For KCC	Use:	1/18-06	
Effective	Date:	171000	
District #			
SGA?	Yes	☐ No	

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

December 2002 Form must be Typed Form must be Signed

Must be approved by KCC five ((5) days prior to commencing well
Expected Stud Date DECEMBER 6, 2006	
Expected Spud Date	Spot East SE SE 0 3 7 27 0.7.18 (/
	Sec Sec S. H V West
OPERATOR: License# 5003'	660 Teet noting in 7 V S Line of Section
Name: McCOY PETROLEUM CORPORATION Address: 8080 E. CENTRAL, SUITE 300	teet from VE / W Line of Section
WICHITA KS 67206	Is SECTION ✓ RegularIrregular?
Oity/State/Zip.	(Note: Locate well on the Section Plat on reverse side)
Contact Person: SCOTT HAMPEL Phone: (316) 636-2737	County: KIOWA Lease Name: BELCHER 'A' Wall #, 1-3
Phone: Vision State Stat	Lease Name. — Well #:
CONTRACTOR: License# 5142'	rieu ivanie.
Name: STERLING DRILLING COMPANY	Is this a Prorated / Spaced Field? Yes V No MISSISSIPPIAN
	Target Formation(s): MISSISSIPPIAN Negret Losso or with boundary 660'
Well Drilled For: Well Class: Type Equipment:	Nediest Lease of unit boundary.
Oil Enh Rec Infield Mud Rotary	Ground Surface Elevation: 2168 feet MSL Water well within one-quarter mile: Yes
✓ Gas Storage ✓ Pool Ext. Air Rotary	
OWWO Disposal Wildcat Cable	Public water supply well within one mile: Yes No
Seismic;# of Holes Other	Depth to bottom of usable water:
Other	Surface Pipe by Alternate:
16 OMBAO, and well information on follows	Length of Surface Pipe Planned to be set: 300+
If OWWO: old well information as follows:	Length of Conductor Pipe required: NONE
Operator:	Projected Total Depth:4800'
Well Name:Original Total Depth:	Formation at Total Depth: MISSISSIPPIAN
Original Completion DateOriginal total Deptil	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore? Yes ✓ No	✓ Well Farm Pond Other
If Yes, true vertical depth:	DWR Permit #;
Bottom Hole Location:	(Note: Apply for Permit with DWR
KCC DKT #:	Will Cores be taken?
	If Yes, proposed zone:
	DAVIT
The undersigned hereby affirms that the drilling, completion and eventual plu	gging of this well will comply with K.S.A. 55 et. seq.
It is agreed that the following minimum requirements will be met:	
 Notify the appropriate district office <i>prior</i> to spudding of well; A copy of the approved notice of intent to drill <i>shall be</i> posted on each The minimum amount of surface pipe as specified below <i>shall be set</i> through all unconsolidated materials plus a minimum of 20 feet into the 	by circulating cement to the top; in all cases surface pipe shall be set
	strict office on plug length and placement is necessary prior to plugging; ged or production casing is cemented in;
Or pursuant to Appendix "B" - Eastern Kansas surface casing order #	133,891-C, which applies to the KCC District 3 area, alternate II cementing
	e 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	my knowledge and belief.
Date: 11/06/2006 Signature of Operator or Agent:	Title: VICE PRESIDENT - PRODUCTION
Date: Signature of Operator or Agent:	Time: Tree:
	Remember to:
For KCC Use ONLY	- File Drill Pit Application (form CDP-1) with Intent to Drill;
API # 15 - 097-2/603-000	- File Completion Form ACO-1 within 120 days of spud date; - File acreage attribution plat according to field proration orders:
Conductor pipe required None feet	 File acreage attribution plat according to field proration orders; Notify appropriate district office 48 hours prior to workover or re-entry;
Minimum surface pipe required 280 feet per Alt. (1) X	- Submit plugging report (CP-4) after plugging is completed;
Approved by: Put 11-13-06	Obtain written approval before disposing or injecting salt water
	- If this permit has expired (See: authorized expiration date) please
This authorization expires: 5-13-07 (This authorization void if drilling not started within 6 months of approval date.)	check the box below and return to the address below.
Time admoneauon void it diming not stated within a months of approval date.)	Well Not Drilled - Permit Expired
Spud date: Agent:	Signature of Operator or Agent:
_	Date: RECEIVED &
Mail to: KCC - Conservation Division, 130 S.	Market - Room 2078, Wichita, Kansas 67202
	NOV 0 7 2006

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.

