

For KCC Use:
 Effective Date: 10-29-06
 District # 3
 SGA? Yes No

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

Form C-1
 September 1999
 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 10/16/06
 month day year

OPERATOR: License# 31473
 Name: BG-5 Inc.
 Address: 3939 Ellis Road
 City/State/Zip: Rantoul, Kansas 66079
 Contact Person: Jimmie Patton
 Phone: 785-241-4016

CONTRACTOR: License# 6142
 Name: Town Oil Co.

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 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 #: _____

Spot NE
~~SE SW NW~~ SE Sec. 20 Twp. 15 S. R. 20
 East West
1485 feet from (S) / N (circle one) Line of Section
825 feet from (E) W (circle one) Line of Section
 Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
 County: Franklin
 Lease Name: Mark Leach Well #: 7
 Field Name: Rantoul

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Squirrel
 Nearest Lease or unit boundary: 165

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: 120
 Depth to bottom of usable water: 200

Surface Pipe by Alternate: 1 X 2
 Length of Surface Pipe Planned to be set: 25'
 Length of Conductor Pipe required: none
 Projected Total Depth: 750
 Formation at Total Depth: Squirrel

Water Source for Drilling Operations:
 Well _____ Farm Pond X 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. 55-101, 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. **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: 10-11-06 Signature of Operator or Agent: Trint Bullock Title: Owner

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For KCC Use ONLY
 API # 15 - 059-25181-0000
 Conductor pipe required None feet
 Minimum surface pipe required 20 feet per Alt. X2
 Approved by: Pat 10-24-06
 This authorization expires: 4-24-07
 (This authorization void if drilling not started within 6 months of effective 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.

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

20-15-20E

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: BG-5 Inc.		License Number: 31473
Operator Address: 3939 Ellis Road, Rantoul, KS 66079		
Contact Person: Jimmie Patton		Phone Number: (785) 241 - 4016
Lease Name & Well No.: Mark Leach		Pit Location (QQQQ): <i>SE SW NE</i> <i>SW NW se</i>
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: _____ (bbls)	Sec. <u>20</u> Twp. <u>15</u> R. <u>20</u> <input checked="" type="checkbox"/> East <input type="checkbox"/> West <u>1485</u> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <u>825</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Franklin County
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?
Pit dimensions (all but working pits): <u>8</u> Length (feet) <u>12</u> Width (feet) <u>N/A</u> Steel Pits Depth from ground level to deepest point: <u>5</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 _____ feet Depth of water well _____ feet	Depth to shallowest fresh water _____ feet. Source of information: _____ _____ measured _____ well owner _____ electric log _____ KDWR	<i>N/A</i>
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: <u>Freshwater</u> Number of working pits to be utilized: <u>2</u> Abandonment procedure: <u>Pits filled as soon as well is completed</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.		
<u>10-20-06</u> Date		<i>Troy Burchell</i> Signature of Applicant or Agent

KCC OFFICE USE ONLY			
Date Received: <u>10/23/06</u>	Permit Number: _____	Permit Date: <u>10/23/06</u>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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