1041734

For KCC Use:
Effective Date: 08/14/2010
District # 3
SGA? ☐ Yes ☐ No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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: 10/08/2010 (month / day / year)

OPERATOR: License# 34170
Name: Sirius Energy Corp.
Address 1: 526 COUNTRY PL, SOUTH
Address 2:
City: ABILENE State: TX Zip: 79606 + 7032
Contact Person: Randy Teter
Phone: 785-448-8571

CONTRACTOR: License# 32079
Name: Leis, John E.

Well Drilled For:	*Well Class:*	*Type Equipment:*
☒ Oil	☐ Enh Rec	☐ Infield	☐ Mud Rotary
☐ Gas	☐ Storage	☐ Pool Ext.	☐ Air Rotary
	☐ Disposal	☐ Wildcat	☐ Cable
☐ Seismic ; ____ # of Holes		☐ 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 #:

Oil & Gas lease attached.

Spot Description:
SW (Q/Q/Q/Q) - NW - SW - NW Sec. 13 Twp. 21 S. R. 20 ☐ E ☐ W
3304 feet from ☐ N / ☐ S Line of Section
5226 feet from ☐ E / ☐ W Line of Section
Is SECTION: ☐ Regular ☐ Irregular?

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

County: Anderson
Lease Name: West Van Winkle Well #: U-28
Field Name: Bush City Shoestring
Is this a Prorated / Spaced Field? ☐ Yes ☐ No
Target Formation(s): Squirrel sand
Nearest Lease or unit boundary line (in footage): 990
Ground Surface Elevation: 1067 Estimated Estimated feet MSL
Water well within one-quarter mile: ☐ Yes ☐ No
Public water supply well within one mile: ☐ Yes ☐ No
Depth to bottom of fresh water: 50
Depth to bottom of usable water: 125
Surface Pipe by Alternate: ☐ I ☐ II
Length of Surface Pipe Planned to be set: 20
Length of Conductor Pipe (if any):
Projected Total Depth: 800
Formation at Total Depth: Squirrel sand
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 - 15-003-24895-00-00
Conductor pipe required 0 feet
Minimum surface pipe required 20 feet per ALT. ☐ I ☐ II
Approved by: Rick Hestermann 08/09/2010
This authorization expires: 08/09/2011
(This authorization void if drilling not started within 12 months of approval date.)

Spud date: ____ Agent: ____

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

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:

13 21 20
☐ E
☐ W

Side Two

1041734

For KCC Use ONLY
API # 15 - 15-003-24895-00-00

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: Sirius Energy Corp.
Lease: West Van Winkle
Well Number: U-28
Field: Bush City Shoestring

Number of Acres attributable to well: _____
QTR/QTR/QTR/QTR of acreage: SW - NW - SW - NW

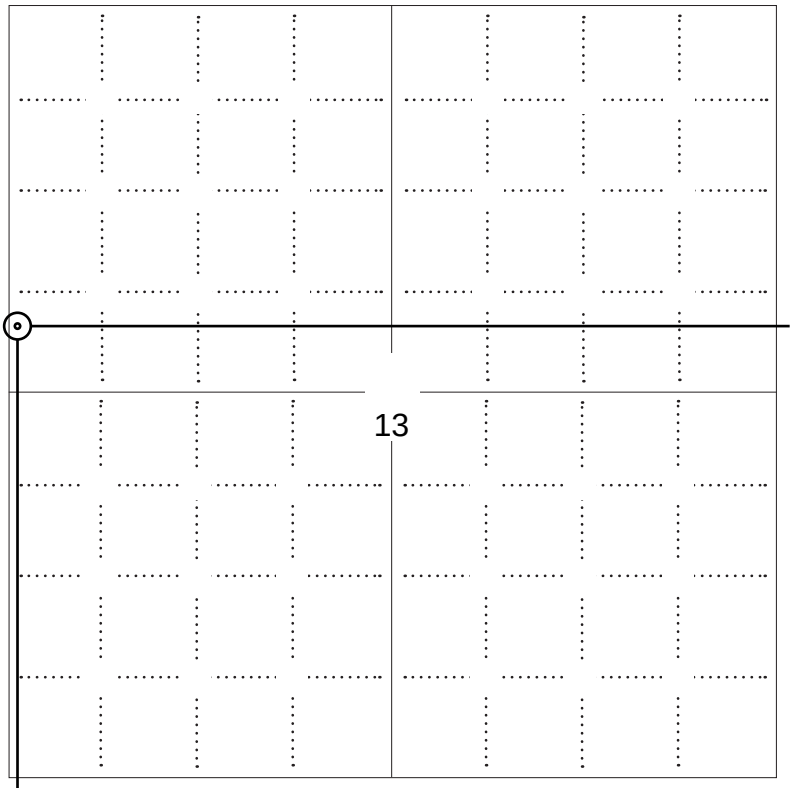
Location of Well: County: Anderson
3304 feet from ☐ N / ☐ S Line of Section
5226 feet from ☐ E / ☐ W Line of Section
Sec. 13 Twp. 21 S. R. 20 ☐ E ☐ W

