



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

KANSAS CORPORATION COMMISSION 1074049
 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



1074049

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

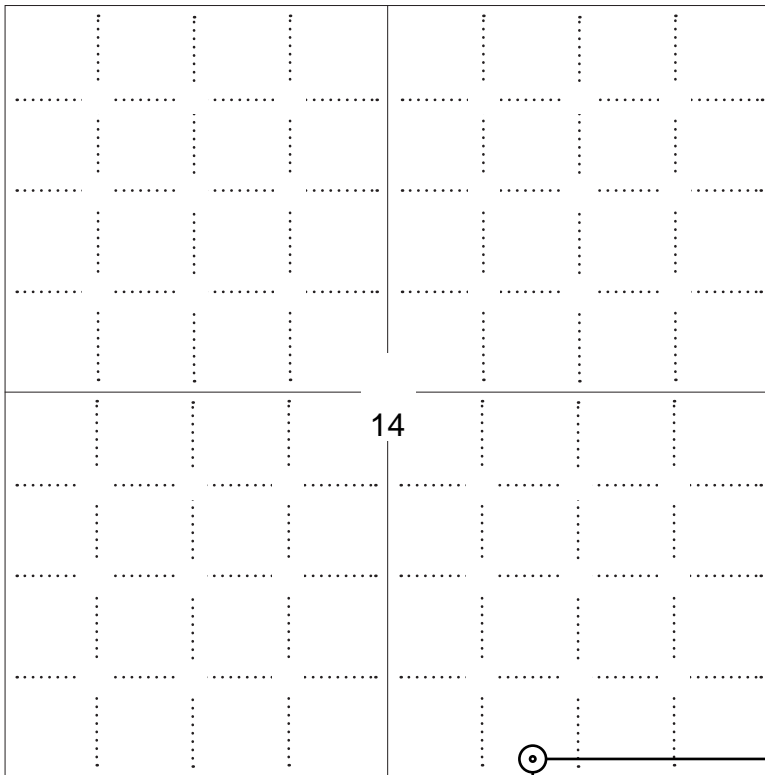
Is Section: Regular or Irregular

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.

130 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).
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.

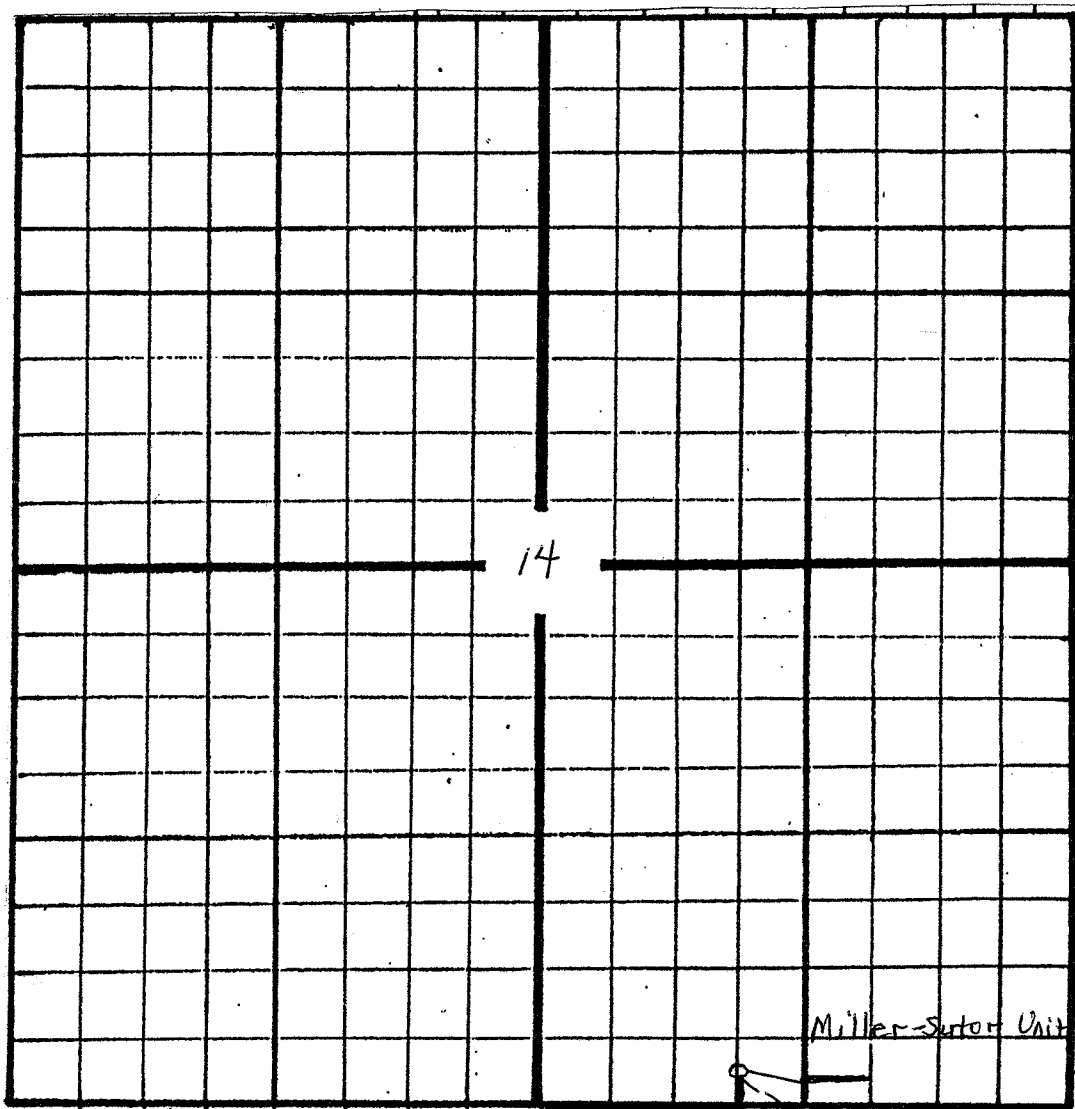
If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary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



