

For KCC Use:  
Effective Date: 5-24-06  
District # 3  
SGA? ☐ Yes ☒ No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**NOTICE OF INTENT TO DRILL**

MAY 18 2006  
CONSERVATION DIVISION  
WICHITA, KS

Form C-1  
December 2002  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date June 02 2006  
month day year

OPERATOR: License# 6044  
Name: Stelbar Oil Corporation, Inc.  
Address: 155 North Market, Suite #500  
City/State/Zip: Wichita, KS 67202  
Contact Person: Roscoe L. Mendenhall  
Phone: 316 / 264-8378

CONTRACTOR: License# 32701  
Name: C&G Drilling, Inc.

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

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 ☒ East ☐ West  
NE/4 - NE/4 - NE/4 Sec. 26 Twp. 32 S. R. 10  
480 feet from ☒ N / ☐ S Line of Section  
330 feet from ☒ E / ☐ W Line of Section  
Is SECTION ☒ Regular ☐ Irregular?

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

County: Chautauqua  
Lease Name: Floyd A Well #: 21  
Field Name: Landon-Floyd

Is this a Prorated / Spaced Field? ☐ Yes ☒ No

Target Formation(s): Mississippian

Nearest Lease or unit boundary: 480'

Ground Surface Elevation: 1080 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: 110 FL

Depth to bottom of usable water: 480 FL

Surface Pipe by Alternate: ☐ 1 ☒ 2

Length of Surface Pipe Planned to be set: 125 FL

Length of Conductor Pipe required: None

Projected Total Depth: 2100 FL

Formation at Total Depth: Mississippian

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.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 05/18/06 Signature of Operator or Agent: Roscoe L. Mendenhall Title: Petroleum Engineer

Roscoe L. Mendenhall

Remember to:

- 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: \_\_\_\_\_

**For KCC Use ONLY**

API # 15 - 019-26736-0000

Conductor pipe required None feet

Minimum surface pipe required 40 feet per Alt. X(2)

Approved by: PH 5-19-06

This authorization expires: 11-19-06

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

Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

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

26  
32  
10E

MAY 18 2006

## IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

CONSERVATION DIVISION  
WICHITA, KS

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 - 019-26736-0000Operator: Stelbar Oil Corporation, Inc.Lease: Floyd AWell Number: 21Field: Landon-FloydNumber of Acres attributable to well: 10QTR / QTR / QTR of acreage: NE/4 - NE/4 - NE/4Location of Well: County: Chautauqua480 feet from ☒ N / ☐ S Line of Section330 feet from ☒ E / ☐ W Line of SectionSec. 26 Twp. 32 S. R. 10 ☒ East ☐ WestIs Section: ☒ Regular or ☐ Irregular

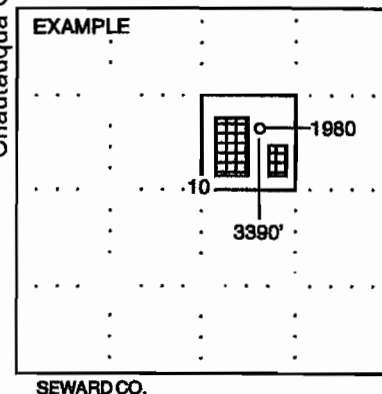
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: ☐ NE ☐ NW ☐ SE ☐ SW

## PLAT

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

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

Section 26-T32S-R10E  
Chautauqua County, Kansas**NOTE: In all cases locate the spot of the proposed drilling location.****In plotting the proposed location of the well, you must show:**

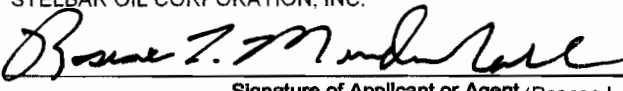
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit 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).

MAY 3 2006

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
APPLICATION FOR SURFACE PIT

Form CDP-1  
April 2004  
WICHITA, KS Form must be Typed

Submit in Duplicate

Operator Name: <b>Stelbar Oil Corporation, Inc.</b>		License Number: <b>6044</b>
Operator Address: <b>155 North Market, Suite #500, Wichita, KS 67202</b>		
Contact Person: <b>Roscoe L. Mendenhall</b>		Phone Number: ( <b>316</b> ) <b>264</b> - <b>8378</b>
Lease Name & Well No.: <b>Floyd A #21</b>		Pit Location (QQQQ): <b>NE/4 NE/4 NE/4</b>
Type of Pit:  <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>	Pit Is:  <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: <b>3200</b> (bbls)	Sec. <b>26</b> Twp. <b>32S</b> R. <b>10</b> <input checked="" type="checkbox"/> East <input type="checkbox"/> West <b>480'</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <b>330'</b> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <b>Chautauqua</b> County
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? <b>Natural Clays</b>
Pit dimensions (all but working pits): <b>60</b> Length (feet) <b>60</b> Width (feet) <b>N/A: Steel Pits</b> Depth from ground level to deepest point: <b>5</b> (feet)		
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 <b>N/A</b> feet    Depth of water well _____ feet		Depth to shallowest fresh water <b>180</b> feet. Source of information: _____ measured _____ well owner _____ electric log <input checked="" type="checkbox"/> KDWR
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <b>Drilling Mud.</b> Number of working pits to be utilized: <b>Three (3).</b> Abandonment procedure: <b>Allow pits to dry and backfill with soil.</b> 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. STELBAR OIL CORPORATION, INC. <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div> <b>05/18/06</b> Date         </div> <div>             Signature of Applicant or Agent (Roscoe L. Mendenhall, Pet. Eng.)         </div> </div>		

15-019-26736-0000

KCC OFFICE USE ONLY			
Date Received: <b>5/18/06</b>	Permit Number: _____	Permit Date: <b>5/19/06</b>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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