For KCC Use: Effective Date: District #_ SGA? Yes X No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

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

OPERATOR: Learnes 4485 Name, Varide Oil Company Varide Oil V		ve (5) days prior to commencing well
DEPERTOR: Licenaree 4485 1850 1	Expected Spud Date	Spot NE-SW-NW
Name: Verde Contact Page 1702 NE Logo 410 Set 555 Name: Med 1702 NE Logo 410 Set 555 Contact Person: Jeffrey L Date Name: Becker I Leass Name: Becker I Leas Name: Buthbold/Chanute Is the Approxed / Spaced Feld? Target Formation(s): Bartlewille/Tucker Name: Becker I Lease Set Jeffrey Target Formation(s): Bartlewille/Tucker Name: Becker I Lease Set Jeffrey Target Formation(s): Bartlewille/Tucker Name: Becker I Lease Name: Becker I Lease Name: Bertlewille/Tucker Name: Becker I Lease Name: Bertlewille/Tucker Name: Set Set Jeffrey Name: Set Set Jeffrey Name: Set Jeffrey	month day year	NW SW - NE C Sec. 29 Twp. 26 S. R. 20 We
Name: Verde Oil Company Address 1020 Name: Loop 410 Suite 555 City/State 2pr, San Antonio, TX 78209 Contact Person. Herey L. Dale Phone: (620)-754-3800 CONTRACTOR: Licenses 5675 Name: Me/Pherson Drilling Well Drilling Well Drilling Well Drilling Gas Storage Pool Ed: Wal Rotary Gow Disposal Wideat Goste Wideat Gow Disposal How Objects of the Storage Pool Ed: Wideat Goste Sessinic: a of Holes Other Other Other Other Ordinal Completion Date Ordinal	OPERATOR: License# 4485	leet from
Contract Penson. editory. Loaly Contract Penson. editory. Editory Phone: (620)-754-3800 Contract Penson. Phone: (620)-754-3800 Well Dailed For: Well Class: Type Equipment: Load Relevation Load	Name: Verde Oil Company	teet from E / V Line of Section
County, Allen Person: Jeffrey L. Dale CONTRACTOR: Licenses 5975 Name: MCPiterson Drilling Well Class: Type Equipment: OI	Address: 1020 NE Loop 410 Suite 555	is SECTION Regular Irregular?
Contractors: Licenses 5675 Name: McCherson Drilling Well Drilled For: Well Class: Type Equipment: Well Drilled For: Well Class: Type Equipment: Gas Storage Pool Ext. Walk Potaty Walk P	City/State/Zip: San Antonio, TX 78209	(Note: Locate well on the Section Plat on reverse side)
Lease Name: Becker Well First Section Well Class: Type Equipment: Type Equipmen	Contact Person: Jeffrey L. Dale	County: Allen
Field Name. **Umboldt/Chanuto** Name : Mortherson Drilling Well Drilled For:	Phone: (620)-754-3800	Lease Name: Becker Well # W-2
Name: McPherson Drilling Well Crises: Well Class: Type Equipment: Name: McPherson Drilling Well Crises: Type Equipment: Name: Mc Phole Ed. Mud Rotary Nearest Lease or unit boundary: 5	CONTRACTOR: 13 5675	Field Name: Humboldt/Chanute
Target Formation(s): Settleswill clock Storage Pool Ext. Mult Rotary Air Rotary Ai	Nome: McPherson Drilling	Is this a Prorated / Spaced Field?
Ground Surface Elevation: B80 est. Ground Surface Place Within one mile: Ground Surface Place	Name:	Target Formation(s): Bartlesville/Tucker
Ground Surface Elevation. 980 est. foet MS Ground Surface Elevation. 980 est. foet MS Gas Storrage Pool Ext. Air Rotary Pool Ext. Air Rotary Pool Ext. Air Rotary Pool Ext. Wilcoat Wilcoa	Well Drilled For: / Well Class: Type Equipment:	Nearest Lease or unit boundary: 5' (F/L)
Water well within one-quarter mile:		Ground Surface Elevation: 980' est. feet MS
Disposal Willdcart Cable Public water supply well within one nillot Cable Seismic; # of Holes Other Cable Depth to bottom of tresh water: 175 Depth to bottom of usable water: 175 Depth to bottom of usable water: 175 Depth to bottom of usable water: 175 Surface Pipe by Alternate: 1 2 2 Length of Surface Pipe Pipe Indiend to be set: 20 Length of Conductor Pipe required: None Depth 900		Water well within one-quarter mile:
Seismic; s of Holes		Public water supply well within one mile:
Surface Pipe by Alternate: 1 2 2 2 2 2 2 2 2 2		
## Length of Surface Pipe Planned to be set: 20	Other	Depth to bottom of usable water: 175'
Operator: Well Name: Original Completion Date: Original Total Depth:: Directional, Deviated or Horizontal wellbore? Water Source for Drilling Operations: Well Farm Pond Other Air Drilled DVFI Permit #: Well Farm Pond Other Air Drilled DVFI Permit #: Well Cores be taken? Well C		
