

APPLICATION TO DRILL, RECOMPLETE OR REENTER

FORM 1000
REV. 2009

FILE ORIGINAL ONLY
PLEASE TYPE OR USE BLACK INK

OKLAHOMA CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
JIM THORPE BUILDING
P.O. BOX 52000
OKLAHOMA CITY, OK 73152-2000
(RULE 165:10-3-1)

BATCH NUMBER (OCC USE ONLY)

1. OTC/OCC OPERATOR NUMBER
23029

2. API NUMBER
139-23905

3. NOTICE OF INTENT TO: (CHECK ONLY ONE)
 DRILL RECOMPLETE REENTER DEEPEN AMEND - REASON
 NOTE: ATTACH COPY OF 1002-A IF RECOMPLETION OR REENTRY.

4. TYPE OF DRILLING OPERATION >>>>>>> (NOTE: If directional or horizontal, see reverse side for bottom hole location)
 A. STRAIGHT HOLE DIRECTIONAL HOLE HORIZONTAL HOLE
 B. OIL/GAS INJECTION DISPOSAL WATER SUPPLY STRAT TEST SERVICE WELL

6. LOCATE WELL AND OUTLINE LEASE OR SPACING UNIT IN INK.

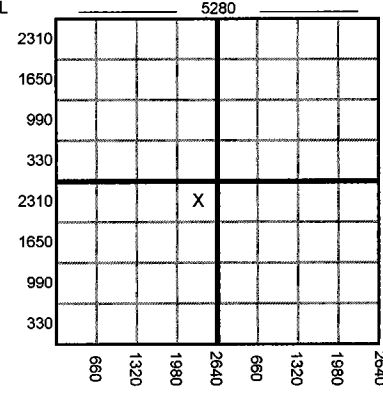
5. WELL LOCATION:
 SECTION **5** TOWNSHIP **4N** RANGE **11E** COUNTY **TEXAS**

SPOT LOCATION:
 NE 1/4 | NE 1/4 | NE 1/4 | SW 1/4 FEET FROM QUARTER from SOUTH LINE from WEST LINE
 SECTION LINES: 2500 2500

7. Well will be **140** feet from nearest unit or property boundary.
 8. LEASE NAME: **STEINKUEHLER** WELL NUMBER: **5-1**

9. NAME OF OPERATOR: **CAERUS KANSAS LLC** EMAIL ADDRESS: **GARRETT@CAERUSOILANDGAS.COM**
 ADDRESS: **600 17TH ST STE 1600N** PHONE (AC/NUMBER): **303-565-4600**
 CITY: **DENVER** STATE: **CO** ZIP CODE: **80202**

10. SURFACE OWNER (ONE ONLY, ATTACH SHEET FOR ADDITIONAL OWNERS)
GLADYS STEINKUEHLER
 ADDRESS: **1347 SUNSET**
 CITY: **GUYMON** STATE: **OK** ZIP CODE: **73942**



11. Is well located on lands under federal jurisdiction? Y N
 12. Will a water well be drilled? Y N
 Will surface water be used? Y N

14. LIST TARGET FORMATIONS AND DEPTHS OF EACH BELOW (LIMITED TO TEN)
 1) **COUNCIL GROVE 3,317' - 3,322'** 6)
 2) 7)
 3) 8)
 4) 9)
 5) 10)

15. SPACING ORDER NUMBER(S) AND SIZE UNIT(S): **239217, 160 ACRES**

16. PENDING APPLICATION C.D. NO. 17. LOCATION EXCEPTION ORDER NO. **496671 / 615330** 18. INCREASED DENSITY ORDER NO.
 19. TOTAL DEPTH **5,760** 20. GROUND ELEV. **3,574** 21. BASE OF TREATABLE WATER **640** 22. SURFACE CASING **1,692** 23. ALT CASING PROG USED? Y N

