For KCC Use:	1-16-07
Effective Date:	7-10-07
District #	3
SGA? Yes	s 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

NOTICE OF INTENT TO DRILL

Must be approved by KCC five	(5) days prior to commencing well		
Expected Spud Date January 24, 2007 month day year OPERATOR: License# 33739	Spot NE SE Sec. 16 Twp. 30 S. R. 16 West 2280		
Name: SEK Energy, LLC	Is SECTION ✓ RegularIrregular?		
Address: P.O. Box 55 City/State/Zip: Benedict, KS 66714			
City/State/Zip:	(Note: Locate well on the Section Plat on reverse side) County: Wilson		
Phone: (620) 698-2150	Lease Name: Marler, RichardWell #:1-16		
,	Field Name: Cherokee Basin CBM		
CONTRACTOR: License# Will be licensed by KCC Name: Will Advise on ACO-1	Is this a Prorated / Spaced Field? Target Formation(s): Mississippi		
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary: 360		
Oil Enh Rec Infield Mud Rotary	Ground Surface Elevation: 840feet MSL		
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile:Yes ✓ No		
OWWO Disposal Wildcat Cable	Public water supply well within one mile:		
Seismic:# of Holes Other	Depth to bottom of fresh water: 100		
Other	Depth to bottom of usable water:		
	Surface Pipe by Alternate: 1 2		
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set: 25		
Operator:	Length of Conductor Pipe required: None Projected Total Depth: 1150'		
Well Name:	Formation at Total Depth: Mississippi		
Original Completion Date:Original Total Depth:	Water Source for Drilling Operations:		
Directional, Deviated or Horizontal wellbore? Yes ✓ No	Well Farm Pond Other Air		
If Yes, true vertical depth:	DWR Permit #:		
Bottom Hole Location:	(Note: Apply for Permit with DWR		
KCC DKT #:	Will Cores be taken? Yes ✓ No		
	If Yes, proposed zone:		
455			
	IDAVIT		
The undersigned hereby affirms that the drilling, completion and eventual pl	agging of this well will comply with K.S.A. 55 et. seq.		
It is agreed that the following minimum requirements will be met:			
through all unconsolidated materials plus a minimum of 20 feet into the 4. If the well is dry hole, an agreement between the operator and the description of 5. The appropriate district office will be notified before well is either plug 6. If an ALTERNATE II COMPLETION, production pipe shall be cement Or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall I	It by circulating cement to the top; in all cases surface pipe shall be set the underlying formation. In this istrict office on plug length and placement is necessary prior to plugging ; upged or production casing is cemented in; and the defended of t		
I hereby certify that the statements made herein are true and to the best of	my knowledge and belief.		
Date: 1-10-07 Signature of Operator or Agent:			
	Remember to:		
For KCC Use ONLY API # 15 - 205-27086-0000	- File Drill Pit Application (form CDP-1) with Intent to Drill; - File Completion Form ACO-1 within 120 days of spud date;		
API # 15 - 2003 & 7000 000	- File acreage attribution plat according to field proration orders;		
Conductor pipe required None feet	- Notify appropriate district office 48 hours prior to workover or re-entry;		
Minimum surface pipe required 20 feet per Alt. X 2	- Submit plugging report (CP-4) after plugging is completed;		
Approved by: full 1-11-07	- Obtain written approval before disposing or injecting salt water. - If this permit has expired (See: authorized expiration date) please		
This authorization expires: 7-11-07			
(This authorization void if drilling not started within 6 months of approval date.)	check the box below and return to the address below.		
	Well Not Drilled - Permit Expire RECEIVED		
Spud date:Agent:	Signature of Operator or Alganisas Corporation Commission		
	Date: 14N_1 2007		

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

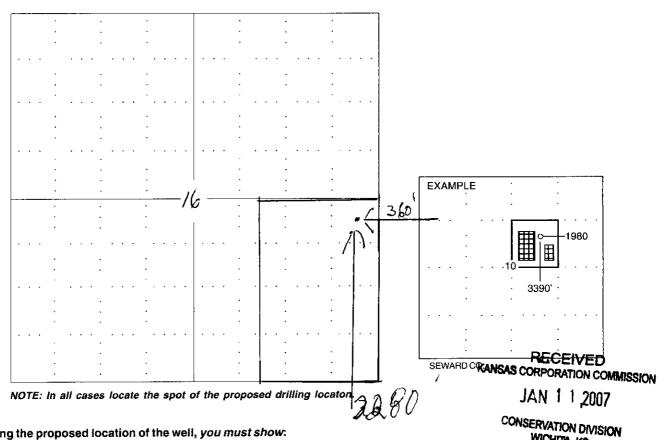
Plat of acreage attributable to a well in a prorated or spaced field

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 - 205-27086-0000	Location of Well: County: Wilson
Operator: SEK Energy, LLC	
Lease: Marler, Richard	2280 feet from N / ✓ S Line of Section 360 feet from ✓ E / W Line of Section
Well Number: 1-16	Sec. 16 Twp. 30 S. R. 16 Ves
Field: Cherokee Basin CBM	
Number of Acres attributable to well: 40	Is Section: Regular or Irregular
QTR / QTR / QTR of acreage: NE - NE - 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.)



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: SEK Energy, LLC			License Number: 33739		
Operator Address: P.O. Box 55 Benedict, KS 66714					
Contact Person: George Slaughter			Phone Number: (620) 698 - 2150		
Lease Name & Well No.: Marler, Richard 1-16			Pit Location (QQQQ):		
Type of Pit:	Pit is:		<u>NE . NE . SE</u>		
Emergency Pit Burn Pit	✓ Proposed	Existing	Sec. 16 Twp. 30 R. 16		
Settling Pit	If Existing, date constructed:		2280 Feet from North / South Line of Section		
Workover Pit Haul-Off Pit	kover Pit Haul-Off Pit Pit capacity: (bbls)		Feet from ✓ East / ☐ West Line of Section		
(If VVP Supply APT No. of feat Diffied)			Wilson County		
Is the pit located in a Sensitive Ground Water	Is the pit located in a Sensitive Ground Water Area?		Chloride concentration: mg/l		
Is the bottom below ground level?	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 V No				
Pit dimensions (all but working pits): 25 Length (feet) 12 Width (feet)					
Depth fr	om ground level to de	eepest point: 6	(feet)		
If the pit is lined give a brief description of the liner Describe procedures for periodic maintenance and determining					
material, thickness and installation procedure.		inter integrity, ii	ncluding any special monitoring.		
			`		
Distance to nearest water well within one-mile of pit Depth to s			west fresh water ? 40 feet.		
n/a 270 3 Teet Depth of water well n/a feet		Source of infor	mation: well owner electric log KDWR		
Emergency, Settling and Burn Pits ONLY:			over and Haul-Off Pits ONLY:		
Producing Formation:		Type of material utilized in drilling/workover:			
Number of producing wells on lease:		Number of working pits to be utilized: 1			
Barrels of fluid produced daily: A		Abandonment	procedure: Allow pit to air dry, then backfill with original dirt.		
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No		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.					
KANSAS CORPORATION COMMISSION					
1-10-07 Date		over E	ignature of Applicant or Agent		
Date Signature of Applicant or Agent WICHITA, KS					
KCC OFFICE USE ONLY					
Date Received: 1/11/07 Permit Num	ber:	Perm	it Date: ////c] Lease Inspection: Yes V No		