

RECEIVED OWO

JUN 15 2006

Form C-1

December 2002

Form must be Typed

Form must be Signed

All blanks must be Filled

For KCC Use: Effective Date: 7-12-06 District # 2 SGA? [X] Yes [ ] No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

KCC WICHITA

Expected Spud Date July 15 2006 month day year

OPERATOR: License# 33550 Name: Relative Energy, Inc. Address: 213 North Third City/State/Zip: Lindsborg KS 67456 Contact Person: Mark Casebeer Phone: 620-242-7766 or 785-227-2886

CONTRACTOR: License# 6819 Name: Scott's Well Service

Spot W2 SE4 NW4 Sec. 19 Twp. 17 S. R. 3. 1980 feet from N / S Line of Section 1650 feet from E / W Line of Section Is SECTION Regular Irregular?

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

County: McPherson Lease Name: Sidney Johnson Trust Well #: 1 Field Name: Lindsborg

Is this a Prorated / Spaced Field? Target Formation(s): Maquoketa Dolomite Nearest Lease or unit boundary: 660'

Ground Surface Elevation: 1336 feet MSL

Water well within one-quarter mile: Public water supply well within one mile:

Depth to bottom of fresh water: 100 Depth to bottom of usable water: 100 / 120

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 345' of 8 5/8" set

Length of Conductor Pipe required: NA Projected Total Depth: 3400'

Formation at Total Depth: Maquoketa

Water Source for Drilling Operations: Well Farm Pond Other

DWR Permit #: (Note: Apply for Permit with DWR)

Will Cores be taken? If Yes, proposed zone:

Well Drilled For: Oil Gas OWO Seismic; # of Holes Other Well Class: Enh Rec Storage Disposal Other Well Class: Infield Pool Ext. Wildcat Other Type Equipment: Mud Rotary Air Rotary Cable

If OWWO: old well information as follows: Operator: Stanolind Oil & Gas Company Well Name: R.A. Johnson #1 Original Completion Date: July 1942 Original Total Depth: 3397

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth:

Bottom Hole Location:

KCC DKT #:

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: 6/14/06 Signature of Operator or Agent: Mark Casebeer Title: President

For KCC Use ONLY API # 15 - 113-02214-00-03 Conductor pipe required None feet Minimum surface pipe required 345 feet per Alt. 1 Approved by: RCH 7-7-06 This authorization expires: 1-7-06 (This authorization void if drilling not started within 6 months of approval date.) Spud date: Agent:

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:

19 17 3W

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 - 113-02214 - 00-03
Operator: Relative Energy, Inc.
Lease: Sidney Johnson Trust
Well Number: 1
Field: Lindsborg

Location of Well: County: McPherson
1980 feet from N / S Line of Section
1650 feet from E / W Line of Section
Sec. 19 Twp. 17 S. R. 33 East West

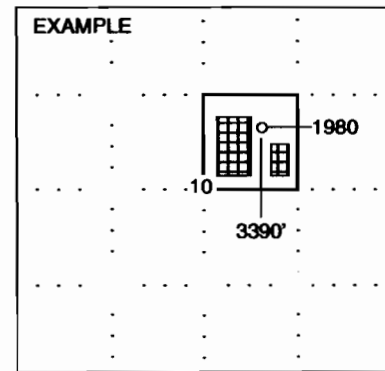
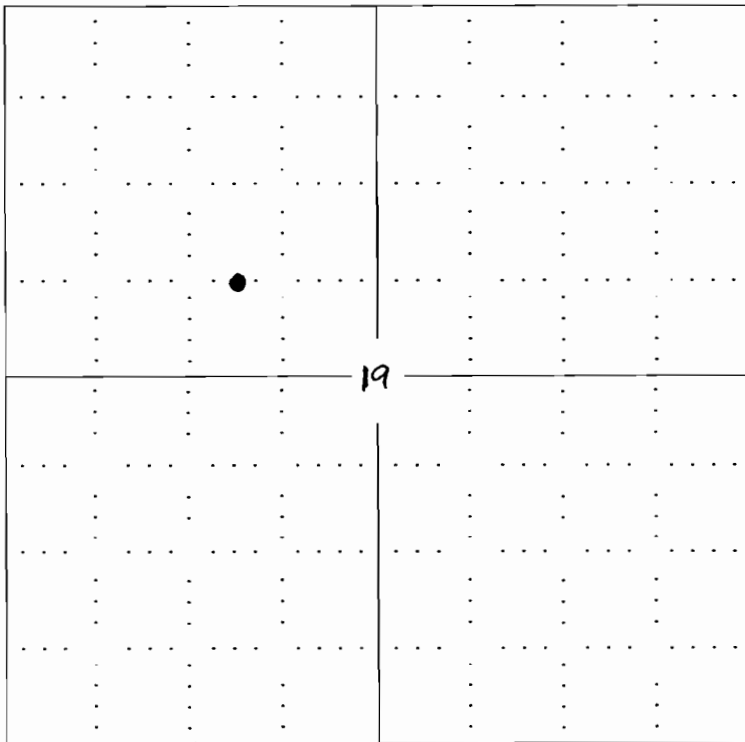
Number of Acres attributable to well:
QTR / QTR / QTR of acreage: W2 - SE4 - NW4

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.)



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: (CO-7 for oil wells; CG-8 for gas wells).