24. ALTERNATIVE CASING PROCEDURE, check box and fill in blank (AFFIDAVIT REQUIRED, see reverse side, line 31.)
 A. Cement will be circulated from total depth to ground surface on the production casing string.
 B. Cement will be circulated from _____ depth to _____ depth by use of a two stage cementing tool.
 25.1. PIT INFORMATION: Using more than one pit or mud system? Y N If yes, fill out line 25.2 on top reverse side.
 A. TYPE OF MUD SYSTEM: WATER BASED OIL BASED GAS BASED (AIR DRILL)
 B. EXPECTED MUD CHLORIDE CONTENT: maximum: _____ ppm; average: _____ ppm.
 PIT #1 C. TYPE OF PIT SYSTEM: on-site off-site closed If off-site, specify location: _____
 D. IS DEPTH TO TOP OF GROUND WATER GREATER THAN 10 FT BELOW BASE OF PIT? Y N
 E. WITHIN 1 MILE OF MUNICIPAL WATER WELL? Y N Off-Site Pit No. _____
 F. WELLHEAD PROTECTION AREA? Y N

26.1 A. CATEGORY 1A 1B 2 3 4 C
 OCC USE ONLY B. PIT LOCATION: Alluvial Plain Terrace Deposit Bedrock Aquifer Other H.S.A. Non-H.S.A. Fr: _____
 C. Special area or field rule? D. DEEP SCA? Y N E. CBL required? Y N
 F. SOIL COMPACTED LINER REQUIRED? Y N G. 20 mil GEOMEMBRANE LINER REQUIRED? Y N

27. PROPOSED METHOD FOR DISPOSAL OF DRILLING FLUIDS (MUST BE COMPLETED)
 A. Evaporation/dewater and backfilling of reserve pit.
 B. Solidification of pit contents.
 C. Annular Injection (REQUIRES PERMIT and surface casing set 200 feet below base of treatable water-bearing formation.) PERMIT NO. _____
 D. One time land application (REQUIRES PERMIT) PERMIT NO. _____
 E. Haul to Commercial pit facility; Specify site: _____ Order No. _____
 F. Haul to Commercial soil farming facility; Specify site: _____ Order No. _____
 G. Haul to recycling/re-use facility; Specify site: _____ Order No. _____
 H. Other, Specify: _____

I hereby certify I am authorized to submit this two page application prepared by me or under my supervision.
 The facts and proposals made herein are true, correct and complete to the best of my knowledge and belief.

SIGNATURE: *[Signature]* NAME (Print or Type) **GARRETT ELSENER** PHONE (AC/NO.) **303-565-4600** FAX **303-565-4606** DATE **9/4/2013**

NOTICE: Approval is void if operations have not commenced within six months of the date of approval. An approved permit must be posted at the location during drilling and completion operations. File the Form 1001A, Spud Report, within fourteen days of commencement of operations.

SEC 5
 TOWNSHIP 4N
 RANGE 11E
 CM
 STEINKUEHLER
 # 5 #1
 WELL NAME

NOTIFY DISTRICT OFFICE 24 HOURS PRIOR TO CEMENTING SURFACE CASING.

25.2. PIT INFORMATION:

- A. TYPE OF MUD SYSTEM: WATER BASED OIL BASED GAS BASED (AIR DRILL)
 B. EXPECTED MUD CHLORIDE CONTENT: maximum: _____ ppm; average: _____ ppm.
PIT #2 C. TYPE OF PIT SYSTEM: on-site off-site closed If off-site, specify location: _____
 D. IS DEPTH TO TOP OF GROUND WATER GREATER THAN 10 FT BELOW BASE OF PIT? Y N
 E. WITHIN 1 MILE OF MUNICIPAL WATER WELL? Y N Off-Site Pit No. _____
 F. WELLHEAD PROTECTION AREA? Y N

26.2 OCC USE ONLY A. CATEGORY 1A 1B 2 3 4 C Fm: _____
 B. PIT LOCATION: Alluvial Plain Terrace Deposit Bedrock Aquifer Other H.S.A. Non-H.S.A.
 C. Special area or field rule? _____ D. DEEP SCA? Y N E. CBL? Y N
 F. SOIL COMPACTED LINER REQUIRED? Y N G. 20 mil GEOMEMBRANE LINER REQUIRI Y N

