

For KCC Use: 9-15-07  
 Effective Date: \_\_\_\_\_  
 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 26, 2007  
 month day year

OPERATOR: License# 34003  
 Name: Illinois Exploration, LLC  
 Address: PO Box 354  
 City/State/Zip: Booker, TX 79005  
 Contact Person: Duwane Skipper  
 Phone: 806-658-7832

CONTRACTOR: License# 33935  
 Name: H.D. Drilling, LLC

|  |   |  |
|--|---|--|
| <b>Well Drilled For:</b>                     | <b>Well Class:</b>                          | <b>Type Equipment:</b>                         |
| <input checked="" type="checkbox"/> Oil      | <input type="checkbox"/> Enh Rec            | <input checked="" type="checkbox"/> Mud Rotary |
| <input type="checkbox"/> Gas                 | <input type="checkbox"/> Storage            | <input type="checkbox"/> Air Rotary            |
| <input type="checkbox"/> OWWO                | <input type="checkbox"/> Disposal           | <input type="checkbox"/> Cable                 |
| <input type="checkbox"/> Seismic; # of Holes | <input checked="" type="checkbox"/> Wildcat |  |
| <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 \_\_\_\_\_ East  
 NW SW NW Sec. 5 Twp. 20S S. R. 26W  West  
 \_\_\_\_\_ 1777' feet from  N /  S Line of Section  
 \_\_\_\_\_ 368' feet from  E /  W Line of Section  
 Is SECTION  Regular  Irregular?

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

County: Ness  
 Lease Name: Stiawalt Well #: 1  
 Field Name: N/A  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Mississippi  
 Nearest Lease or unit boundary: 350'  
 Ground Surface Elevation: 3601' 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'  
 Depth to bottom of usable water: 1050'  
 Surface Pipe by Alternate:  1  2  
 Length of Surface Pipe Planned to be set: \_\_\_\_\_ min. 200 ft  
 Length of Conductor Pipe required: 1100'  
 Projected Total Depth: 4900'  
 Formation at Total Depth: Mississippi  
 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: \_\_\_\_\_

**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:

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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: 09-07-07 Signature of Operator or Agent: Duwane Skipper Title: Member

|   |  |
|---|--|
| <b>For KCC Use ONLY</b>   |  |
| API # 15 -  | <u>135-24700-00-00</u>   |
| Conductor pipe required   | <u>None</u> feet   |
| Minimum surface pipe required   | <u>200</u> feet per Alt. <input checked="" type="checkbox"/> (2) |
| Approved by:  | <u>SB 9-10-07</u>  |
| This authorization expires:   | <u>3-10-08</u>   |
| (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

5  
20  
26W

**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 - 135-29700-00-00  
Operator: Illinois Exploration, LLC  
Lease: Stiawalt  
Well Number: 1  
Field: N/A  
Number of Acres attributable to well: \_\_\_\_\_  
QTR / QTR / QTR of acreage: NW - SW - NW

Location of Well: County: Ness  
1777' feet from  N /  S Line of Section  
368' feet from  E /  W Line of Section  
Sec. 5 Twp. 20S S. R. 26W  East  West

