For KCC Use: Effective Date: District # SGA? X 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 (5) days prior to commencing well

| AUGUST 15, 2006 | Spot |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| Expected Spud Date AUGUST 15, 2006 month day year | SW SE NE Sec. 22 Twp. 18 S. R. 16 West |
| , | 2310 feet from VN / S Line of Section |
| OPERATOR: License# 30535 | 1050 feet from / E / W Line of Section |
| Name: HARTMAN OIL CO. | Is SECTION A Regular Irregular? |
| Address: WICHITA KS 67230-1457 | |
| City/State/Zip: WICHITA, KS 67230-1457 | (Note: Locate well on the Section Plat on reverse side) |
| Contact Person: STAN MITCHELL | County: RUSH |
| Phone: 620-277-2511 | Lease Maine. |
| CONTRACTOR: License# 30606 | Field Name: OTIS Is this a Prorated / Spaced Field? Yes V No |
| Name: MURFIN DRILLING | Is this a Prorated / Spaced Field? |
| Name. | Target Formation(s): REAGAN SANO |
| Well Drilled For: Well Class: Type Equipment: | Nearest Lease or unit boundary: 270 FT. |
| Oil / Enh Rec / Infield / Mud Rotary | Ground Surface Elevation: 1930 feet MSL |
| Gas Storage Pool Ext. Air Rotary | Water well within one-quarter mile: Yes ✓ No. |
| OWWO Disposal Wildcat Cable | Public water supply well within one mile: Yes No |
| Seismic;# of Holes Other | Depth to bottom of fresh water: 200 FT. |
| Other | Depth to bottom of usable water: 300 FT. |
| , , | Surface Pipe by Alternate: |
| If OWWO: old well information as follows: | Length of Surface Pipe Planned to be set: Length of Conductor Pipe required: |
| Operator: | Projected Total Depth: 3600 |
| Well Name: | Formation at Total Depth: REAGAN SAND |
| Original Completion Date:Original Total Depth: | |
| Directional, Deviated or Horizontal wellbore? | Water Source for Drilling Operations: Well Farm Pond Other HAULED |
| If Yes, true vertical depth: | |
| | DWR Permit #: |
| Bottom Hole Location: | (Note: Apply for Permit with DWR │ |
| Bil : bas Leases w/Pooling clause Attached | Will Cores be taken? |
| Off E Gas reases of pointing chance Africance | ii tes, proposed zone. |
| AFF | IDAVIT RECEIVED |
| The undersigned hereby affirms that the drilling, completion and eventual p | olugging of this well will comply with K.S.A. 55441S46 CORPORATION COMMISSION |
| It is agreed that the following minimum requirements will be met: | AUG ⊘7 2006 |
| Notify the appropriate district office prior to spudding of well; | AUG 0 / 2000 |
| | ich drilling rig; |
| 3. The minimum amount of surface pipe as specified below shall be set | et by circulating cement to the top; in all cases surface the shall be set |
| mionon all iniconsolidated materials blus a minimum of £0 1001 into 1 | ine underlying formation. |
| If the well is dry note, an agreement between the operator and the control of the supervision of the control of t | district office on plug length and placement is necessary <i>prior to plugging</i> ; |
| 6. If an ALTERNATE II COMPLETION, production pipe shall be cemen | ted from below any usable water to surface within 120 days of spud date. |
| Or pursuant to Appendix "B" - Eastern Kansas surface casing order | r #133,891-C, which applies to the KCC District 3 area, alternate II cementing |
| | 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 | of my knowledge and belief. |
| Date: 8/4/06 Signature of Operator or Agent: | Title Senier Vice Trusiden |
| | Remember to |
| For KCC Use ONLY | - File Drill Pit Application (form CDP-1) with Intent to Drill; |
| 11,5-21900-0000 | - File Completion Form ACO-1 within 120 days of spud date; |
| None | - File acreage attribution plat according to need profation orders, |
| 1 Conductor pipe requires | Notify appropriate district office 48 hours prior to workover or re-entry, 11 |
| Minimum surface pipe requiredfeet per Alt. (1) | - Submit plugging report (CP-4) after plugging is completed; |
| Approved by: L++ 8-9-06 | - Obtain written approval before disposing or injecting salt water. |
| This authorization expires: 2-9-07 | - If this permit has expired (See: authorized expiration date) please |
| (This authorization void if drilling not started within 6 months of approval date.) | check the box below and return to the address below. |
| 1 | Well Not Drilled - Permit Expired |
| Spud date:Agent: | Signature of Operator or Agent: |
| | Signature of Operator or Agent: |
| Mail to: KCC - Conservation Division, 130 | S. Market - Room 2078, Wichita, Kansas 67202 |

