

For KCC Use:
 Effective Date: 8-22-07
 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 August 22, 2007
 month day year

OPERATOR: License# 30458
 Name: R.J.M. Oil Company, Inc.
 Address: P.O. Box 256
 City/State/Zip: Clatfin, KS 67525
 Contact Person: Chris Hoffman
 Phone: 620-786-8744

CONTRACTOR: License# 5142
 Name: Sterling Drilling Company

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil	<input checked="" type="checkbox"/> Infield	<input checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> Gas	<input type="checkbox"/> Pool Ext.	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> CWDO	<input 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 120' WEST OF East
 S/2 SW NE Sec. 8 Twp. 17 S. R. 11 West
2310 feet from N / S Line of Section
2100 feet from E / W Line of Section
 Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
 County: Barton
 Lease Name: Wondra-Poppelreiter Unit Well #: 2
 Field Name: Kraft-Prusa
 Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Lansing-Kansas City - Arbuckle
 Nearest Lease or unit boundary: 330'
 Ground Surface Elevation: 1883 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: 160'
 Depth to bottom of usable water: 340'

Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 380'
 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 #: _____
 (Note: Apply for Permit with DWR)
 Will Cores be taken? Yes No
 If Yes, proposed zone: _____

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 AUG 17 2007
 CONSERVATION DIVISION
 WICHITA, KS

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: August 16, 2007 Signature of Operator or Agent: BRAD MILLER Title: Operator

For KCC Use ONLY
 API # 15 - 009-25091-0000
 Conductor pipe required None feet
 Minimum surface pipe required 360 feet per Alt. 1
 Approved by: [Signature]
 This authorization expires: 2-17-08
 (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

Fax 316-337-6211
 316 337-6200

8
 17
 M/J

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 - 009-25091-0000
Operator: R.J.M. Oil Company, Inc.
Lease: Wondra-Poppelreiter Unit
Well Number: 2
Field: Kraft-Prusa
Number of Acres attributable to well: _____
QTR / QTR / QTR of acreage: S/2 - SW - NE

Location of Well: County: Barton
2310 _____ feet from N / S Line of Section
2100 _____ feet from E / W Line of Section
Sec. 8 Twp. 17 S. R. 11 East West

Is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

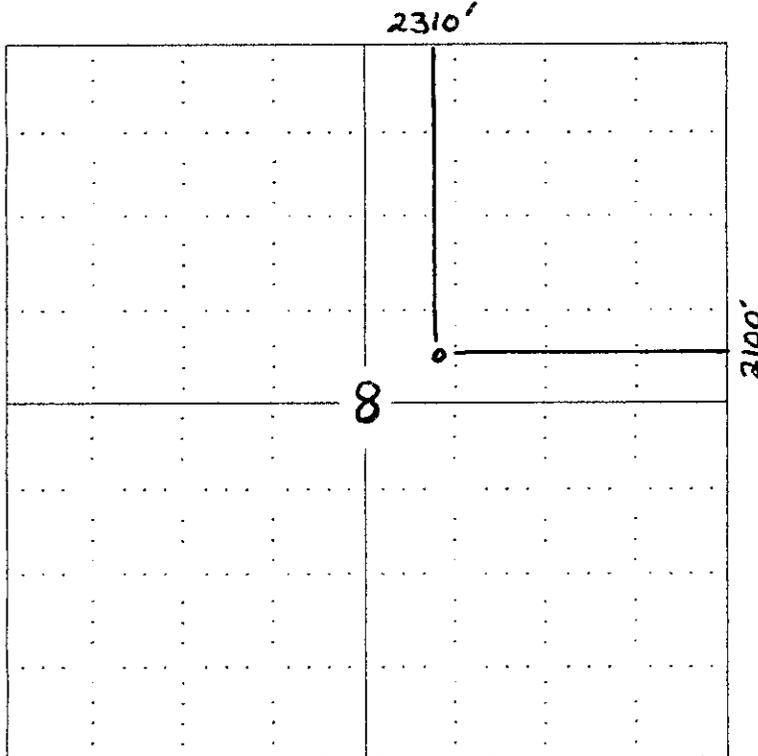
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AUG 17 2007

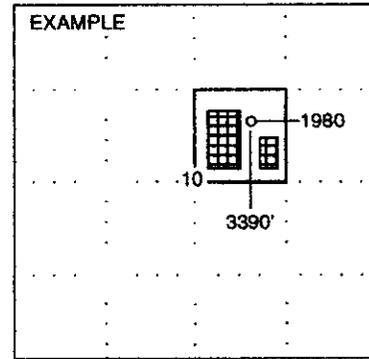
CONSERVATION DIVISION
WICHITA, KS

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.)*



**SEE ATTACHED UNIT PLAT*



SEWARD CO.

