For KCC Use:

Effective D	Date:
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District	#	
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SGA?	Yes	No

# **KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION**

Form C-1 October 2007 Form must be Typed Form must be Signed All blanks must be Filled

1022393

# NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date:	Spot Description:
month day year	(ararana) Sec Twp S. R E W
OPERATOR: License#	feet from N / S Line of Section
Name:	feet from L E / W Line of Section
Address 1:	Is SECTION: Regular Irregular?
Address 2:	(Note: Locate well on the Section Plat on reverse side)
City: State: Zip: +	County:
Contact Person:	Lease Name: Well #:
Phone:	Field Name:
CONTRACTOR: License#	Is this a Prorated / Spaced Field?
Name:	Target Formation(s):
	Nearest Lease or unit boundary line (in footage):
Well Drilled For: Well Class: Type Equipment:	Ground Surface Elevation:feet MSL
Oil Enh Rec Infield Mud Rotary	
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile:
Disposal Wildcat Cable	Public water supply well within one mile:
Seismic ; # of Holes Other	Depth to bottom of fresh water:
Other:	Depth to bottom of usable water:
If OWWO: old well information as follows:	Surface Pipe by Alternate:
	Length of Surface Pipe Planned to be set:
Operator:	Length of Conductor Pipe (if any):
Well Name:	Projected Total Depth:
Original Completion Date: Original Total Depth:	Formation at 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:

### **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

	Remember to:
For KCC Use ONLY	<ul> <li>File Drill Pit Application (form CDP-1) with Intent to Drill;</li> </ul>
API # 15	- File Completion Form ACO-1 within 120 days of spud date;
Conductor pipe required feet	<ul> <li>File acreage attribution plat according to field proration orders;</li> <li>Notify appropriate district office 48 hours prior to workover or re-entry;</li> </ul>
Minimum surface pipe required feet per ALT. I II	- Submit plugging report (CP-4) after plugging is completed (within 60 days);
Approved by:	- Obtain written approval before disposing or injecting salt water.
This authorization expires:	- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.
(This authorization void if drilling not started within 12 months of approval date.)	Well Not Drilled - Permit Expired Date:
Spud date: Agent:	Signature of Operator or Agent:



1022393

1980

# IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Side Two

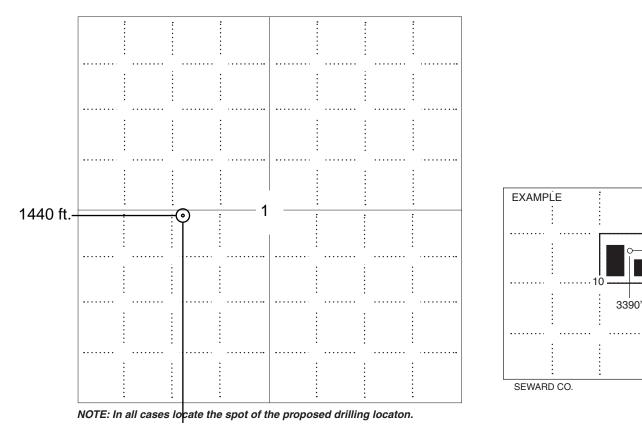
Plat of acreage attributable to a well in a prorated or spaced field

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 within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for gas wells and wells acreage attribution unit for gas wells acreage attribution unit for gas wells acreage attribution unit for gas wells acreage attrib

API No. 15	
Operator:	Location of Well: County:
Lease:	feet from N / S Line of Section
Well Number:	feet from E / W Line of Section
Field:	Sec Twp S. R E 📃 W
Number of Acres attributable to well:	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 and shade attributable acreage for prorated or spaced wells.) (Show footage to the nearest lease or unit boundary line.)