**KANSAS CORPORATION COMMISSION RECEIVED**  
**OIL & GAS CONSERVATION DIVISION**  
**APPLICATION FOR SURFACE PIT JUN 15 2006**  
**KCC WICHITA**

Form CDP-1  
 April 2004  
 Form must be Typed

*Submit in Duplicate*

Operator Name: <b>Relative Energy, Inc.</b>		License Number: <b>33550</b>
Operator Address: <b>213 North Third, Lindsborg KS 67456</b>		
Contact Person: <b>Mark S. Casebeer</b>		Phone Number: ( <b>620</b> ) <b>242 - 7766</b>
Lease Name & Well No.: <b>Sidney Johnson Trust #1</b>		Pit Location (QQQQ): <b>C W2 SE4 NW4</b>
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input checked="" type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small> <b>15-113-02214</b>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	Sec. <b>19</b> Twp. <b>17</b> R. <b>3</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>1980</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <b>1630</b> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <b>McPherson</b> County
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>
Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	How is the pit lined if a plastic liner is not used?
Pit dimensions (all but working pits): <u>40</u> Length (feet) <u>20</u> Width (feet) <b>N/A: Steel Pits</b> Depth from ground level to deepest point: <u>4</u> (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 <u>1200'</u> feet    Depth of water well <u>85</u> feet		Depth to shallowest fresh water <u>35</u> feet. Source of information: _____ measured <input checked="" type="checkbox"/> 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: <u>water</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: <u>dry up, clean out, refill with soil</u> _____ 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.		
_____ 6/14/06 _____ Date		<i>Marked Casebeer, Resident</i> Signature of Applicant or Agent

15-113-02214-00-03

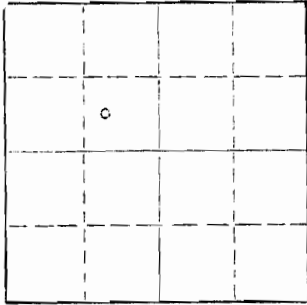
<b>KCC OFFICE USE ONLY</b>		Liner: <b>RFA</b>
Date Received: <u>6/15/06</u> Permit Number: _____	Permit Date: <u>7/6/06</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Information Completely  
and Affidavit  
Cover Report to  
Conservation Division  
Corporation Commission  
Biting Building  
Topeka, Kansas

WELL PLUGGING RECORD

15-115-02214-00-01

NORTH



Locate well correctly on above  
Section Plat

McPherson County, Sec. 19 Twp. 17S Rge. 3 ~~W~~ W (W)  
 Location as "NE/CNW/SW" or footage from lines S. 1/2 SW/4 SW/4  
 Lease Owner Stanolind Oil and Gas Company  
 Lease Name R. A. Johnson (Salt Water Disposal) Well No. 1  
 Office Address Box 1654, Oklahoma City, Oklahoma  
 Character of Well (completed as Oil, Gas or Dry Hole) Oil  
 Date well completed July, 1942  
 Application for plugging filed 8-13 1954  
 Application for plugging approved 8-19 1954  
 Plugging commenced 11-3 1954  
 Plugging completed 11-5 1954  
 Reason for abandonment of well or producing formation Not Needed

If a producing well is abandoned, date of last production --- 19---  
 Was permission obtained from the Conservation Division or its agents before plugging was com-  
 menced? Yes

Name of Conservation Agent who supervised plugging of this well Ruel Durkee  
 Producing formation --- Depth to top --- Bottom --- Total Depth of Well 3382 Feet  
 Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS

CASING RECORD

FORMATION	CONTENT	FROM	TO	SIZE	PUT IN	PULLED OUT
Maquoketa	----	3363	3382	8-5/8	345	None
				5-1/2	3397	None

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same and depth placed, from \_\_\_\_\_ feet to \_\_\_\_\_ feet for each plug set.

Sand	3382-3360
5 Sx Cement	3360-3335
Hvy Mud	3335-275
Rock Bridge	275-265
8 Sx Cement	265-200
Hvy Mud	200-30
5 Sx Cement	30- To Bottom of Celler

(If additional description is necessary, use BACK of this sheet)

Name of Plugging Contractor R & S Pipe Pulling Company  
 Address Ellinwood, Kansas

STATE OF KANSAS, COUNTY OF BARTON, ss.  
I, G. A. Reynolds (employee of owner) or (owner or operator) of the above-described well, being first duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the log of the above-described well as filed and that the same are true and correct. So help me God.

(Signature) G. A. Reynolds  
P. O. Box 7, Ellinwood, Kansas  
 (Address)

SUBSCRIBED AND SWORN TO before me this 19th day of November, 1954

My commission expires April 28, 1956

Norman H. Polzin  
 Notary Public.

PLUGGING  
 FILE SEC 19-17-SW  
 BOOK PAGE 52-18

# KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR  
BRIAN J. MOLINE, CHAIR  
ROBERT E. KREHBIEL, COMMISSIONER  
MICHAEL C. MOFFET, COMMISSIONER

July 6, 2006

Mr. Mark Casebeer  
Relative Energy, Inc.  
213 North Third  
Lindsborg, KS 67456

Re: Drilling Pit Application  
Sidney Johnson Trust Lease Well No. 1  
NW/4 Sec. 19-17S-03W  
McPherson County, Kansas

Dear Mr. Casebeer:

District staff has inspected the above referenced location and has determined that an unsealed condition will present a pollution threat to water resources.

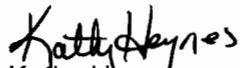
District staff has recommended that the reserve pit be lined. If a plastic liner is to be used it must have a minimum thickness of 10 mil. Integrity of the liner must be maintained at all times.

The free fluids in the reserve pit should be removed after drilling operations have ceased. The fluids should be taken to an authorized disposal well. Please call the District Office at (316) 630-4000 when the fluids have been removed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: [www.kcc.state.ks.us/conservation/forms](http://www.kcc.state.ks.us/conservation/forms).

**A copy of this letter should be posted in the doghouse along with the approved Intent to Drill.**

If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,



Kathy Haynes

Environmental Protection and Remediation Department

cc: D Louis