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

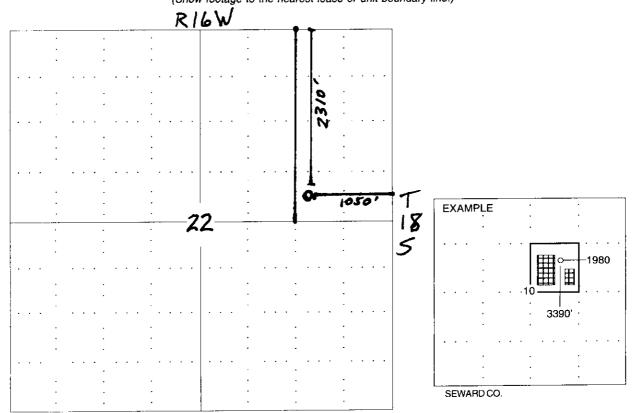
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 165 - 21800 - 0020 | Location of Well: County: RUSH |
|--------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| Operator: HARTMAN OIL CO. | feet from V N / S Line of Section |
| Lease: MANETH | 1050 feet from / E / W Line of Section |
| Well Number: 1 Field: OTIS | Sec2Twp18 S. R16 East ✓ West |
| Number of Acres attributable to well: OTR / QTR / QTR of acreage: SW - SE NE | 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: (C0-7 for oil wells; CG-8 for gas wells).

APPLICATION FOR SURFACE PIT

Submit in Duplicate

| Operator Name: HARTMAN OIL CO. | | License Number: 30535 | | |
|------------------------------------------------------------------------------------------------------------|--------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------|--|
| Operator Address: 12950 E. 13TH, WICHITA, KS 67230-1457 | | | | |
| Contact Person: STAN MITCHELL | | Phone Number: (620) 277 - 2511 | | |
| Lease Name & Well No.: MANETH #1 | | Pit Location (QQQQ): | | |
| Type of Pit: | Pit is: | | <u>SW _ SE _ NE</u> | |
| Emergency Pit Burn Pit | ✓ Proposed Existing | | Sec. 22 Twp. 18 R. 16 East 🗸 West | |
| Settling Pit | If Existing, date constructed: | | Feet from 🗸 North / South Line of Section | |
| Workover Pit Haul-Off Pit | Dit comocity. | | Feet from Fast / V West Line of Section | |
| (If WP Supply API No. or Year Drilled) | Pit capacity: 1500 (bbls) | | RUSH | |
| Is the pit located in a Sensitive Ground Water | | | Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) | |
| Is the bottom below ground level? | Artificial Liner? | | How is the pit lined if a plastic liner is not used? | |
| Yes ✓ No | Yes ✓ I | No | LINED W/BENTONITE | |
| Pit dimensions (all but working pits): 100 Length (feet) 100 Width (feet) N/A: Steel Pits | | | | |
| Depth from ground level to deepest point: (feet) | | | | |
| If the pit is lined give a brief description of the liner Describe proced | | edures for periodic maintenance and determining ncluding any special monitoring. | | |
| Top soil is removed. Pit is dug and sprinkled with bentonite. | | | owed to evaporate, during the drilling phase. | |
| | | west fresh water 200 24 feet. | | |
| Distance to nearest water well within one-mile of pit Depth to shallo Source of infor | | | | |
| none 1695 Peet Depth of water well Geet meas | | measu | red well owner electric log KDWR | |
| Emergency, Settling and Burn Pits ONLY: | | • | over and Haul-Off Pits ONLY: | |
| | | al utilized in drilling/workover: | | |
| | | king pits to be utilized: | | |
| Barrels of fluid produced daily: Abandonment procedure: | | procedure: | | |
| Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Drill pits must | | pe 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. | | | | |
| | | | | |
| Data | | VIII. | ignature of Applicant or Agent | |
| Date Signature of Applicant or Agent | | | | |
| KCC OFFICE USE ONLY REPASSED | | | | |
| Date Received: 8/7/06 Permit Number: Permit Date: 8/8/06 Lease Inspection: A Yes No | | | | |



CORPORATION COMMISSION

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

August 8, 2006

Mr. Stan Mitchell Hartman Oil Co. 12950 E. 13th Wichita, KS 67230-1457

Re: Drilling Pit Application

Maneth Lease Well No. 1 NE/4 Sec. 22-18S-16W Rush County, Kansas

Dear Mr. Mitchell:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 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.

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

Department of Environmental Protection and Remediation

cc: File