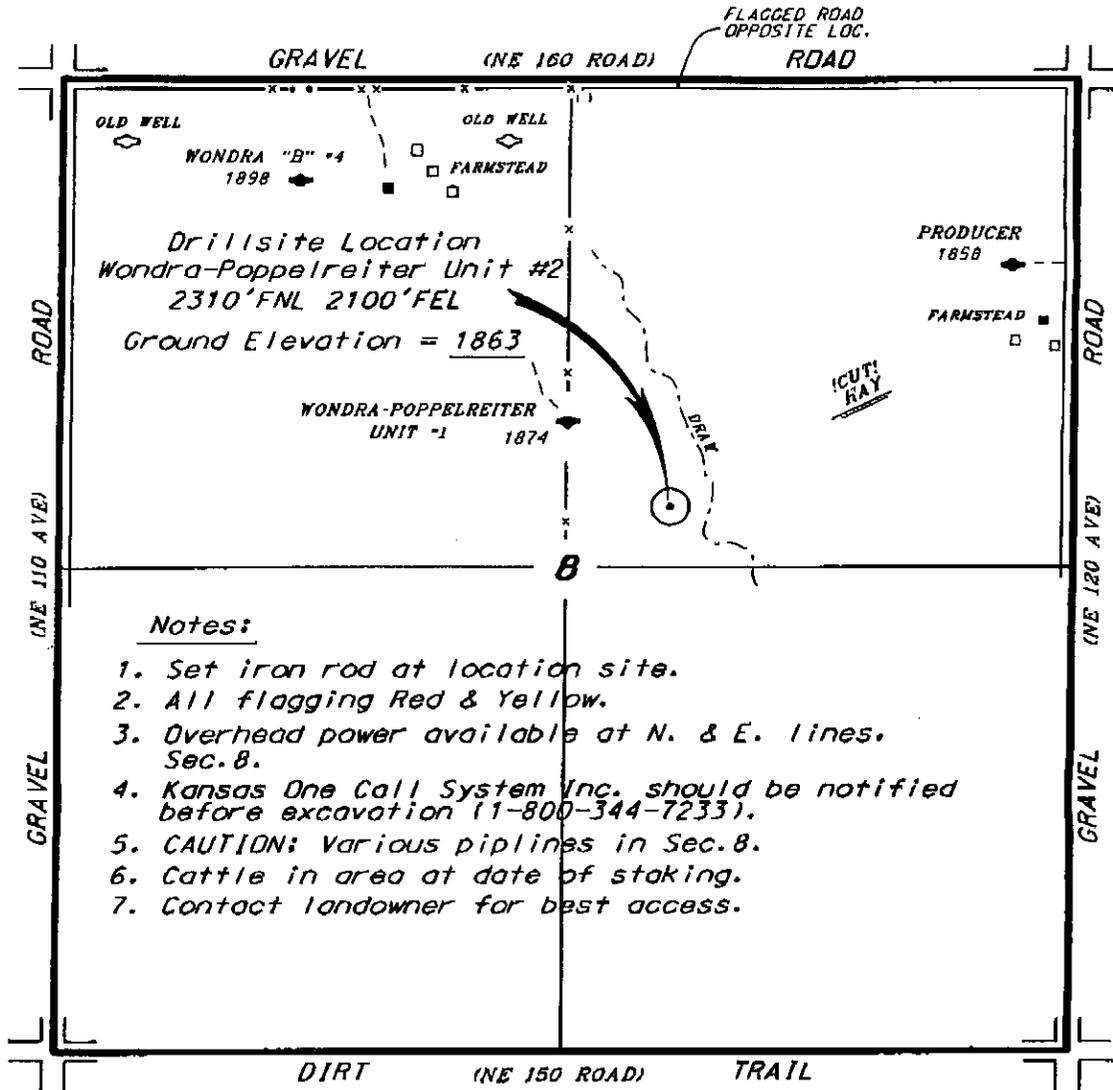
NOTE: In all cases locate the spot of the proposed drilling location.

