For KCC Use: Effective Date: Yes No

Spud date:_

(This authorization void if drilling not started within 6 months of effective date.)

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

RECEIVED

MAY 0 5 2006

Form C-1 December 2002 Form must be Typed Form must be Signed

| SGA? Yes No | | Must be a | OTICE OF IN | ITENT TO DRILL Form must be Signed (5) days prior to commencing were WICH To lanks must be Filled |
|------------------------------|--|-----------------------|----------------------|---|
| | la de a | | | |
| Expected Spud Date | July | 5 | 2006 | Spot 83' west of |
| | month | day | year | N/2 - N/2 - SW Sec. 13 Twp. 14 S. R. 22 West |
| OPERATOR: License# 52 | .52 | | | feet from N / V S Line of Section |
| Name: R.P. Nixon Oper., | inc. | | | leet from F / V Line of Section |
| Address: 207 West 12th S | Street | | | Is SECTIONRegularIrregular? |
| City/State/Zip: Hays, KS 6 | 67601-3898 | | | (Note: Locate well on the Section Plat on reverse side) |
| Contact Person: Dan Nixo | n | | | County: Trego |
| Phone: 785-628-3834 | | | / | Lease Name: Seibel D Well #: 1 |
| | Shiolds Oil E | √ Producere | | Field Name: Wildcat |
| CONTRACTOR: License# | Silleius Oil F | Toducers | | Is this a Prorated / Spaced Field? |
| Name: 5184 | | | | Target Formation(s): Cherokee Sand |
| Well Drilled For: | Well Clas | es: Type | Equipment: | Nearest Lease or unit boundary: 330' |
| _ /_ | | | | Ground Surface Elevation: 2230' estimated feet MSL |
| Oil Enh R | | | Mud Rotary | Water well within one-quarter mile: |
| Gas Storag | , H | I Ext. | Air Rotary | Public water supply well within one mile: |
| OWWO Dispos | | | Cable | Depth to bottom of fresh water: 150' |
| Seismic;# of | Holes Othe | ∍r | | Depth to bottom of usable water: 700' |
| Other | | | | Surface Pipe by Alternate: 1 2 |
| If OWWO: old well informa | ation as follows | | | Length of Surface Pipe Planned to be set: 200' |
| | | | | Length of Conductor Pipe required: none |
| Operator: | | | | Projected Total Depth: 4250' |
| Well Name: | | | | Formation at Total Depth: Mississippian |
| Original Completion Da | ate: | Original for | ai Depin: | Water Source for Drilling Operations: |
| Directional, Deviated or Ho | orizontal wellbo | re? | Yes ✓ No | Well Farm Pond Other X |
| 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: |
| | | | | |
| | | | | FIDAVIT |
| The undersigned hereby | affirms that the | drilling, com | oletion and eventual | plugging of this well will comply with K.S.A. 55 et. seq. |
| It is agreed that the follow | ving minimum r | requirements | will be met: | |
| 1. Notify the appropria | ate district offic | e <i>prior</i> to sp | udding of well; | |
| 2. A copy of the appro | oved notice of | intent to drill | shall be posted on e | each drilling rig; |
| 3. The minimum amou | unt of surface | pipe as specif | fied below shall be | set by circulating cement to the top; in all cases surface pipe shall be set |
| through all unconso | olidated materia | als plus a min | imum of 20 feet into | the underlying formation. |
| 4. If the well is dry ho | ole, an agreem | ent between t | he operator and the | district office on plug length and placement is necessary prior to plugging; ugged or production casing is cemented in; |
| | | | | inted from below any usable water to surface within 120 days of spud date. |
| | | | | er #133,891-C, which applies to the KCC District 3 area, alternate II cementing |
| must be completed | within 30 days | s of the spud | date or the well sha | Il be plugged. In all cases, NOTIFY district office prior to any cementing. |
| I hereby certify that the s | tatements mad | de herein are | true and to the best | of my knowledge and belief. |
| 5000 | | | | Title: President |
| Date: 5.3.06 | Signature | of Operator of | or Agent: | Title: Fresident |
| | | | | Remember to: |
| For KCC Use ONLY | | | | - File Drill Pit Application (form CDP-1) with Intent to Drill; |
| 195- | 22361 | -0000 | | - File Completion Form ACO-1 within 120 days of spud date; |
| 70.7 10 | | | | - File acreage attribution plat according to field proration orders; |
| Conductor pipe required | MOI | ne 200 | feet | - Notify appropriate district office 48 hours prior to workover or re-entry; |
| Minimum surface pipe re | | <u> </u> | feet per Alt. 2 | - Submit plugging report (CP-4) after plugging is completed; |
| Approved by: Putt 5 | 5-8-06 | | | Obtain written approval before disposing or injecting salt water. |
| This authorization expire | 11.0.0 | 16 | | - If this permit has expired (See: authorized expiration date) please |
| rais authorization expire | 3. <u>4 · · · · · · · · · · · · · · · · · · </u> | | | check the box below and return to the address below. |

