

For KCC Use: 8-5-06
 Effective Date: _____
 District # _____
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

Form C-1
 December 2002

NOTICE OF INTENT TO DRILL

CORRECTED

Form must be Typed
 Form must be Signed
 Form must be Filled

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

Expected Spud Date August 5, 2006 ***
 month day year

OPERATOR: License# 32461
 Name: Tailwater, Inc.
 Address: 6421 Avondale Drive, Suite 212
 City/State/Zip: Oklahoma City, OK 73116
 Contact Person: Chris Martin
 Phone: (405) 810-0900

Section NE SW NE SE Sec. 13 Twp. 20 S. R. 20

1955 feet from N / S Line of Section

985 feet from E / W Line of Section

CONTRACTOR: License# 8509
 Name: Evans Energy Development, Inc. ***

County: Anderson
 Lease Name: East Hastert Well #: 1-EIW
 Field Name: Garnett Shoestring

Well Drilled For: Oil Enh Rec Gas Storage CWMO Disposal Seismic: # of Holes Other

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): Bartlesville
 Nearest Lease or unit boundary: 685' 985'

Ground Surface Elevation: n/a 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: 50'
 Depth to bottom of usable water: 180'

If CWMO: old well information as follows:
 Operator: _____
 Well Name: _____
 Original Completion Date: _____ Original Total Depth: _____

Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 20'
 Length of Conductor Pipe required: none
 Projected Total Depth: 900'
 Formation at Total Depth: Bartlesville

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

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: _____

WMS: SENESWSE 775 FSL, 1335 FEL, NLL: 775
 IS: NESWNESE 1955 FSL, 985 FEL; NLL 985

AFFIDAVIT

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 JUL 31 2006
 CONSERVATION DIVISION
 WICHITA, KS

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 58-5401. 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: July 31, 2006 Signature of Operator or Agent: Wanna Thanda Title: Agent

For KCC Use ONLY
 API # 15 - 003-24345000
 Conductor pipe required None feet
 Minimum surface pipe required 90 feet per Alt. X(2)
 Approved by: RHM 7-31-06 / WMM 10-17-06
 This authorization expires: 1-31-07
 (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

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 CONSERVATION DIVISION
 WICHITA, KS

13
 20
 20E

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form CDP-1
April 2004
must be Typed

APPLICATION FOR SURFACE PIT

CORRECTED

CORRECTED

Submit in Duplicate

Operator Name: Tailwater, Inc.		License Number: 32461
Operator Address: 6421 Avondale Drive, Suite 212, Oklahoma City, OK 63116		
Contact Person: Chris Martin		Phone Number: (405) 810-0900
Lease Name & Well No.: East Hastert #1-EIW		Pit Location (QQQQ): NE SW NE SE <input checked="" type="checkbox"/>
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: 120 (bbls)	Sec. 13 Twp. 20 R. 20 <input checked="" type="checkbox"/> East <input type="checkbox"/> West 1,955 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 985 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Anderson 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? native clay
Pit dimensions (all but working pits): 10 Length (feet) 10 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 _____ feet Depth of water well _____ feet NA	Depth to shallowest fresh water _____ feet. NA Source of information: _____ measured _____ well owner _____ electric log _____ KDWR	RECEIVED KANSAS CORPORATION COMMISSION JUL 31 2006 CONSERVATION DIVISION WICHITA, KS
Emergency, Settling and Burn Pits ONLY: 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	Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: drilling mud Number of working pits to be utilized: 1 Abandonment procedure: air dry and backfill 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.		
July 31, 2006 Date	<i>Donna Nanda</i> Signature of Applicant or Agent	

KGS
15-003-24345-0002

KCC OFFICE USE ONLY

Date Received: **7/31/06** Permit Number: _____ Permit Date: **7/31/06** Lease Inspection: Yes No

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

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