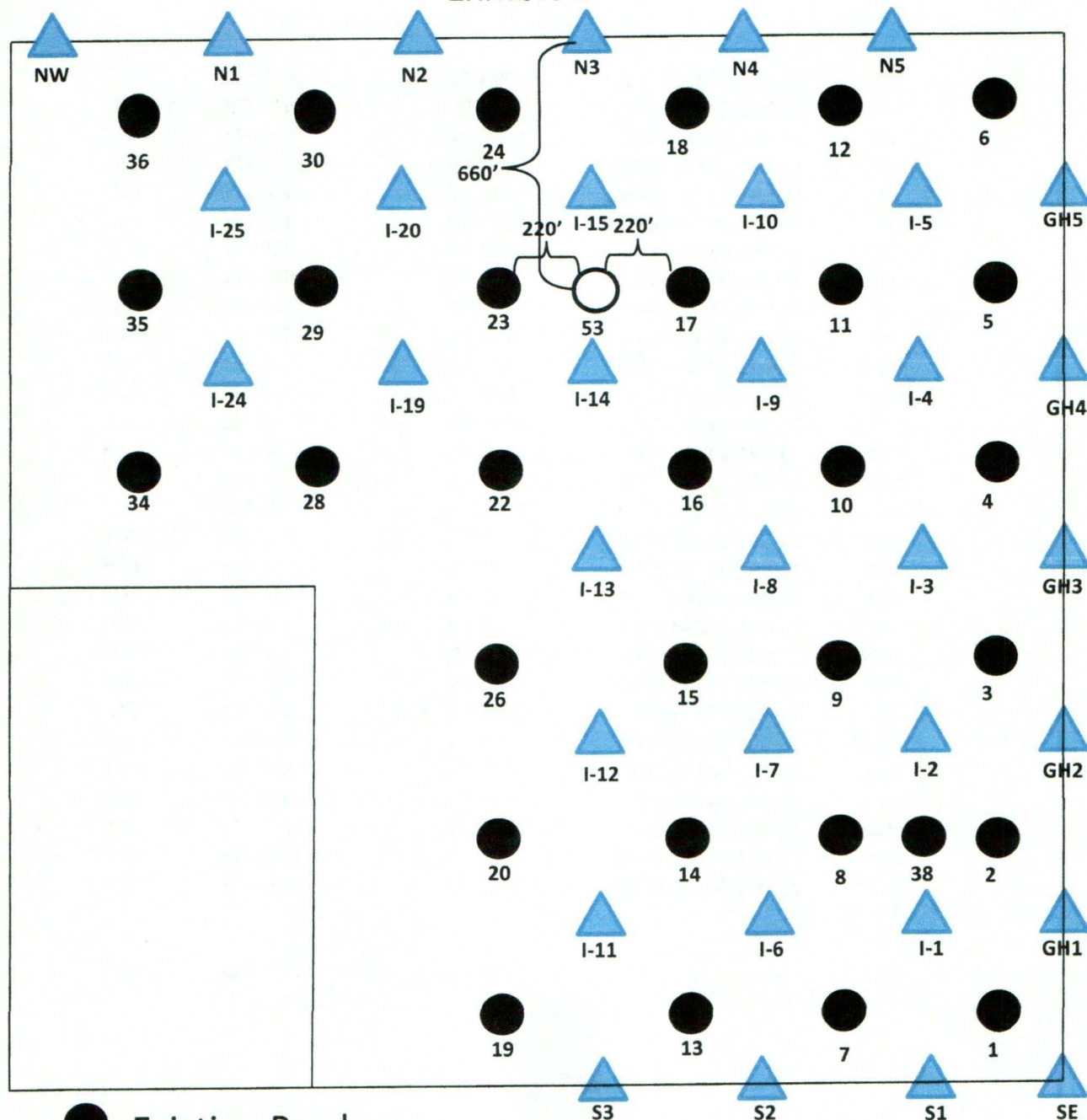
#53

1980 FSL

1320 FEL

Oil

# Exhibit B



D & Z EXPLORATION, INC.

