BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

| In the Matter of the Application of HB Energy |) | Docket No. 25-CONS-3300-CWLE |
|---|---|------------------------------|
| LLC for Well Location Exceptions for Two |) | |
| Wells Upon the Gardner Holdings Lease |) | License No. 34817 |
| Located in Section 28, Township 14 South, |) | |
| Range 22 East in Johnson County Kansas. |) | Conservation Division |

APPLICATION

HB Energy LLC, by and through its counsel, Keith A. Brock, Anderson & Byrd, LLP, hereby moves the Kansas Corporation Commission ("Commission") for well location exceptions for two wells upon the Gardner Holdings Lease located in Section 28, Township 14 South, Range 22 East in Johnson County, Kansas. In support of this Application, HB Energy LLC states as follows:

- HB Energy LLC is a Kansas limited liability company, with its correct mailing address being 3137 Virginia Road, Wellsville, Kansas 66092.
 - 2. HB Energy LLC is the operator of the following oil and gas lease:

Gardner Holdings Lease

Lessor: Gardner Holdings, LLC
Lessee: Gardner Holdings, LLC
Date: December 4, 2008

Recorded: Book 200812, Page 00196

Covering: The Southwest Quarter of Section 28, Township 14, Range 22, Johnson

County, Kansas, except that part in road, AND EXCEPT, a tract of land in the Southwest Quarter of Section 28, Township 14, Range 22,

Johnson County, Kansas, described as follows:

Beginning at the Southeast corner of said Southwest Quarter; thence North 90 Degrees 00'00"West along the South Section Line of said Section 28, a distance of 1347.00 feet; thence North 00 Degrees 00'00" East, a distance of 433.00 feet; thence South 89 Degrees 45'56" East, a distance of 1345.05 feet to a point on the East line of the said Southwest Quarter; thence South 00 Degrees 15'39" East, along the said East line of the Southwest Quarter, a distance of 427.51 feet to the point of beginning, except that part in road.

(the "Lease").

- 3. HB Energy LLC desires to drill two oil wells upon the Lease, both of which will drilled to total depths of less than 2,000 feet and will be located less than 165 feet from the nearest lease or unit boundary line (the "Planned Wells"). HB1 will be located approximately 4,880 feet from the East line of Section 28 and 70 feet from the South line of said Section. HB2 will be located approximately 4,430 feet from the East line of Section 28 and 70 feet from the South line of said Section.
- 4. K.A.R. 82-3-108(a) prescribes a 165' setback from any lease or unit boundary for any well drilled to a total depth of less than 2,000' in Johnson County, Kansas. K.A.R. 82-3-108(c) provides that a well location exception may be granted to permit drilling a well within the prescribed setback if necessary to prevent waste or to protect correlative rights.
- 6. HB Energy LLC requests a well location exception pursuant to K.A.R. 82-3-108(c) because HB Energy LLC desires to drill the Planned Wells at locations that are approximately 70' from the southern boundary line of the Subject Lease.
- 7. Drilling the Planned Wells at the proposed locations is necessary to prevent waste of the oil reserves. The drilling pattern places the existing producing wells too far from the southern lease boundary to adequately recover the reserves along said southern boundary line. Yet, there is insufficient room to add additional producers in order to recover said reserves without obtaining the well location exceptions requested herein. HB Energy LLC requests an order approving the location of the Planned Wells. Due to the nature and characteristics of the producing formation beneath the Lease and also the viscosity of the oil found therein, it is necessary for the Planned Wells to be drilled less than 165 feet from the nearest lease or unit boundary line in order to efficiently produce the oil reserves therefrom without committing undue waste. An exception to the well location restrictions in K.A.R. 82-3-108 is necessary in order for the Planned Wells to be in compliance with all applicable rules and regulations,

therefore HB Energy LLC requests an exception to said well location restrictions.