Date:

Well Not Drilled - Permit Expired

Signature of Operator or Agent:

RECEIVED MAY 0 5 2006 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

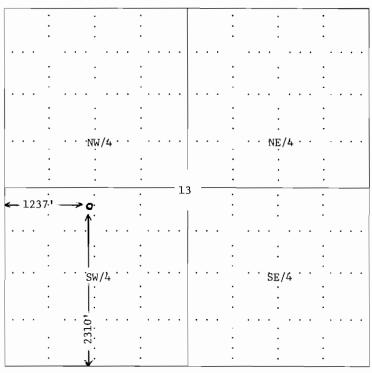
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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.

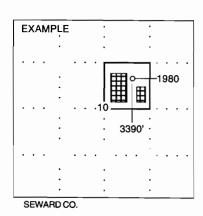
| API No. 15- 195- 22361-0000 | Location of Well: County: Trego |
|---|--|
| Operator: R.P. Nixon Oper., Inc. Lease: Seibel D Well Number: 1 | 2310 |
| Field: Wildcat Number of Acres attributable to well: | Is Section: Regular or Irregular |
| QTR / QTR / QTR of acreage: N/2 - N/2 - SW (83' west of) | If Section is Irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW |

PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

(Show footage to the nearest lease or unit boundary line.)





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 oil wells; CG-8 for gas wells).

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

RECEIVED MAY 0 5 2006 Form must be Typed

APPLICATION FOR SURFACE PIT KCC WICHITA

Submit in Duplicate

| Operator Name: R.P. Nixon Oper | ., Inc. | License Number: 5252 | | | | | | |
|---|----------------------|--|--|--|--|--|--|--|
| Operator Address: 207 West 12th St. Hays, KS 67601-3898 | | | | | | | | |
| Contact Person: Dan Nixon | | Phone Number: (785) 628 - 3834 | | | | | | |
| Lease Name & Well No.: Seibel D # | 1 | Pit Location (QQQQ): | | | | | | |
| Type of Pit: | Pit is: | | 83' W of _ N/2 _ N/2 _ SW | | | | | |
| Emergency Pit Burn Pit | ✔ Proposed | Existing | Sec. 13 Twp. 14 R. 22 East 🗸 West | | | | | |
| Settling Pit | If Existing, date of | onstructed: | Feet from North / 🗸 South Line of Section | | | | | |
| Workover Pit Haul-Off Pit | Pit capacity: | | 1237 Feet from East / 🗸 West Line of Section | | | | | |
| (If WP Supply API No. or Year Drilled) | 500 bbls. | (bbls) | Trego County | | | | | |
| Is the pit located in a Sensitive Ground Water | | No V | Chloride concentration:mg/l | | | | | |
| | | | (For Emergency Pits and Settling Pits only) | | | | | |
| is the bottom below ground level? | Artificial Liner? | | How is the pit lined if a plastic liner is not used? | | | | | |
| Yes No | Yes ✓ | No | natural clay seal | | | | | |
| Pit dimensions (all but working pits): | 0 Length (fe | eet) 60 | Width (feet) N/A: Steel Pits | | | | | |
| Depth from ground level to deepest point: _5(feet) | | | | | | | | |
| If the pit is lined give a brief description of the | | Describe proce | edures for periodic maintenance and determining | | | | | |
| material, thickness and installation procedure |) . | liner integrity, i | ncluding any special monitoring. | | | | | |
| | | visually check soil around pit for fluid saturation | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| Distance to nearest water well within one-mile | of pit | | west fresh water 275feet. | | | | | |
| 2460 fact Depth of water well | 600 feet | Source of infor | | | | | | |
| feet | | | over and Haul-Off Pits ONLY: | | | | | |
| Producing Formation: | | | Orilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: chemical mud | | | | | |
| Number of producing wells on lease: | | | rking pits to be utilized: 3 | | | | | |
| Barrels of fluid produced daily: | | | procedure: allow to evaporate and backfill | | | | | |
| • | | t | procedure. | | | | | |
| Does the slope from the tank battery allow all flow into the pit? Yes No | spilled fluids to | t Drill pits must be closed within 365 days of spud date. | | | | | | |
| I hereby certify that the above statements are true and correct to the best of my knowledge and belief. | | | | | | | | |
| | | | | | | | | |
| 5.2.06 | | Elling - | | | | | | |
| 5.2.06 Date Signature of Applicant or Agent | | | | | | | | |
| KCC OFFICE USE ONLY | | | | | | | | |
| Date Received: 5/5/06 Permit Number: Permit Date: \$5/06 Lease Inspection: Yes | | | | | | | | |
| Date Received: 5/5/06 Permit Number: Permit Date: 5/5/06 Lease Inspection: Yes 100 | | | | | | | | |