Is Section: ☐ Regular or ☐ Irregular

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

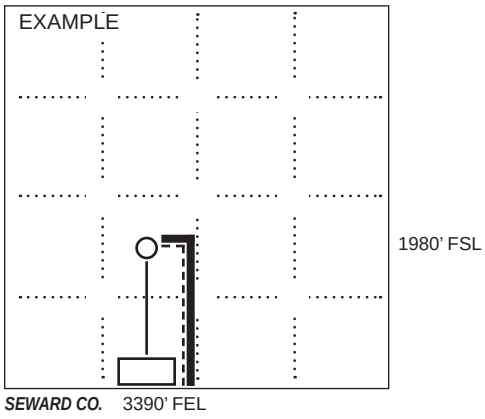
PLAT

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 locaton.

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.

1041734

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form CDP-1
May 2010
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Sirius Energy Corp. | License Number: 34170

Operator Address: 526 COUNTRY PL, SOUTH ABILENE TX 79606

Contact Person: Randy Teter | Phone Number: 785-448-8571

Lease Name & Well No.: West Van Winkle U-28

Pit Location (QQQQ): SW - NW - SW - NW

Sec. 13 Twp. 21 R. 20 ☐ East ☐ West

3304 Feet from ☐ North / ☐ South Line of Section

5226 Feet from ☐ East / ☐ West Line of Section

Anderson County

Type of Pit:
☐ Emergency Pit ☐ Burn Pit
☐ Settling Pit ☐ Drilling Pit
☐ Workover Pit ☐ Haul-Off Pit
(If WP Supply API No. or Year Drilled)

Pit is:
☐ Proposed ☐ Existing
If Existing, date constructed:

Pit capacity: 140 (bbls)

Is the pit located in a Sensitive Ground Water Area? ☐ Yes ☐ No

Chloride concentration: _____ mg/l
(For Emergency Pits and Settling Pits only)

Is the bottom below ground level? ☐ Yes ☐ No

Artificial Liner? ☐ Yes ☐ No

How is the pit lined if a plastic liner is not used?
Native clay

Pit dimensions (all but working pits): 10 Length (feet) 12 Width (feet) ☐ N/A: Steel Pits

Depth from ground level to deepest point: 5 (feet) ☐ 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:
n/a feet Depth of water well _____ feet

Depth to shallowest fresh water _____ feet.
Source of information:
☐ measured ☐ well owner ☐ electric log ☒ KDWR

Emergency, Settling and Burn Pits ONLY:

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? ☐ Yes ☐ No

Drilling, Workover and Haul-Off Pits ONLY:

Type of material utilized in drilling/workover: Drilling mud

Number of working pits to be utilized: 2

Abandonment procedure: Let air dry and backfil

Drill pits must be closed within 365 days of spud date.