- 6. The granting of this Application will prevent waste and will not violate correlative rights.
- 7. The well locations for the Planned Wells are depicted on the maps accompanying this Application and marked as **Exhibit A**.
- 9. There are no offset operators whose lease line is located less than the required distance from the proposed well locations.
- 10. The only unleased offset mineral owners whose property boundary is located less than the minimum distance required by K.A.R. 82-3-108(b) from the proposed well locations is, Gale Eugene Norris and Mary Kathleen Norris Rankin, as co-trustees of the Second Restated Declaration of Trust of Mayrene Norris dated November 28, 1998, made the 6th of August, 2014 and HB Energy LLC has consulted with such unleased mineral owner and they are not opposed to the granting of this Application.
- 11. HB Energy LLC does not operate any lease that will be situated less than the minimum distance required by K.A.R. 82-3-108(b) from the proposed well locations.
- 12. Each of the Existing Wells and the Planned Wells will have 2.5 acres attributable to said well.
- 13. HB Energy LLC requests and allowable of 100 bbls of oil per day from each of the Existing Wells and each of the Planned Wells.
 - 14. The notices of intention to drill for the Planned Wells are attached hereto.
 - 15. The accompanying documents required by K.A.R. 82-3-108(e) are enclosed herewith.
- 16. Notice of this Application for well location exceptions will be published once in both the *Wichita Eagle* newspaper and *The Legal Record* a newspaper in Johnson County, Kansas.

WHEREFORE, HB Energy LLC prays that this Application be docketed by the Commission and that, if no interested party files a timely and proper protest, the Commission enter an order administratively granting this Application and authorizing the drilling of the Subject Well at the location proposed and assigning it a full allowable without incurring the time and expense of an evidentiary hearing. In the event a valid protest is timely filed, Applicant requests that the Commission set this Application for hearing and, upon such hearing, grant the requested order, and afford such other and further relief as the Commission deems necessary and proper.

Keith A. Brock, #24130

ANDERSON & BYRD, LLP

216 S. Hickory ~ P.O. Box 17

Ottawa, Kansas 66067

(785) 242-1234, telephone

(785) 242-1279, facsimile

kbrock@andersonbyrd.com

Attorneys for Applicant

VERIFICATION

STATE OF KANSAS COUNTY OF FRANKLIN, ss:

Keith A. Brock, of lawful age, being first duly sworn on oath, states: That he is the attorney for the Applicant named above, and is duly authorized to make this affidavit; that he has read the foregoing Application, knows the contents thereof; and that the facts set forth therein are true and correct to the best of his knowledge, information and belief.

Keith A. Brock

Londa Lossman

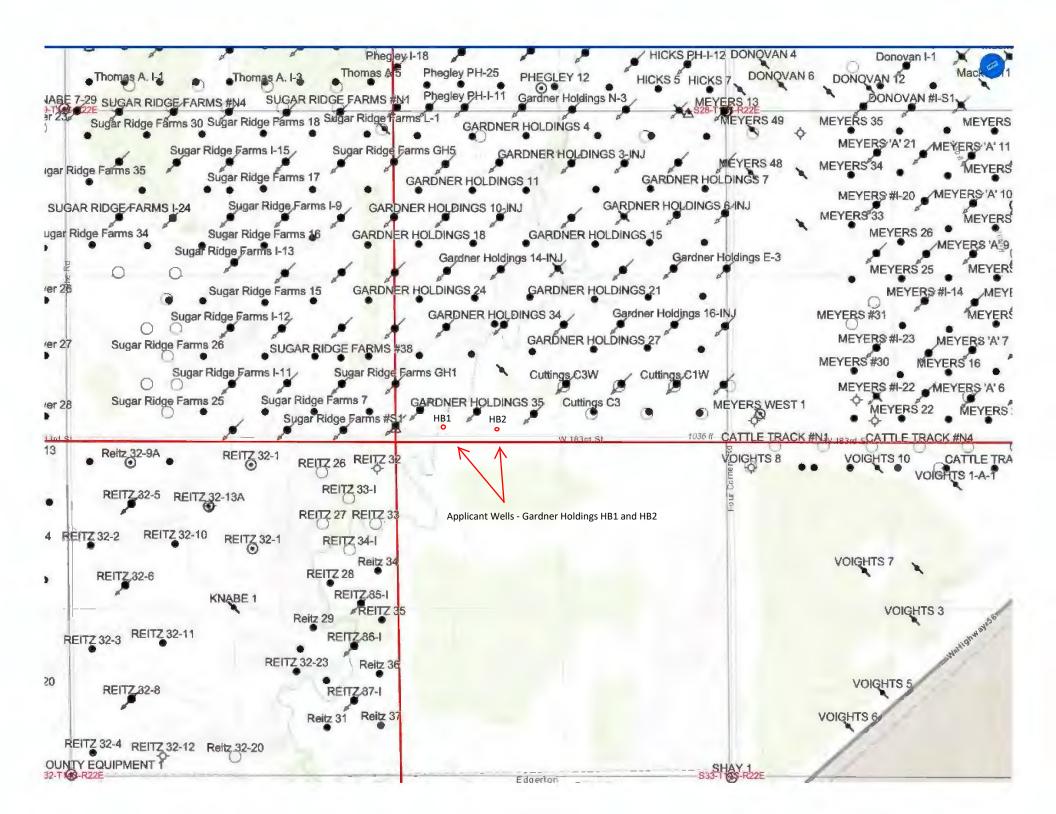
SUBSCRIBED AND SWORN to before me this 7th day of March, 2025.