Sugar Ridge Farms Lease

SE/4 29-14S-22E

Johnson County, Kansas



# AFFIDAVIT OF PUBLICATION

STATE OF MISSOURI)  
JSS:  
COUNTY OF JACKSON)

CYPRESS MEDIA, LLC, publishers of *THE KANSAS CITY STAR'S* zoned Johnson County edition published and circulated weekly on Wednesdays in State of Kansas, Johnson County, Kansas, and *THE OLATHE NEWS*, a weekly newspaper published and circulated Saturdays in the STATE OF KANSAS and in the City of Olathe, Johnson County, Kansas, of general paid circulation on a daily, weekly, monthly or yearly basis in Johnson County, Kansas and in their daily forms and under all of their former names, separate or combined, and their present names, have possessed all of the foregoing qualifications and have continuously and uninterruptedly published weekly, twice weekly or daily for more than fifty weeks a year and have been so published for more than five years prior to the first publication of the notice hereinafter mentioned, and that a notice of which a true copy is in THE KANSAS CITY ZONED EDITION FOR JOHNSON COUNTY and/or THE OLATHE NEWS for the first publication commencing as stated below and running issues as stated below.

**D&Z EXPLORATION INC**                      **8293274**  
**ATTN ZANE BELDEN**  
**PO BOX 159**  
**ST ELMO**                                      **IL 62458**  
**25402712**                                      115

FOR THE PERIOD OF: **1** Day (s)  
COMMENCING: **May 13, 2017**  
ENDING: **May 13, 2017**  
THE OLATHE NEWS/  
THE KANSAS CITY STAR EDITIONS(S):  
**5/13/**

As representative of the publisher and notary, I acknowledge the statements set forth above as true.

Subscribed and sworn to before me, this Saturday, May, 20, 2017. I certify that I was duly qualified as a Notary Public for the State of Missouri, commissioned in Jackson County, Missouri. My commission expires October 3, 2018.



Vickie L. Holden, Notary

**Vickie L. Holden**  
**Notary Public - Notary Seal**  
**State of Missouri, Jackson County**  
**Commission #14394648**  
**My Commission Expires October 3, 2018**

(First published in The  
Olathe News Saturday,  
May 13, 2017)

## BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the Matter of the Appli-  
cation of:  
D & Z Exploration, Inc. for  
Well Location Exception for  
a Well Upon the Sugar  
Ridge Farms Lease Located  
in Section 29, Township 14  
North, Range 22 East,  
Johnson County, Kansas.

Docket No.  
17-CONS-\_\_\_\_-CWLE

## NOTICE OF PENDING APPLICATION

TO: ALL OIL AND GAS  
PRODUCERS, UNLEASED  
MINERAL INTEREST  
OWNERS, LANDOWNERS,  
AND ALL PERSONS  
WHOMSOEVER CONCERNED:

You, and each of you, are hereby notified that D & Z Exploration, Inc. has filed an Application with the State Corporation Commission of the State of Kansas pursuant to K.A.R. 82-3-

108(d). for authorization to drill a well numbered SRF #53 on its Sugar Ridge Farms Lease located in the Bartlesville Sand formation in the following described lands:

Part of the Southeast Quarter (SE/4) of Section Twenty-nine (29), Township Fourteen (14) South, Range Twenty-two (22) East, in Johnson County, Kansas, described as follows:

Beginning at the Southeast corner of the Southeast Quarter of said Section 29; thence North 89deg45'39" West, along the South line of the Southeast Quarter of said Section 29, a distance of 1961.30 feet to a point 660.00 feet East of the Southwest corner of the Southeast Quarter of said Section 29; thence North 0deg00'00" East, parallel with the West line of the Southeast Quarter of said Section 29, a distance of 1382.00 feet; thence North 89deg45'39" West, parallel with the South line of the Southeast Quarter of said Section 29, a distance of 660.00 feet, to a point on the West line of the Southeast Quarter of said Section 29; thence North 0deg00'00" East, along the West line of the Southeast Quarter of said Section 29 a distance of 1245.00 feet to the Northwest corner of the Southeast Quarter of said Section 29; thence South 89deg42'42" East, along the North line of the Southeast Quarter of said Section 29, a distance of 2612.29 feet, to the Northeast corner of the Southeast Quarter of said Section 29; thence South 0deg11'48" East, along the East line of the Southeast Quarter of said Section 29 a distance of 2624.81 feet, to the point of beginning; containing 136.80 acres, more or less; said described land including, and sometimes referred to as, Lot One (1), Sugar Ridge Farms, a subdivision in the Southeast Quarter (SE/4) of Section Twenty-nine (29), Township Fourteen (14) South, Range Twenty-two (22) East of the 6th P.M., in Johnson County, Kansas (the "Subject Land").

