

For KCC Use: 8-2507
 Effective Date: 4
 District #: 1
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

Form C-1
 December 2002
 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 SEPTEMBER 1 2007
month day year

Spot SE NE Sec. 15 Twp. 8 S. R. 21 East West
2310 feet from N / S Line of Section
490 feet from E / W Line of Section
 Is SECTION Regular Irregular?

OPERATOR: License# 33306 ✓
 Name: BLAKE EXPLORATION
 Address: BOX 150
 City/State/Zip: BOGUE KANSAS 67825
 Contact Person: MIKE DAVIGNON
 Phone: 785-421-2921

(Note: Locate well on the Section Plat on reverse side)
 County: GRAHAM
 Lease Name: HAMEL Well #: 1
 Field Name: _____

CONTRACTOR: License# 30606 ✓
 Name: Murfin Drlg.

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): ARBUCKLE ✓
 Nearest Lease or unit boundary: 490 ✓
 Ground Surface Elevation: 1989 ✓ feet MSL

<input checked="" type="checkbox"/> Oil	<input 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			

Water well within one-quarter mile: Yes No
 Public water supply well within one mile: Yes No
 Depth to bottom of fresh water: 100± ✓
 Depth to bottom of usable water: 700 ✓

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

* Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 2085' ± 100' (BOP Required)

Directional, Deviated or Horizontal wellbore? Yes No

Length of Conductor Pipe required: NONE
 Projected Total Depth: 3800' ✓
 Formation at Total Depth: ARBUCKLE ✓
 Water Source for Drilling Operations:
 Well Farm Pond Other X ✓
 DWR Permit #: _____

Bottom Hole Location: _____
 KCC DKT #: _____

(Note: Apply for Permit with DWR
 Will Cores be taken? Yes No
 If Yes, proposed zone: _____

AFFIDAVIT

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 KANSAS CORPORATION COMMISSION

AUG 15 2007

CONSERVATION DIVISION
 WICHITA

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: 8-12-07 Signature of Operator or Agent: [Signature] Title: V.P.

* For KCC Use ONLY **BLOWOUT PREVENTER REQUIRED**
 API # 15 - 065-23339-0000
 Conductor pipe required None feet
 Minimum surface pipe required 100 feet per Alt. (2)
 Approved by: [Signature] 8-20-07
 This authorization expires: 2-20-08
 (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: _____

15
8
214

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

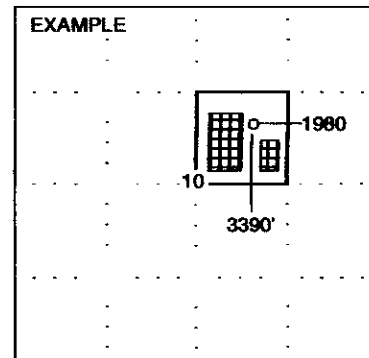
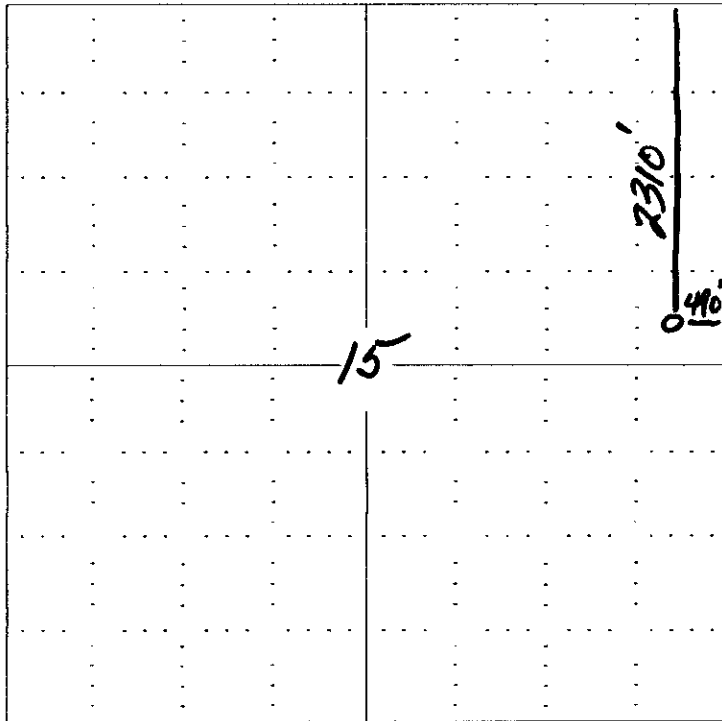
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 065-23339-0000
Operator: BLAKE EXPLORATION
Lease: HAMEL
Well Number: 1
Field: _____
Number of Acres attributable to well: _____
QTR / QTR / QTR of acreage: _____ - SE - NE

Location of Well: County: GRAHAM
2310 _____ feet from N / S Line of Section
490 _____ feet from E / W Line of Section
Sec. 15 Twp. 8 S. R. 21 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.)*



SEWARD CO.

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CONSERVATION DIVISION
WICHITA, KS


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**

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: BLAKE EXPLORATION		License Number: 33306
Operator Address: BOX 150 BOGUE KANSAS 67625		
Contact Person: Mike Davignon		Phone Number: (785) 421 - 2921
Lease Name & Well No.: HAMEL #1		Pit Location (QQQQ): _____ SE _____ NE Sec. 15 Twp. 8 R. 21 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 2310 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 490 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section GRAHAM _____ 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: 500 _____ (bbls)	
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	How is the pit lined if a plastic liner is not used?
Pit dimensions (all but working pits): <u>40'</u> Length (feet) <u>12'</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.
Distance to nearest water well within one-mile of pit <u>4300</u> feet Depth of water well <u>72</u> feet	Depth to shallowest fresh water <u>32</u> feet. Source of information: _____ measured _____ well owner _____ electric log <input checked="" type="checkbox"/> 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: <u>Rotary mud</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>Back fill with dozer</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.		
8/12/07 Date	 Signature of Applicant or Agent	RECEIVED KANSAS CORPORATION COMMISSION AUG 15 2007

15-005-23339-0000

KCC OFFICE USE ONLY		CONSERVATION DIVISION WICHITA, KS
Date Received: <u>8/15/07</u> Permit Number: _____	Permit Date: <u>8/15/07</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



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

August, 15, 2007

Mr. Mike Davignon
Blake Exploration
Box 150
Bogue, KS 67625

RE: Drilling Pit Application
Hamel Lease Well No. 1
NE/4 Sec. 15-08S-21W
Graham County, Kansas

Dear Mr. Davignon:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, 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 practical after drilling operations have ceased. **Please keep all pits away from any draws.**

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 (785) 625-0550 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,

Kathy Haynes
Environmental Protection and Remediation Department

cc: File