For KCC Use: Effective Date: 5-9-07 District

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	e (5) days prior to commencing well All blanks must be Filled
Expected Spud Date May 5 2007 month day year	Spot
OPERATOR: License# 5004 Name: Vincent Oil Corporation	
Address: 155 N. Market, Suite 700	Is SECTION _▼RegularIrregular?
City/State/Zip: Wichita, Kansas 67202	(Note: Locate well on the Section Plat on reverse side)
Contact Person: Rick Hiebsch	County: Ford
Phone: 316-262-3573	Lease Name: Derstein Well #: 1-34
CONTRACTOR: License# 5822	Field Name: wildcat
Name: Val Energy, Inc.	Is this a Prorated / Spaced Field?
	ranger i ermatiente):
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary: 330 ft. Ground Surface Elevation: 2458 feet MSL
Oil / Enh Rec Infield Mud Rotary	Water well within one-quarter mile: Yes ✓ No
Gas Storage Pool Ext. Air Rotary	Public water supply well within one mile:
OWWODisposal Wildcat	Depth to bottom of fresh water: 200 ft.
Seismic;# of Holes Other	Depth to bottom of usable water: 820%. 760
Other	Surface Pipe by Alternate: 1 2
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set: 425 ft.
Operator:	Length of Conductor Pipe required: unknown, if any
Well Name:	Projected Total Depth: 5400
Original Completion Date:Original Total Depth:	Formation at Total Depth: Mississippian
	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?Yes ✓ No	Well Farm Pond Other unknown
If Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	(Note: Apply for Permit with DWR)
NOO DN1 #.	Will Cores be taken?Yes ✓ No
AFF	If Yes, proposed zone: RECEIVED FIDAVIT KANSAS CORPORATION COMMISSION
The undersigned hereby affirms that the drilling, completion and eventual p	olugging of this well will comply with K.S.A. 55 et. seq.
It is agreed that the following minimum requirements will be met:	MAY 0 3 2007
Notify the appropriate district office <i>prior</i> to spudding of well;	, uti a a tani
 A copy of the approved notice of intent to drill shall be posted on ea The minimum amount of surface pipe as specified below shall be s through all unconsolidated materials plus a minimum of 20 feet into it If the well is dry hole, an agreement between the operator and the s The appropriate district office will be notified before well is either plu If an ALTERNATE II COMPLETION, production pipe shall be cemen Or pursuant to Appendix "B" - Eastern Kansas surface casing order 	the top circulating cement to the top; in all cases surface with a specific the underlying formation. district office on plug length and placement is necessary prior to plugging;
I hereby certify that the statements made herein are true and to the best of	
Date: May 3, 2007 Signature of Operator or Agent:	Crack 17. Mile Title: President
	Remember to:
For KCC Use ONLY	- File Drill Pit Application (form CDP-1) with Intent to Drill;
API # 15 - 057-20584-0000	- File Completion Form ACO-1 within 120 days of spud date; - File acreage attribution plat according to field proration orders;
Conductor pipe required feet	File acreage attribution plat according to field proration orders; Notify appropriate district office 48 hours prior to workover or re-entry;
Minimum surface pipe required feet per Alt. 12	- Submit plugging report (CP-4) after plugging is completed;
Approved by: Red 5-4-07	- Obtain written approval before disposing or injecting salt water,
This authorization expires: 11-4-07	- If this permit has expired (See: authorized expiration date) please
(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 Expired
Spud date: Agent:	Signature of Operator or Agent:

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.

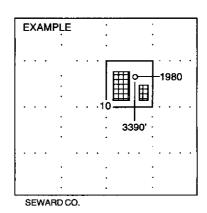
API No. 15 - 057-20584-0000	Location of Well: County: Ford
Operator: Vincent Oil Corporation	sale from N / S Line of Section
Lease: Derstein	830 feet from E / 🗸 W Line of Section
Well Number: 1-34	Sec. 34 Twp. 27 S. R. 23 East ✓ Wes
Field: wildcat	
Number of Acres attributable to well:	Is Section: Regular or Irregular
QTR / QTR of acreage: NW - NW - NW	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.)

Derstein #1-74	
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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: Vincent Oil Corporation		License Number: 5004		
Operator Address: 155 N. Market,	Suite 700 V	Vichita, Kar	nsas 67202	
Contact Person: Rick Hiebsch		Phone Number: (316) 262 ~ 3573		
Lease Name & Well No.: Derstein #1-34		Pit Location (QQQQ):		
Type of Pit:	Pit is:		<u>NW - NW - NW</u>	
Emergency Pit Burn Pit	✓ Proposed	Existing	Sec. 34 _{Twp.} 27 _{R.} 23 ☐ East ✓ West	
Settling Pit	If Existing, date constructed:		330 Feet from 🗹 North / South Line of Section	
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:		330 Feet from East / ✓ West Line of Section Ford	
	6000	(bbls)	County	
Is the pit located in a Sensitive Ground Water	Area? Yes —	4- No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)	
Is the bottom below ground level?	Artificial Liner? Yes ✓ No		How is the pit lined if a plastic liner is not used? native and chemical muds	
Pit dimensions (all but working pits):8			Width (feet) N/A: Steel Pits	
Depth fr	om ground level to de	eepest point:	(feet)	
			1505	
Distance to nearest water well within one-mile of pit Depth to shallo Source of infor		west fresh water20feet.		
16et Depth of water well	155 feet	measu	redwell owner electric log KDWR	
Emergency, Settling and Burn Pits ONLY:		Drilling, Works	over and Haul-Off Pits ONLY:	
Producing Formation: Type of material utilized in		ll utilized in drilling/workover: water & bentonite		
Number of producing wells on lease: Number of work		king pits to be utilized: 2 working, 1 reserve		
Barrels of fluid produced daily:		Abandonment procedure: all to dry and then backfill		
Does the slope from the tank battery allow all flow into the pit? Yes No	spilled fluids to 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. May 3, 2007				
CONSERVATION DIVISION KCC OFFICE USE ONLY WICHITA, KS RFASAC Date Received: 5/3/07 Permit Number: Permit Date: 5/4/07 Lease Inspection: Ves No				
Permit Date				



Kathleen Sebelius, Governor Brian J. Moline, Chair Robert E. Krehbiel, Commissioner Michael C. Moffet, Commissioner

May 4, 2007

Rick Hiebsch Vincent Oil Corporation 155 N Market, Ste 700 Wichita KS 67202

Re: Drilling Pit Application

Derstein Lease Well No. 1-34

NW/4 34-27S-23W Ford County, Kansas

Dear Mr. Hiebsch:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, the bottom shall be flat and reasonably level and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms/

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,

Jonelle Rains, Supervisor

Sonelle Rains

Department of Environmental Protection and Remediation

CC:

Steve Durrant

File