NOTARY PUBLIC - State of Kansas RONDA ROSSMAN My Appt. Expires May 25, 2026

Notary Public

Appointment/Commission Expires:

EXHIBIT A



INTENTS TO DRILL



Form C-1 March 2010 Form must be Typed Form must be Signed All blanks must be Filled

| Must be approved by KCC fiv | re (5) days prior to commencing well s Surface Owner Notification Act, MUST be submitted with this form. |
|---|--|
| 00140/0025 | |
| Expected Spud Date: | Spot Description: |
| 34817 | SE - SW - SW - SW Sec. 28 Twp. 14 S. R. 22 _ X E W |
| OPERATOR: License# | feet from N / X S Line of Section |
| Name: HB Energy LLC | 4880 feet from E / W Line of Section |
| Address 1; 3137 VIRGINIA RD | ls SECTION: ⊠Regular ☐ Irregular? |
| Address 2: State: KSZip:66092 + _9103 | (Note: Locate well on the Section Plat on reverse side) |
| Contact Person: Isaac Burbank | County: Johnson |
| Phone: 785-979-9493 | Lease Name: Gardner Holdings Well #: HB1 |
| | Field Name: Gardner South |
| CONTRACTOR: License# | Is this a Prorated / Spaced Field? |
| Name. | Target Formation(s): Bartlesville |
| Well Drilled For: Well Class: Type Equipment: | Nearest Lease or unit boundary line (in footage): 70 |
| ◯XOil ☐Enh Rec ☐Infield ☐XMud Rotary | Ground Surface Elevation: 993 Estimated feet MSL |
| Gas Storage Pool Ext. Air Rotary | Water well within one-quarter mile: |
| Disposal Wildcat Cable | Public water supply well within one mile: Yes No Depth to bottom of fresh water: 100 |
| Seismic ; # of Holes Other | Depth to bottom of tresh water: 100 Depth to bottom of usable water: 300 |
| Other: | <u> </u> |
| If OWWO: old well information as follows: | Surface Pipe by Alternate: Surface Pipe Planned to be set: 20 |
| _ | Langth of Canducter Ring (if any) |
| Operator: | Projected Total Depth: 950 |
| Well Name: | Formation at Total Depth:Bartlesville |
| Original Completion Date: Original Total Depth: | Water Source for Drilling Operations: |
| Directional, Deviated or Horizontal wellbore? | Well Farm Pond Other: |
| If Yes, true vertical depth: | DWR Permit #: |
| Bottom Hole Location: | (Note: Apply for Permit with DWR) |
| KCC DKT #: | - Will Cores be taken? |
| | If Yes, proposed zone: |
| AE | FIDAVIT |
| The undersigned hereby affirms that the drilling, completion and eventual p | |
| It is agreed that the following minimum requirements will be met: | agging of this well will comply with N.O.A. 55 et. seq. |
| | |
| Notify the appropriate district office <i>prior</i> to spudding of well; A copy of the approved notice of intent to drill <i>shall be</i> posted on each | ch drilling rig: |
| 3. The minimum amount of surface pipe as specified below shall be se | |
| through all unconsolidated materials plus a minimum of 20 feet into the | · · · · · · · · · · · · · · · · · · · |
| | strict office on plug length and placement is necessary <i>prior to plugging</i> ; |
| 5. The appropriate district office will be notified before well is either plug | ged or production casing is cemented in; ed from below any usable water to surface within 120 DAYS of spud date. |
| | ta3,891-C, which applies to the KCC District 3 area, alternate II cementing |
| | e 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: Signature of Operator or Agent: | Title: |
| | Remember to: |
| For KCC Use ONLY | - File Certification of Compliance with the Kansas Surface Owner Notification |
| API # 15 | Act (KSONA-1) with Intent to Drill; |
| Conductor pipe requiredfeet | - File Drill Pit Application (form CDP-1) with Intent to Drill; |
| Minimum surface pipe requiredfeet per ALTI 🔀 II | File Completion Form ACO-1 within 120 days of spud date; File acreage attribution plat according to field proration orders; |
| Approved by: | Notify appropriate district office 48 hours prior to workover or re-entry; |
| | - Submit plugging report (CP-4) after plugging is completed (within 60 days); |
| This authorization expires: | - Obtain written approval before disposing or injecting salt water. |
| (approve date.) | - If well will not be drilled or permit has expired (See: authorized expiration date) |
| Spud date: Agent: | 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:

| 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: HB Energy LLC | Location of Well: County: Johnson |
|---|--|
| Lease: Gardner Holdings | 70 feet from N / X S Line of Section |
| Well Number: HB1 | 4880 feet from X E / W Line of Section |
| Field: Gardner South | Sec. 28 Twp. 14 S. R. 22 X E W |
| Number of Acres attributable to Well: | Is Section: Regular or Irregular |
| QTR/QTR/QTR/QTR of acreage; SE SW SW SW | |
| | If Section is Irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW |
| P | LAT |
| | separate plat if desired. LEGEND |
| | O Well Location Tank Battery Location |
| | Pipeline Location Electric Line Location Lease Road Location |
| | |
| | EXAMPLE |
| : : : 28 : : | |
| | |

NOTE In all cases locate the spot of the proposed drilling locaton.

70 ft.

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: (C0-7 for oil wells; CG-8 for gas wells).
- 5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.



APPLICATION FOR SURFACE PIT

Submit in Duplicate

| Operator Name: HB Energy LLC | | License Number: 34817 | | | | | |
|--|--|------------------------------------|--|--|--|--|--|
| Operator Address: 3137 VIRGINIA RD | | | WELLSVILLE KS 66092 | | | | |
| Contact Person: Isaac Burbank | | | Phone Number: 785-979-9493 | | | | |
| Lease Name & Well No.: Gardner Holdings HB1 | | Pit Location (QQQQ): | | | | | |
| Type of Pit: Emergency Pit Burn Pit Settling Pit X Drilling Pit | Pit is: X Proposed If Existing, date con | Existing | SE SW SW SW Sec. 28 Twp. 14 R. 22 X East West 70 Feet from North / X South Line of Section | | | | |
| Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) | Pit capacity: | (bbis) | 4880 Feet from X East / West Line of Section Johnson County | | | | |
| Is the pit located in a Sensitive Ground Water A | rea? Yes X | No | Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) | | | | |
| Is the bottom below ground level? X Yes No | Artificial Liner? | No | How is the pit lined if a plastic liner is not used? Native Clay | | | | |
| Pit dimensions (all but working pits):1 | Length (fee | , | Width (feet) N/A: Steel Pits No Pit | | | | |
| Distance to nearest water well within one-mile of | | Depth to shallo Source of infor | west fresh water50 feet. mation: | | | | |
| 1254feet Depth of water well | 217feet | measured | well owner electric log X KDWR | | | | |
| Emergency, Settling and Burn Pits ONLY: | | _ | over and Haul-Off Pits ONLY: Drilling Mud | | | | |
| Producing Formation: | | | ai utilized in drilling/workover:2 | | | | |
| Number of producing wells on lease: | | Abandonment | rking pits to be utilized: Remove fluids, backfill. | | | | |
| Does the slope from the tank battery allow all s flow into the pit? Yes No | | | st 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. gnature of Applicant or Agent | | | | |
| | KCC | OFFICE USE O | NLY Liner Steel Pit RFAC RFAS | | | | |
| Date Received: Permit Numl | ber: | Permi | it Date: Lease Inspection: Yes X No | | | | |



CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

Form KSONA-1
July 2021
Form Must Be Typed
Form must be Signed
All blanks must be Filled