or protest such Application shall be required to file their objections of complaints with the State Corporation Commission of the State of Kansas within fifteen (15) days from the date of this publication. If a protest is not timely filed with the Commission, the Application will be determined administratively by the Commission and may thereby be granted without hearing or further notice to any interested party. The objection or complaint shall state the reasons why an exception to the well testing regulations for the Subject Well as set forth in the Application and the authorization to drill a horizontal wellbore to said well will violate correlative rights or cause waste. Objections or complaints shall be mailed to the Kansas Corporation Commission, Conservation Division, 130 South Market, Suite 2078, Wichita, Kansas 67202, with a copy to the Applicant's attorneys listed below.

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

Zane Belden  
D & Z Exploration, Inc.  
900 North Elm Street  
P.O. Box 159  
St. Elmo, IL 62458

Telephone: 618-829-3274  
Facsimile: 618-829-5510

Authorized Agent for  
Applicant,  
D & Z Exploration, Inc.

(13, 25402712-2P)

The Subject Well will have location that will be situated approximately 1980' FSL and 1320' FEL of the above-described Section 29.

Any persons who object to



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The Subject Well will have location that will be situated approximately 1980' FSL and 1320' FEL of the above-described Section 29.

Any persons who object to

or protest such Application shall be required to file their objections of complaints with the State Corporation Commission of the State of Kansas within fifteen (15) days from the date of this publication. If a protest is not timely filed with the Commission, the Application will be determined administratively by the Commission and may thereby be granted without hearing or further notice to any interested party. The objection or complaint shall state the reasons why an exception to the well testing regulations for the Subject Well as set forth in the Application and the authorization to drill a horizontal wellbore to said well will violate correlative rights or cause waste. Objections or complaints shall be mailed to the Kansas Corporation Commission, Conservation Division, 130 South Market, Suite 2078, Wichita, Kansas 67202, with a copy to the Applicant's attorneys listed below.

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Facsimile: 618-829-5510

Authorized Agent for  
Applicant,  
D & Z Exploration, Inc.

(13, 25402712-2P)



## LEGAL PROOF OF PUBLICATION

Account #	Ad Number	Identification	PO	Amount	Cols	Lines
584662	0003069462	BEFORE THE STATE CORPORATION COMMISS		\$757.10	1	130

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SAINT ELMO, IL 62458

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the West line of the Southeast  
Quarter of said Section 29 a dis-  
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In The STATE OF KANSAS  
In and for the County of Sedgwick  
AFFIDAVIT OF PUBLICATION

1 Insertions

Beginning issue of: 05/10/2017

Ending issue of: 05/10/2017

STATE OF KANSAS)

.SS

County of Sedgwick)

Dale Seiwert, of lawful age, being first duly  
sworn, deposeth and saith: That he is  
Record Clerk of The Wichita Eagle, a daily  
newspaper published in the City of Wichita,  
County of Sedgwick, State of Kansas, and  
having a general paid circulation on a daily  
basis in said County, which said  
newspaper has been continuously and  
uninterruptedly published in said County for  
more than one year prior to the first  
publication of the notice hereinafter  
mentioned, and which said newspaper has  
been entered as second class mail matter  
at the United States Post Office in Wichita,  
Kansas, and which said newspaper is not a  
trade, religious or fraternal publication and  
that a notice of a true copy is hereto  
attached was published in the regular and  
entire Morning issue of said The Wichita  
Eagle from 5/10/2017 to 05/10/2017.

I certify (or declare) under the penalty of  
perjury that the foregoing is true and correct.

