

For KCC Use:  
 Effective Date: 10-8-06  
 District # 1  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION

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

NOTICE OF INTENT TO DRILL

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

Expected Spud Date October 2006  
 month day year

OPERATOR: License# 33699  
 Name: T-N-T Engineering, Inc.  
 Address: 3711 Maplewood, Suite 201  
 City/State/Zip: Wichita Falls, Texas 76308  
 Contact Person: Hal Gill  
 Phone: 940 691-9157

CONTRACTOR: License# 33549  
 Name: Landmark Drilling

<b>Well Drilled For:</b>	<b>Well Class:</b>	<b>Type Equipment:</b>
<input checked="" type="checkbox"/> Oil	<input checked="" type="checkbox"/> Infield	<input checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> Gas	<input type="checkbox"/> Pool Ext.	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> QW/O	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> Seismic; # of Holes	<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 #: \_\_\_\_\_

Spot  
 SE SE SE Sec. 32 Twp. 21 S. R. 13  
 East  
 West  
330 feet from  N /  S Line of Section  
330 feet from  E /  W Line of Section

Is SECTION  Regular  Irregular?

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

County: Stafford

Lease Name: Chapman Well #: 10

Field Name: Gates

Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): Arbuckle

Nearest Lease or unit boundary: 330'

Ground Surface Elevation: 1898' 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: 200'

Surface Pipe by Alternate:  1  2

Length of Surface Pipe Planned to be set: 350'

Length of Conductor Pipe required: \_\_\_\_\_

Projected Total Depth: 3900'

Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:

Well  Farm Pond  Other \_\_\_\_\_

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:

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 casing **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: 9-29-06 Signature of Operator or Agent: Hal Gill Title: Engineer

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OCT 02 2006

CONSERVATION DIVISION  
 WICHITA, KANSAS

**For KCC Use ONLY**  
 API # 15 - 185-23396-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 220 feet per Alt. 1  
 Approved by: RH 10-3-06  
 This authorization expires: 4-3-07  
 (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: \_\_\_\_\_

32  
21  
13W

**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 - 185-23396-000  
 Operator: T-N-T Engineering, Inc.  
 Lease: Chapman  
 Well Number: 10  
 Field: Gates  
 Number of Acres attributable to well: 10  
 QTR / QTR / QTR of acreage: SE - SE - SE

Location of Well: County: Stafford  
330 feet from  N /  S Line of Section  
330 feet from  E /  W Line of Section  
 Sec. 32 Twp. 21 S. R. 13  East  West

Is Section:  Regular or  Irregular

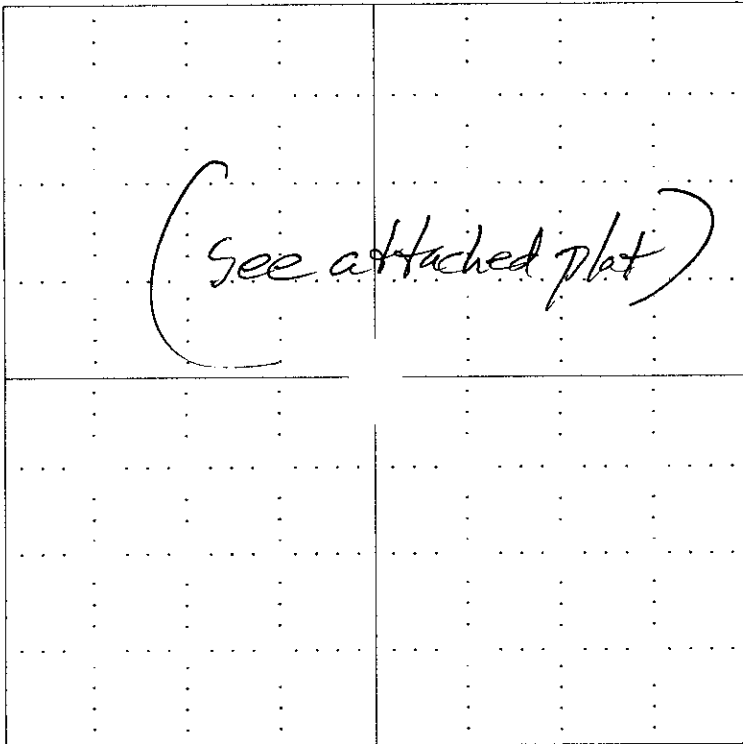
**If Section Is Irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

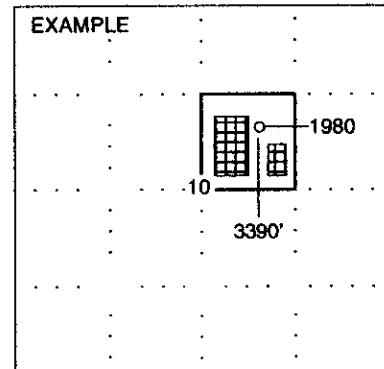
**PLAT**

*(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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 WICHITA, KS



SEWARD CO.