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: X C-1 (Intent) CB-1 (C | Cathodic Protection Borehole Intent) |
|---|---|
| OPERATOR: License # 34817 Name: HB Energy LLC Address 1: 3137 VIRGINIA RD | Well Location: SE_SW_SW_SW_Sec. 28 Twp. 14 S. R. 22 X East West |
| Address 1: 3137 VIRGINIA RD | County: Johnson |
| Address 2: | Lease Name: Gardner Holdings Well #: HB1 |
| City: WELLSVILLE State: KS Zip: 66092 + 9103 Contact Person: Isaac Burbank | If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below: |
| Phone: (785) 979-9493 Fax: () | |
| Email Address: | |
| Surface Owner Information: Name: Sonleo LLC | When filing a Form T-1 involving multiple surface owners, attach an additional |
| Address 1: 125 North Market St | 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 |
| Address 2: Suite 1250 | county, and in the real estate property tax records of the county treasurer. |
| City: Wichita State: KS Zip: 67202 | |
| | s batteries, pipelines, and electrical lines. The locations shown on the plat in the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. |
| Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing | Act (see Chapter 55 of the Kansas Statutes Annotated), I have son which the subject well is or will be located: 1) a copy of the g in connection with this form; 2) if the form being filed is a Form operator name, address, phone number, fax, and email address. |
| the KCC will be required to send this information to the surface | acknowledge that, because I have not provided this information, e owner(s). To mitigate the additional cost of the KCC performing ress of the surface owner by filling out the top section of this form the KCC, which is enclosed with this form. |
| If choosing the second option, submit payment of the \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 | fee with this form. If the fee is not received with this form, the KSONA-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: Signature of Operator or Agent: | Title: |





Form C-1

March 2010

Form must be Typed

Form must be Signed

All blanks must be Filled

| Form KSONA-1, Ce | | ve (5) days prior to commencing well s Surface Owner Notification Act, MUST be submitted with this | form. |
|---|--|--|---------------------|
| 00/4 | 12/2025 | | |
| Expected Spud Date: 03/1 | | Spot Description: | |
| | • | SW - SE - SW - SW Sec. 28 Twp. 14 S. | |
| OPERATOR: License# 3481 | · <i>I</i> | feet from N / | S Line of Section |
| Name: HB Energy LLC | | 4430 feet from X E / | W Line of Section |
| Address 1; 3137 VIRGINIA RD | | _ Is SECTION: XRegular ☐ Irregular? | |
| Address 2: | | (Note: Locate well on the Section Plat on reve | rse side) |
| | State: KS Zip: 66092 + 9103 | County: Johnson | |
| Contact Person: Isaac Burbank Phone: 785-979-9493 | | - Lease Name Gardner Holdings | Well #: HB2 |
| Phone: | | Field Name: Gardner South | |
| CONTRACTOR: License# | | Is this a Prorated / Spaced Field? | Yes X No |
| Name; Advise on ACO-1 - Must be lice | ensed by KCC | Target Formation(s): Bartlesville | |
| Well Drilled For: W | /ell Class: Type Equipment: | Nearest Lease or unit boundary line (in footage): 70 | |
| | <u></u> | Ground Surface Elevation: 1008 Estimated | feet MSL |
| | Infield Mud Rotary | Water well within one-quarter mile: | Yes X No |
| Gas Storage | Pool Ext. Air Rotary | Public water supply well within one mile: | Yes X No |
| Disposal Seismic ;# of Holes | Wildcat Cable | Depth to bottom of fresh water: 100 | |
| Other: | Other | Depth to bottom of usable water: 300 | |
| Other: | | Surface Pipe by Alternate: | |
| If OWWO: old well information | on as follows: | Length of Surface Pipe Planned to be set: 20 | |
| | | Length of Conductor Dina (if anyl) | |
| • | | Projected Total Depth: 950 | |
| Well Name: | | Dawles ville | |
| Original Completion Date: | Original Total Depth: | Water Source for Drilling Operations; | |
| Directional, Deviated or Horizontal w | rellbore? | Well Farm Pond Other: | |
| If Yes, true vertical depth: | | | |
| | | DWR Permit #: | |
| KCC DKT #: | | - Will Cores be taken? | Yes No |
| | | If Yes, proposed zone: | □ ies ⊠iio |
| The undersigned hereby affirms th | • • • • | FFIDAVIT Dlugging of this well will comply with K.S.A. 55 et. seq. | |
| It is agreed that the following minin | num requirements will be met: | | |
| - | ct office <i>prior</i> to spudding of well; | | |
| | ce of intent to drill shall be posted on each | ch drillina ria: | |
| | • | of by circulating cement to the top; in all cases surface pipe sh | all be set |
| through all unconsolidated n | materials plus a minimum of 20 feet into t | the underlying formation. | |
| | | istrict office on plug length and placement is necessary prior t | o plugging; |
| | | gged or production casing is cemented in; | |
| | | ted from below any usable water to surface within 120 DAYS of | • |
| | | #133,891-C, which applies to the KCC District 3 area, alternat be plugged. <i>In all cases, NOTIFY district office</i> prior to any | |
| · | s made herein are true and to the best of | | somorting. |
| The boy control was the distribution | | m, memorgo and bonon | |
| Date: Sig | nature of Operator or Agent: | Title: | |
| For KCC Use ONLY | | Remember to: | |
| | | - File Certification of Compliance with the Kansas Surface O | wner Notification |
| API # 15 | | Act (KSONA-1) with Intent to Drill; | ω |
| Conductor pipe required | feet | - File Drill Pit Application (form CDP-1) with Intent to Drill; | 1 - |
| Minimum surface pipe required | feet per ALT. 🔲 I 🔀 II | - File Completion Form ACO-1 within 120 days of spud date; | |
| | | File acreage attribution plat according to field proration order Notify appropriate district office 48 hours prior to workover or | 4 |
| , | | Submit plugging report (CP-4) after plugging is completed (| |
| This authorization expires: | started within 12 months of approval date.) | Obtain written approval before disposing or injecting salt was | iter. |
| (This authorization void it drilling not s | sarted within 12 months of approval date.) | If well will not be drilled or permit has expired (See: authorize | ed expiration date) |
| Spud date: A | vaent: | please check the box below and return to the address below | w. × |
| Opud date. | gent. | Well will not be drilled or Permit Expired Date: | |