*Dale Seiwert*

(Signature of Principal Clerk)

DATED: 5/10/2017

*JBS*

Notary Public Sedgwick County, Kansas

JENNIFER RAE BAILEY  
Notary Public - State of Kansas  
My Appt. Expires 6/1/2017



## LEGAL PROOF OF PUBLICATION

the State Corporation Commission of the State of Kansas within fifteen (15) days from the date of this publication. If a protest is not timely filed with the Commission, the Application will be determined administratively by the Commission and may thereby be granted without hearing or further notice to any interested party. The objection or complaint shall state the reasons why an exception to the well testing regulations for the Subject Well as set forth in the Application and the authorization to drill a horizontal wellbore to said well will violate correlative rights or cause waste. Objections or complaints shall be mailed to the Kansas Corporation Commission, Conservation Division, 130 South Market, Suite 207B, Wichita, Kansas 67202, with a copy to the Applicant's attorneys listed below.

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

Zane Belden  
D & Z Exploration, Inc.  
900 North Elm Street  
P.O. Box 158  
St. Elmo, IL 62458

Telephone: 618-829-3274  
Facsimile: 618-829-5510

Authorized Agent for Applicant,  
D & Z Exploration, Inc.



For KCC Use:

Effective Date: 07/08/2017

District # 3

SGA? ☐ Yes ☒ NoKANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

1358825

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: 7/15/2017  
month day year

OPERATOR: License# 34339  
 Name: D & Z Exploration, Inc.  
 Address 1: 900 N ELM ST.  
 Address 2: PO BOX 159  
 City: ST ELMO State: IL Zip: 62458 +  
 Contact Person: NINA FLOWERS  
 Phone: 618-829-3274

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: ☐ 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 #:

Spot Description:   
 - N2 - SE Sec. 29 Twp. 14 S. R. 22 ☒ E ☐ W  
 (a/a/a/a) 1980 feet from ☐ N / ☒ S Line of Section  
 1320 feet from ☒ E / ☐ W Line of Section

Is SECTION: ☒ Regular ☐ Irregular?

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

County: Johnson

Lease Name: SUGAR RIDGE FARMS Well #: #53

Field Name: GARDNER SOUTH

Is this a Prorated / Spaced Field? ☐ Yes ☒ No

Target Formation(s): BARTLESVILLE

Nearest Lease or unit boundary line (in footage): 660

Ground Surface Elevation: 1013 Estimated feet MSL

Water well within one-quarter mile: ☐ Yes ☒ NoPublic water supply well within one mile: ☐ Yes ☒ No

Depth to bottom of fresh water: 150

Depth to bottom of usable water: 300

Surface Pipe by Alternate: ☐ I ☒ II

Length of Surface Pipe Planned to be set: 20

Length of Conductor Pipe (if any):

Projected Total Depth: 950

Formation at Total Depth: BARTLESVILLE

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:

## 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 - 15-091-24464-00-00

Conductor pipe required 0 feet

Minimum surface pipe required 20 feet per ALT. ☐ I ☒ II

Approved by: Brandon Milner 07/03/2017

This authorization expires: 07/03/2018

(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:

29 14 22  
☒ E ☐ W

1358825

For KCC Use ONLY

API # 15 - 15-091-24464-00-00

**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: D & Z Exploration, Inc.  
 Lease: SUGAR RIDGE FARMS  
 Well Number: #53  
 Field: GARDNER SOUTH

Number of Acres attributable to well: \_\_\_\_\_  
 QTR/QTR/QTR/QTR of acreage: \_\_\_\_\_ - \_\_\_\_\_ - N2 - SE