Well Name: Original Completion Date: Original Total Depth: Directional, Deviated or Horizontal wellbore? Yes Vos Water Source for Drilling Operations: Water Source for Premit ## Drilling Operation Operation Operation of Drilling Operation Operation of Drilling Operation Operation of Drilling Operation Operation Operation of Drilling Operation O		
Original Completion Date:Original Total Depth:Formation at Total Depth:Bartlesville/Tucker Directional, Deviated or Horizontal wellbore?YesNo		
Water Source for Drilling Operations: Water Source for Drilling Operations: Water		Projected Total Depth: 900
Well Farm Pond Other_Air Drilled	Original Completion Date:Original Total Depth:	
If Yes, true vertical depth: Bottom Hole Location:	Directional, Deviated or Horizontal wellbore?	Water Source for Drilling Operations:
Will Cores be taken?		
Will Cores be taken? 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.KARSASCORPORATION COMMISSION Is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office prior to spudding of welt; 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 CONSERVATION COMMISSION 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 comented 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. It hereby certify that the statements made herein are true and to the best of my knowledge and belief. Date: December 5, 2006 Signature of Operator or Agent: For KCC Use ONLY Approved by: **Let 12-13-04** Approved by: **Let 12-13-04** This authorization expires: **Let 12-13-05** This authorization expires: **Let 12-13-05** This authorization void if drilling not started within 6 months of approval date.) Spud date: Agent: Agent: Spud date: Agent: Agent: Date: Date: Date: Date: Agent: Date: D		
AFFIDAVIT The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. CORPORATION COMMISSION 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 GONSERVANION ENTRY WICHIA, KS 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. Thereby certify that the statements made herein are true and to the best of my knowledge and belief. For KCC Use ONLY API # 15		
The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. CORPORATION COMMISSION 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 appropriate district office prior to spudding of well; 3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases CONSERVARION COMMISSION In the minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases CONSERVARION COMMISSION In the minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases CONSERVARION COMMISSION In the minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases CONSERVARION COMMISSION In the minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases CONSERVARION COMMISSION		
The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. SCORPORATION COMMISSION to speed that the following minimum requirements will be met: 1. Notify the appropriate district office prior to spudding of well; 2. A copy of the appropriate district office prior to spudding of well; 3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases GONSERVANCHONISSION (MICHITA, KS) 3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases GONSERVANCHONISSION (MICHITA, KS) 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. It hereby certify that the statements made herein are true and to the best of my knowledge and belief. Date: December 5, 2006 Signature of Operator or Agent: For KCC Use ONLY Approved by: Let 12-13-00 If the prior to 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: Well Not Drilled - Permit Expired		ii res, proposed zone:
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 GONSERMANDORNAL WICHTA, KS 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 emented from below any usable water to surface within 120 days of spud date. Or pursuant to Appendix "8" - 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. It hereby certify that the statements made herein are true and to the best of my knowledge and belief. Date: December 5, 2006 Signature of Operator or Agent: Minimum surface pipe required NONL feet Minimum surface pipe required NONL feet Minimum surface pipe required NONL feet This authorization expires: U-13-05 This authorization void if drilling not started within 6 months of approval date.) Spud date: Agent: Signature of Operator or A	AFF	IDAVIT PECEIVED
