

** name change only **

For KCC Use: 10-305
Effective Date: _____
District #: 1
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form C-1

December 2002

Form must be Typed

Form must be Signed

Form must be Filled

NOTICE OF INTENT TO DRILL

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

CORRECTED

Expected Spud Date October 20, 2005
month day year

Spot NW - NW - SE Sec. 13 Twp. 33S S. R. 11 East West

OPERATOR: License# 33235
Name: Chieftain Oil Co., Inc.
Address: PO Box 124
City/State/Zip: Kiowa, KS 67070
Contact Person: Ron Molz
Phone: 620-825-4338

2310 feet from N / S Line of Section
2310 feet from E / W Line of Section

Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

CONTRACTOR: License# 5822
Name: Val Energy Inc.

County: Barber
Lease Name: Newton Well #: 1
Field Name: _____

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Arbuckle

Nearest Lease or unit boundary: _____
Ground Surface Elevation: 1534 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: 140

Depth to bottom of usable water: 180

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 263 feet

Length of Conductor Pipe required: NONE

Projected Total Depth: 6000

Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:
 Well Farm Pond Other _____

DWR Permit #: _____
(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone: _____

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
<input checked="" type="checkbox"/> OWWO	<input checked="" type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic; # of Holes _____	<input type="checkbox"/> Other _____	<input checked="" type="checkbox"/> Mud Rotary
		<input type="checkbox"/> Air Rotary
		<input type="checkbox"/> Cable

If OWWO: old well information as follows:
Operator: Petroleum, Inc.
Well Name: #1 Circle "B"
Original Completion Date: 10-3-58 Original Total Depth: 4662

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

** WAS: Well #: SWD 1
IS: Well # 1*

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: 3-28-07 Signature of Operator or Agent: [Signature] Title: Vice Pres

For KCC Use ONLY

API # 15 - 007-01623-00-01

Conductor pipe required None feet

Minimum surface pipe required 263 feet per Alt. 1

Approved by: RJP 9-28-05 / RCH 3-30-07

This authorization expires: 3-28-06
(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 67202

13
33
11W
RECEIVED
MAR 30 2007

KCC WICHITA

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

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

CORRECTED

Operator Name: Chieftain Oil Co., Inc.		License Number: 33235	
Operator Address: PO Box 124, Kiowa, KS 67070			
Contact Person: Ron Molz		Phone Number: (620) 825 - 4338	
* Lease Name & Well No.: Newton #1		Pit Location (QQQQ): SE/4	
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: _____ (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?		Barber County	
Pit dimensions (all but working pits): <u>75</u> Length (feet) <u>75</u> Width (feet) <u>N/A</u> 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>3000</u> feet Depth of water well <u>90</u> feet		Depth to shallowest fresh water <u>40</u> feet. Source of information: _____ measured <input checked="" type="checkbox"/> 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>Chemical Mud</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>Evaporation and backfill when dry</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>3-28-07</u> Date		 Signature of Applicant or Agent	
RECEIVED MAR 30 2007 KCC WICHITA			
KCC OFFICE USE ONLY			
Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No			

15-007-01623-00-01

** name change only **

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
CLOSURE OF SURFACE PIT

Form CDP-4
April 2004
Form must be Typed

CORRECTED

Operator Name: Chieftain Oil Co., Inc.	License Number: 33235
Operator Address: PO Box 124, Kiowa, KS 67070	
Contact Person: Ron Molz	Phone Number: (620) 825 - 4030
Permit Number (API No. if applicable): 15-007-01623-00-01	*Lease Name & Well No.: Newton #1
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	Pit Location (QQQQ): NW NW SE _____ Sec. <u>13</u> Twp. <u>33S</u> R. <u>11</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>2310</u> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <u>2310</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <u>Barber</u> County

Date of closure: September 5, 2006

Was an artificial liner used? Yes No

If no, how were the sides and bottom sealed to prevent downward migration of the pit contents?

Sprayed drilling mud on sides and bottom.

Abandonment procedure of pit:

Backfill with top soil put back on top.

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MAR 30 2007
KCC WICHITA

The undersigned hereby certifies that he / she is Vice President for Chieftain Oil Co., Inc. (Co.),
a duly authorized agent, that all information shown hereon is true and correct to the best of his /her knowledge and belief.

[Signature]
Signature of Applicant or Agent

Subscribed and sworn to me on this 28th day of March, 2007

[Signature]
Notary Public
NOTARY PUBLIC - State of Kansas
LEESA MOTT
My Appt. Expires 9/22/10

My Commission Expires: 9/22/10