

For KCC Use: 9-27-06  
 Effective Date: 9-27-06  
 District # 1  
 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 (5) days prior to commencing well

Expected Spud Date October 23, 2006  
month day year

Spot  East  
NE  SE  NE Sec. 7 Twp. 20S S. R. 24  West  
1790 feet from  N /  S Line of Section  
330 feet from  E /  W Line of Section

OPERATOR: License# 5123  
 Name: Rickrell Drilling Company, Inc.  
 Address: 100 S. Main, Suite 205  
 City/State/Zip: Wichita, Kansas 67202-3738  
 Contact Person: Larry J. Richardson  
 Phone: 316-262-8427

Is SECTION  Regular  Irregular?  
 (Note: Locate well on the Section Plat on reverse side)

CONTRACTOR: License# 5123  
 Name: Company Tools

County: Ness  
 Lease Name: Betz "E" Well #: 3  
 Field Name: Hair West

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

Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Mississippian  
 Nearest Lease or unit boundary: 330  
 Ground Surface Elevation: 2335 est. feet MSL

If OWWO: old well information as follows:  
 Operator: \_\_\_\_\_  
 Well Name: \_\_\_\_\_  
 Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Water well within one-quarter mile:  Yes  No  
 Public water supply well within one mile:  Yes  No  
 Depth to bottom of fresh water: 180  
 Depth to bottom of usable water: 780

Directional, Deviated or Horizontal wellbore?  Yes  No  
 If Yes, true vertical depth: \_\_\_\_\_  
 Bottom Hole Location: \_\_\_\_\_  
 KCC DKT #: \_\_\_\_\_

Surface Pipe by Alternate:  1  2  
 Length of Surface Pipe Planned to be set: 250'  
 Length of Conductor Pipe required: Na  
 Projected Total Depth: 4400  
 Formation at Total Depth: Mississippian

Water Source for Drilling Operations:  
 Well  Farm Pond  Other X  
 DWR Permit #: \_\_\_\_\_

(Note: Apply for Permit with DWR )  
 Will Cores be taken?  Yes  No  
 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:

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**SEP 23 2006**  
**CONSERVATION DIVISION**  
**WICHITA, KS**

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 *shall be made* 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: 9-22-06 Signature of Operator or Agent: \_\_\_\_\_ Title: Geologist

**For KCC Use ONLY**  
 API # 15 - 135-24554-00-00  
 Conductor pipe required None feet  
 Minimum surface pipe required 200 feet per Alt. **X2**  
 Approved by: WJRM 9-22-06  
 This authorization expires: 3-22-07  
 (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: \_\_\_\_\_

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

7  
20  
24W

**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.

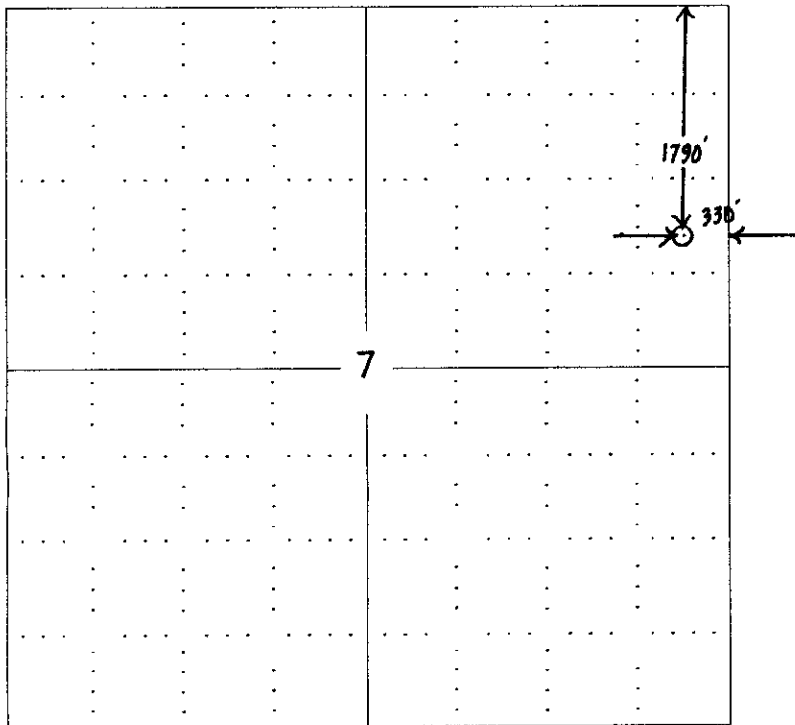
API No. 15 - 135-24554-00-00  
 Operator: Pckrell Drilling Company, Inc.  
 Lease: Betz "E"  
 Well Number: 3  
 Field: Hair West  
 Number of Acres attributable to well: \_\_\_\_\_  
 QTR / QTR / QTR of acreage: \_\_\_\_\_ - SE - NE

Location of Well: County: Ness  
 \_\_\_\_\_ feet from  N /  S Line of Section  
1790  
 \_\_\_\_\_ feet from  E /  W Line of Section  
330  
 Sec. 7 Twp. 20S S. R. 24  East  West  
 Is Section:  Regular or  Irregular  
 If Section is irregular, locate well from nearest corner boundary.  
 Section corner used:  NE  NW  SE  SW

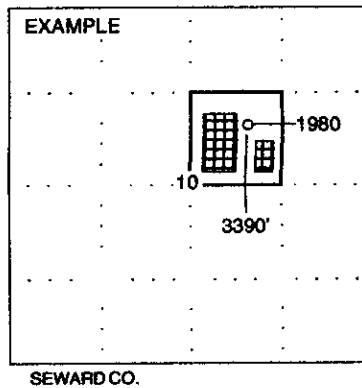
**PLAT**

*(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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**NOTE: In all cases locate the spot of the proposed drilling location.**

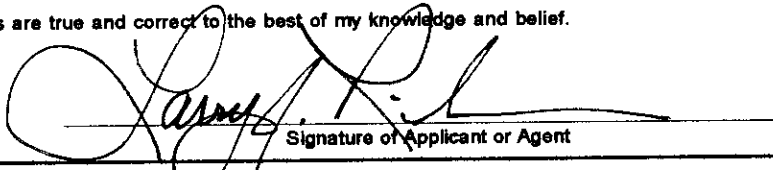
**In plotting the proposed location of the well, you must show:**

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  
OIL & GAS CONSERVATION DIVISION  
APPLICATION FOR SURFACE PIT**

Form CDP-1  
April 2004  
Form must be Typed

*Submit in Duplicate*

Operator Name: <b>Pickrell Drilling Co. Inc.</b>		License Number: <b>5123</b>
Operator Address: <b>100 S. Main, Suite 505 - Wichita, Kansas 67202-3738</b>		
Contact Person: <b>Mike Kern</b>		Phone Number: ( <b>620</b> ) <b>793 5742</b>
Lease Name & Well No.: <b>3 Betz "E"</b>		Pit Location (QQQQ): approx <u>SE</u> <u>NE</u>
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: <b>1780</b> (bbls)	Sec. <u>7</u> Twp. <u>20S</u> R. <u>24</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>1790</u> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <u>330</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <u>Ness</u> County
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? <b>Bentonite Sealer</b>
Pit dimensions (all but working pits): <u>50'</u> Length (feet) <u>50'</u> Width (feet)    _____ N/A: Steel Pits Depth from ground level to deepest point: <u>4' aver.</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>N/A</u> feet    Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: _____ measured    _____ well owner    _____ electric log    _____ 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>Fresh</u> Number of working pits to be utilized: <u>2</u> Abandonment procedure: <u>Allow to evaporate and backfill when sufficiently dry.</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.		
September 22, 2006 Date		 Signature of Applicant or Agent
<b>KCC OFFICE USE ONLY</b>		
Date Received: <u>9/22/06</u> Permit Number: _____ Permit Date: <u>9/22/06</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

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15-135-24554-00-02

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