For KCC Use Only

Date: 12/5/85

Conductor pipe required: N/A

Approved by: 5/15/85

This authorization expires: 6/13/85

Spud date: ________________

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW
Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and enter 1 mile of the boundaries of the prorated acreage attributable unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attributable unit for oil wells.

API No. 15: ____________________________
Operator: ________________________________
Lease: _________________________________
Well Number: 1-10
Field: _________________________________

Number of Acres attributable to well:
QTR / QTR / QTR of acreage: NE / SE / NW

Location of Well:
County: ____________________________
Township: ____________________________
Range: ____________________________
Sec. ______________________
Twp. ______________________
S. R. ______________________

If Section is Regular, locate well from nearest corner boundary. If Section is Irregular, locate well from nearest corner boundary.
Section corners used: NE NW SE SW

PLAT
(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)

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

In plotting the proposed location of the well, you must show:
1. The manner in which you are using the duplicated 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 wellhead’s south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. 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; CO-8 for gas wells).
December 13, 2005

Mr. Ronald N. Sinclair
Grano Meta Operating Company
200 E. First St. Ste 307
Wichita, KS 67202

Re: Drilling Pit Application:
  Kessling Lease Well No. 1-10
  NE4 Sec. 10-23S-10W
  Reno County, Kansas

Dear Mr. Sinclair:

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 the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again within 72 hours 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 (316) 630-4000 when the fluids have been removed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

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 undersigned at the above address.

Sincerely,

[Signature]
Kathy Haynes
Environmental Protection and Remediation Department

cc: Doug Louis

Conservation Division, Kansas State Office Building, 130 S. Wacker, Room 2078, Wichita, KS 67202 3802
Voice 316-237-6190  Fax 316-237-6218  www.kcc.state.ks.us