



For KCC Use:
 Effective Date: _____
 District # _____
 SGA? Yes No

KANSAS CORPORATION COMMISSION 1058976
 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: _____
month day year

OPERATOR: License# _____
 Name: _____
 Address 1: _____
 Address 2: _____
 City: _____ State: _____ Zip: _____ + _____
 Contact Person: _____
 Phone: _____

CONTRACTOR: License# _____
 Name: _____

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic ; _____ # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Mud Rotary
<input type="checkbox"/> Other: _____		<input type="checkbox"/> Air Rotary
		<input type="checkbox"/> Cable
<input type="checkbox"/> 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 #: _____

Spot Description: _____
 _____ - _____ - _____ Sec. _____ Twp. _____ S. R. _____ E W
(Q/Q/Q/Q)
 _____ feet from N / S Line of Section
 _____ feet from E / W Line of Section
 Is SECTION: Regular Irregular?

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

County: _____
 Lease Name: _____ Well #: _____
 Field Name: _____
 Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): _____
 Nearest Lease or unit boundary line (in footage): _____
 Ground Surface Elevation: _____ 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: _____
 Depth to bottom of usable water: _____
 Surface Pipe by Alternate: I II
 Length of Surface Pipe Planned to be set: _____
 Length of Conductor Pipe (if any): _____
 Projected Total Depth: _____
 Formation at Total Depth: _____
 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

<p>For KCC Use ONLY</p> <p>API # 15 - _____</p> <p>Conductor pipe required _____ feet</p> <p>Minimum surface pipe required _____ feet per ALT. <input type="checkbox"/> I <input type="checkbox"/> II</p> <p>Approved by: _____</p> <p>This authorization expires: _____ <small>(This authorization void if drilling not started within 12 months of approval date.)</small></p> <p>Spud date: _____ Agent: _____</p>
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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: _____

E
 W



1058976

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: _____

Lease: _____

Well Number: _____

Field: _____

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - _____ - _____ - _____

Location of Well: County: _____

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Sec. _____ Twp. _____ S. R. _____ E W

Is Section: Regular or Irregular

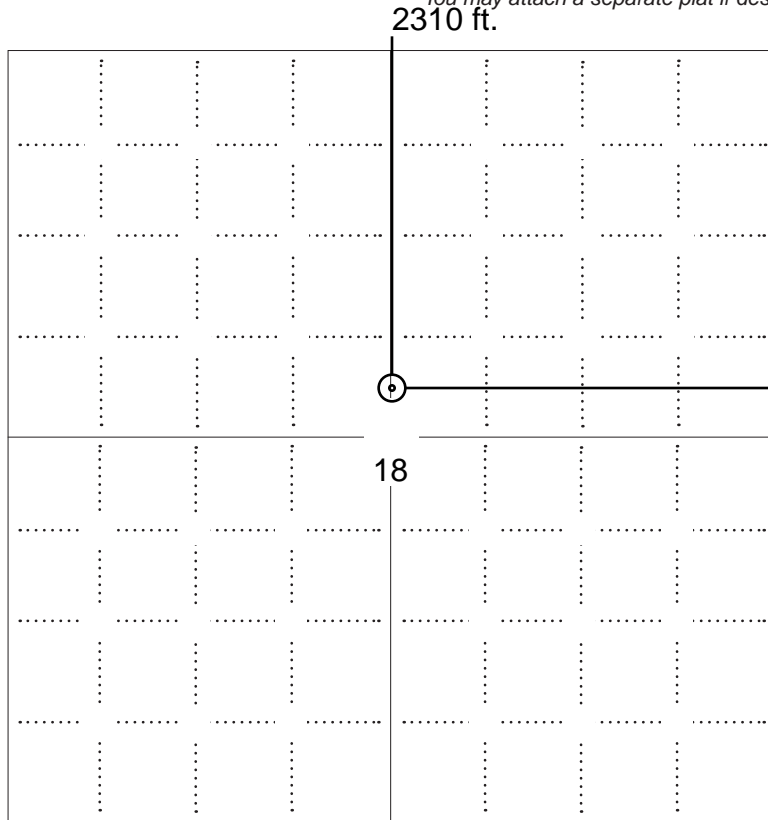
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