Signature of Operator or Agent:

| 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.

| perator: HB Energy ease: Gardner Hok | ings | | | | | | 0 | Well: County: | | et from | Пи | | S Line o | f Section |
|---|--------------|--------------|-------------|-------------|---------------|-------------|----------|-------------------------------|---------|------------------------------|--------------------------------------|----------------------------------|----------|-----------|
| vell Number: HB2 | | | | | | _ | 1430 | | | et from | | بخنا | V Line o | |
| ield: Gardner South | | Sec | 28 | Twp. 14 | | | | | | W W | | | | |
| lumber of Acres at | | | | | | ⊣ ls S | Section: | Regular | or | Irregul | ar | | | |
| TR/QTR/QTR/QT | R of acreage | e: <u>SW</u> | _=_SE | \$W | _ SW | - | | | | | | | | |
| | | | | | | | | s Irregular, loc ner used: | ate we | II from | nearest SE | SW | bounda | агу. |
| | | | | | | PLAT | | | | | | | | |
| | | | | | | | | | | | | | | |
| 5 | how locatio | n of the we | ell. Show t | ootage to | the neares | st lease or | unit bou | ndary line. Sho | w the p | redicted | location | ns of | | |
| | | | | d electrica | l lines, as i | required by | the Kar | nsas Surface O | | | | | 32). | |
| | | | | d electrica | | required by | the Kar | nsas Surface O | | | | |)32). | |
| | | | | d electrica | l lines, as i | required by | the Kar | nsas Surface O | | | | | 32). | |
| | | | | d electrica | l lines, as i | required by | the Kar | nsas Surface O | | otice Ad | | | 932). | |
| | | | | d electrica | l lines, as i | required by | the Kar | nsas Surface O | | lotice Ad | et (House | e Bill 20 | 932). | |
| | | | | d electrica | l lines, as i | required by | the Kar | nsas Surface O | wner N | LEC | et (House | e Bill 20 | | |
| | | | | d electrica | l lines, as i | required by | the Kar | nsas Surface O | wner N | LEC Well | SEND Locatio | e Bill 20 on y Loca | | |
| | | | | d electrica | l lines, as i | required by | the Kar | nsas Surface O | wner N | LEC Well Tank Pipe | SEND Location Batter | on y Loca cation | tion | |
| | | | | d electrica | l lines, as i | required by | the Kar | nsas Surface O | wner N | LEC Well Tank Pipe | GEND Location Batter | on y Loca cation e Loca | ition | |
| | | | | d electrica | l lines, as i | required by | the Kar | nsas Surface O | wner N | LEC Well Tank Pipe | GEND Location Batter line Location | on y Loca cation e Loca | ition | |
| | | | | d electrica | l lines, as i | required by | the Kar | nsas Surface O | wner N | LEC Well Tank Pipe | GEND Location Batter line Location | on y Loca cation e Loca | ition | |
| | | | | d electrica | l lines, as i | required by | the Kar | nsas Surface O | wner N | LEC Well Tank Pipe Elec Leas | GEND Location Batter line Location | on y Loca cation e Loca | ition | |

1980' FSL

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

70 ft. 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: (C0-7 for oil wells; CG-8 for gas wells).