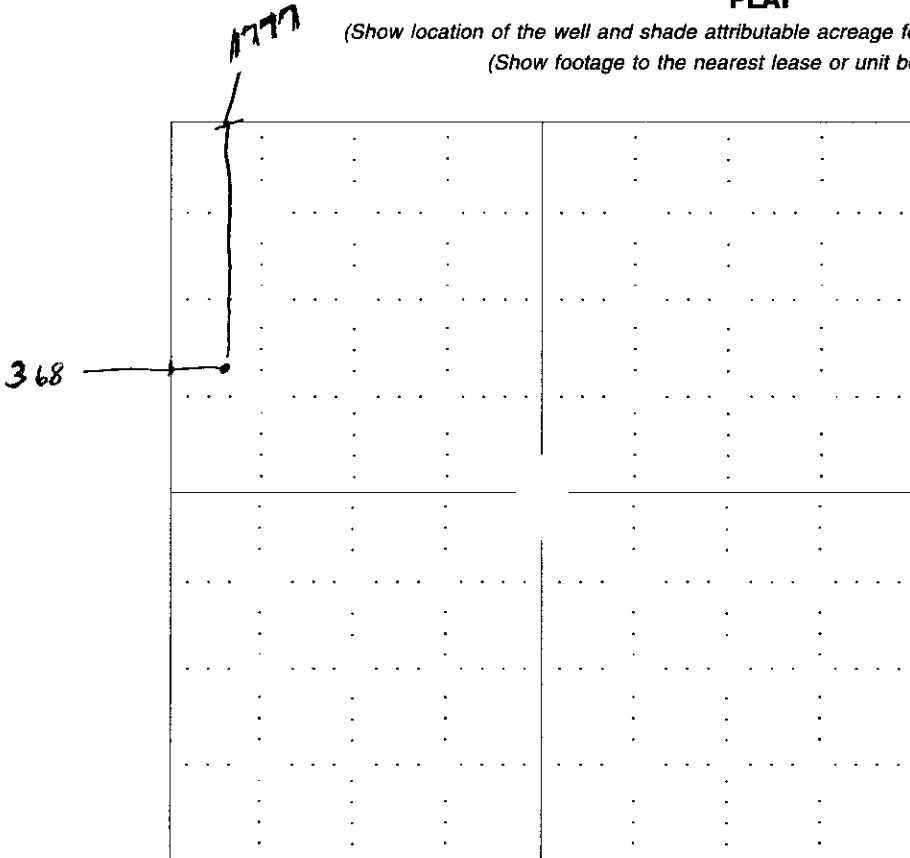
Is Section:  Regular or  Irregular

**If Section is Irregular, locate well from nearest corner boundary.**

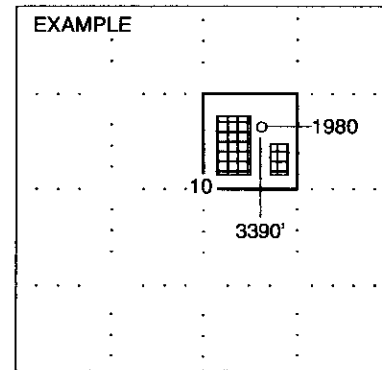
Section corner used:  NE  NW  SE  SW

**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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