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

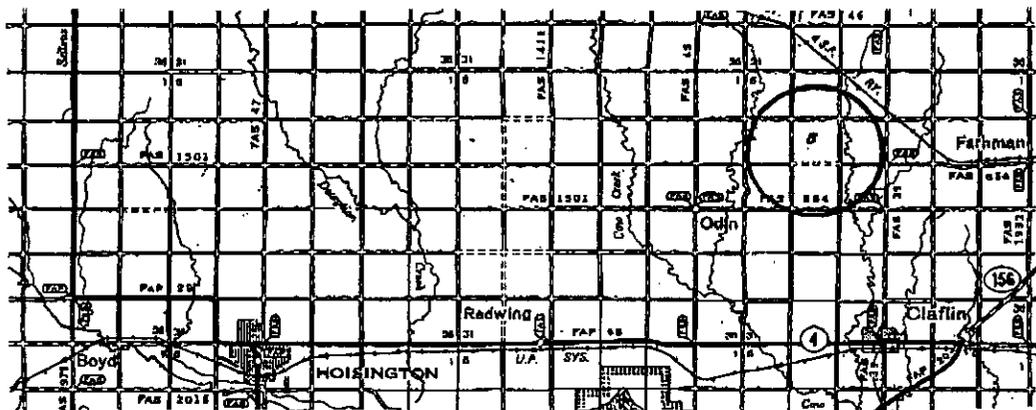
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit 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).

R.J.M. OIL COMPANY, INC.
WONDRA-POPPELREITER UNIT LEASE
N. 1/2, SECTION 8, T17S, R11W
BARTON COUNTY, KANSAS

15-009-25091-0000



*Ingress and egress to location as shown on this plat is per usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.



Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.

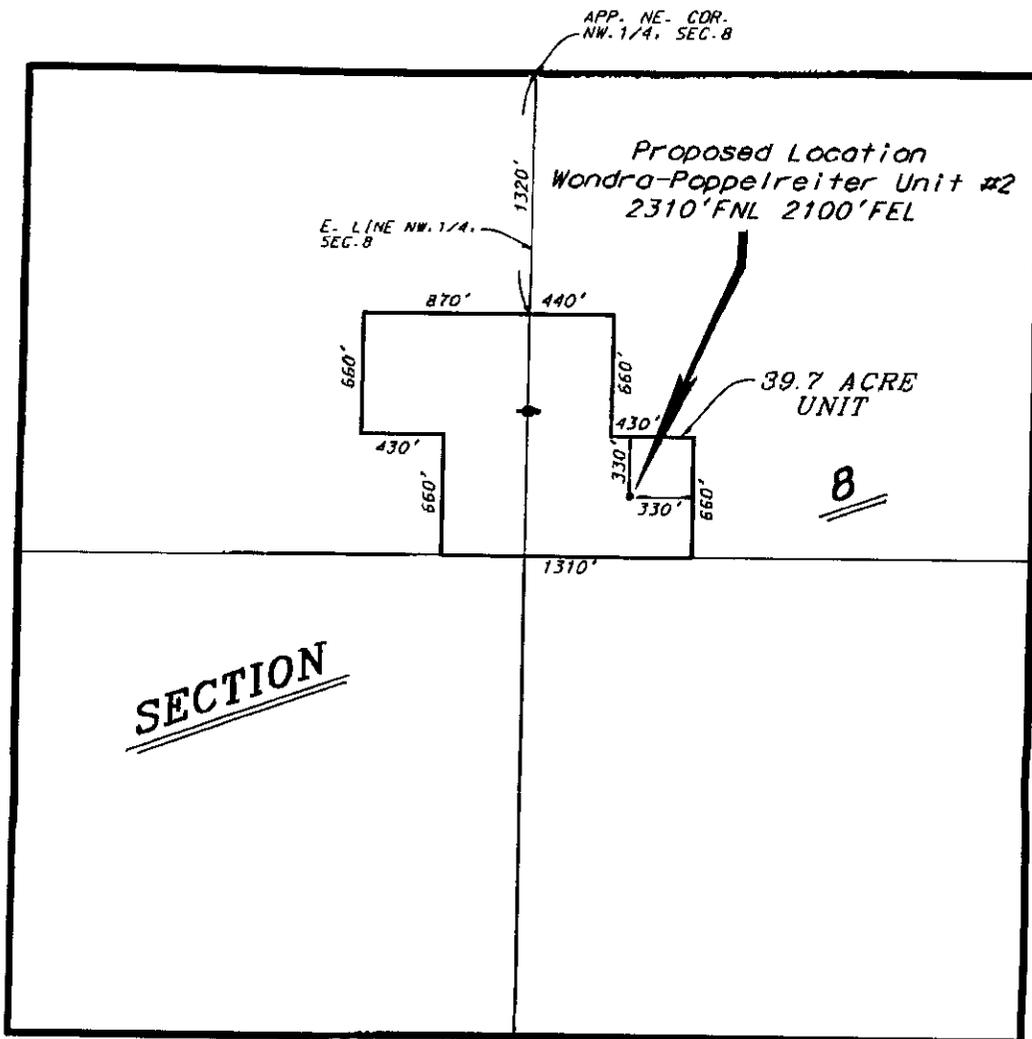
Approximate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drillsite location in the section is not guaranteed. Therefore, the operator securing this service and adopting this plat and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and hold Central Kansas Oilfield Services, Inc. harmless from incidental or consequential damages.