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

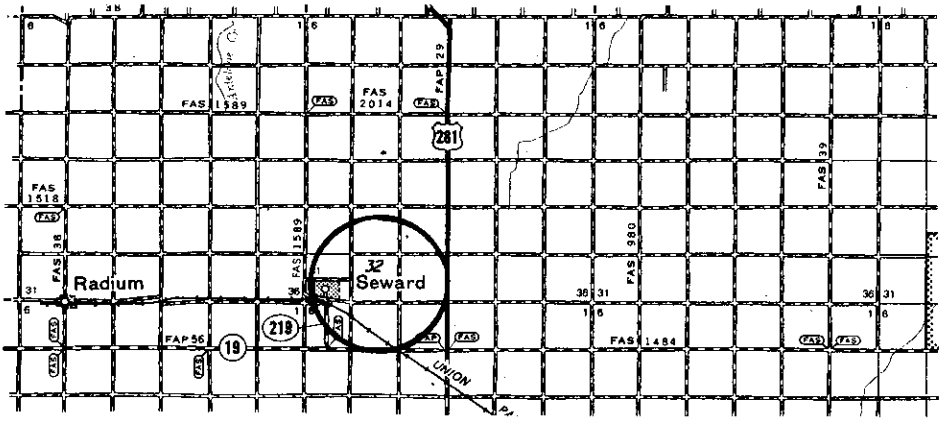
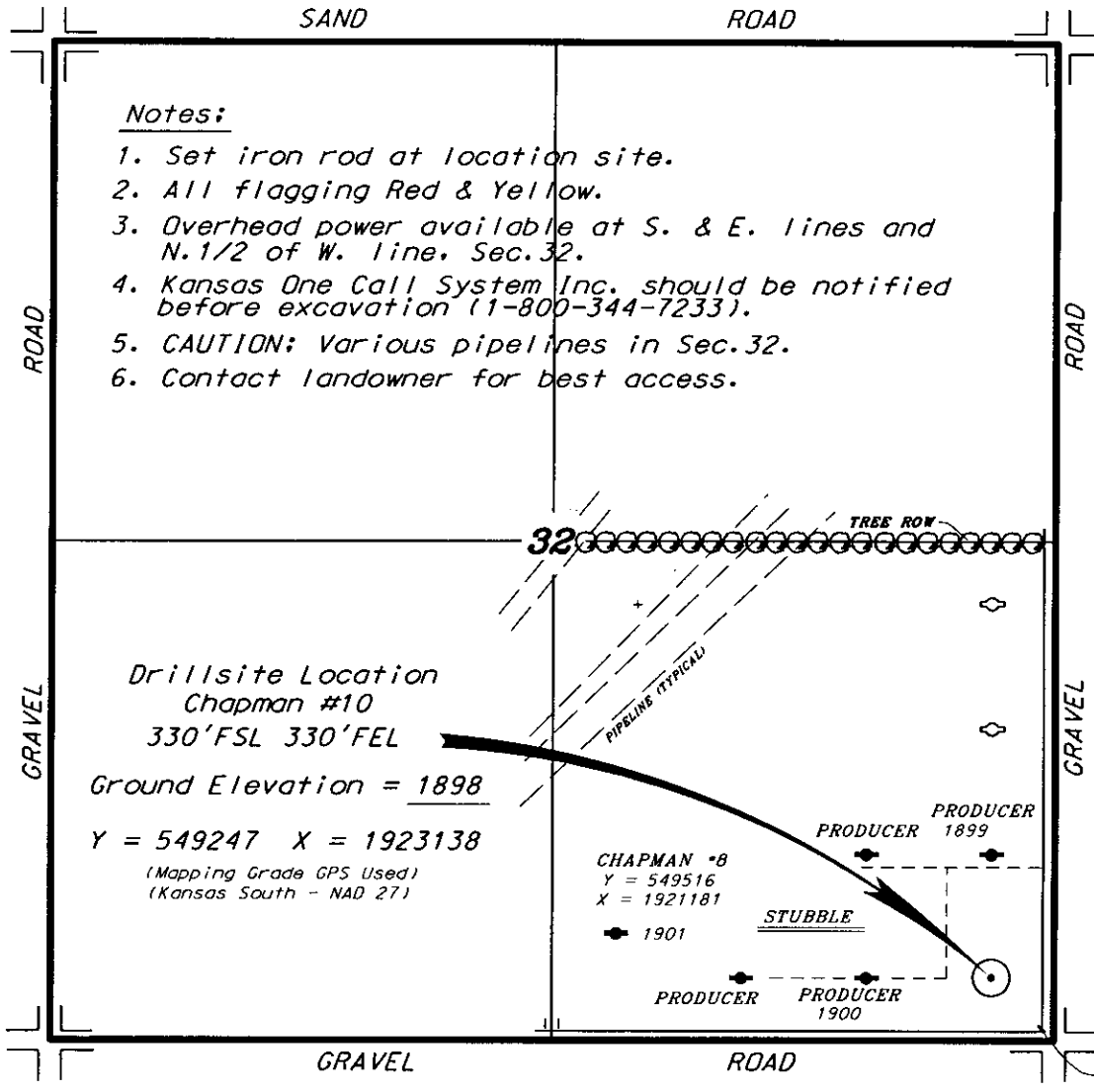
**In plotting the proposed location of the well, you must show:**