DECLARATION OF UNITIZATION

STATE OF KANSAS
COUNTY OF ROOKS

WHEREAS, the undersigned, Raney Oil Company, L.L.C.; T & P Oil and Gas, L.L.C.; Thomas M. Raney; Thomas D. Ragusa and Denise M. Ragusa, as joint tenants with right of survivorship; Irvin Haselhort, Jr; David G. Nitchals; and Douglas W. Raney, are the operators and owners of the following described Oil and Gas Leases, to-wit:

Oil and Gas Lease dated July 21, 2006, and recorded in book 360, page 540 et seq., from Darrell Earl Sutor and Joy Sutor, his wife, Lessors, to Raney Oil Company, Lessee, covering the NE/4 of 23-10-20, Rooks County, Kansas;

Oil and Gas Lease dated July 21, 2006, and recorded in book 361, page 173 et seq., from Roger Harold Riffe and Linda Riffe, his wife, Lessors, to Raney Oil Company, Lessee, covering the NE/4 of 23-10-20, Rooks County, Kansas;

Oil and Gas Lease dated July 21, 2006, and recorded in book 361, page 457 et seq., from Thomas Wade Riffe and Ruth Ellen Riffe, his wife, Lessors, to Raney Oil Company, Lessee, covering the NE/4 of 23-10-20, Rooks County, Kansas;

Insofar as said leases cover:

The Northeast Quarter (NE/4) of Section 23, Township 10,
Range 20, Rooks County, Kansas

WHEREAS, the undersigned, T & P Oil and Gas, LLC; Mid Continent Energy, Inc., Thomas Raney; Irvin Haselhorst, Jr., King Family Trust, by Charles King and Stacy Walker King, Trustees; and Thomas D. Ragusa are the operators and owners of the following described Oil and Gas Leases, to-wit:

Oil and Gas Lease dated January 23, 2007, and recorded in book 366, page 472 et seq., from Tom Cat, L.L.C., by Darrell E. Sutor, Member, Lessor, to Raney Oil Company, Lessee, covering the S/2 SE/4 of 14-10-20, except the NW/4 SW/4 SE/4, Rooks County, Kansas;

Oil and Gas Lease dated December 1, 2006, and recorded in book 366, page 476 et seq., from Fort Hays State University Endowment Association, by Ruth Heffel, its Corporate Secretary and Francine A. Hestermann, its Treasurer, Lessor, to Raney Oil Company, Lessee, covering the S/2 SE/4 of 14-10-20, except the NW/4 SW/4 SE/4, Rooks County, Kansas;

Oil and Gas Lease dated December 1, 2006, and recorded in book 366, page 474 et seq., from Hays Medical Center Foundation, by Ronald Wente, Lessor, to Raney Oil Company, Lessee, covering the S/2 SE/4 of 14-10-20, except the NW/4 SW/4 SE/4, Rooks County, Kansas;

Oil and Gas Lease dated December 1, 2006, and recorded in book 366, page 470 et seq., from Kuehnl Family Limited Partnership, Charles Kuehnl, Trustee of the Nolan A. Kuehnl Revocable Trust U/A dated July 29, 1988, and Charles Kuehnl, Trustee of the Ruth Miller Kuehnl Revocable Trust U/A dated November 7, 1988, General Partners, Lessor, to Raney Oil Company, Lessee, covering the S/2 SE/4 of 14-10-20, except the NW/4 SW/4 SE/4, Rooks County, Kansas;

Oil and Gas Lease dated December 11, 2006, and recorded in book 366, page 478 et seq., from Kansas University Endowment Association, by Dale Seufferling, Lessor, to Raney Oil Company, Lessee, covering the S/2 SE/4 of 14-10-20, except the NW/4 SW/4 SE/4, Rooks County, Kansas;

WHEREAS, an amendment to all of said Oil and Gas Leases except the last Lease stated above, contain the following pooling provision, to-wit:

"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

Received for record at 12:15 o'clock P. M. on 8 day
 State of Kansas) Nov 28, 10, and recorded in Book 414 of
 Rooks County) Records at Page 216
 Register of Deeds Carolee Smith

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....."

WHEREAS, the last Oil and Gas Lease listed above contains the following pooling provision, to-wit:

"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 80 acres each in the event of an oil well....."