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 GONSERMANDORNAL WICHTA, KS 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 emented from below any usable water to surface within 120 days of spud date. Or pursuant to Appendix "8" - 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. It hereby certify that the statements made herein are true and to the best of my knowledge and belief. Date: December 5, 2006 Signature of Operator or Agent: Minimum surface pipe required NONL feet Minimum surface pipe required NONL feet Minimum surface pipe required NONL feet This authorization expires: U-13-05 This authorization void if drilling not started within 6 months of approval date.) Spud date: Agent: Signature of Operator or A	The undersigned hereby affirms that the drilling, completion and eventual p	ilugging of this well will comply with K.S.A.KANSAS CORPORATION COMMISSIO
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 GONSERVARION TOWNS of the minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases GONSERVARION TOWNS of the specified below shall be set by circulating cement to the top; in all cases GONSERVARION TOWNS of the specified below shall be set by circulating cement to the top; in all cases GONSERVARION TOWNS of the specified below shall be cemented from below any usable mater to surface within 120 days of spud date. 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. 6. 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. 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. 7. In all cases, NOTIFY district office prior to any cementing. 8. In all cases, NOTIFY district office prior to any cementing. 8. In all cases, NOTIFY district office prior to any cementing. 9. In all cases, NOTIFY district office prior to any cementing. 9. In all cases, NOTIFY district office prior to any cementing. 9. In all cases, NOTIFY district office prior to any cementing. 9. In all cases, NOTIFY district office prior to any cementing. 1. In all cases, NOTIFY district office prior to any cementing. 1. In all cases, NOTIFY district office prior to any cementing. 1. In all cases, NOTIFY district office prior to any cementing. 1. In all cases, NOTIFY district of	The state of the s	_
3. The minimum amount of surface pipe as specified below shell be set by circulating cement to the top; in all cases GONSETWINDOPTIVATION 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 pluggling; 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. It hereby certify that the statements made herein are true and to the best of my knowledge and belief. Date: December 5, 2006 Signature of Operator or Agent: For KCC Use ONLY API # 15	 Notify the appropriate district office prior to spudding of well; 	DEC 1 3 2006
A. 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. It hereby certify that the statements made herein are true and to the best of my knowledge and belief. Date: December 5, 2006 Signature of Operator or Agent: For KCC Use ONLY API # 15 - COI - 29558-DDDD Conductor pipe required NONL feet Minimum surface pipe required 100NL feet Minimum surface pipe required 120 feet per Alt. (2) Approved by: Lett 12-13-0b feet This authorization expires: 6-13-07 (This authorization void it drilling not started within 6 months of approval date.) Spud date: Agent: Signature of Operator or Agent: Date: Date: Date: December 5, 2006 Signature of Operator or Agent: Date: D	2. A copy of the approved notice of intent to drill shall be posted on ea	ch drilling rig;
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. It hereby certify that the statements made herein are true and to the best of my knowledge and belief. Date: December 5, 2006 Signature of Operator or Agent: For KCC Use ONLY API # 15 - ON - 29558-DDDD Conductor pipe required NONL feet per Alt. Approved by: **LUM 12-13-09** feet per Alt.** Approved by: **LUM 12-13-09** feet per Alt.** Approved by: **LUM 12-13-09** feet per Alt.** This authorization expires: **U.3-07** feet per Alt.** (This authorization expires: **U.3-07** feet per Alt.** Agent: Agent: ** Spud date: Agent: ** Agent: **Date: Signature of Operator of Agent: Date: ** Well Not Drilled - Permit Expired Signature of Operator or Agent: Date: ** Date: **Date: ** Date: ** Well Not Drilled - Permit Expired Signature of Operator or Agent: Date: ** Date: ** Date: ** Agent: ** Agen	through all unconsolidated materials plus a minimum of 20 feet into the	The underlying formation
