

For KCC Use:
 Effective Date: 4-15-07
 District #: 4
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

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

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

Expected Spud Date April 20th 2007
month day year

Spot SE SE SW NE Sec. 17 Twp. 15 S. R. 14 East West
2620 feet from N / S Line of Section
1480 feet from E / W Line of Section
 Is SECTION Regular Irregular?

OPERATOR: License# 5145
 Name: Dreiling Oil, Inc.
 Address: P.O. Box 550
Hays, Kansas 67601
 City/State/Zip:
 Contact Person: Terry W. Plesker
 Phone: 785-625-8327

(Note: Locate well on the Section Plat on reverse side)
 County: Russell, Kansas
 Lease Name: Thielen Unit Well #: 1

CONTRACTOR: License# 31548
 Name: Discovery Drilling Co., Inc

Field Name: _____
 Is this a Prorated / Spaced Field? Yes No

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

Nearest Lease or unit boundary: 640'
 Ground Surface Elevation: Est. 1835' 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: 120'
 Depth to bottom of usable water: 450'
 Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set 200' min
 Length of Conductor Pipe required: None
 Projected Total Depth: 3400'
 Formation at Total Depth: Arbuckle
 Water Source for Drilling Operations:
 Well Farm Pond Other _____
 DWR Permit #: _____

If OWWO: old well information as follows:
 Operator: _____
 Well Name: _____
 Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? Yes No
 If Yes, true vertical depth: _____
 Bottom Hole Location: _____
 KCC DKT #: _____

(Note: Apply for Permit with DWR)
 Will Cores be taken? Yes No
 If Yes, proposed zone: _____

*** OIL & GAS LEASE ATTACHED**

AFFIDAVIT

RECEIVED

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. **KANSAS CORPORATION COMMISSION**
 It is agreed that the following minimum requirements will be met:

APR 09 2007

**CONSERVATION DIVISION
 WICHITA, KS**

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 **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: 4-6-07 Signature of Operator or Agent: Terry W. Plesker Title: Explor. Man.

For KCC Use ONLY
 API # 15 - 107-23425-00-00
 Conductor pipe required NONE feet
 Minimum surface pipe required 200 feet per Alt. 1 2
 Approved by: WTHM 4-10-07
 This authorization expires: 10-10-07
 (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 67202

MFI 5/14

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 - 167-23425-00-00
 Operator: Dreiling Oil, Inc.
 Lease: Thielen Unit
 Well Number: 1
 Field: _____
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: SE SE SW NE

Location of Well: County: Russell, Kansas
 2620 _____ feet from N / S Line of Section
 1480 _____ feet from E / W Line of Section
 Sec. 17 Twp. 15 S. R. 14 East West

Is Section: Regular or Irregular

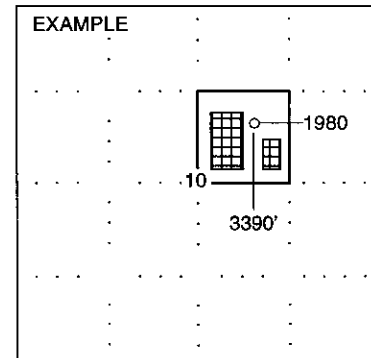
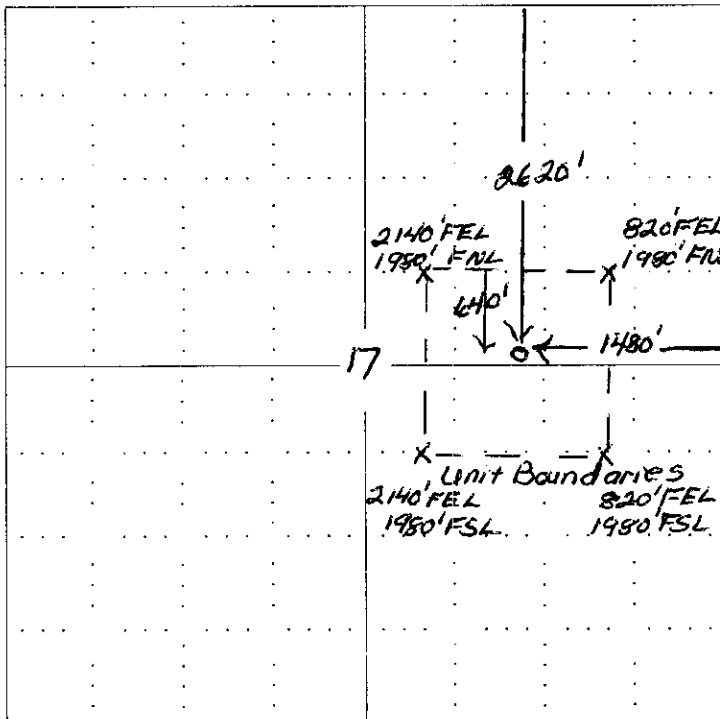
If Section is Irregular, locate well from nearest corner boundary.

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.)



SEWARD CO.

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 WICHITA, KS

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: (C0-7 for oil wells; CG-8 for gas wells).

Township 15 S Range 14 W County Russell State Kansas

		- Thielen Unit - Consists of 40 Acres	
Norma Lee Thielen - 20 Acres 50% of the Unit			
Earlin Mai - 12.42 Acres 31.05% of the Unit			
D.K. & J.D. Edgmon - 7.58 Acres 18.95% of the Unit		2140' FEL 1980' MNL	820' FEL 1980' FNL
		Norma Lee Thielen → 2620' FNL & 1480' FEL	
Royalty - 12.5%		17	
Norma Lee Thielen - 6.25%		Earlin Mai	J.D. & D.K. Edgmon
Earlin Mai - 3.88125%		2140' FEL 1980' FSL	820' FEL 1980' FSL
D.K. & J.D. Edgmon - 2.36875%			
12.5%			

15-167-23425-00-00

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KANSAS CORPORATION COMMISSION FORM 45-8

APR 09 2007

CONSERVATION DIVISION
WICHITA, KS


KANSAS BLUE PRINT CO.



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

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Dreiling Oil, Inc.		License Number: 5145
Operator Address: P.O. Box 550 Hays, Kansas 67601		
Contact Person: Terry W. Piesker		Phone Number: (785) 625 - 8327
Lease Name & Well No.: Theilen Unit #1		Pit Location (QQQQ): SE SW NE _____ E _____ E/2
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: 3000 (bbls)	Sec. 17 Twp. 15S R. 14 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 2620 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 1480 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Russell _____ County
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? Native Mud and Fresh Water Mud
Pit dimensions (all but working pits): <u>250</u> Length (feet) <u>250</u> Width (feet) _____ N/A: Steel Pits Depth from ground level to deepest point: <u>6</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>None</u> feet Depth of water well _____ feet		Depth to shallowest fresh water <u>120</u> feet. Source of information: _____ measured _____ well owner <input checked="" type="checkbox"/> 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>Fresh Water Mud</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>Evaporation and backfill</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.		RECEIVED KANSAS CORPORATION COMMISSION
<u>4-6-07</u> Date	 Signature of Applicant or Agent	APR 09 2007 CONSERVATION DIVISION WICHITA, KS
KCC OFFICE USE ONLY		
Date Received: <u>4/9/07</u> Permit Number: _____ Permit Date: <u>4/9/07</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

15-167-23425-00-00