

For KCC Use:	7-14-07
Effective Date:	1-17-01
District #1	
SGA2 DVoc	⊠No.

Kansas Corporation Commission Oil & Gas Conservation Division

1010102

Form C-1 November 2005 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:	07/20/2007	Spot Description:
	month day year	NE NE SE Sec. 12 Twp. 33 S. R. 11 FEXW
	33235	(Grandra) 2,240 feet from N / X S Line of Section
OPERATOR: License# _		340 feet from X E / W Line of Section
Name: Chieftain Oil Co.,		
Address 1: P.O. Box 124		Is SECTION: Regular Irregular?
Address 2:		(Note: Locate well on the Section Plat on reverse side)
	State: KS Zip: 67070 +	County: Barber
Contact Person: Ron Mo	<u> </u>	Lease Name: Sisters A Well #: 1
Phone: 620-825-4030		Field Name: Traffas
CONTRACTOR: License	a# 33843	
Name: Terra Drilling, LLC	7H	 ─ Is this a Prorated / Spaced Field? ─ Target Formation(s): Mississippi/Simpson
	<u> </u>	
Well Drilled For:	Well Class: Type Equipment:	Nearest Lease or unit boundary line (in footage): 340
XOil Enh	n Rec Infield Mud Rotary	Ground Surface Elevation: 1609 feet MSL
= =	rage X Pool Ext. Air Rotary	Water well within one-quarter mile:
	posal Wildcat Cable	Public water supply well within one mile:
Seismic #	· Land	Depth to bottom of fresh water: 80
Other:		Depth to bottom of usable water: 180
_		Surface Pipe by Alternate: XI III
If OWWO: old we	ell information as follows:	Length of Surface Pipe Planned to be set: 300
Operator:		
•		Projected Total Depth: 5200
	Date: Original Total Depth:	A 5 11
Original Completion L	Jate Original Total Deptil	Water Source for Drilling Operations:
Directional, Deviated or H	Horizontal wellbore?	
		The part of the pa
•		DWR Permit #:
		(Note: Apply for Permit with DWR)
		Will Cores be taken?
		If Yes, proposed zone:
		RECEIVED
		FFIDAVIT KANSAS CORPORATION COMMISSION
The undersigned hereby	y 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 follo	owing minimum requirements will be met:	JUL 0 6 2007
Notify the appropri	riate district office prior to spudding of well;	
	proved notice of intent to drill shall be posted on ea	ach drilling rig: CONSERVATION DIVISION
3. The minimum am	ount of surface pipe as specified below shall be s	set by circulating cement to the top; in all cases surface pipe shall be set
through all uncon:	solidated materials plus a minimum of 20 feet into	the underlying formation.
If the well is dry h	ole, an agreement between the operator and the o	district office on plug length and placement is necessary prior to plugging;
The appropriate d	district office will be notified before well is either plu	ugged or production casing is cemented in;
6. If an ALTERNATE	: Il COMPLETION, production pipe shall be cemer	nted from below any usable water to surface within 120 DAYS of spud date.
Or pursuant to Ap	pendix "B" - Eastern Kansas surface casing order	#133,891-C, which applies to the KCC District 3 area, alternate II cementing
		be plugged. In all cases, NOTIFY district office prior to any cementing.
hereby certify that the	statements made herein are true and to the best of	of my knowledge and belief.
~ (-5 1)]	X 1	the leavest
Date:	Signature of Operator or Agent:	Title:
		Remember to:
For KCC Use ONLY		- File Drill Pit Application (form CDP-1) with Intent to Drill;
API # 15 - 007 -	<u> 23171-00-00</u>	- File Completion Form ACO-1 within 120 days of spud date:
	_	File acreage attribution plat according to field proration orders;
Conductor pipe require	200 — —	 Notify appropriate district office 48 hours prior to workover or re-entry;
Minimum surface pipe r	required teet per ALI.[A]I	- Submit plugging report (CP-4) after plugging is completed (within 60 days);
Approved by:	B 7-9-07 ===	- Obtain written approval before disposing or injecting salt water.
This authorization expl	Ires: 1-9-08	- If this permit has expired (See: authorized expiration date) please
	if drilling not started within 6 months of approval date.)	check the box below and return to the address below.
	g g and a morning or approval date.	Well Not Drilled - Permit Expired Date:
Spud date:	Agent:	Signature of Operator or Agent:
		- <u> </u>



IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

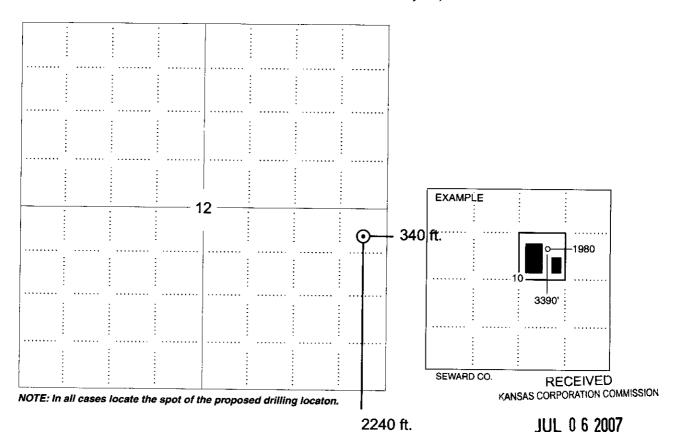
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 007 - 23171 - 0000	
Operator: Chieftain Oil Co., Inc.	Location of Well: County: Barber
Lease: Sisters A	2,240 feet from N / X S Line of Section
Well Number: 7 Field: Traffas	340 feet from X E / W Line of Section Sec. 12 Twp. 33 S. R. 11
Number of Acres attributable to well:	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 at 2 sections, etc.
- 2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
- 3. The distance to the nearest lease or unit boundary line (in footage).
- 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

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Chieftain Oil Co., Inc	<u> </u>		License Number: 33235				
Operator Address: P.O. Box 124			Kiowa	KS 67070			
Contact Person: Ron Molz		<u></u>	Phone Number: 620-825-4030				
Lease Name & Well No.: Sisters A	1						
Type of Pit:			Pit Location (QQQQ): NE NE SE				
Emergency Pit Burn Pit	Pit is: Proposed Existing		Sec. 12 Twp. 33 R. 11 East West				
Settling Pit Drilling Pit	If Existing, date constructed:		2 240				
Workover Pit Haul-Off Pit	- Existing, date constituted.		South Line of Section				
(If WP Supply API No. or Year Drilled)	Pit capacity:		Barber Feet from East / West Line of Section				
	10,000 (bbls)		Darber	County			
Is the pit located in a Sensitive Ground Water	Area? Yes	No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)				
Is the bottom below ground level?	Is the bottom below ground level? Artificial Liner?		How is the pit lined if a plastic liner is not				
Yes No	Yes X	No 	Seal with drilling mud				
Pit dimensions (all but working pits):	50 Length (fe	eet)150	Width (feet)	N/A: Steel Pits			
Depth fr	om ground level to de	eepest point:	4 (feet)	No Pit			
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 Depth to shallow		west fresh water60feet.					
Source of inf			ce of information: measured well owner electric log KDWR				
			ver and Haul-Off Pits ONLY:				
		al utilized in drilling/workover. Chemical mud					
		I					
		procedure: Haul off, evaporate then back fill					
Does the slope from the tank battery allow all spilled fluids to				en back fill RECEIVED			
		Drill pits must b	Drill pits must be closed within 365 days of spud date. RECEIVED RANSAS CORPORATION COMMISSION				
I hereby certify that the above state	ments are true and o	orrect to the best	of my knowledge and belief.				
JUL 0 6 2007							
Date Signature of Applicant of Agent Witchita, KS							
Signature of Applicant of Agent Worthstate							
KCC OFFICE USE ONLY Steel Pit RFAC RFAS RFAS							
Date Received: 7/6/c7 Permit Number: Permit Date: 7/6/c7 Lease Inspection: K Yes No							



Kathleen Sebelius, Governor Thomas E. Wright, Chairman Robert E. Krehbiel, Commissioner Michael C. Moffet, Commissioner

July 03, 2007

Ron Molz Chieftain Oil Co., Inc. P.O. Box 124 Kiowa, KS67070

Re: Drilling Pit Application Sisters A Lease Well No. 1 SE/4 Sec.12-33S-11W Barber County, Kansas

Dear Ron Molz:

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. **Keep pit east/southeast of location, away from draw**.

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 District Office at (620) 225-8888.

RECEIVED KANSAS CORPORATION COMMISSION

JUL 0 6 2007