29 Bottom Hole Location SEC TWP RGE COUNTY
 for Directional Hole:
 SPOT LOCATION: 1/4 1/4 1/4 1/4 FEET FROM QUARTER from SOUTH LINE from WEST LINE
 SECTION LINES:
 Measured Total True Vertical BHL from nearest Lease, Unit, Or Property Line:
 Depth Depth

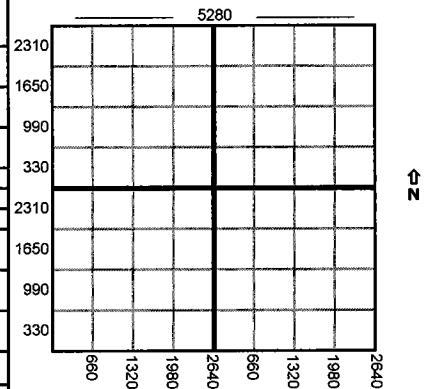
30. Bottom Hole Location for Horizontal Hole: (LATERALS)

LATERAL #1: SEC TWP RGE COUNTY
 SPOT LOCATION: 1/4 1/4 1/4 1/4 FEET FROM QUARTER from SOUTH LINE from WEST LINE
 SECTION LINES:
 Depth of Deviation Radius of Turn Direction Total Length
 Measured Total True Vertical End Point location from nearest lease, unit
 Depth Depth or property line:

LATERAL #2: SEC TWP RGE COUNTY
 SPOT LOCATION: 1/4 1/4 1/4 1/4 FEET FROM QUARTER from SOUTH LINE from WEST LINE
 SECTION LINES:
 Depth of Deviation Radius of Turn Direction Total Length
 Measured Total True Vertical End Point location from nearest lease, unit
 Depth Depth or property line:

LATERAL #3: SEC TWP RGE COUNTY
 SPOT LOCATION: 1/4 1/4 1/4 1/4 FEET FROM QUARTER from SOUTH LINE from WEST LINE
 SECTION LINES:
 Depth of Deviation Radius of Turn Direction Total Length
 Measured Total True Vertical End Point location from nearest lease, unit
 Depth Depth or property line:

28. Locate Bottom Hole



1. If more than two drainholes are proposed, attach separate sheet indicating the necessary information.
2. Direction must be stated in degrees azimuth.
3. Please note the horizontal drainhole and its end point must be located within the legal boundaries of the lease or spacing unit. Directional surveys are required for all drainholes and directional wells.

31. AFFIDAVIT FOR ALTERNATIVE CASING PROGRAM

(Signature on front of this form attests to this affidavit)

1. This well WILL WILL NOT penetrate any known lost circulation zones.
2. During the drilling of this well, withdrawals from any water well within 1/4 mile WILL WILL NOT exceed 50 gallons per minute.
3. The projected depth of the well IS IS NOT less than 100 feet from the top of any enhanced recovery project or gas storage facility.
4. List the following for all water wells within 1/4 mile of this well. (Information concerning some water wells may be obtained from the OKLAHOMA WATER RESOURCES BOARD, 3800 N. Classen Blvd., Oklahoma City, OK 73118). IF NO WATER WELLS FOUND, SO STATE. (ATTACH ADDITIONAL SHEET IF NECESSARY)

Name of Owner/Operator	Address of Owner/Operator	Location (Nearest 1/4 1/4 1/4 1/4)	Depth of Well

5. A cement bond log is required to be run and submitted from not less than 100 feet below the base of the treatable water-bearing formation to the surface. **OCC USE ONLY**
6. If casing depth is more than 250 feet deeper than base of the treatable water-bearing formation, operator must submit a letter of request listing reasons and precautions to be taken.

INTENT TO DRILL CHECKLIST

OCC USE ONLY

OCC USE ONLY

APPROVED _____
 REJECTED _____

- 1. SURETY**
 A. NONE filed.
 B. EXPIRED: Date 5-31-14
 C. OUTSTANDING CONTEMPT ORDER.

4. GEOLOGY

DO NOT WRITE INSIDE THIS BOX