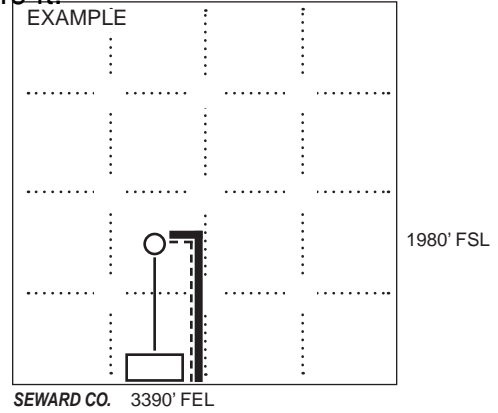
Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).

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.



APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: _____		License Number: _____	
Operator Address: _____			
Contact Person: _____		Phone Number: _____	
Lease Name & Well No.: _____		Pit Location (QQQQ): _____-_____-_____-_____	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	
How is the pit lined if a plastic liner is not used? _____			
Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) <input type="checkbox"/> 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: _____ feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> 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? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ Drill pits must be closed within 365 days of spud date.	
<p>Submitted Electronically</p>			

KCC OFFICE USE ONLY

Liner Steel Pit RFAC RFAS

Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: Yes No



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 # _____
Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Contact Person: _____
Phone: (_____) _____ Fax: (_____) _____
Email Address: _____

Well Location:
____ - ____ - ____ - ____ Sec. ____ Twp. ____ S. R. ____ East West
County: _____
Lease Name: _____ Well #: _____

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

Surface Owner Information:

Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____

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.

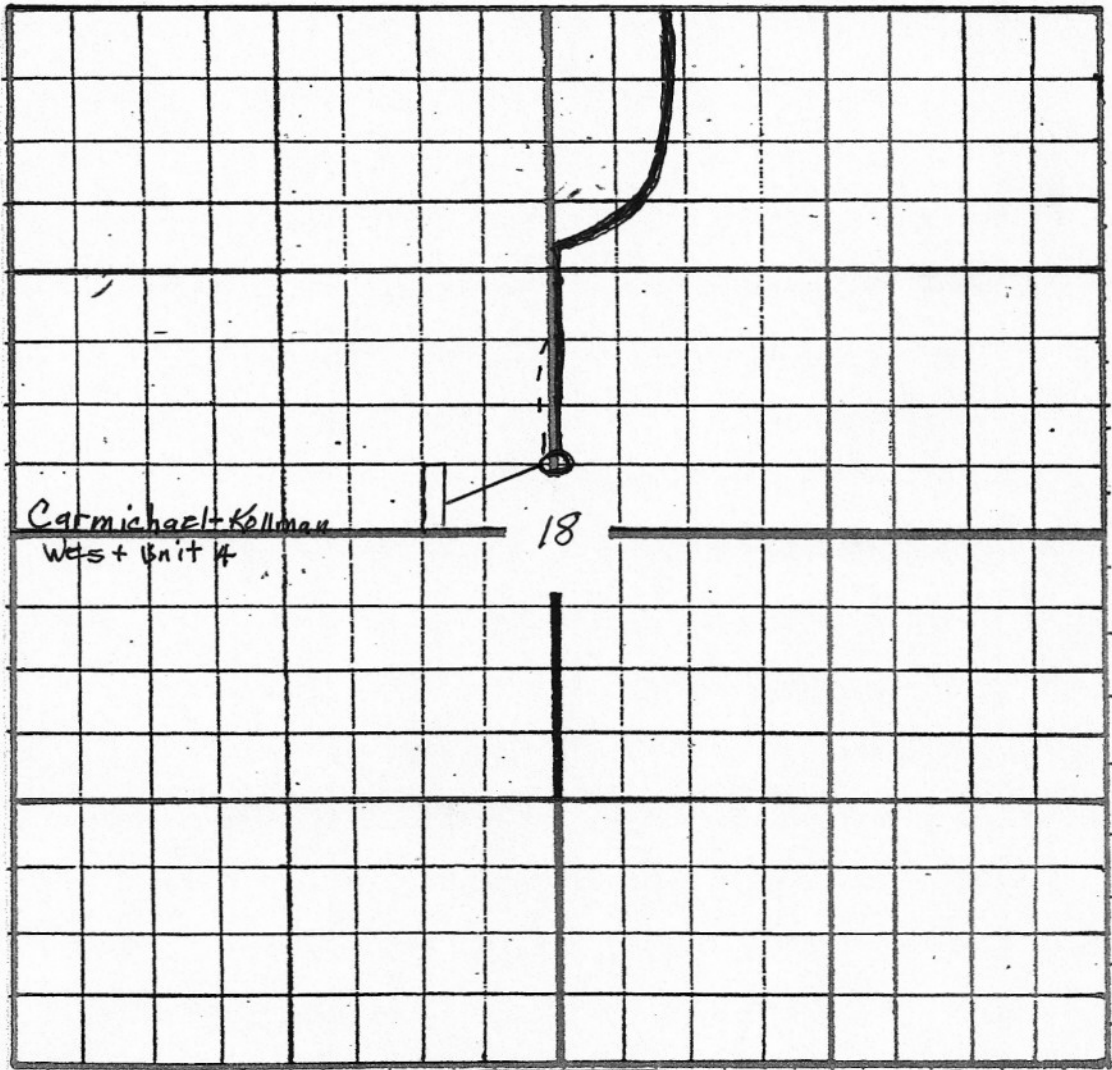
If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary 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.