Location of Well: County: Johnson

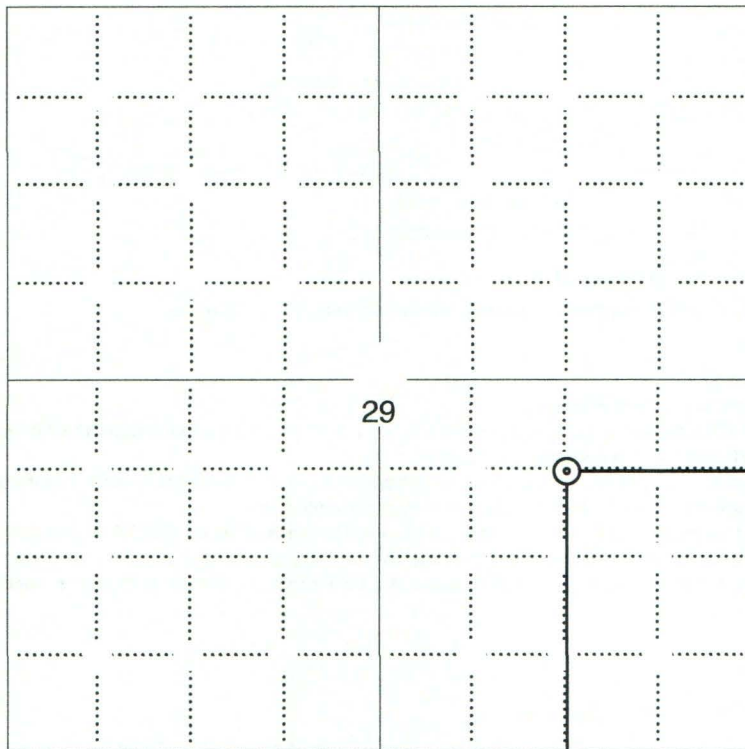
1980 \_\_\_\_\_ feet from ☐ N / ☒ S Line of Section  
 1320 \_\_\_\_\_ feet from ☒ E / ☐ W Line of Section  
 Sec. 29 Twp. 14 S. R. 22 ☒ E ☐ W

Is Section: ☒ Regular or ☐ Irregular

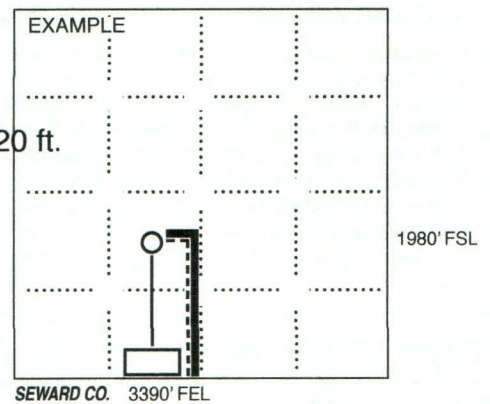
If Section is Irregular, locate well from nearest corner boundary.

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 location.**

1980 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  
OIL & GAS CONSERVATION DIVISION

1358825

Form CDP-1  
May 2010  
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: D & Z Exploration, Inc.		License Number: 34339
Operator Address: 900 N ELM ST.		PO BOX 159 ST ELMO IL 62458
Contact Person: NINA FLOWERS		Phone Number: 618-829-3274
Lease Name & Well No.: SUGAR RIDGE FARMS #53		Pit Location (QQQQ): ____ - ____ - N2 - SE Sec. 29 Twp. 14 R. 22 <input checked="" type="checkbox"/> East <input type="checkbox"/> West 1980 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1320 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Johnson County
<b>Type of Pit:</b> <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 <i>(If WP Supply API No. or Year Drilled)</i>	<b>Pit is:</b> <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 200 _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>
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? <b>NATIVE CLAY</b>
Pit dimensions (all but working pits):    20 Length (feet)    10 Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point:    6 (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.
Distance to nearest water well within one-mile of pit: 2348 feet    Depth of water well 400 feet		Depth to shallowest fresh water 138 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KDWR
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: DRILLING MUD Number of working pits to be utilized: 2 Abandonment procedure: AIR DRY AND BACKFILL Drill pits must be closed within 365 days of spud date.
Submitted Electronically		

KCC OFFICE USE ONLY

☐ Liner    ☐ Steel Pit    ☒ RFAC    ☐ RFAS  
 Date Received: 07/03/2017    Permit Number: 15-091-24464-00-00    Permit Date: 07/03/2017    Lease Inspection: ☒ Yes    ☐ No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

1358825

Form KSONA-1

January 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 # 34339  
Name: D & Z Exploration, Inc.  
Address 1: 900 N ELM ST.  
Address 2: PO BOX 159  
City: ST ELMO State: IL Zip: 62458 + \_\_\_\_\_  
Contact Person: ZANE BELDEN  
Phone: ( 618 ) 829-3274 Fax: ( 618 ) 829-5510  
Email Address: DZEXPLORATION@YAHOO.COM