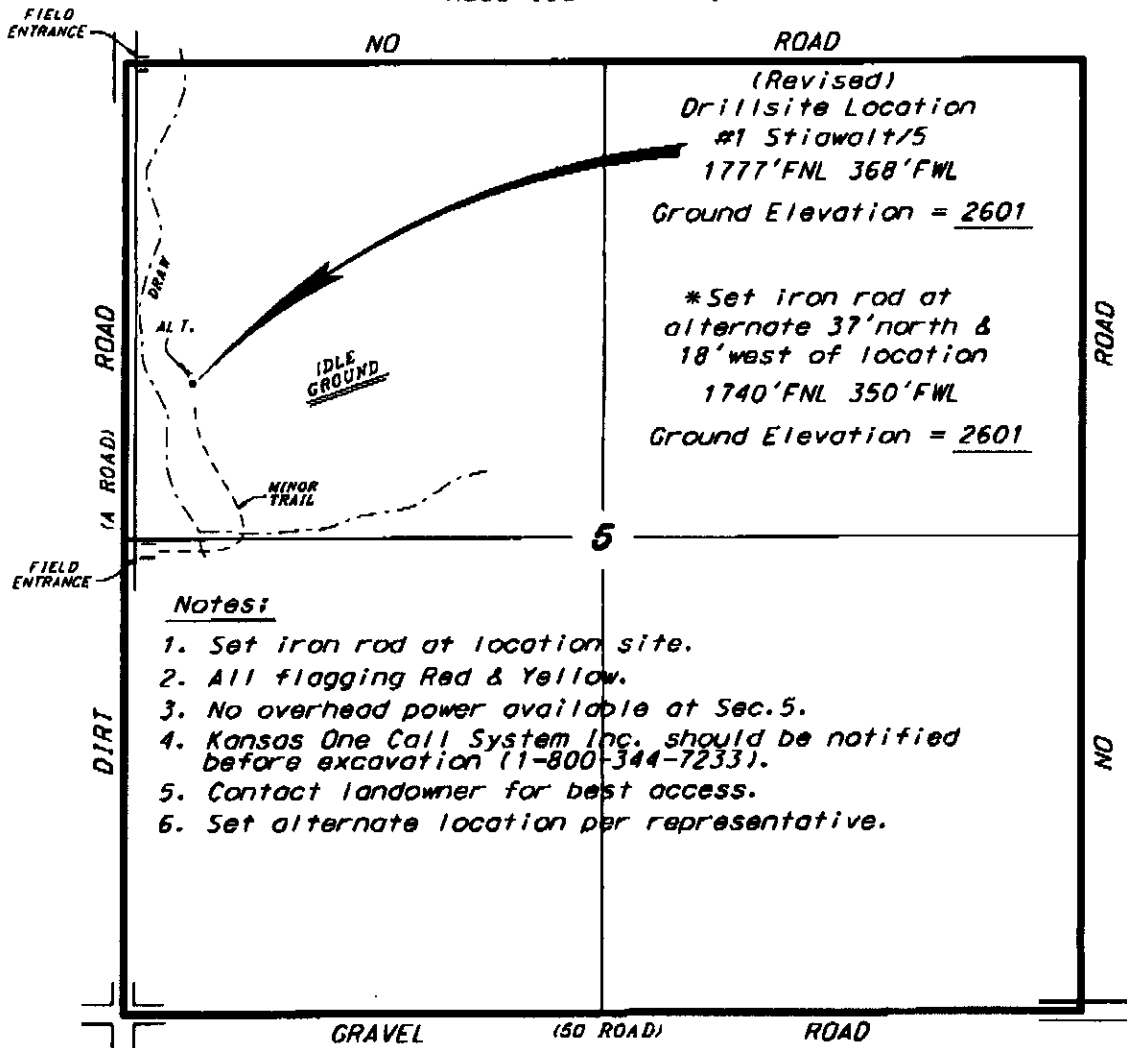
SEWARD CO.

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

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

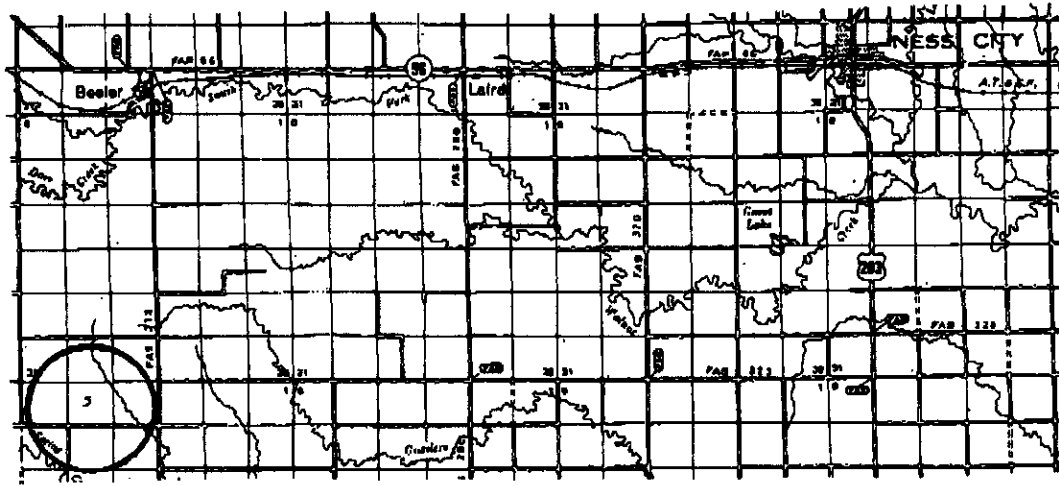
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit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