I Submitted Electronically



In Witness Whereof, I have hereunto set my official signature and affixed my notarial seal this day and year first above written.

My commission expires April 27, 1937

(SEAL)

H. J. Dorweiler, Notary Public

STATE OF CONNECTICUT)
COUNTY OF FAIRFIELD)ss

Before me, the undersigned, a Notary Public, in and for said County and State, on this 5th day of July, 1935, personally appeared Alice Morgan and A. D. Morgan, to me known to be the identical persons who executed the within and foregoing instrument, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

My commission expires Feb. 1936

(SEAL)

Robert A. Beers, Notary Public

Filed for record on the 25th day of August, A.D. 1935 at 9:00 A. M.

A. H. Harkness
Register of Deeds

OIL AND GAS LEASE

AGREEMENT Made and entered into 30th day of March, 1935, by and between Nomi Kollman (widow; Henry Kollman and Laura KOTISAN (his wife) Raymond Kollman and Ada Kollman (his wife); Mary Kuiken and Hara Kuiken (her husband); Teite-Denio and Ralph Denio (her husband); Dorthotha Lucky and Marvin Lucky (her husband); Ira D. Kollman, Administrator, of Stockton, Kansas, Party of the first part, hereinafter called lessor (whether one or more) and M. J. Pratt, of Topeka, Kansas, party of the second part, 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 the 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 Ellis, State of Kansas, described as follows, to-wit:

The South Half of the Northeast Quarter and the Southeast Quarter of Section 16, Township 11 S, Range 17 W, and containing 240 acres, more or less.

It is agreed that this lease shall remain in force for a term of ten years from this date, and as long thereafter as oil or gas, or either of them, is produced from said land or the premises are being developed or operated.

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 he may connect his wells, the equal one-eighth part of all oil produced and saved from the leased premises.
- 2nd. To pay to the lessor the equal one-eighth of the gross proceeds, payable quarterly each year for the gas from any such well where gas only is found, while the same is being used off premises, 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 wells at his own risk and expense.
- 3rd. To pay lessor for gas produced from any oil well and used off the premises, the equal one-eighth part of the net proceeds for casing head gasoline at the well, for the time during which such gas shall be used, said payments to be made quarterly.

If no well be commenced on said land on or before the 26 day of March, 1936, this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor, or to the lessor's credit in The Plainville State Bank, at Plainville, Kansas, or its successors, which shall continue as the depository regardless of changes in the ownership of said land, the sum of Two Hundred and Forty DOLLARS, which shall operate as a rental and cover the privilege of deferring the commencement of a well (12) months from said date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods or the same number of months successively. And it is understood and agreed that the consideration first recited herein the down payment covers not only the privileges granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred.

Should the first well drilled on the above described land be a dry hole, then, and in the event, if a second well is not commenced on said land within twelve months from the expiration of the last rental period which rental has been paid, this lease shall terminate as to both parties, unless the lessee on or before the expiration of said twelve months shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided. And it is agreed that upon the resumption of the payment of rentals, as above provided, that the last preceding paragraph hereof, governing the payment of rentals and the effect thereof, shall continue in force as though there had been no interruption in the rental payments.

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.

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which he 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, for all gas used off the premises, said payments to be made quarterly, 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 wells at his own risk and expense.

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 for the gas used, for the time during which such gas shall be used, said payments to be made quarterly.

If no well be commenced on said land on or before the 16th day of May, 1936, this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor, or to the lessor's credit in The Commercial National Bank at Kansas City, Kansas, or its successors, which shall continue as the depository regardless of changes in the ownership of said land, the sum of One Hundred Sixty & no/100 DOLLARS, which shall operate as a rental and cover the privilege of deferring the commencement of a well for 12 months from said date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods of the same number of months successively. And it is understood and agreed that the consideration first recited herein, the down payment covers not only the privileges granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred.

Should the first well drilled on the above described land be a dry hole, then, and in that event, if a second well is not commenced on said land within twelve months from the expiration of the last rental period which rental has been paid, this lease shall terminate as to both parties, unless the lessee on or before the expiration of said twelve months shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided. And it is agreed that upon the resumption of the payment of rentals, as above provided, that the last preceding paragraph hereof, governing the payment of rentals and the effect thereof, shall continue in force just as though there had been no interruption in the rental payments.

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.

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.

When required by lessor, lessee shall bury his pipe lines 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 pay for damages caused by its operations to growing crops on said land.

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 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 assignee 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 insofar 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.

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

Catherine Bowlby
Ralph C. Bowlby
Ella Bowlby
Alice Morgan
A. D. Morgan

STATE OF KANSAS)
COUNTY OF ELLIS) ss

BE IT REMEMBERED, That on this 1st day of July in the year of our Lord one thousand nine hundred and thirty-five, before me, a Notary Public in and for said County and State, came Ralph C. Bowlby and Ella Bowlby, his wife, and Catherine Bowlby, a widow, to me personally known to be the identical persons who executed the above and foregoing instrument, and who each duly acknowledged the execution of the same.

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.

When requested by lessor, lessee shall bury his pipe lines below plow depth.

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

Lessee shall pay for damages caused by its operations to growing crops on said land.

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 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 parts of the above described lands and the assignee or assignees of such part 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 payment 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.

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

Noni Kollman
Teita Denio
Ralph Denio
Dorothea Lucky
Marvin Lucky
Raymond Kollman
Ada Kollman
Henry Kollman
Laura Kollman
Mary Kuiken
Harm Kuiken
Ira D. Kollman
Ira D. Kollman Exec.
Executor Estate of N.
Kollman, deceased.

STATE OF KANSAS }
COUNTY OF ROOSE } SS

BE IT REMEMBERED, That on this 1st day of May in the year of our Lord one thousand nine hundred and thirty five, before me, a Notary Public in and for said County and State, came Noni Kollman a widow, Henry Kollman & Wife, Laura Kollman; Raymond Kollman & Wife, Ada Kollman; Teita Denio & Husband, Ralph Denio; Dorothea Lucky & Husband, Marvin Lucky; Ira Kollman, single & Ira Kollman, Executor of the estate of R. Kollman, to me personally known to be the identical person who executed the above and foregoing instrument, and who each duly acknowledged the execution of the same.

