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For KCC Use:

Effective Date:

District #

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

JUN 16 2006

Form C-1 December 2002

Form must be Typed

KCC WICHITA Form must be Signed NOTICE OF INTENT TO DRILL Must be approved by KCC five (5) days prior to commencing well Expected Spud Date June 29, 2006 Spot year SE Sec. 34 Twp. 31 S. R. 31 330 feet from N / S Line of Section OPERATOR: License# 5363 1650 feet from F E / W Line of Section Name: Berexco Inc Address: P.O. Box 20380 ls SECTION ____ Regular ____ Irregular? City/State/Zip: Wichita, KS 67208 (Note: Locate well on the Section Plat on reverse side) Contact Person: Evan Mayhew County: Seward Lease Name: Wanda Mae Phone: (316) 265-3311 Field Name: Plains Horthwest CONTRACTOR: License# 5147 Is this a Prorated / Spaced Field? Yes 🗸 No Name: Beredco, Inc. Target Formation(s): Mississippi Nearest Lease or unit boundary: 330 Well Drilled For: Well Class: Type Equipment: Ground Surface Elevation: 2790 feet MS Enh Rec ✓ Infield ✓ Mud Rotary Water well within one-quarter mile: Gas ' Storage Pool Ext. Air Rotary Public water supply well within one mile: OWWO Disposal Wildcat Cable Depth to bottom of fresh water: _ Seismic: # of Holes Other Depth to bottom of usable water: _ Other Surface Pipe by Alternate: 🗸 1 🗌 2 Length of Surface Pipe Planned to be set: 1735 If OWWO: old well information as follows: Length of Conductor Pipe required: N/A Operator: Projected Total Depth: 6030 Well Name: Formation at Total Depth: Mississippi Original Completion Date:__ Original Total Depth: Water Source for Drilling Operations: Yes 🗸 No Directional, Deviated or Horizontal wellbore? | Well | Farm Pond If Yes, true vertical depth:___ DWR Permit #: _ Bottom Hole Location: (Note: Apply for Permit with DWR) Will Cores be taken? Yes 🗸 No Prove led : Spaced Hugoton 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 plugalna; 5. 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, Title: Engineering Technician Date: June 15, 2006 Signature of Operator or Agent: For KCC Use ONLY - File Drill Pit Application (form CDP-1) with Intent to Drill; API # 15 - 175-22052-000 File Completion Form ACO-1 within 120 days of spud date; File acreage attribution plat according to field proration orders; Conductor pipe required____ Notify appropriate district office 48 hours prior to workover or re-entry; Minimum surface pipe required_____ Submit plugging report (CP-4) after plugging is completed; Approved by: Past 6-16-00 Obtain written approval before disposing or injecting salt water. This authorization expires: 12-16-06 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.) Well Not Drilled - Permit Expired Signature of Operator or Agent:_ Spud date: Agent:

Date:

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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.

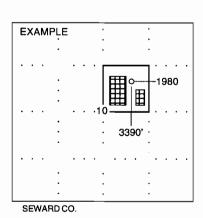
| API No. 15 - 175-22052-0000 | Location of Well: County: Seward |
|--|--|
| Operator:_Berexco Inc | 330 feet from ☐ N / ✓ S Line of Section |
| Lease: Wanda Mae | 1650 feet from V E / W Line of Section |
| Well Number: 1 | Sec. 34 Twp. 31 S. R. 31 East West |
| Field: | |
| Number of Acres attributable to well: QTR / QTR / QTR of acreage: SE _ SW _ SE _ SE | Is 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.)

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| | · · | 1650' |
| : | · · · · | : 28 |



Twp 325. 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.

TWP 315.

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

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Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

JUN 1 6 2006 KCC WICHITA

Submit in Duplicate

| Operator Name: Berexco, Inc. | | | License Number: 5363 | |
|--|---|--|--|--|
| Operator Address: P.O. Box 20380, Wichita, KS 67208 | | | | |
| Contact Person: Evan Mayhew | | Phone Number: (316) 265 - 3311 | | |
| Lease Name & Well No.: Wanda Mae #1 | | Pit Location (QQQQ): | | |
| Type of Pit: | Pit is: | | <u>_ SE _ SW _ SE</u> _ | |
| Emergency Pit Burn Pit | ✓ Proposed | | Sec. 34 _{Twp.} 31S _{R.} 31 | |
| Settling Pit | If Existing, date constructed: ——————————————————————————————————— | | Feet from North / 🗹 South Line of Section | |
| Workover Pit Haul-Off Pit | | | 1650 Feet from 🗸 East / West Line of Section | |
| (If WP Supply API No. or Year Drilled) | 11,131 (bbls) | | Seward County | |
| Is the pit located in a Sensitive Ground Water | Area? Yes |] No | Chloride concentration: mg/l | |
| | | | (For Emergency Pits and Settling Pits only) | |
| Is the bottom below ground level? V Yes No | Artificial Liner? | | How is the pit lined if a plastic liner is not used? | |
| Pit dimensions (all but working pits): | Length (fe | et) 125 | Width (feet) N/A: Steel Pits | |
| Depth fr | om ground level to de | | (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 Depth to shallo Source of infor | | west fresh water | | |
| 2503 | | redwell owner electric logKDWR | | |
| Emergency, Settling and Burn Pits ONLY: Drilling, Works | | over and Haul-Off Pits ONLY: | | |
| Producing Formation: Type of mater | | Type of materia | al utilized in drilling/workover: Bentonite Mud | |
| | | king pits to be utilized: 4 | | |
| | | procedure: Allow liquid to evaporate until bottom of | | |
| Does the slope from the tank battery allow all spilled fluids to | | | en fill and level to contour of ground. De 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. | | | | |
| 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. I hereby certify that the above statements are true and correct to the best of my knowledge and belief. 15 June 2006 Date Date Dit is dry, then fill and level to contour of ground. Drill pits must be closed within 365 days of spud date. Signature of Applicant or Agent | | | | |
| KCC OFFICE USE ONLY | | | | |
| Date Received: 6/16/06 Lease Inspection: Yes \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ | | | | |