| For KCC | Use: | 7. | 2-06 | |
|------------|-------|------|------|--|
| Effective | Date: | , 10 | | |
| District # | | | | |
| SGA? | Yes | 🗶 No | | |

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

| Must be approved by KCC five | e (5) days prior to commencing well | | | |
|--|---|--|--|--|
| Expected Spud Date 7-1-06 month day year | | ast | | |
| | | / est | | |
| OPERATOR: License# 9394 | iest nom V it / S Line of Section | | | |
| Name: D-Oil, Inc. | reet from VE / W Line of Section | | | |
| Address: 402 Main P.O. Box 259 | Is SECTIONRegularIrregular? | | | |
| City/State/Zip: Victoria, Ks. | (Note: Locate well on the Section Plat on reverse side) | | | |
| Contact Person: Alfred J. Dreiling | County: Ellis | | | |
| Phone: 785-735-9225 | Lease Name: DinkelWell #: 2 | | | |
| CONTRACTOR: License# 33549 | Field Name: Herzog | | | |
| Name: Landmark Drilling LLC | Is this a Prorated / Spaced Field? Target Formation(s): LKC-Arbuckle | No | | |
| Well Drilled For: Well Class: Type Equipment: | Nearest Lease or unit boundary: 900' | | | |
| | Ground Surface Elevation: 1936' feet N | I SL | | |
| | Water well within one-quarter mile: | No | | |
| Gas Storage ✓ Pool Ext. Air Rotary CWWO Disposal Wildcat Cable | Public water supply well within one mile: | No | | |
| Seismic;# of Holes Other | Depth to bottom of fresh water: 180' | | | |
| Other# of Holes Other | Depth to bottom of usable water: 560' | | | |
| Other | Surface Pipe by Alternate: 1 2 | | | |
| If OWWO: old well information as follows: | Length of Surface Pipe Planned to be set: 208' | Length of Surface Pipe Planned to be set: 208' | | |
| Operator: | Length of Conductor Pipe required: NA | | | |
| Well Name: | Projected Total Depth: 3500' | | | |
| Original Completion Date:Original Total Depth: | Formation at Total Depth: Arbuckle | | | |
| | Water Source for Drilling Operations: | | | |
| Directional, Deviated or Horizontal wellbore? Yes ✓ No | 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 | FIDAVIT | | | |
| The undersigned hereby affirms that the drilling, completion and eventual p | olugging 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 <i>prior</i> to spudding of well; | | | | |
| 2. A copy of the approved notice of intent to drill shall be posted on each | . . | | | |
| The minimum amount of surface pipe as specified below shall be s through all unconsolidated materials plus a minimum of 20 feet into | et by circulating cement to the top; in all cases surface pipe shall be set | | | |
| | the underlying formation. district office on plug length and placement is necessary <i>prior to plugging</i> | . | | |
| 5. The appropriate district office will be notified before well is either plu | gged or production casing is cemented in: | y, | | |
| If an ALTERNATE II COMPLETION, production pipe shall be cemer | ited from below any usable water to surface within 120 days of spud date. | | | |
| | r #133,891-C, which applies to the KCC District 3 area, alternate II cement | | | |
| <u> </u> | 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 heat | Amy knowledge and belief. | | | |
| Date: 6-24-06 Signature of Operator or Agent: | Title: President | | | |
| Date: 6-24-06 Signature of Operator or Agent: | Title: Tresident | | | |
| | Remember to: | | | |
| For KCC Use ONLY | File Drill Pt Application (form CDP-1) with Intent to Drill; | 1 | | |
| API # 15 051-25549-0000 | - File Completion Form ACO-1 within 120 days of spud date; | C | | |
| None | - File acreage attribution plat according to field proration orders; | છ્ર | | |
| 200 | - Notify appropriate district office 48 hours prior to workover or re-entry; | 1 | | |
| William Sanace pipe required reet per Ait. | - Submit plugging report (CP-4) after plugging is completed; | 1 | | |
| Approved by: 246-37-06 | - Obtain written approval before disposing or injecting salt water. | 73 | | |
| This authorization expires: 12-27-06 | - If this permit has expired (See: authorized expiration date) please | W | | |
| (This authorization void if drilling not started within 6 months of approval date.) | check the box below and return to the address below. | | | |
| Out days | Well Not Drilled - Permit Expired | > | | |
| Spud date: Agent: | Signature of Operator or Agent: | M | | |
| | Date: | 1 | | |