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).

T-N-T ENGINEERING, INC.  
 CHAPMAN LEASE  
 SE. 1/4, SECTION 32, T21S, R13W  
 STAFFORD COUNTY, KANSAS

15-185-23396-0000

\*Ingress and egress to location as shown on this plat is per usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.



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 WICHITA, KS

\* Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.  
 \* Approximate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drillsite location in the section is not guaranteed. Therefore, the operator securing this service and accepting this plat, and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and said entities released from any liability from incidental or consequential damages.  
 \* Elevations derived from National Geodetic Vertical Datum.

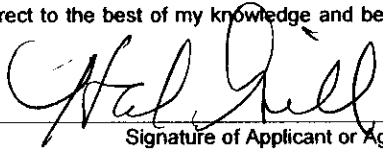
Date September 26, 2006

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: <b>T-N-T Engineering, Inc.</b>		License Number: <b>33699</b>
Operator Address: <b>3711 Maplewood, Suite 201, Wichita Falls, Texas 76308</b>		
Contact Person: <b>Rick Popp</b>		Phone Number: ( <b>620</b> ) <b>786 - 5514</b>
Lease Name & Well No.: <b>Chapman # 10</b>		Pit Location (QQQQ): <b>SE SE SE SE</b> Sec. <b>32</b> Twp. <b>21S</b> R. <b>13</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>330</b> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <b>330</b> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <b>Stafford</b> County
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>3500</b> (bbls)	
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 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?
Pit dimensions (all but working pits): <b>80</b> Length (feet) <b>80</b> Width (feet) <b>N/A: Steel Pits</b> Depth from ground level to deepest point: <b>4</b> (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. <div style="text-align: right;"><b>RECEIVED</b> KANSAS CORPORATION COMMISSION <b>OCT 02 2006</b> CONSERVATION DIVISION WICHITA, KS</div>
Distance to nearest water well within one-mile of pit <b>971</b> feet Depth of water well <b>90</b> feet	Depth to shallowest fresh water <b>11 unknown</b> feet. <b>WICHITA, KS</b> Source of information: <b>K+L K&amp;S</b> <input checked="" type="checkbox"/> electric log <input type="checkbox"/> KDWR <input type="checkbox"/> measured <input type="checkbox"/> well owner	
<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: <b>fresh water</b> Number of working pits to be utilized: <b>3</b> Abandonment procedure: <b>Evaporate fluids, break up and backfill and cover with topsoil</b> Drill pits must be closed within 365 days of spud date.	<b>15-185-23396-0000</b>
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.  <b>9-29-06</b> Date <span style="margin-left: 200px;"></span> Signature of Applicant or Agent		
<b>KCC OFFICE USE ONLY</b> <span style="float: right;">REASON C</span>		
Date Received: <b>10/2/06</b> Permit Number: _____ Permit Date: <b>10/3/06</b> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

# KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREHBIEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

October 3, 2006

Mr. Hal Gill  
T-N-T Engineering, Inc.  
3711 Maplewood Ste 201  
Wichita Falls, TX 76308

RE: Drilling Pit Application  
Chapman Lease Well No. 10  
SE/4 Sec. 32-21S-13W  
Stafford County, Kansas

Dear Mr. Gill:

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.

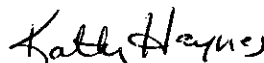
**If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.**

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](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  
Department of Environmental Protection and Remediation

cc: File