In Witness Whereof, I have hereunto set my official signature and affixed my notarial seal the day and year first above written.

My commission expires March 4th 1935 (SEAL) H. C. Sweet, Notary Public

STATE OF KANSAS, COUNTY OF OSBORNE, ss.

BE IT REMEMBERED, That on this 2nd day of May in the year of our Lord one thousand nine hundred and thirty five, before me, a Notary Public in and for said County and State, came Mary Kuiken & Harm Kuiken, her husband, to me personally known to be the identical person who executed the above and foregoing instrument, and who each duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my notarial seal the day and year first above written.

My commission expires October 6, 1935 (SEAL) W. H. Harrison, Notary Public

Filed for record on the 29th day of August, A.D. 1935 at 9:00 A. M.

A. H. Harrison
Register of Deeds

July 05, 2011

ROB KRAMER
Empire Energy E&P, LLC
17 ARENTZEN BLVD, STE 203
CHARLEROL, PA 15022

Re: Drilling Pit Application
CARMICHAEL-KOLLMAN W. UNIT 4
N/2 Sec.18-11S-17W
Ellis County, Kansas

Dear ROB KRAMER:

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 as soon as practical 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 (785) 625-0550 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through KOLAR within 30 days of fluid removal.

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 District Office at (785) 625-0550.

UNIT AGREEMENT

Whereas, Amadeus Petroleum Inc., a corporation duly authorized to do business in the State of Kansas, and DeWayne Travelstead, an individual (hereinafter collectively referred to as Lessee), is the owner of the following described oil and gas leases covering lands which are situated in Ellis County, Kansas; and TNT Engineering, Inc., a corporation duly authorized to do business in the State of Kansas (hereinafter referred to as Operator) is the operator of those oil and gas leases, to wit:

Lease Number KS-104158 :

Lessor: John Carmichael and Cora Carmichael (his wife)
Lessee: M.J. Trott
Dated: March 23, 1935
Recorded: Book 20, Page 297
Description: NW/4 Section 18-T11S-R17W; Ellis County, KS

Lease Number KS-104160 :

Lessor: John Carmichael and Cora Carmichael (his wife)
Lessee: M.J. Trott
Dated: March 23, 1935
Recorded: Book 20, Page 298
Description: N/2NE/4 Section 18-T11S-R17W; Ellis County, KS

Lease Number KS-104165 :

Lessor: Noni Kollman (widow); Henry Kollman and Laura Kollman (his wife); Raymond Kollman and Ada Kollman (his wife); Mary Kuiken and Harm Kuiken (her husband); Teita Denio and Ralph Denio (her husband); Dorothea Lucky and Marvin Lucky (her husband); and Ira D. Kollman, Administrator
Lessee: M.J. Trott
Dated: March 26, 1935
Recorded: Book 20, Page 620
Description: S/2NE/4 and SE/4 Section 18-T11S-R17W; Ellis County, KS;

and,

Whereas, subject to the oil and gas leases which are hereinabove identified as Lease Number KS-104158, title to all of the oil and gas mineral rights in and to the NW/4 of Section 18-T11S-R17W, Ellis County, Kansas, is vested in and owned by Christopher