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

RECEIVED

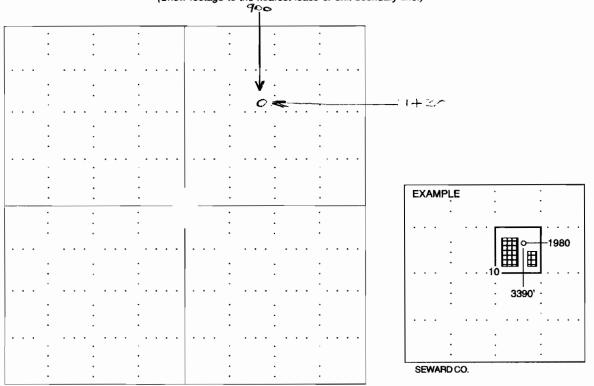
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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 - 051-25549-000 | Location of Well: County: Ellis |
|---|--|
| Operator: D-Oil, Inc. | 900 feet from VN / S Line of Section |
| Lease: Dinkel | 1430 feet from 🗸 E / W Line of Section |
| Well Number: 2 | Sec. 32 Twp. 13 S. R. 16 East West |
| Field: Herzog | |
| Number of Acres attributable to well: 10 | Is Section: ✓ Regular or Irregular |
| QTR / QTR / QTR of acreage: SE - NW - NE - NE | 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: CG-8 for gas wells).

JUN 2 6 2006 KCC WICHITA

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

| Operator Name: D-Oil, Inc. | | | License Number: 9394 | | | |
|---|--|--|--|--|--|--|
| Operator Address: 402 Main P.O. Box 259 Victoria, Ks 67671 | | | | | | |
| Contact Person: Alfred J. Dreiling | | | Phone Number: (785) 735 - 9225 | | | |
| Lease Name & Well No.: Dinkel #2 | | | Pit Location (QQQQ): | | | |
| Type of Pit: | Pit is: | | | | | |
| Emergency Pit Burn Pit | Proposed ✓ Existing If Existing, date constructed: 6-23-06 Pit capacity: | | Sec. 32 _{Twp.} 13s _{R.} 16w ☐ East ✓ West | | | |
| Settling Pit | | | 900 Feet from 🗸 North / 🗌 South Line of Section | | | |
| Workover Pit Haul-Off Pit | | | Feet from 🗸 East / West Line of Section | | | |
| (If WP Supply API No. or Year Drilled) | | (bbls) | Ellis County | | | |
| Is the pit located in a Sensitive Ground Water | Area? ☐ Yes 🖟 | √No | Chloride concentration:mg/l | | | |
| la tha hattara halann aranad lanala | A-46-1-1110 | | (For Emergency Pits and Settling Pits only) | | | |
| Is the bottom below ground level? Yes No | Artificial Liner? | No | How is the pit lined if a plastic liner is not used? | | | |
| | L | | | | | |
| Pit dimensions (all but working pits): | 70 Length (fe | eet) 7 <i>C</i> | | | | |
| Depth fr | om ground level to de | eepest point: | 5 (feet) | | | |
| If the pit is lined give a brief description of the | | | edures for periodic maintenance and determining | | | |
| material, thickness and installation procedure | • | inter integrity, i | including any special monitoring. | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| Distance to nearest water well within one-mile | e of pit | Depth to shallowest fresh water <u>26</u> feet. Source of information: | | | | |
| | 26 feet | measured well owner electric log KDWR | | | | |
| Emergency, Settling and Burn Pits ONLY: | | Drilling, Work | Drilling, Workover and Haul-Off Pits ONLY: | | | |
| Producing Formation: | | Type of materia | Type of material utilized in drilling/workover: Drilling Mud | | | |
| Number of producing wells on lease: | | Number of working pits to be utilized: | | | | |
| Barrels of fluid produced daily: | | Abandonment procedure: Backfill | | | | |
| Does the slope from the tank battery allow all flow into the pit? Yes No | spilled fluids to | 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. | | | | | | |
| | | | | | | |
| 6-24-06 Date | | Signature of Applicant or Agent | | | | |
| Salaring artityment of Marit | | | | | | |
| KCČ OFPICE USE ONLY | | | | | | |
| Date Received: 6/36/06 Lease Inspection: Yes K No | | | | | | |
| Territo Date. 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 | | | | | | |

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

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