#### 2560 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).



KANSAS CORPORATION COMMISSION 1022393 **OIL & GAS CONSERVATION DIVISION** 

Form CDP-1 April 2004 Form must be Typed

# **APPLICATION FOR SURFACE PIT**

Submit in Duplicate

Operator Name:			License Number:	
Operator Address:		I	I	
Contact Person:		Phone Number:		
Lease Name & Well No.:		Pit Location (QQQQ):		
Type of Pit:	Pit is:			
Emergency Pit Burn Pit	Proposed Existing     If Existing, date constructed:		SecTwpR East Wes	
Workover Pit Haul-Off Pit			Feet from North / South Line of S	
(If WP Supply API No. or Year Drilled)	Pit capacity:		Feet from East / West Line of S	Section
		(bbls)	C	County
Is the pit located in a Sensitive Ground Water	Area? Yes	No	Chloride concentration: (For Emergency Pits and Settling Pits only)	. mg/l
Is the bottom below ground level?	Artificial Liner?	No	How is the pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits):	Length (fe	eet)	Width (feet)N/A: Steel Pits	
Depth fr	om ground level to d	eepest point:	(feet) No Pit	
Distance to nearest water well within one mil	a of nit	Dopth to shallo	west fresh waterfeet.	
Distance to nearest water well within one-mile of pit Depth to shallo Source of infor		mation:		
feet Depth of water well		measu	uredwell owner electric logKDV	٧R
Emergency, Settling and Burn Pits ONLY:		•	over and Haul-Off Pits ONLY:	
Producing Formation:			al utilized in drilling/workover:	
		procedure:		
Does the slope from the tank battery allow all flow into the pit?			be closed within 365 days of spud date.	
Submitted Electronically				
KCC OFFICE USE ONLY Steel Pit RFAC RFAS				
Date Received: Permit Num	ber:	Permi	it Date: Lease Inspection: Yes	No

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

# **DECLARATION OF POOLING AND CONSOLIDATION**

THIS DECLARATION OF POOLING AND CONSOLIDATION is made and entered into this 18<sup>th</sup> day of September, 2008, by Pintail Petroleum, Ltd., lessee.

# KNOW ALL MEN BY THESE PRESENTS: That

WHEREAS, the following described oil and gas leases are owned by Pintail Petroleum, Ltd., as lessee, to wit:

Oil and Gas Lease dated September 19, 2007 by and between Jarrell D. Nuss, and Monty L. Nuss as Co-Trustees of The Jarrell D. Nuss Irrevocable Trust, dated May 29, 2007 and The Monty L. Nuss Irrevocable Trust, dated May 29, 2007, hereinafter called Lessor, and Thomas Energy Inc., hereinafter called Lessee, covering Lot 4 and the Southwest Quarter and the Northwest Quarter (SW/4, NW/4) a/d/a West Half of the Northwest Quarter (W/2 NW//4) Section 1, Township 21 South, Range 25 West, Ness County, Kansas containing 81.12 acres more or less, recorded in Book 59 at Page 226 in the office of the Register of Deeds, Hodgeman County, Kansas, and the Southeast Quarter (SE/4) Section 36, Township 20 South, Range 25 West, Ness County, Kansas containing 160 acres more or less, recorded in Book 312 at Page 731 in the office of the Register of Deeds, Ness County, Kansas

Oil and Gas Lease dated November 6, 2006 by and between M. Jean Dearth, Trustee of the James P. Dearth Family Trust, and Trustee of the M. Jean Dearth Marital Trust, hereinafter called Lessor, and Pintail Petroleum, Ltd., hereinafter called Lessee, covering the Northeast Quarter (NE/4) and The East Half of the Northwest Quarter (E/2 NW/4) and the North Half of the Southeast Quarter of the Southeast Quarter (N/2 SE/4) of Section 1, Township 21 South, Range 25 West, Trego County, Kansas containing 260 acress more or less, recorded in Book 58 at Page 249 in the office of the Register of Deeds, Hodgeman County, Kansas.

WHEREAS, said Oil and Gas Lease provides inter alia as follows:

"Lessee, at its option, is hereby given the right and power to pool or combine into one or more units the land covered by this lease, or any portion thereof, with other land, covered by another lease, or leases when, in lessee's judgment, it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 80 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas and/or condensate or distillate well, plus a tolerance of ten percent (10%) to conform to Governmental Survey quarter sections. Lessee shall execute in writing and file for record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on any such unit shall be and constitute a well hereunder. In lieu of the royalties elsewhere herein specified lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved."; and

WHEREAS, the following described oil and gas lease is owned by Pintail Petroleum, Ltd., as lessee, to wit:

Oil and Gas Lease dated November 15, 1991 by and between Mabel Hoss, a widow, hereinafter called Lessor, and Pickrell Drilling Company, Inc., hereinafter called Lessee, covering the Southwest Quarter (SW/4) and the Southwest Quarter of the Southeast Quarter (SW/4 SE/4) of Section 1, Township 21 South, Range 25 West, Hodgeman County, Kansas containing 200 acres more or less, recorded in Book 52, at Page 139 in the office of the Register of Deeds, Hodgeman County, Kansas.

