

For KCC Use: 7-307
Effective Date: 4
District # 4
RGA? 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 June 30 2007
month day year

OPERATOR: License# 33491
Name: King Oil Operations
Address: 696 D. Fairground Rd.
City/State/Zip: Ellis, KS 67637
Contact Person: Rod King
Phone: 785-726-3408 or cell 785-269-3038

CONTRACTOR: License# 5184
Name: Shields Oil Producers, Inc.

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

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 #: _____

Spot SW-SW-NE
3 12 20 Sec. 3 Twp. 13 S. R. 20 East West
2470 feet from N / S Line of Section
2175 feet from E / W Line of Section
Is SECTION Regular Irregular?

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

County: Ellis **2 unit well**
Lease Name: Henrickson Well #: _____
Field Name: _____
Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Lansing - Arbuckle
Nearest Lease or unit boundary: 3/4 Mile
Ground Surface Elevation: 2145 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: 180 Ft.
Depth to bottom of usable water: 800 Ft.
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 240 Ft.
Length of Conductor Pipe required: None
Projected Total Depth: 3950 Ft.
Formation at Total Depth: 3,880 Ft.

Water Source for Drilling Operations:
 Well Farm Pond Other _____
*DWR Permit #: _____

Will Cores be taken? Yes No
If Yes, proposed zone: _____

Declaration of Pooling Attached

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: 6/18/07 Signature of Operator or Agent: Rodney L. King Title: operator

For KCC Use ONLY
API # 15 - 051-25654-0000
Conductor pipe required None feet
Minimum surface pipe required 200 feet per Alt. **X2**
Approved by: [Signature]
This authorization expires: 12-28-07
(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 67202

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WICHITA, KS

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CONSERVATION DIVISION

3
13
2007

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

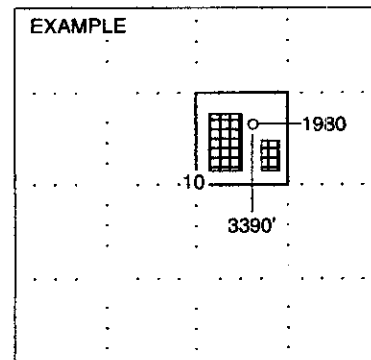
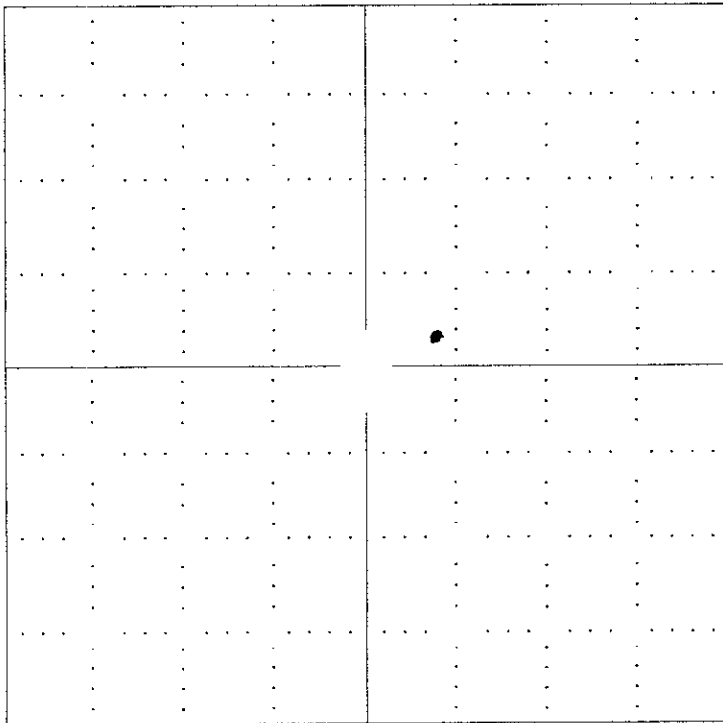
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 051-25654-000
 Operator: King Oil Operations
 Lease: Henrickson
 Well Number: Henrickson No.1 unit Well
 Field: _____
 Number of Acres attributable to well: 10
 QTR / QTR / QTR of acreage: 3 - 408 - 20 W

Location of Well: County: Ellis
2470 feet from N / S Line of Section
2175 feet from E / W Line of Sector
 Sec. 3 Twp. 13 S. R. 20 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.)*



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JUN 21 2007

In plotting the proposed location of the well, you must show:

- 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.
- The distance of the proposed drilling location from the section's south / north and east / west.
- The distance to the nearest lease or unit boundary line.
- 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).

**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: King Oil Operations | | License Number: 33491 |
| Operator Address: 696 D. Fairground Rd | | |
| Contact Person: Rodney L. King | | Phone Number: (785) 726 - 3498 |
| Lease Name & Well No.: Henrickson | | Pit Location (QQQQ): <u>SW SW NE</u> |
| 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: 4,500 (bbls) | Sec. 3 Twp. 13 R. 20 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 2470 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 2175 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Ellis County |
| Is the pit located in a Sensitive Ground Water Area? <input checked="" 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? Drilling Mud |
| Pit dimensions (all but working pits): <u>80</u> Length (feet) <u>80</u> Width (feet) <u>N/A</u> 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>2,125</u> <u>2,250</u> feet Depth of water well <u>54</u> <u>70</u> feet | | Depth to shallowest fresh water <u>70</u> <u>23</u> feet Source of information: <u>JR-KGS</u> _____ 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: _____ Number of working pits to be utilized: _____ Abandonment procedure: <u>Air Dry 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. | | |
| <u>6/18/07</u> Date | <u>Rodney L. King</u> Signature of Applicant or Agent | RECEIVED KANSAS CORPORATION COMMISSION JUN 21 2007 |

15-051-2554000

| | | |
|-------------------------------|----------------------|---|
| KCC OFFICE USE ONLY | | CONSERVATION DIVISION WICHITA, KS |
| Date Received: <u>6/21/07</u> | Permit Number: _____ | Permit Date: <u>6/21/07</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

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