Effective Date: 3-19-06 District # 2 NOTICE OF IN Must be approved by KCC five	Form C-1 December 2002 Form must be Typed Form must be Signed All blanks must be Filled All blanks must be Filled
Expected Spud Date March 28 2006 month day year OPERATOR: License# 6236	Spot
Name: MTM PETROLEUM, INC.	feet from E / W Line of Section
PO BOX 82	is SECTION _▼ RegularIrregular?
City/State/Zip: SPIVEY KS 67142-0082	(Note: Locate well on the Section Plat on reverse side)
Contact Person: Marvin A. Miller	County: HARPER
Phone: 620-532-3794	Lease Name: LONE TREE FARMS Well #: 1
CONTRACTOR: License# 5929	Field Name: SULLIVAN SOUTH EAST
Name: DUKE DRILLING CO., INC.	Is this a Prorated / Spaced Field? MISSISSIPPIAN
Name:	Target Formation(s): MISSISSIPPIAN Nearest Lease or unit boundary: 330
Well Drilled For: Well Class: Type Equipment:	. 1,12,11
✓Oil Enh Rec ✓ Infield ✓ Mud Rotary	Ground Surface Elevation: 1444 /4 3 4 feet MSL / Water well within one-guarter mile: Yes ✓ No /
Gas Storage Pool Ext. Air Rotary	
OWWO Disposal Wildcat Cable	Public water supply well within one mile: Depth to bottom of fresh water: 450 120
Seismic: # of Holes Other	Depth to bottom of iresh water: 180
Other	
	Surface Pipe by Alternate: 1 2
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set: 200
Operator:	Length of Conductor Pipe required: NONE
Well Name:	Projected Total Depth: 4500 Formation at Total Depth: MISSISSIPPIAN
Original Completion Date:Original Total Depth:	Tormation at Total Deptil
Directional, Deviated or Horizontal wellbore? Yes ✓ No	Water Source for Drilling Operations:
	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? Yes ✓ No
	If Yes, proposed zone:
AFF	DAVIT
through all unconsolidated materials plus a minimum of 20 feet into the 4. If the well is dry hole, an agreement between the operator and the description of 5. The appropriate district office will be notified before well is either plug 6. If an ALTERNATE II COMPLETION, production pipe shall be cement or pursuant to Appendix "B" - Eastern Kansas surface casing order	ch drilling rig; If by circulating cement to the top; in all cases surface pipe shall be set the underlying formation. Ilistrict office on plug length and placement is necessary prior to plugging ;
hereby certify that the statements made herein are true and to the best of	my knowledge and belief.
Date: 03/01/06 Signature of Operator or Agent: Kat	they this fitter Title: KATHY HILL, AGENT
3-07-06	Remember to: / (
For KCC Use ONLY	- File Drill Pit Application (form CDP-1) with Intent to Drill;
API # 15. 077-21551-00-00	- File Completion Form ACO-1 within 120 days of spud date;
Conductor pipe required NONE feet	- File acreage attribution plat according to field proration orders;
	Notify appropriate district office 48 hours prior to workover or re-entry;
Millimitant acritica pigo required	Submit plugging report (CP-4) after plugging is completed; Obtain written approval before disposing or injecting salt water.
Approved by: Dfw 3-14-06	\(\omega
This authorization expires: 7-14-05	- 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 6 months of approval date.)	

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

Spud date:

_ Agent:

Well Not Drilled - Permit Expired
Signature of Operator or Agent:

Date:.

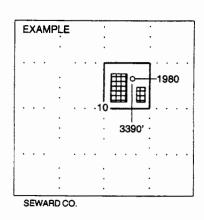
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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.

API No. 15 - Operator: MTM PETROLEUM, INC. Lease: LONE TREE FARMS Well Number: 1 Field: SULLIVAN SOUTH EAST	Location of Well: County: HARPER 330 420 feet from VN / S Line of Section 660 / OOO feet from E / W Line of Section Sec. 4 Twp. 33 S. R. 8 East West
Number of Acres attributable to well: QTR / QTR / QTR of acreage: N2 NW4	Is Section: Regular or Irregular If Section is Irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW
PLJ (Show location of the well and shade attribute	able acreage for prorated or spaced wells.)
33 South	lease or unit boundary line.) 8 West

33 South		8 Wes
Lone Tree Farm	, s. <u>#</u> l	
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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 section's south / north and east / west.
- 3. The distance to the nearest lease or unit boundary line.
- 4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for DECEIVED CG-8 for gas wells). MAR 0 8 2006

KCC WICHITA

KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

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

March 14, 2006

Mr. Marvin A. Miller MTM Petroleum, Inc. PO Box 82 Spivey, KS 67142-0082

Re: Drilling Pit Application

Lone Tree Farms Lease Well No. 1

NW/4 Sec. 04-33S-08W Harper County, Kansas

Dear Mr. Miller:

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 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 within 72 hours 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 (316) 630-4000 when the fluids have been removed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

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,

Kathy Havnes

Environmental Protection and Remediation Department

cc: Doug Louis