Submitted Electronically

KCC OFFICE USE ONLY

☐ Liner ☐ Steel Pit ☐ RFAC ☐ RFAS

Date Received: 08/09/2010 Permit Number: 15-003-24895-00-00 Permit Date: 08/09/2010 Lease Inspection: ☐ Yes ☐ No

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

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

1041734

Form KSONA-1
July 2010
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 # 34170
Name: Sirius Energy Corp.
Address 1: 526 COUNTRY PL, SOUTH
Address 2:
City: ABILENE State: TX Zip: 79606 + 7032
Contact Person: Randy Teter
Phone: (785) 4488571 Fax: ( )
Email Address: kts@mail.dk

Well Location:
SW - NW - SW - NW Sec. 13 Twp. 21 S. R. 20 ☐ East ☐ West
County: Anderson
Lease Name: West Van Winkle Well #: U-28

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

Surface Owner Information:
Name: Charles L. Foltz
Address 1: 26994 NE 1700 Road
Address 2:
City: Garnett State: Kansas Zip: 66032 +

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 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.

Submitted Electronically

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

Side Two

For KCC Use ONLY

API # 15 - _____

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Field: Bush City Shoestring

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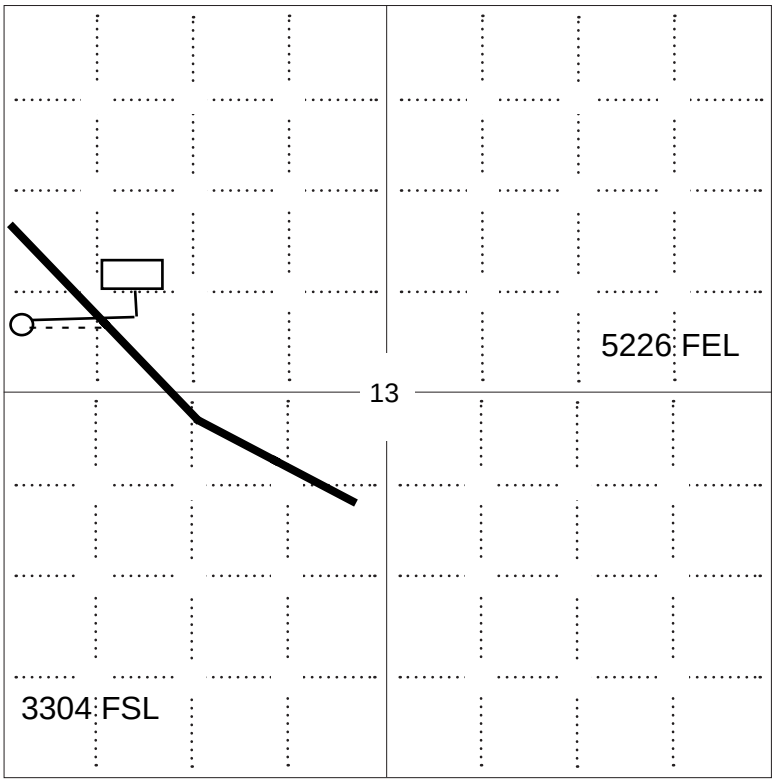
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If Section is Irregular, locate well from nearest corner boundary.
Section corner used: ☐ NE ☐ NW ☐ SE ☐ SW

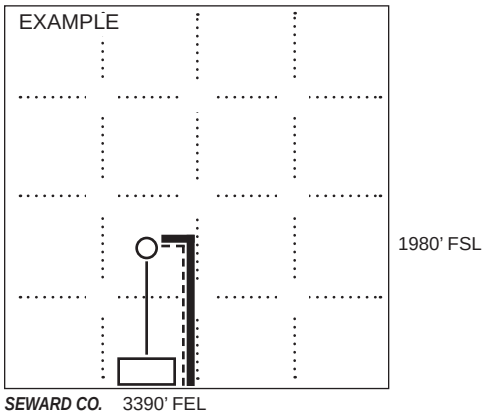
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OIL AND GAS LEASE

AGREEMENT, Made and entered into this 20th day of March, 1987, by and between Esther Van Winkle, a single person, Party of the first part, hereinafter called lessor and Roger Kent, Party of the second part, hereinafter called lessee.