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. If hereby certify that the statements made herein are true and to the best of my knowledge and belief. Date: December 5, 2006 Signature of Operator or Agent:	 If the well is dry hole, an agreement between the operator and the operator. 	district office on plug length and placement is necessary prior to plugglag.
If an ALTEHNATE 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. It hereby certify that the statements made herein are true and to the best of my knowledge and belief. Date: December 5, 2006	 The appropriate district office will be notified before well is either pluj 	aged or production casing is cemented in:
In the completed within 30 days of the spud date or the well shall be plugged. In all cases, NOTIFY district office prior to any cementing. If hereby certify that the statements made herein are true and to the best of my knowledge and belief. Date: December 5, 2006 Signature of Operator or Agent: For KCC Use ONLY API # 15	 If an ALTERNATE II COMPLETION, production pipe shall be cemen 	ted from below any usable water to surface within 120 days of soud data
Pate: December 5, 2006 Signature of Operator or Agent: Signature of	must be completed within 30 days of the sould date or the well about	#133,891-C, which applies to the KCC District 3 area, alternate II cementing
Poate: December 5, 2006 Signature of Operator or Agent: For KCC Use ONLY API # 15 - COI - 29558-DDD Conductor pipe required None feet		
For KCC Use ONLY API # 15	A second and the statements made herein are tide and to the best of	Thy knowledge and belief.
For KCC Use ONLY API # 15	Date: December 5, 2006 Signature of Operator or Agent:	my L Dale by Title Geologist
File Drill Pit Application (form CDP-1) with Intent to Drill; API # 15		7
API # 15	For KCC ties ONLY	
Conductor pipe required None feet Minimum surface pipe required feet per Alt. (2) Approved by: **Last 12-13-06** This authorization expires: 6-13-07 (This authorization void if drilling not started within 6 months of approval date.) Spud date: Agent: Signature of Operator or Agent: Date: Date: Start 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:	· - · · - ·	File Completion Form 400 4 within 400 4
Minimum surface pipe required 60 feet per Alt. 12 - 13-06 Approved by: 12-13-06 This authorization expires: 6-13-07 (This authorization void if drilling not started within 6 months of approval date.) Spud date: Agent: 5 Agent: 5 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: 5 Date: 5		File acreage attribution plat according to field providing auto-
Approved by: Last 12-13-06 This authorization expires: 6-13-07 (This authorization void if drilling not started within 6 months of approval date.) Spud date: Agent: 5-13-07 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: 5-13-07 Date: 5-13-06	1001	Notify appropriate district office 48 hours prior to workover or re-enters.
Approved by: Latt 12-13-06 This authorization expires: 6-13-07 (This authorization void if drilling not started within 6 months of approval date.) Spud date: Agent: 5-13-07 Spud date: Agent: 5-13-07 Spud date: 6-13-07 Spud date: 6-13-07 Signature of Operator or Agent: 5-13-07 Signature of Operator or Agent: 5-13-07	Minimum surface pipe required 20 feet per Alt.	- Submit plugging report (CP-4) after plugging is completed:
This authorization expires: 6-13-07 (This authorization void if drilling not started within 6 months of approval date.) Spud date: Agent: Signature of Operator or Agent: Date: Signature of Operator or Agent: Date: Signature of Operator or Agent: Date: Signature of Operator or Agent:	, , , , , , , , , , , , , , , , , , ,	Obtain written approval before discouring
Check the box below and return to the address below. Spud date: Agent: Date: Date:		- Obtain written approval before disposing or injecting saft water.
Spud date: Agent: Signature of Operator or Agent: Date: Date:	This authorization expires: 6-13-07	10.
Spud date: Signature of Operator or Agent: Signature or Signature or Signature or		- If this permit has expired (See: authorized expiration date) please
		- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.
Mail an MOO Comment Philips and Comment	(This authorization void if drilling not started within 6 months of approval date.)	- 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

