Effective Date: 7-2-05 OIL & GAS CONS	ATION COMMISSION Form C-1 December 2002 ERVATION DIVISION Form must be Typed
Souri Mies Dies	TENT TO DRILL Form must be Signed All blanks must be Filled
Expected Spud Date 3 28 05 month day year	Spot NW NE NE Sec. 7 Twp. /3 S. R. 20 West 450 feet from N / S Line of Section
OPERATOR: License# 6861 Name: RON'S OIL OPERATIONS, INC Address: 1889 200TH AVE City/State/Zip: PENOKEE KS 67659 Contact Person: RON NICKELSON / NAR 2 5 2005	1000 feet from F / W Line of Section Is SECTION Regular Irregular? (Note: Locate well on the Section Plat on reverse side) County: ELLIS
Phone: 785-421-2409	Lease Name: BITTLE Well #: 1 Field Name: N/A Ell SE
CONTRACTOR: License# 33237 Name: ANDERSON DRILLING	Is this a Prorated / Spaced Field? Target Formation(s): ARBUCKLE Nearest Lease or unit boundary: 450
Well Drilled For: Well Class: Type Equipment: ✓ Oil Enh Rec Infield ✓ Mud Rotary Gas Storage ✓ Pool Ext. Air Rotary OWNO Disposal Wildcat Cable Seismic; # of Holes Other	Ground Surface Elevation: 2153 feet MSL Water well within one-quarter mile: Public water supply well within one mile: Depth to bottom of fresh water: Depth to bottom of usable water: Surface Pipe by Alternate: 1 7 2
If OWWO: old well information as follows: Operator: Well Name: Original Completion Date:Original Total Depth:	Length of Surface Pipe Planned to be set: 200' Length of Conductor Pipe required: NONE Projected Total Depth: 3800 Formation at Total Depth: ARBUCKLE Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore? If Yes, true vertical depth: Bottom Hole Location: KCC DKT #:	Well ✓ Farm Pond Other DWR Permit #: (Note: Apply for Permit with DWR □) Will Cores be taken? □ Yes ✓ No If Yes, proposed zone: □ DAVIT
The undersigned hereby affirms that the drilling, completion and eventual plus 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 ea. 3. The minimum amount of surface pipe as specified below shall be set through all unconsolidated materials plus a minimum of 20 feet into the through all unconsolidated materials plus a minimum of 20 feet into the set. 4. If the well is dry hole, an agreement between the operator and the constant of the set of the se	ch drilling rig; the by circulating cement to the top; in all cases surface pipe shall be set the underlying formation. listrict office on plug length and placement is necessary prior to plugging;
I hereby certify that the statements made herein are true and to the best of Date: 3-15-05 Signature of Operator or Agent:	f my knowledge and belief. Y funding Title: CONTRACTOR
For KCC Use ONLY API # 15 - O5 - 25 40 2 · 00 · 00 Conductor pipe required NONE feet Minimum surface pipe required 200 feet per Alt. + ② Approved by: R5 P 3 · 28 · 05 This authorization expires: 9 · 2 8 · 05 (This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent:	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; Obtain written approval before disposing or injecting salt water. If this permit has expired (See: authorized expiration date) please check the box below and return to the address below. Well Not Drilled - Permit Expired Signature of Operator or Agent: Date:
Mail to: KCC - Conservation Division, 130	S. Market - Room 2078, Wichita, Kansas 67202 MAR 1 7 2005
	KCC WICHITA

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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 oil wells.

Pl No. 15		Location of Well: County: ELLIS	
perator: RON'S OIL OPERATIONS, INC		450 feet from N / S Line of Section	
ase: BITTLE		1000 feet from E / W Line of Section	
ell Number: 1		Sec7 Twp. / 3 S. R20 East ✓ West	
eld: N/A			
mber of Acres attributable	le to well:	Is Section: ✓ Regular or Irregular	
TR / QTR / QTR of acreag	NO N.E		
Tri Griff Griff of Bolody	J 0.	If Section is Irregular, locate well from nearest corner boundary.	
		Section corner used: NE NW SE SW	
	_		
		LAT	
		outable acreage for prorated or spaced wells.)	
	(Snow footage to the neare	st lease or unit boundary line.)	
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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 section's south / north and east / west.
- 3. The distance to the nearest lease or unit boundary line.
- 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).

KCC WICHITA



CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR
BRIAN J. MOLINE, CHAIR
ROBERT E. KREHBIEL, COMMISSIONER
MICHAEL C. MOFFET, COMMISSIONER

March 25, 2005

Mr. Ron Nickelson Ron's Oil Operations, Inc. 1889 200th Ave Penokee, KS 67659

RE: Drilling Pit Application

Bittle Lease Well No. 1 NE/4 Sec. 07-13S-20W Ellis County, Kansas

Dear Mr. Nickelson:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, 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 practical after drilling operations have ceased. **Please keep all pits away from any draws.**

If production casing is set all completion fluids shall be removed on a daily basis.

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. Also, please file the enclosed CDP-5 form, Surface Pond Waste Transfer, 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 undersigned at the above address.

Sincerely.

Ratiny maynes

Environmental Protection and Remediation Department

cc: H Deines