P. Austin; Peter E. Austin; David A. Austin; Hawthorne D. Austin; Scott M. Austin; Ian P. Austin; Charles B. Austin; Ann Geoffroy Beck; Benton S. Brooks Jr. 1984 Trust; Jane Jackson Breeden; Jone Butler; Cameron MacKenzie Trust; Kent Carmichael; Craig Carmichael; Catron Trust; Kathleen Cheek; David Prince Cheek; Christ Church Unity; David E. Combs; Connie Cooper; Darby Production Co.; Jerry E. Driscoll; Heather Mackenzie Eck; Anne Eldred; Elizabeth M. Patterson Trust; Ellis Rudy LTD; Elmo & Lela Carmichael Trust; Father Flanagans Boys Home; First Christian Church; Fort Hays State University Endowment; Frank G. Weimer Estate; Georgia Lipman Gee; George W. Summers Jr. Estate; Glenwood Resources Inc., Kathie Ann Gross; Diane Jean Harris; Kirk Harrison; Kim Alan Harrison; Verlene Harrison; Lisa Ray Hynek; Vivian Jackson; Frances A. Jay; Lafferty-Sumers Minerals LLC; Ernest A. Long; Lynde Royalty Company; Michael Macready; Elizabeth Macready; Marion Adolphus Cheek Estate; Mary Lou Brown for Life; Mekusukey Oil Company LLC; Mildred A. Dreher Estate; Pamela Morgan; Reginald Morgan; Cynthia R. Newman; Oglesby Family Trust; Orion Natural Resources Corp.; Judith Ann Padolik; Patricia E. McDaniel Estate; Persis S. Beaumont Revocable Trust; Peter J. Stubbs Revocable Trust; Al Francis Pfeifer; Reuel R. Rupp Estate; Robert G. Wright Life Estate; Sneed Company LP; Donald Brooks Snow; Christine Austin Standley; Stanley Stern; Terry Lea Strivings; The Trustees of Grinnell; Tres Aguilas Royalty Company; Tuskegee University c/o Chase Manhattan Bank; Cheryl C. Van Es; and Wilson Exploration Co.; and,

Whereas, subject to the oil and gas leases which are hereinabove identified as Lease Number KS-104160, title to all of the oil and gas mineral rights in and to the N/2NE/4 of Section 18-T11S-R17W, Ellis County, Kansas, is vested in and owned by Christopher P. Austin; Peter E. Austin; David A. Austin; Hawthorne D. Austin; Scott M. Austin; Ian P. Austin; Charles B. Austin; Ann Geoffroy Beck; Benton S. Brooks Jr. 1984 Trust; Jane Jackson Breeden; Jone Butler; Cameron MacKenzie Trust; Kent Carmichael; Craig Carmichael; Catron Trust; Kathleen Cheek; David Prince Cheek; Christ Church Unity; David E. Combs; Connie Cooper; Darby Production Co.; Jerry E. Driscoll; Heather Mackenzie Eck; Anne Eldred; Elizabeth M. Patterson Trust; Ellis Rudy LTD; Elmo & Lela Carmichael Trust; Father Flanagans Boys Home; First Christian Church; Fort Hays State University Endowment; Frank G. Weimer Estate; Georgia Lipman Gee; George W. Summers Jr. Estate; Glenwood Resources Inc.; Kathie Ann Gross; Diane Jean Harris; Kirk Harrison; Kim Alan Harrison; Verlene Harrison; Lisa Ray Hynek; Vivian Jackson; Frances A. Jay; Lafferty-Sumers Minerals LLC; Ernest A. Long; Lynde Royalty Company; Elizabeth Macready; Marion Adolphus Cheek Estate; Mary Lou Brown for Life; Mekusukey Oil Company LLC; Mildred A. Dreher Estate; Pamela Morgan; Reginald Morgan; Cynthia R. Newman; Oglesby Family Trust; Orion Natural Resources Corp.; Judith Ann Padolik; Patricia E. McDaniel Estate; Persis S. Beaumont Revocable Trust; Peter J. Stubbs Revocable Trust; Reuel R. Rupp Estate; Robert G. Wright Life Estate; Sneed Company LP; Donald Brooks Snow; Christine Austin Standley; Stanley Stern; Terry Lea Strivings; The Trustees of Grinnell; Tres Aguilas Royalty Company; Tuskegee University c/o Chase Manhattan Bank; Cheryl C. Van Es; Wilson Exploration Co.; Carolyn Church; Childrens Hospital of Medicine; Dan Drake ; Mark Drake; Sylvia D. Hofer; Lowell Holmgren; Larry Wade Hougen; Janet Lavone Hougen Steel; Michael

Macready; Edna Olston McCool; Allen Olston; Myrtle E. Rupp; Isaac Sitrin; Virginia Sylvia Drake Hofer and,

