

For KCC Use: 7-3106  
 Effective Date: 1  
 District # 1  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION  
**NOTICE OF INTENT TO DRILL**

**CORREL**  
 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 September 26 2006  
 month day year

OPERATOR: License# 33802  
 Name: SunStone Operating Company, LLC  
 Address: P O Box 35888  
Tulsa, OK 74153-0888  
 City/State/Zip:  
 Contact Person: Connie Swan  
 Phone: 918-621-6533

CONTRACTOR: License# 5147  
 Name: Beredco, Inc.

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input checked="" type="checkbox"/> Air Rotary
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Cable
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Wildcat	
<input type="checkbox"/> Other	<input type="checkbox"/> Other	

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

Directional, Deviated or Horizontal wellbore?  Yes  No

If Yes, true vertical depth: \_\_\_\_\_

Bottom Hole Location: \_\_\_\_\_

KCC DKT #: \_\_\_\_\_

**\* WAS: SW-NW-NW 990' FML 330' FWL  
 IS: NW-SE-NW 1650' FML 1650' FWL**

**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: 9/25/06 Location amended  Signature of Operator or Agent: Connie Swan Title: Regulatory Administrator

**For KCC Use ONLY**  
 API # 15 - 171-20641-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 200 feet per Alt. # 2  
 Approved by: Rud 726-06 / RCH 9-27-06  
 This authorization expires: 1-26-07  
 (This authorization void if drilling not started within 6 months of approval date.)  
 Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

**\* LOCATION AMENDED \***  
 \* Spot \_\_\_\_\_  
 NW SE NW Sec. 10 Twp. 19 S. R. 31  
 East  West  
1650 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: Scott  
 Lease Name: Betty Well #: 2  
 Field Name: Grigston SW  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Mississippian  
 Nearest Lease or unit boundary: 330'  
 Ground Surface Elevation: 2950 GR feet MSL  
 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: 1600'  
 Surface Pipe by Alternate:  1  2  
 Length of Surface Pipe Planned to be set: 360'  
 Length of Conductor Pipe required: n/a  
 Projected Total Depth: 4700  
 Formation at Total Depth: Mississippian  
 Water Source for Drilling Operations:  
 Well  Farm Pond Other Hauled Water - Cheyenne Transport  
 DWR Permit #: \_\_\_\_\_

(Note: Apply for Permit with DWR )

Will Cores be taken?  Yes  No

If Yes, proposed zone: \_\_\_\_\_

**RECEIVED**  
**KANSAS CORPORATION COMMISSION**  
**SEP 26 2006**  
**CONSERVATION DIVISION**  
**WICHITA, KS**

**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: \_\_\_\_\_

10  
19  
31W

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

**CORRECTED**

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 - 17120641-0000  
Operator: SunStone Operating Company, LLC  
Lease: Betty  
Well Number: 2  
Field: Grigston SW

Location of Well: County: Scott  
1650 feet from  N /  S Line of Section  
1650 feet from  E /  W Line of Section  
Sec. 10 Twp. 19 S. R. 31  East  West

Number of Acres attributable to well: \_\_\_\_\_  
QTR / QTR / QTR of acreage: NW - SE - NW

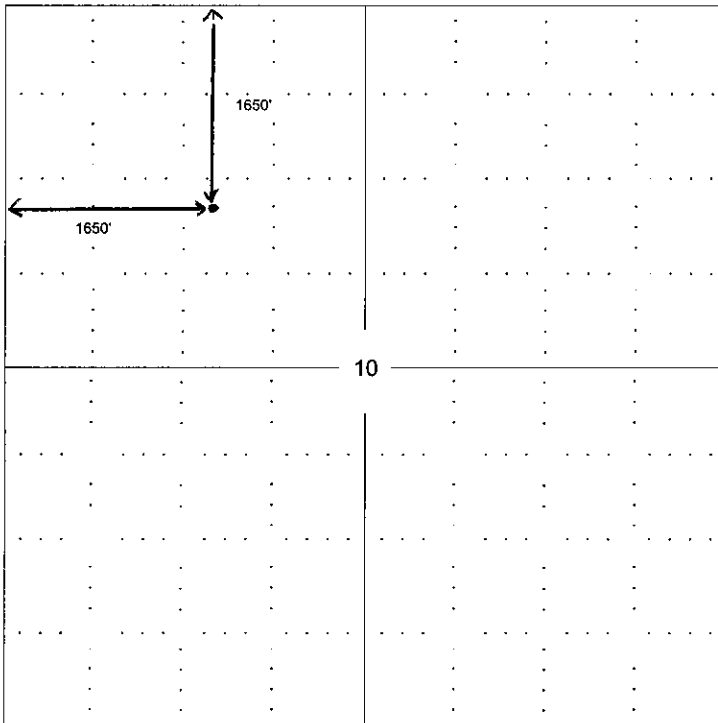
Is Section:  Regular or  Irregular

If Section is Irregular, locate well from nearest corner boundary.  
Section corner used:  NE  NW  SE  SW

**\* LOCATION AMENDED \***

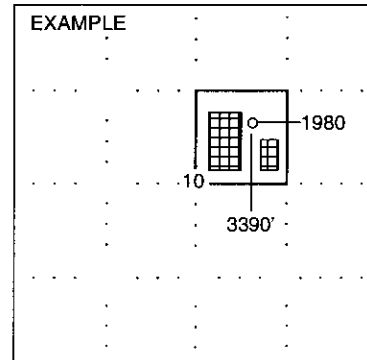
**PLAT**

(Show location of the well and shade attributable acreage for prorated or spaced wells.)  
(Show footage to the nearest lease or unit boundary line.)



Datum: NAD - 83  
Latitude: 38° 25' 12"  
Longitude: 100° 44' 07"

**RECEIVED**  
KANSAS CORPORATION COMMISSION  
**SEP 26 2006**  
CONSERVATION DIVISION  
WICHITA, KS



SEWARD CO.

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

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

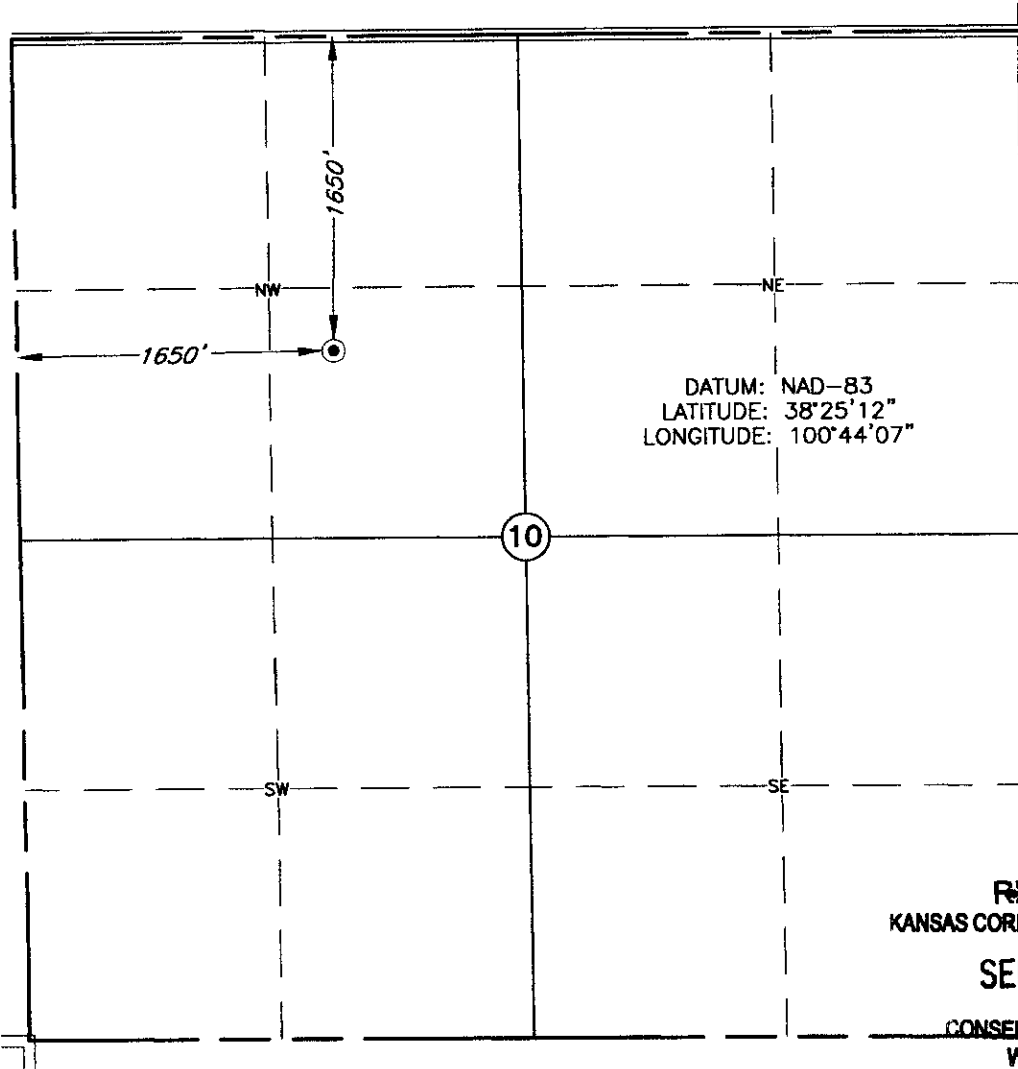
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).

TOPOGRAPHIC LAND SURVEYORS OF PAMPA, TEXAS

2225 PERRYTON PKWY \* PAMPA, TEXAS 79065  
(806) 665-7218 \* (800) 658-6382 \* FAX (806) 665-7210  
Kansas Certificate of Authorization No. LS-99

**CORRECTED**

Operator: SUNSTONE ENERGY Lease Name: BETTY #2  
Footages: 1650'FNL & 1650'FWL Elevation: 2942'GR  
Section: 10 Township: 19S Range: 31W SCOTT County, Kansas



RECEIVED  
KANSAS CORPORATION COMMISSION  
SEP 26 2006  
CONSERVATION DIVISION  
WICHITA, KS

Topography & Vegetation: WHEAT STUBBLE  
Reference or Alternate Stakes Set: NONE SET  
Best Accessibility to Location: FROM LEASE ROAD WEST OF LOCATION  
Distance & Direction: ±10 MILES SOUTHEAST OF SCOTT CITY, KANSAS.



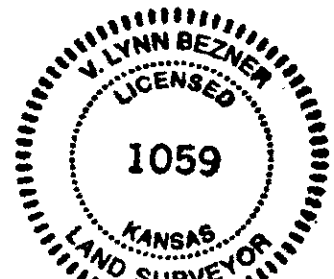
This plat DOES NOT represent a true Boundary Survey. The footages and ties shown are from lines of occupation, which may not be actual Property Lines.

**CERTIFICATE**

I, V. Lynn Bezner, a Registered Land Surveyor and an authorized agent of Topographic Land Surveyors, do hereby certify that the above described well location was surveyed and staked on the ground as shown.

Date Surveyed: 9-14-06  
Date Drawn: 9-18-06  
Drawn by: J.WILLIAMS  
Job No.: 116721  
Book: 891 Page: 17

*V. Lynn Bezner* 9-19-06  
V. Lynn Bezner, R.P.S. No.1059



KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

**CORRECTED**

Form CDP-1  
April 2004  
Form must be Typed

**APPLICATION FOR SURFACE PIT**

Submit in Duplicate

**LOCATION AMENDED**

Operator Name: SunStone Operating Company, LLC		License Number: 33802
Operator Address: P O Box 35888 Tulsa, OK 74153-0888		
Contact Person: Connie Swan		Phone Number: ( 918 ) 621 - 6533
Lease Name & Well No.: Betty #2		Pit Location (QQQQ): NW - SE - NW -
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 <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 8904 (bbls)
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>
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? Bentonite & solids from drilling operations; self-seal pit.		
Pit dimensions (all but working pits):    100    Length (feet)    100    Width (feet)    _____    N/A: Steel Pits Depth from ground level to deepest point:    5    (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 _____ n/a    feet    Depth of water well _____ feet		Depth to shallowest fresh water 40    feet. Source of information: _____ measured    _____ 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: Bentonite Number of working pits to be utilized: 2 Abandonment procedure: Pits allowed to evaporate until dry, then backfill when conditions allow. 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.		
_____ Date		_____ Signature of Applicant or Agent
RECEIVED KANSAS CORPORATION COMMISSION SEP 26 2006 CONSERVATION DIVISION WICHITA, KS		
<b>KCC OFFICE USE ONLY</b>		
Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No		