4430 ft.

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



APPLICATION FOR SURFACE PIT

Submit in Duplicate

| Operator Name: HB Energy LLC | | | License Number: 34817 | | | | |
|--|--|-----------------|--|--|--|--|--|
| Operator Address: 3137 VIRGINIA | RD | | WELLSVILLE KS 66092 | | | | |
| Contact Person: Isaac Burbank | | | Phone Number: 785-979-9493 | | | | |
| Lease Name & Well No.: Gardner Holdings HB2 | | | Pit Location (QQQQ): | | | | |
| Type of Pit: Emergency Pit Burn Pit | Pit is: X Proposed Existing | | Sec. 28 Twp. 14 R. 22 X East West | | | | |
| Settling Pit X Drilling Pit | If Existing, date co | | 70 Feet from North / X South Line of Section | | | | |
| Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) | Pit capacity: 120 | (bbis) | 4430 Feet from X East / West Line of Section Johnson County | | | | |
| Is the pit located in a Sensitive Ground Water A | rea? Yes X | No | Chloride concentration:mg/l (For Emergency Pits and Settling Pits only) | | | | |
| Is the bottom below ground level? X Yes No | Artificial Liner? | No | How is the pit lined if a plastic liner is not used? Native Clay | | | | |
| Pit dimensions (all but working pits): | Length (fee | et) 10 | Width (feet) N/A: Steel Pits | | | | |
| Depth fro | m ground level to dee | epest point: | 5 No Pit | | | | |
| | Distance to nearest water well within one-mile of pit: Depth to sha Source of inf | | west fresh water50 feet. mation: well owner electric log X KDWR | | | | |
| Emergency, Settling and Burn Pits ONLY: | | Drilling, Worke | over and Haul-Off Pits ONLY: | | | | |
| Producing Formation: | | " | ial utilized in drilling/workover: 2 | | | | |
| Number of producing wells on lease: | | | Pamova fluids, backfill | | | | |
| Barrels of fluid produced daily: Abandonment Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No 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 | | | my knowledge and belief. gnature of Applicant or Agent | | | | |
| | KCC | OFFICE USE O | NLY Liner Steel Pit RFAC RFAS | | | | |
| Date Received: Permit Numl | oer: | Permi | t Date: Lease Inspection: Yes X No | | | | |



CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

Form KSONA-1
July 2021
Form Must Be Typed
Form must be Signed
All blanks must be Filled

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: X C-1 (Intent) CB-1 (C | Cathodic Protection Borehole Intent) |
|---|--|
| OPERATOR: License # 34817 Name: HB Energy LLC | Well Location: SW_SE_SW_SW_Sec. 28 Twp. 14 S. R. 22 X East West |
| Name: HB Energy LLC Address 1: 3137 VIRGINIA RD | County: Johnson |
| Address 2: | Lease Name: Gardner Holdings Well #: HB2 |
| City: WELLSVILLE State: KS Zip: 66092 + 9103 Contact Person: Isaac Burbank | If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below: |
| | 110,0000 |
| Phone: (785) 979-9493 Fax: () | |
| Email Address: | |
| Surface Owner Information: Name: Sonleo LLC | When filing a Form T-1 involving multiple surface owners, attach an additional |
| Address 1: 125 North Market St | 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 |
| Address 2: Suite 1250 | county, and in the real estate property tax records of the county treasurer. |
| City: Wichita State: KS Zip: 67202 | |
| | batteries, pipelines, and electrical lines. The locations shown on the plat the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. |
| Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing | Act (see Chapter 55 of the Kansas Statutes Annotated), I have on which the subject well is or will be located: 1) a copy of the g in connection with this form; 2) if the form being filed is a Form operator name, address, phone number, fax, and email address. |
| the KCC will be required to send this information to the surface | acknowledge that, because I have not provided this information, e owner(s). To mitigate the additional cost of the KCC performing ress of the surface owner by filling out the top section of this form the KCC, which is enclosed with this form. |
| If choosing the second option, submit payment of the \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 | fee with this form. If the fee is not received with this form, the KSONA-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: Signature of Operator or Agent: | Title: |