WITNESSETH, That the said lessor, for and in consideration of One Dollar, cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let unto said lessee, for the sole and only purpose of mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Anderson, State of Kansas, described as follows, to-wit:

Van Winkle West

The Southwest Quarter (SW/4) of Section Thirteen (13), Township Twenty-one (21), Range Twenty (20);

The West Half (W/2) of the Northwest Quarter (NW/4) of Section Thirteen (13), Township Twenty-one (21), Range Twenty (20);

The East Half (E/2) of the Northeast Quarter (NE/4) of Section Fourteen (14), Township Twenty-one (21), Range Twenty (20); and,

Ewing B

An undivided 5/12ths of the East Half (E/2) of Section Thirteen (13), Township Twenty-one (21), Range Twenty (20) and the East Half (E/2) of the Northwest Quarter (NW/4) of Section Thirteen (13), Township Twenty-one (21), Range Twenty (20), all in Anderson County, Kansas.

It is agreed that this lease shall remain in full force for a term of one year from this date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee.

In consideration of the premises the said lessee covenants and agrees:

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect his wells, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas from each well where gas only is found the equal one-eighth (1/8) of the gross proceeds at the prevailing market rate, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for all gas used off the premises, said payments to be made monthly and lessor to have gas free of cost from any such well for all stoves and all inside lights in the principal dwelling house on said land during the same time by making his own connections with the well at his own risk and expense.

GILE and HOSKINS
ATTORNEYS AT LAW
111 EAST FOURTH STREET
P.O. BOX 340
GARNETT, KS. 66032-0340
913-448-5466

For Mtg see 193 Pg 52 June 28, 2002
For Rel see 416 440 June 28, 2002
3-31-04 For Assignment Oil Royalty Prt See 74 MCL Pg 994
For Assign. See Vol. 27 MCL Page 158 May 18, 1987
For Assign See Vol 27 MCL Page 208-J June 25, 1987
for correct assign see 37 MCL Pg. 103-A March 10, 1992
for assign & royalty interest see 39 MCL pg. 38 Oct 7, 1992
assign see 74 MCL Pg. 44 3-4-2004
for Assign See 50 MCL Page 6 August 13, 1996
for assign See 40 MCL pg. 108A 12-6-1992
" " " pg. 109 "
for assign see 45 MCL pg. 186A 1-30-1995
14 Oil & Gas Page 67
for assign see 63 MCL Pg 61 9-24-2001 Correct Pg. is. 68
6/26/07 cjs.

3rd. To pay lessor for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline, one-eighth (1/8) of the proceeds at the prevailing market rate, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas used, for the time during which such gas shall be used, said payments to be made monthly.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in the proportion which his interest bears to the whole and undivided fee, and the signing of this agreement shall be binding on each of the above named parties who sign, regardless of whether it is signed by any of the other parties.

Lessee shall have the right to use, free of cost, gas, oil, and water produced on said land for its operation thereon, except water from wells of lessor.

All lines, including electric lines, shall be buried below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with the like effect as if such well had been completed within the term of years herein first mentioned.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or as to parts of the above described lands and the assigns or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands upon which the said lessee or any assignee thereof shall make due payments of said rentals.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

Whereof, witness our hands as of the day and year first above written.

Esther Van Winkle
Esther Van Winkle

STATE OF KANSAS)
) SS:
COUNTY OF ANDERSON)

The foregoing instrument was acknowledged before me this 20th day of March, 1987, by Esther Van Winkle.

Tammy L. Holderman
Notary Public

Term Expires:
3-20-90

TAMMY L. HOLDERMAN
NOTARY PUBLIC
STATE OF KANSAS
MY APPT. EXPIRES 3-20-90

STATE OF KANSAS }ss.
ANDERSON COUNTY }
Fee 7.00
This Inst. was filed for Record
this 5th day of May, A.D. 1987
at 2:10 P.M. and duly Recorded
in Book 14 of Oil & Gas on Page 168
Constance J. Setter
Register of Deeds
Deputy

REGISTER OF DEEDS SEAL ANDERSON COUNTY, KANSAS

14 Oil + Gas Page 68 68 c.s.