Elevations derived from National Geodetic Vertical Datum.

Date August 14, 2007

RJM OIL COMPANY, INC.
WONDRA-POPPELREITER UNIT LEASE
IN NW. 1/4 & NE. 1/4, SECTION 8, T17S, R11W
BARTON COUNTY, KANSAS

15009-25091-0000



UNIT DESCRIPTION

That part of the Northwest Quarter and the Northeast Quarter of Section 8, Township 17 South, Range 11 West of the 6th Principal Meridian, Barton County, Kansas, described as follows:

Commencing at the northeast corner of the Northwest Quarter of said Section 8; thence on an assumed bearing of South, along the east line of the Northwest Quarter of said section, a distance of 1320.00 feet to the point of beginning of the unit to be described; thence on a bearing of West a distance of 870.00 feet; thence on a bearing of South a distance of 660.00 feet; thence on a bearing of East a distance of 430.00 feet; thence on a bearing of South a distance of 660.00 feet; thence on a bearing of East a distance 1310.00 feet; thence on a bearing of North a distance of 660.00 feet; thence on a bearing of West a distance of 430.00 feet; thence on a bearing of North a distance of 660.00 feet; thence on a bearing of West a distance of 440.00 feet to the point of beginning.

The above described unit contains 39.7 acres.

* Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.

* Approximate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the precise location in the section is not guaranteed. Therefore, the operator securing this service and accepting this plat and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and said entities released from any liability from incidental or consequential damages.

* Elevations derived from National Geodetic Vertical Datum.

Date August 14, 2007

**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: R.J.M. Oil Company, Inc.		License Number: 30458
Operator Address: P.O. Box 256, Claflin, KS 67525		
Contact Person: Chris Hoffman		Phone Number: (620) 786 - 8744
Lease Name & Well No.: Wondra-Poppelreiter Unit Well #2		Pit Location (QQQQ): 120°W S/2 SW NE Sec. 8 Twp. 17S R. 11 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 2310 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 2100 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Barton 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 <i>(If WP Supply API No. or Year Drilled)</i>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 400 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>
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
Pit dimensions (all but working pits): <u>80</u> Length (feet) <u>80</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. <div style="text-align: right;">RECEIVED KANSAS CORPORATION COMMISSION AUG 17 2007 CONSERVATION DIVISION WICHITA, KS</div>
Distance to nearest water well within one-mile of pit <u>3120</u> feet Depth of water well <u>168</u> feet	Depth to shallowest fresh water <u>45</u> <u>75</u> feet. Source of information: <u>JR-KGS</u> _____ measured _____ well owner _____ electric log <input checked="" type="checkbox"/> KDWR	15-009-25091-0000
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 mud</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>Allow to 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>August 16, 2007</u> Date	<u>BRAD MILLER</u> Signature of Applicant or Agent	

KCC OFFICE USE ONLY			
Date Received: <u>8/17/07</u>	Permit Number: _____	Permit Date: <u>8/17/07</u>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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