**ILLINOIS EXPLORATION, LLC  
STIAWALT LEASE  
NW. 1/4, SECTION 5, T20S. R26W  
NESS COUNTY, KANSAS**



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

- Notes:**
1. Set iron rod at location site.
  2. All flagging Red & Yellow.
  3. No overhead power available at Sec.5.
  4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
  5. Contact landowner for best access.
  6. Set alternate location per representative.



• 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 standards 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 accepting this plot and all other services relating thereto agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and sole and entire release from any liability from the date of consequential damages.  
 • Elevations derived from National Geodetic Vertical Datum.

Date August 15, 2007

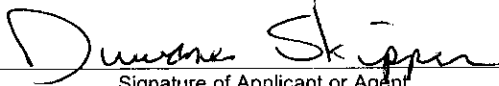
**CENTRAL KANSAS OILFIELD SERVICES, INC. (620)792-1977**

15-135-24700-00-00

**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: <b>Illinois Exploration, LLC</b>  |  | License Number: <b>34003</b>  |
| Operator Address: <b>PO Box 354</b>  |  |   |
| Contact Person: <b>Duwane Skipper</b>  |  | Phone Number: ( <b>806</b> ) <b>658 - 7832</b>  |
| Lease Name & Well No.: <b>Stiawalt 1</b>   |  | Pit Location (QQQQ):<br><b>NW SW NW</b>   |
| Type of Pit:<br><input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit<br><input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit<br><input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit<br><small>(If WP Supply API No. or Year Drilled)</small> | Pit is:<br><input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing<br>If Existing, date constructed: _____<br>Pit capacity:<br><b>6400</b> (bbls) | Sec. <b>5</b> Twp. <b>20S</b> R. <b>26W</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West<br><b>1777'</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section<br><b>368'</b> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section<br><b>Ness</b> County |
| Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |  | Chloride concentration: <u>N/A</u> mg/l<br><small>(For Emergency Pits and Settling Pits only)</small>   |
| Is the bottom below ground level?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No   | Artificial Liner?<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   | How is the pit lined if a plastic liner is not used?<br><b>Not Lined</b>  |
| Pit dimensions (all but working pits): <b>80'</b> Length (feet) <b>80'</b> Width (feet) <b>N/A: Steel Pits</b><br>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.<br><b>N/A</b>  |  | Describe procedures for periodic maintenance of liner integrity, including any special monitoring.<br><b>N/A</b>  |
| Distance to nearest water well within one-mile of pit<br><input checked="" type="checkbox"/> <b>N/A</b> feet    Depth of water well <b>N/A</b> feet  |  | Depth to shallowest fresh water <b>180'</b> feet.<br>Source of information:<br>_____ measured    _____ well owner    _____ electric log <input checked="" type="checkbox"/> <b>KDWR</b>   |
| <b>Emergency, Settling and Burn Pits ONLY:</b><br>Producing Formation: _____<br>Number of producing wells on lease: _____<br>Barrels of fluid produced daily: _____<br>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><br>Type of material utilized in drilling/workover: <u>Drilling mud, Fresh Water</u><br>Number of working pits to be utilized: <b>3</b><br>Abandonment procedure: <u>Allow to dry and backfill</u><br><br>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>09-07-07</b><br>Date  |  | <br>Signature of Applicant or Agent   |

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15-135-29700-00-00

|                               |                      |                             |   |
|-------------------------------|----------------------|-----------------------------|---|
| <b>KCC OFFICE USE ONLY</b>    |                      |                             |   |
| Date Received: <b>9/10/07</b> | Permit Number: _____ | Permit Date: <b>9/10/07</b> | Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

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