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 - DOI - 39 55 8 DODO Operator: Verde Oil Company Lease: Becker Well Number: W-2 Field: Humboldt/Chanute	Location of Well: County: Allen 1650
Number of Acres attributable to well: QTR / QTR / QTR of acreage: NW . SW . NE - C.	is Section: Regular or Irregular If Section is Irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW
PLA	NT

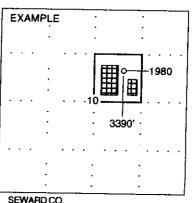
PLAT
(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)

:						•
650	, , ,				· · · ·	
	•	· , ,		• • • • • • • • • • • • • • • • • • • •	· · · ·	·
9.90	•				.,,.	• • • • • • •
· ·		· ·	<u></u>		•	
: ··· ···	· · · ·			•		
				· ,		
:	· · · · · · · · · · · · · · · · · · ·		:	•		
• • • • • •			· · ·		•	

RECEIVED KANSAS CORPORATION COMMISSION

DEC 1 3 2006

CONSERVATION DIVISION WICHITA, KS



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: (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: Verde Oil Comp	any		License Number: 4485			
Operator Address: 1020 NE Loo	p 410, Su	ite 555, Sa				
Contact Person: Jeffrey L. Dale			Phone Number: (620) 754 - 3800			
Lease Name & Well No.: Becker W-	2		Pit Location (QQQQ):			
Type of Pit:	Pit is:		NW SW NE C			
Emergency Pit Burn Pit	✓ Proposed	Existing	Sec. 29 Twp. 26 R. 20 Fast West			
Settling Pit Prilling Pit	If Existing, date	constructed:	1650 Feet from North / South Line of Section			
Workover Pit Haul-Off Pit	Pit capacity:	<u></u>	990 Feet from East / West Line of Section			
(If WP Supply API No. or Year Drilled)	- R capacity.	(bbis)	Allen			
Is the pit located in a Sensitive Ground Water	Area? Yes		Chlorida consecutation			
			Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)			
is the bottom below ground level?	Artificial Liner?		How is the pit lined if a plastic liner is not used?			
✓ Yes No	Yes 🗸] No	Clay/Silt lined			
Pit dimensions (all but working pits): 40) Length (feet) 6	Width (feet) N/A: Steel Pits			
Depth fro	m ground level to o		(feet)			
If the pit is lined give a brief description of the li material, thickness and installation procedure.	ner	liner integrity, in	dures for periodic maintenance and determining cluding any special monitoring. RECEIVED KANSAS CORPORATION COMMISS.			
			DEC 1 3 2006			
Distance to persent water will the	<u> </u>		CONSERVATION DIVISION			
Source		Depth to shallow Source of inform	epth to shallowest fresh waterfeet. WICHITA, KS ource of information:			
NA feet Depth of water well	feet	measure	edwell owner electric logKDWR			
1		Drilling, Workov	Orilling, Workover and Haul-Off Pits ONLY:			
Montanatanatan		Type of material utilized in drilling/workover: Fresh water				
B. I. ABANA			umber of working pits to be utilized: One			
Does the slope from the tank battery allow all spilled fluids to		ocedure: Allow to evaporate & backfill				
Sourcinto the -140 The State of			ng pits to be utilized: One rocedure: Allow to evaporate & backfill closed within 365 days of spud date.			
I hereby certify that the above stateme	ints are true and c	orrect to the best o	f my knowledge and belief.			
December 5, 2006 Date		Jeffing	L. Duli by D. Ballin L. Hature of Applicant or Agent			
KCC OFFICE USE ONLY						
Date Received: 12/13/05 Permit Number:			ate: (2/13/CL) Lease Inspection: Yes (No			

KANSAS

CORPORATION COMMISSION

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

NOTICE TO OPERATORS FILING INTENT TO DRILL FOR DISPOSAL OR ENHANCED RECOVERY INJECTION WELLS, (CLASS II INJECTION WELL)

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved "Intent to Drill" does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in **K.A.R. 82-3-400 et seq** of our regulations. Associated regulations governing drilling, completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sandstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a "Design Approval" before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.