Well Location:  
\_\_\_\_\_ - N2 - SE Sec. 29 Twp. 14 S. R. 22 ☒ East ☐ West  
County: Johnson  
Lease Name: SUGAR RIDGE FARMS Well #: #53

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

**Surface Owner Information:**

Name: CCP KANSAS PETRO PARTERS #1, LLC  
Address 1: 32 South Osprey Avenue, Suite 102  
Address 2: \_\_\_\_\_  
City: SARASOTA State: FL Zip: 34236 + \_\_\_\_\_

*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



For KCC Use ONLY

API # 15 - \_\_\_\_\_

**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: D & Z Exploration, Inc.  
 Lease: Sugar Ridge Farms  
 Well Number: #53  
 Field: Gardner South

Number of Acres attributable to well: \_\_\_\_\_  
 QTR/QTR/QTR/QTR of acreage: \_\_\_\_\_ - \_\_\_\_\_ - N2 - SE

Location of Well: County: Johnson  
1980 feet from ☐ N / ☒ S Line of Section  
1320 feet from ☒ E / ☐ W Line of Section  
 Sec. 29 Twp. 14 S. R. 22 ☒ E ☐ W

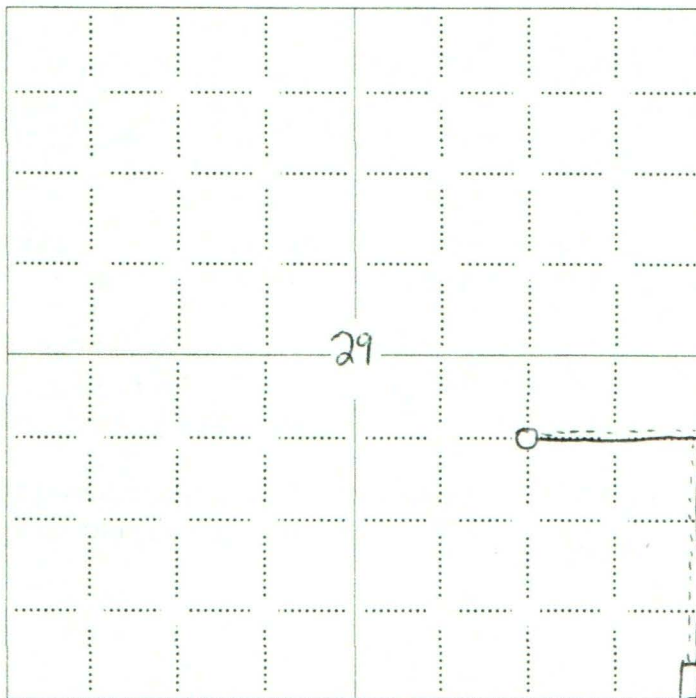
Is Section: ☒ Regular or ☐ Irregular

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

Section corner used: ☐ NE ☐ NW ☐ SE ☐ SW

**PLAT**

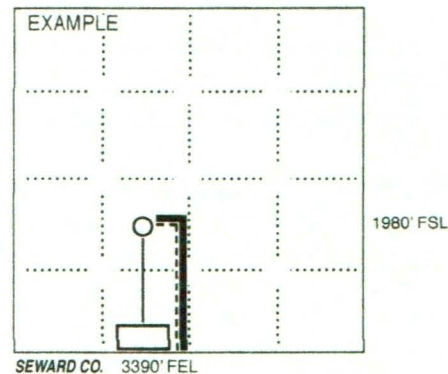
Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).  
 You may attach a separate plat if desired.



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

**LEGEND**

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

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5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

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 03, 2017

NINA FLOWERS  
D & Z Exploration, Inc.  
900 N ELM ST.  
PO BOX 159  
ST ELMO, IL 62458

Re: Drilling Pit Application  
SUGAR RIDGE FARMS #53  
SE/4 Sec.29-14S-22E  
Johnson County, Kansas

Dear NINA FLOWERS:

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 the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as practical 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 (620) 432-2300 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through KOLAR 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 District Office at (620) 432-2300.