WHEREAS, the undersigned intend to pool the acreage covered by the above described Oil and Gas Leases to form a unit consisting of 10 acres and being described as:

A 10 acre tract the center of which is located in the South Half of the Southeast Quarter (S/2 SE/4) of 14-10-20, 110 feet from the South Line and 1650 feet from the East Line of said SE/4, which includes a tract 440 feet X 660 feet from the S/2 SE/4 and a tract 220 feet by 660 feet from the Northeast Quarter (NE/4) of Section 23, Township 10, Range 20, Rooks County, Kansas

NOW THEREFORE, the undersigned elect to pool and unitize the above described 10 acre portion of the acreage covered by said oil and gas leases as provided by the pooling clause in said leases and operate the same as a unit.

This declaration may be signed in counterparts and will have the same effect as if all parties had signed the same document.

This declaration is effective as of the 4th day of November, 2010.

Raney Oil Co, LLC, For
Raney Oil Company, LLC member

T & P Oil & Gas, LLC, For
T & P Oil and Gas, LLC member

Thomas M. Raney
Thomas M. Raney a/k/a
Thomas Raney

Thomas D. Ragusa
Thomas D. Ragusa a/k/a
Thomas Ragusa

Denise M. Ragusa
Denise M. Ragusa

Irvin Hasehorst, Jr
Irvin Hasehorst, Jr

David G. Nichals
David G. Nichals

Douglas W. Raney
Douglas W. Raney

Victor R. Wickstrom
Mid Continent Energy, Inc., CEO
100 W. 5th St, 450
Tulsa, OK 74103

King Family Trust
Charles King, Trustee
3819 Bobstone Dr.
Sherman Oaks, CA
91423

Stacy Walker King
Stacy Walker King, Trustee

AMENDMENT TO LEASE AND AGREEMENT TO POOL

WHEREAS the undersigned Tom Cat, LLC, by Darrell Sutor, Member, negotiated an Oil and Gas Lease as lessor, in favor of Raney Oil Company, as lessee, dated January 23, 2007, recorded in book 366, page 472-473, covering the following described property, to-wit:

The South Half of the Southeast Quarter (S/2 SE/4) of Section 14, Township 10, Range 20, except the Northwest Quarter of the Southwest Quarter of the Southeast Quarter (NW/4 SW/4 SE/4), Rooks County, Kansas

WHEREAS said Oil and Gas Lease contains no provisions as to pooling for oil and gas purposes and it is the desire of the lessor and lessee that the above lease be amended to include a pooling provision.

NOW THEREFORE, in consideration of the premises and the mutual benefits to be derived therefrom, it is hereby agreed by the undersigned that the foregoing pooling provision be, and the same is hereby made a part of the foresaid lease to the same effect as if it had been included in said lease when the same was executed, to-wit:

"Lessee at his option is hereby given the right and power to pool or combine the acreage covered by the lease, or any portion thereof, with other lands, 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 leased 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 containing not more than 40 acres. 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 the described 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 the 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 all such portion of the royalties 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."

DATED as of the 10th day of May, 2010.

Tom Cat, L.L.C.

By: Darrell Sutor
Darrell Sutor, Member

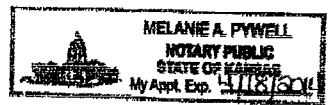
ACKNOWLEDGMENT

STATE OF KANSAS)
COUNTY OF ROOKS) ss:

The foregoing instrument was acknowledged before me this 10th day of May, 2010, by Darrell Sutor, as Member of Tom Cat, L.L.C., on behalf of Tom Cat, L.L.C.

STATE OF KANSAS } ss
ROOKS COUNTY }
This instrument was filed for record in my office at 2:30 o'clock P.M. on this 28 day of June 20 10 and is duly recorded in Book 410 of records at page 109.
Melanie A. Powell
Register of Deeds

Melanie A. Powell
Notary Public



TERRY L. CIKANEK
ATTORNEY AT LAW

PHONE NO. (785) 425-6731
FAX NO. (785) 425-6732

CIKANEK LAW OFFICE
P.O. BOX 517
405 Main Street
STOCKTON, KANSAS 67669

December 5, 2011

Tom Raney
Raney Oil Company
3425 Tam O'Shanter
Lawrence, Kansas 66047

RE: Miller/Sutor Unit

Dear Tom:

The Lease on the NE/4 of 23-10-20, Rooks County, Kansas, did not have a pooling clause. We got all of the necessary parties to sign an Amendment and now the Lease can be pooled.

The Kansas University Endowment Association Lease on the S/2 S1/4 less the NW/4 SW/4 SE/4 of 14-10-20, had a pooling clause. The other Leases did not. We sent out Amendments to Lease to other parties and everyone signed however Hays Medical Center Foundation scratched out the 40 acres and put in 10 acres, so any unit well between the two leases has been limited to 10 acres total.

Both leases are held by production and therefore, they are ready to drill. However, any unit well will require a separate tank battery, and a new division order opinion.

Very truly yours,

CIKANEK LAW OFFICE

By:


Terry L. Cikanek

TLC/dew