

Original API # 031-22256-0000 Please Amend this permit

For KCC Use: Effective Date: 10-3-06 District # 3 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 CORRECTED 12-21-06

NOTICE OF INTENT TO DRILL

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

Expected Spud Date December 31, 2006 month day year

OPERATOR: License# 33453 Name: Stephen C. Jones Address: 12 N. Armstrong City/State/Zip: Bixby, Ok, 74008 Contact Person: Steve Jones Phone: 918-366-3710

CONTRACTOR: License# 32548 Name: Kan Drill Inc.

Well Drilled For: Well Class: Type Equipment: Oil Gas OWWO Seismic; # of Holes Other Enh Rec Storage Disposal Other Infield Pool Ext Wildcat Other Mud Rotary Air Rotary Cable

If OWWO: old well information as follows: Operator: Well Name: Original Completion Date: Original Total Depth: Directional, Deviated or Horizontal wellbore? If Yes, true vertical depth: Bottom Hole Location: KCC DKT #:

*WAS: SE-SE-NW 230'FWL 2310'FWL NLU B 2310' IS: SW-SE-NW 2250'FWL 1650'FWL NLU B 1650'

Spot sw-se-nw Sec 28 Twp. 22 S. R. 14 2250 feet from N/S Line of Section 1650 feet from E/W Line of Section Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side) County: Coffey Lease Name: J. Birk Well #4A Field Name: Wildcat Is this a Prorated / Spaced Field? Target Formation(s): Nearest Lease or unit boundary: 1650 Ground Surface Elevation: 1140' Water well within one-quarter mile: Public water supply well within one mile: Depth to bottom of fresh water: 100 Depth to bottom of usable water: 200 Surface Pipe by Alternate: Length of Surface Pipe Planned to be set: 40' Length of Conductor Pipe required: none Projected Total Depth: 2400 Formation at Total Depth: Simpson Water Source for Drilling Operations: DWR Permit #:

(Note: Apply for Permit with DWR) Will Cores be taken? If Yes, proposed zone: Simpson

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 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: 12-15-06 Signature of Operator or Agent: Steve Title: President

For KCC Use ONLY API # 15 - 031-22256-0000 Conductor pipe required None feet Minimum surface pipe required 40 feet per Alt. X(2) Approved by: RWH 9-28-06 / PWH 12-21-06 This authorization expires: 3-28-07 (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 RECEIVED DEC 20 2006

KCC WICHITA

28 22 14E

CORRECTED

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 - 031-22256-0000
 Operator: Stephen C. Jones
 Lease: J Birk #4A
 Well Number: 1A
 Field: Wildcat
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: SW - SE - NW

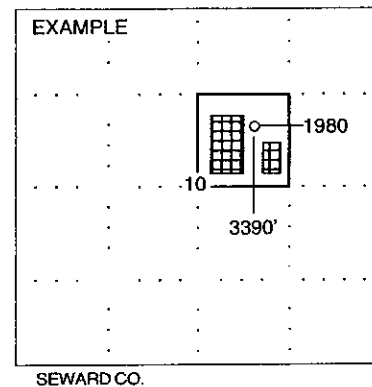
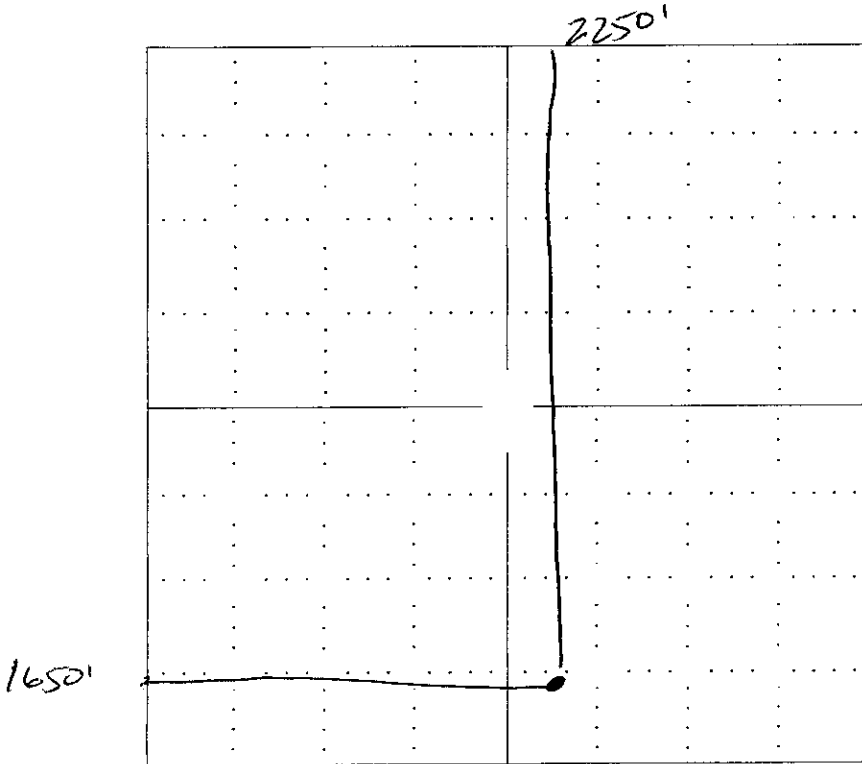
Location of Well: County: _____
 * 2250 feet from N / S Line of Section
 * 1650 feet from E / W Line of Section
 Sec. 28 Twp. 22s S. R. 14 East West

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.)*



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

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).

RECEIVED
 DEC 20 2006
 KCC WICHITA

✓
 Please Amend
 from API # 031-22256-0000
 Submit in Duplicate

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT

Form GDP-1
 April 2004
 Form must be Typed

CORRECTED

Operator Name: <u>Stephen C. Jones</u>		License Number: <u>33453</u>
Operator Address: <u>12 N. Armstrong Bixby, Ok. 74008</u>		
Contact Person: <u>Steve Jones</u>		Phone Number: (<u>918</u>) <u>366</u> - <u>3710</u>
Lease Name & Well No.: <u>j Birk #4A</u>		Pit Location (QQQQ): <input checked="" type="checkbox"/> SW - <input checked="" type="checkbox"/> SE - <input type="checkbox"/> NW - <input type="checkbox"/> NE Sec. <u>28</u> Twp. <u>22</u> s R. <u>14</u> <input checked="" type="checkbox"/> East <input type="checkbox"/> West <input checked="" type="checkbox"/> <u>2250</u> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <input checked="" type="checkbox"/> <u>1650</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <u>Coffey</u> 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: <u>1000</u> (bbls)	
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? <u>Natural Mud</u>
Pit dimensions (all but working pits): <u>40</u> Length (feet) <u>100</u> Width (feet) _____ N/A: Steel Pits Depth from ground level to deepest point: <u>4</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 <u>2330</u> feet Depth of water well <u>11</u> feet		Depth to shallowest fresh water <u>100</u> ³ feet. <u>Monitor</u> Source of information: <u>JR KGS</u> _____ measured _____ well owner _____ electric log _____ KDWR
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>Drilling Mud</u> Number of working pits to be utilized: <u>4</u> Abandonment procedure: <u>Infill pits and return to natural state.</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>12-15-06</u> Date		<u>Steve Jones</u> Signature of Applicant or Agent

15-031-22256-0000

KCC OFFICE USE ONLY

Date Received: 12/20/06 Permit Number: _____ Permit Date: 12/20/06 Lease Inspection: Yes No

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

RECEIVED
 DEC 20 2006
 KCC WICHITA