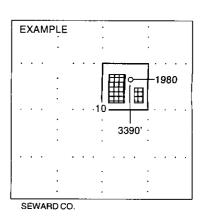
API No. 15 - 097-2/603-0000	Location of Well: County: KIOWA
Operator: McCOY PETROLEUM CORPORATION	
Lease: BELCHER 'A'	
Well Number: 1-3 Field: GREENSBURG	Sec. 3 Twp. 27 S. R. 18 East ✓ West
Number of Acres attributable to well:	Is Section: ✓ Regular or ☐ Irregular
QTR / QTR / QTR of acreage: SE SE	If 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 locaton.

KIOWA CO.

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.

RECEIVED

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).

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: McCOY PETROLE	UM CORPORA	License Number: 5003								
Operator Address: 8080 E. CENTRAL, SUITE 300 WICHITA, KS 67206										
Contact Person: SCOTT HAMPEL		Phone Number: (316) 636 - 2737								
Lease Name & Well No.: BELCHER '	A' # 1-3	Pit Location (QQQQ):								
Type of Pit:	Pit is:		_ SE _ SE _ SE _							
Emergency Pit Burn Pit	✓ Proposed	Existing	Sec. 3 Twp. 27 R. 18 East							
Settling Pit	If Existing, date co		660 Feet from North / 🗸 South Line of Section							
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:		660 Feet from 🗸 East / 📋 West Line of Section							
	3,600	(bbls)	KIOWA County							
Is the pit located in a Sensitive Ground Water	Area? ✓ Yes] No	Chloride concentration: mg/l							
is the bottom below ground level?	Artificial Liner?		(For Emergency Pits and Settling Pits only) How is the pit lined if a plastic liner is not used?							
Yes No	Yes ✓ I	No	BENTONITE/DRILLING MUD							
Pit dimensions (all but working pits):8	0Length (fe	et)80	Width (feet) N/A: Steel Pits							
Depth fro	om ground level to de	epest point:	4 (feet)							
material, thickness and installation procedure		liner integrity, ir	ncluding any special monitoring.							
Distance to nearest water well within one-mile		Source of infor	west fresh water <u>24</u> feet. mation: ドル K 6.5 redwell owner electric logKDWR							
Emergency, Settling and Burn Pits ONLY:			over and Haul-Off Pits ONLY:							
Producing Formation:		Type of material utilized in drilling/workover: BENTONITE/DRILLING MUD								
Number of producing wells on lease:		Number of working pits to be utilized:3								
Barrels of fluid produced daily:		Abandonment procedure: EVAPORATION/CLOSE/RETURN SURFACE								
Does the slope from the tank battery allow all flow into the pit? Yes No	spilled fluids to	TO ORIGINAL CONDITION Drill pits must be closed within 365 days of spud date.								
I hereby certify that the above state	ments are true and c	orrect to the best	of my moviledge and belief.							
11/062006 Date		Si	gnature of Applicant or Agent							
-	ксс с	OFFICE USE ON	ILY Line w/ clay							
Date Received: 11 7 0 C Permit Number	ber:	Permi	t Date: (1 13 oc Lease Inspection							



CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR
BRIAN J. MOLINE, CHAIR
ROBERT E. KREHBIEL, COMMISSIONER
MICHAEL C. MOFFET, COMMISSIONER

November 13, 2006

Mr. Scott Hampel McCoy Petroleum Corporation 8080 E. Central Ste 300 Wichita, KS 67206

RE: Drilling Pit Application

Belcher A Lease Well No. 1-3 SE/4 Sec. 03-27S-18W Kiowa County, Kansas

Dear Mr. Hampel:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, the bottom shall be flat and reasonably level, and <u>compact the sides and bottom with clay</u>. 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. <u>NO</u> 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.

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.

Environmental Protection and Remediation Department

cc: S Durrant