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KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1

December 2002

AUG 14 2007

Form must be Typed Form must be Signed All blanks must be Filled

For KCC Use: Effective Date: 8-19-07 District # 3 SGA? Yes No

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

CONSERVATION DIVISION WICHITA, KS

per appl.

Expected Spud Date 8/20/07 month day year

Spot NW - NW - NW Sec. 18 Twp. 24 S. R. 24 East West 50 feet from N / S Line of Section 575 feet from E / W Line of Section

OPERATOR: License# 33640 Name: Haas Petroleum, LLC Address: 800 West 47th St. Suite 409 City/State/Zip: Kansas City, MO 64112 Contact Person: Mark Haas Phone: 816.531.5922

Is SECTION Regular Irregular?

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

CONTRACTOR: License# 33557 Name: Skyy Drilling, LLC

County: Woodson Lease Name: HO Kimbell Well #: 20 Field Name: Winterschied

Is this a Prorated / Spaced Field? Yes No

Well Drilled For: Well Class: Type Equipment: Oil Gas OWWO Seismic; # of Holes Other Enh Rec Storage Disposal Infield Pool Ext. Wildcat Other Mud Rotary Air Rotary Cable

Target Formation(s): Mississippian Nearest Lease or unit boundary: 50' Ground Surface Elevation: 1108' feet MSL

Water well within one-quarter mile: Public water supply well within one mile: Yes No

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

Depth to bottom of fresh water: 100+ Depth to bottom of usable water: 150 Surface Pipe by Alternate: 1 2

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

Length of Surface Pipe Planned to be set: 40' Length of Conductor Pipe required: N/A Projected Total Depth: 1700'

Formation at Total Depth: Mississippian Water Source for Drilling Operations: Well Farm Pond Other

DWR Permit #: Will Cores be taken? Yes No

If Yes, proposed zone: (Note: Apply for Permit with DWR)

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: 8/13/07 Signature of Operator or Agent: [Signature] Title: Agent

For KCC Use ONLY API # 15 - 207-272470000 Conductor pipe required None feet Minimum surface pipe required 40 feet per Alt. Approved by: [Signature] 8-14-07 This authorization expires: 2-14-08 (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

18 24 14E

**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

**AUG 14 2007**

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

CONSERVATION DIVISION  
WICHITA KS

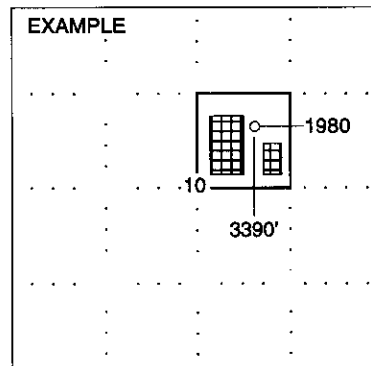
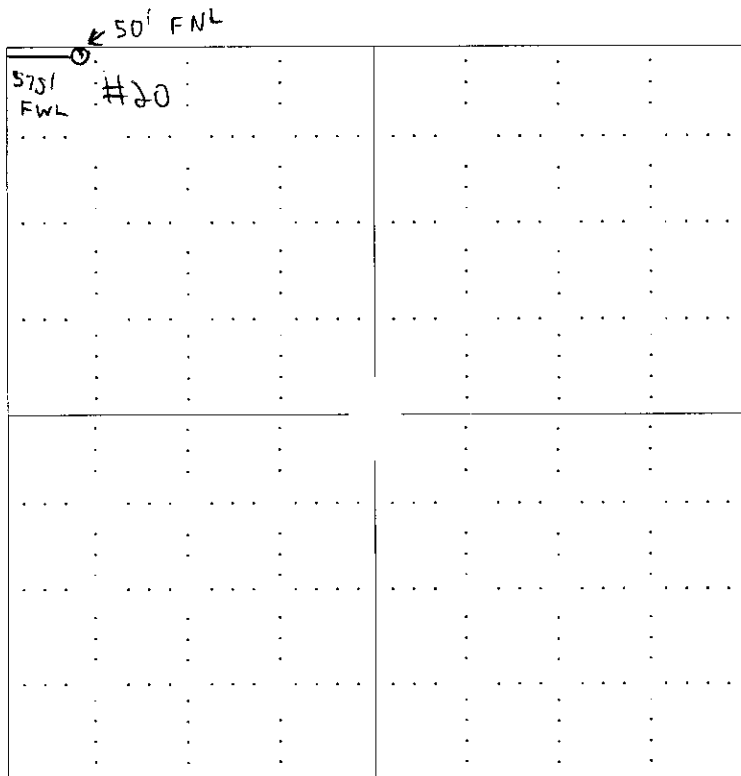
*If the intended well is in a prorated or spaced field, please fully complete this side of the form.* If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. 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 - 207-27247-0000  
 Operator: Haas Petroleum, LLC  
 Lease: HO Kimbell  
 Well Number: 20  
 Field: Winterschied  
 Number of Acres attributable to well: \_\_\_\_\_  
 QTR / QTR / QTR of acreage: NW - NW - NW

Location of Well: County: Woodson  
 50 \_\_\_\_\_ feet from  N /  S Line of Section  
 575 \_\_\_\_\_ feet from  E /  W Line of Section  
 Sec. 18 Twp. 14 S. R. 24  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.)*



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

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

CONSERVATION DIVISION  
WICHITA, KS

Submit in Duplicate

Operator Name: <b>Haas Petroleum, LLC</b>		License Number: <b>33640</b>
Operator Address: <b>800 West 47th St. Suite 409, Kansas City, MO 64112</b>		
Contact Person: <b>Mark Haas</b>		Phone Number: ( <b>816</b> ) <b>531</b> - <b>5922</b>
Lease Name & Well No.: <b>HO Kimbell #20</b>		Pit Location (QQQQ): <b>NE NW NW NW</b> Sec. <b>18</b> Twp. <b>24</b> R. <b>24</b> <input checked="" type="checkbox"/> East <input type="checkbox"/> West <b>50</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <b>575</b> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <b>Woodson</b> County
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: <b>120</b> (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?
Pit dimensions (all but working pits): <b>45</b> Length (feet) <b>8</b> Width (feet) <b>N/A: Steel Pits</b> Depth from ground level to deepest point: <b>3</b> (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 <b>N/A</b> / feet    Depth of water well _____ feet	Depth to shallowest fresh water _____ feet. Source of information: _____ measured    _____ well owner    _____ electric log    _____ KDWR	
<b>Emergency, Settling and Burn Pits ONLY:</b> 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	<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <b>Drilling Mud</b> Number of working pits to be utilized: <b>2</b> Abandonment procedure: <b>Air dry and backfill</b> _____ 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.		
<b>8/13/07</b> Date		<b>[Signature]</b> Signature of Applicant or Agent

15-207-27247-0005

KCC OFFICE USE ONLY			
Date Received: <b>8/14/07</b>	Permit Number: _____	Permit Date: <b>8/14/07</b>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No



*Kathleen Sebelius, Governor  
Thomas E. Wright, Chairman  
Michael C. Moffet, Commissioner  
Joseph F. Harkins, Commissioner*

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**NOTICE TO OPERATORS FILING INTENT TO DRILL  
FOR DISPOSAL OR ENHANCED RECOVERY  
INJECTION WELLS, (CLASS II INJECTION WELL)**

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved "Intent to Drill" does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in **K.A.R. 82-3-400 et seq** of our regulations. Associated regulations governing drilling, completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sandstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a "Design Approval" before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.