Whereas, subject to the oil and gas leases which are hereinabove identified as Lease Number KS-104165, title to all of the oil and gas mineral rights in and to the S/2NE/4 and SE/4 of Section 18-T11S-R17W, Ellis County, Kansas, is vested in and owned by Glenwood Resources Inc.; June Cassady Champlin; Cooper Family Trust; Bernard R. Head; Ace Byron Hermans; Darrell Hrabe; Martin Leo Kollman; Mark E. Kollman; Norma Lauber; Edward I. Lucky; Esther McComb; Carol Jo Poore; Karen Riffe; Janese Townley; Helen Witmer; and Betty L. Kuiken Trust #1 (all of the above named and designated individuals and entities as to each and every oil and gas lease and all of them, collectively being hereinafter referred to as Royalty/Overriding Royalty Owners), and,

Whereas, upon and subject to the terms and conditions herein set forth, in order to most efficiently utilize, develop and produce the oil and gas mineral rights contemplated herein, and in order to avail themselves of such advantages by so doing, the parties hereto, being all of the owners of oil and gas mineral rights, royalty interests and overriding royalty interests, and all of the oil and gas leasehold and working interest rights in the E/2E/2E/2NW/4 and the W/2W/2W/2N/2NE/4 and the W/2W/2W/2S/2NE/4 of Section 18-T11S-R17W, Ellis County, Kansas, desire to establish a unit for the development and production of oil, gas and all other hydrocarbons. Such unit shall be composed of the following lands, being described as:

E/2E/2E/2NW/4, and W/2W/2W/2N/2NE/4, and W/2W/2W/2S/2NE/4;
Section 18-T11S-R17W, Ellis County, Kansas;

which described lands, comprising forty (40) acres, more or less, shall be hereinafter referred to as the "Carmichael-Kollman West Unit", or the "Unit Area".

Now, therefore, in consideration of the premises and of the mutual advantages and benefits provided for by this agreement, it is hereby covenanted, stipulated and agreed to, by and between the Royalty/Overriding Royalty Owners and the Lessee, that henceforth, the E/2E/2E/2NW/4 and the W/2W/2W/2N/2NE/4 and the W/2W/2W/2S/2NE/4 of Section 18-T11S-R17W, Ellis County, Kansas, shall constitute and comprise a unit for the development and production of oil, gas and all other hydrocarbons; that the lands and leases herein described are now and shall continue to be held by production for so long as they shall produce oil, gas or any other hydrocarbons.

It is further agreed that for the purpose of accounting, division of interests, and payment of royalties, overriding royalties and any working interest divisions of interest on oil, gas and all other hydrocarbons produced by a well in the unit area, there shall be allocated to each of the oil and gas leases hereinabove described that proportionate part, and only that proportionate part of all oil, gas and all other hydrocarbons produced from

the unit area created hereby which, the oil and gas mineral rights, royalty interests and overriding royalty interests in and under each such lease bears in the unit area.

It is expressly understood and agreed that this Unit Agreement has been prepared in counterparts, each of which shall be deemed an original hereof, and that the execution of one such counterparts by a party hereto shall have the same force and effect, and be binding upon such party to the same extent as if that counterpart were executed by all of the parties hereto.

To the extent that this agreement may be in conflict with one or more provisions of any of the oil and gas leases herein described, such lease shall be considered to have been amended to the extent necessary to make the same conform to this agreement.

In witness whereof, the parties hereto have executed this agreement effective as of the 1st day of May, 2006.

ROYALTY/OVERRIDING ROYALTY OWNERS

Christopher P. Austin

Peter E. Austin

David A. Austin

Hawthorne D. Austin

Scott M. Austin

Ian P. Austin

Charles B. Austin

Ann Geoffroy Beck

Benton S. Brooks Jr. 1984 Trust

Jane Jackson Breeden

Jone Butler

Cameron MacKenzie Trust

Kent Carmichael

Craig Carmichael

Catron Trust

Kathleen Cheek

David Prince Cheek

Christ Church Unity