#### WHEREAS, said Oil and Gas Lease provides inter alia as follows:

"Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases, in the immediate vicinity thereof, when in Lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, Lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved."; and

WHEREAS, Pintail Petroleum, Ltd., as the owner and lessee of the above described oil and gas leases, has determined in its judgement that it is necessary and advisable to pool and combine the oil rights in and under a portion of the acreage and lands covered by the above described oil and gas leases in order to properly develop said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises as one oil operating unit, upon the terms and conditions hereinafter provided and as provided in said oil and gas leases;

NOW, THEREFORE, IN CONSIDERATION of the premises, the execution of this declaration and the mutual covenants herein to be performed, and other good and valuable consideration, lessee, acting pursuant to the above and foregoing recitals and the terms and conditions of the above described oil and gas leases, does hereby execute this declaration of pooling and consolidation and does hereby form an oil unit of said leases and land, including lessors' royalty interest, as to the oil rights, insofar and only insofar as said leases and the lands included within the pool and oil unit described are as follows, to wit:

The Southeast Quarter of the Southwest Quarter of the Northwest Quarter (SE SW NW) and The Southwest Quarter of the Southeast Quarter of the Northwest Quarter (SW SE NW) and The Northeast Quarter of the Northwest Quarter of the Southwest Quarter (NE NW SW) and The Northwest Quarter of the Northeast Quarter of the Southwest Quarter (NW NE SW) of Section 1, Township 21 South, Range 25 West, Hodgeman County, Kansas.

To the same extent as if said oil leasehold estate had originally been included in one oil and gas lease, which pooled and combined area is hereby designated as the Hoss-Dearth Unit #1-1, and which area shall include within the same all land covered by the above described oil and gas leases insofar and only insofar as the same are included within the above described oil unit.

Lessee does hereby state that drilling operations for oil and/or gas and production of oil and/or gas on any part of the oil unit shall be treated as if such drilling operations were had or such oil and/or gas production was obtained from land described in each of said leases, regardless of where the oil and/or gas well or wells may be located upon said oil unit, and that the entire acreage contained in said oil unit shall be treated for all purposes, except the payment of royalties on such production of oil from said oil unit, as if said lands were included in each of said oil and gas leases. In lieu of the oil royalty set forth in said oil and gas leases, and pursuant to the terms of the unitization clause in each said lease, each respective lessor shall receive on oil production, only such portion of the royalty stipulated in the pertinent oil and gas leases, as the amount of lessor's surface acreage contained in his/her oil and gas lease placed in the oil unit bears to the amount of the total surface acreage of the entire pooled area. Nothing herein contained shall authorize or affect any transfer of any title to any leasehold, royalty or other interest pooled pursuant hereto. This declaration and the terms and conditions hereof shall extend to and be binding upon all persons having any right, title or interest of any kind or character in and to the above described oil and gas leases, including lessors' rights thereunder, their respective heirs, successors and assigns.

IN WITNESS WHEREOF, lessee has hereunto caused this Declaration of Pooling and Consolidation to be executed as of the day and year first above written.

### PINTAIL PETROLEUM, LTD.

Walter Innes Phillips, President

### STATE OF KANSAS

# COUNTY OF SEDGWICK

BE IT REMEMBERED that on this 18<sup>th</sup> day of September, 2008, before me the undersigned, a Notary Public duly commissioned in and for said County and State, came Walter Innes Phillips, President of Pintail Petroleum, Ltd., a corporation of the State of Kansas to me personally known to be such officer and to be the same person who executed as such officer the foregoing instrument of writing on behalf of said corporation, and acknowledged the execution of the same for himself and for said corporation for the uses and purposes therein set forth.

} ss:

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this day and year last above written.

Patrica C. Byerlee, Notary Public

My Commission Expires: December 11, 2009

