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KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

District #

Minimum surface pipe required_ Approved by: Pett 6-16-06

Soud date:

This authorization expires: 12-16-06

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

Agent:

JUN 1 5 2006

Form C-1 December 2002

NOTICE OF INTENT TO DRILL

Form must be Typed Form must be Signed

Yes X No SGA? Must be approved by KCC five (5) days prior to commencil CONSERVATION DIVISION blanks must be Filled WICHITA, KS Expected Spud Date June 20, 2006 Spot Sec. 19 Twp. 23 S. R. 20 ₩ — feet from N / S Line of Section year day **SWNE** West 3580 OPERATOR: License# 30993 3080 feet from ✓ E / W Line of Section Name: M.A.E. Resources, Inc. Is SECTION __ Regular ___ Address: P.O. Box 257 City/State/Zip: Parker, KS 66072 (Note: Locate well on the Section Plat on reverse side) Contact Person: Brad Cook County: Allen Phone: (620) 852-3333 Lease Name: Conley Field Name: lola CONTRACTOR: License# 33734 Is this a Prorated / Spaced Field? Yes ✓ No Name: Hat Drilling, LLC Target Formation(s): Squirrel Nearest Lease or unit boundary: 1,700 Well Drilled For: Well Class: Type Equipment: Ground Surface Elevation: n/a feet MSL ✓ Enh Rec ✓ Mud Rotary * Oil ✓ Infield Yes ✓ No Water well within one-quarter mile: Gas Storage Pool Ext. Air Rotary Public water supply well within one mile: Yes 🗸 No OWWO Disposal Wildcat Cable Depth to bottom of fresh water: 100+ Seismic: _# of Holes Other Depth to bottom of usable water: 200+ Other Surface Pipe by Alternate: 1 Length of Surface Pipe Planned to be set: 20' If OWWO: old well information as follows: Length of Conductor Pipe required: none Operator:_ Projected Total Depth: 800' Well Name: Squirrel Formation at Total Depth:__ Original Completion Date:_ Original Total Depth: Water Source for Drilling Operations: Yes ✓ No Directional, Deviated or Horizontal wellbore? If Yes, true vertical depth: DWR Permit #: __ Bottom Hole Location:_ (Note: Apply for Permit with DWR) KCC DKT #: Yes ✓ No Will Cores be taken? 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. 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; The appropriate district office will be notified before well is either plugged or production casing is cemented in; 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: June 15, 2006 Signature of Operator or Agent: Remember to: For KCC Use ONLY - File Drill Pit Application (form CDP-1) with Intent to Drill; API # 15 - 001-29454-0000 File Completion Form ACO-1 within 120 days of spud date: File acreage attribution plat according to field proration orders; None Conductor pipe required. Notify appropriate district office 48 hours prior to workover or re-entry;

Submit plugging report (CP-4) after plugging is completed;

Well Not Drilled - Permit Expired

Signature of Operator or Agent:

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.

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

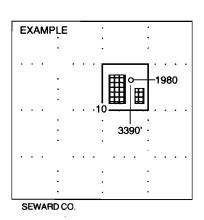
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 001-29454-000	Location of Well: County: Allen
Operator: M.A.E. Resources, Inc.	3580feet from
Lease: Conley	3080 feet from Feet from E / E / W Line of Section
Well Number: 9-I	Sec. 19 Twp. 23 S. R. 20 ✓ East Wes
Field: lola	
Number of Acres attributable to well:	Is Section: ✓ Regular or Irregular
QTR / QTR / QTR of acreage: SWNE - SE - NW	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.)

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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 oil wells; CG-8 for gas wells).

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION JUN 1 5 2006

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Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

CONSERVATION DIVISION WICHITA, KS

Submit in Duplicate

Operator Name: M.A.E. Resources, Inc.			License Number: 30993		
Operator Address: P.O. Box 257, Parker, KS 66072					
Contact Person: Brad Cook			Phone Number: (620) 852 - 3333		
Lease Name & Well No.: Conley 9-I			Pit Location (QQQQ):		
Type of Pit:	Pit is:		<u>SW . NE . SE . NW</u>		
Emergency Pit Burn Pit	Proposed Existing		Sec. 19 _{Twp.} 23 _{R.} 20		
Settling Pit	If Existing, date constructed:		3580 Feet from North / 🗸 South Line of Section		
Workover Pit Haul-Off Pit	Pit capacity:		3080 Feet from 🗸 East / 🗌 West Line of Section		
(If WP Supply API No. or Year Drilled)	250	(bbls)	Allen County		
Is the pit located in a Sensitive Ground Water	Area? Yes ✓		Chloride concentration: mg/l		
	Artificial Liner?		(For Emergency Pits and Settling Pits only)		
Is the bottom below ground level? Yes No	Yes V	No	native clay		
Dit dimensions (all but working pits):	2 Longth (fo	et)6			
Pit dimensions (all but working pits): 12 Length (feet) 6 Width (feet) N/A: Steel Pits Depth from ground level to deepest point: 6 (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.					
Source of infor		west fresh waterfeet. mation:			
N A feet Depth of water wellfeet		measured well owner electric log KDWR			
Emergency, Settling and Burn Pits ONLY:		Drilling, Workover and Haul-Off Pits ONLY:			
			of utilized in drilling/workover: drilling mud king pits to be utilized: 2		
			air dry and backfill		
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No		Drill pits must be closed within 365 days of spud date. correct to the best of my knowledge and belief.			
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.					
June 15, 2006 Date Oonna Mando Signature of Applicant or Agent					
KCC OFFICE USE ONLY					
Date Received: 6/15/06 Permit Number: Permit Date: 6/15/06 Lease Inspection: Yes No					