

OWWO

For KCC Use:
Effective Date: 11-20-07
District #: 2
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 NOVEMBER 1 2007
month day year

OPERATOR: License# 6236
Name: MTM Petroleum, Inc.
Address: PO Box 82
City/State/Zip: Spivey, KS 67142
Contact Person: Marvin A. Miller
Phone: (620)532-3794 or (620)546-3035

CONTRACTOR: License# 5123
Name: Pickrell Drilling Company, Inc.

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

If OWWO: old well information as follows:
Operator: MTM Petroleum, Inc.
Well Name: Boyle Hills #3
Original Completion Date: 11-16-02 Original Total Depth: 4456

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

Spot NE SW NW Sec. 36 Twp. 30 S. R. 8 East West
1680 feet from N / S Line of Section
1075 feet from E / W Line of Section
Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
County: KINGMAN
Lease Name: BOYLE HILLS Well #: 3
Field Name: SPIVEY - GRABS - BASIL
Is this a Prorated / Spaced Field? Yes No
Target Formation(s): MISSISSIPPIAN
Nearest Lease or unit boundary: 990 1075

Ground Surface Elevation: 1629 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: 100
Depth to bottom of usable water: 180
Surface Pipe by Alternate: 1 2

Length of Surface Pipe ~~Planned to be set:~~ 221'
Length of Conductor Pipe required: NONE
Projected Total Depth: 4500
Formation at Total Depth: MISSISSIPPIAN
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

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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 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: 10/17/2007 Signature of Operator or Agent: Marvin A. Miller Title: AGENT

For KCC Use ONLY
API # 15 - 095-21828-00-D1
Conductor pipe required None feet
Minimum surface pipe required 221 feet per Alt. 1
Approved by: Marvin A. Miller
This authorization expires: 11-15-08
(This authorization void if drilling not started within 12 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: _____

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

36
30
8W

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

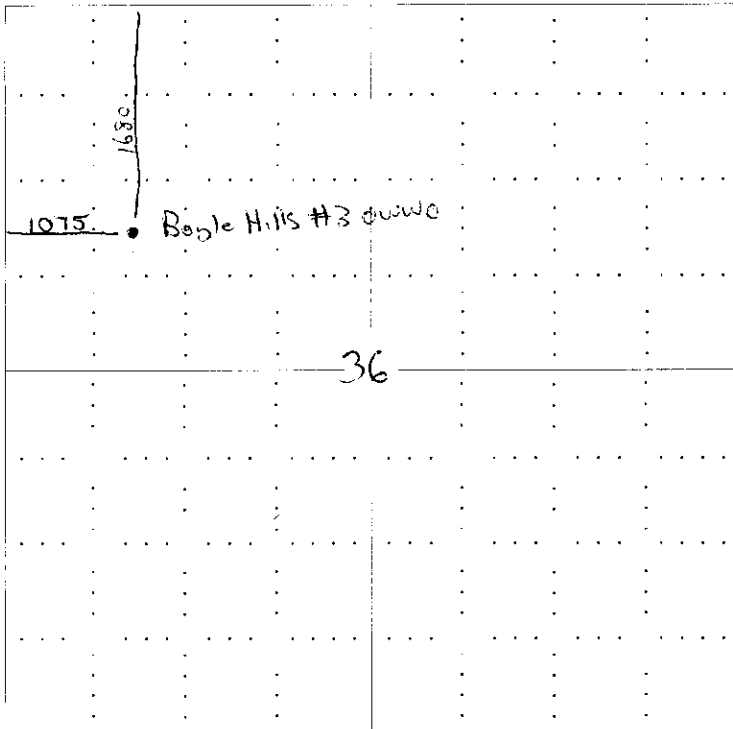
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 095-21828-00-01
Operator: MTM Petroleum, Inc.
Lease: BOYLE HILLS
Well Number: 3
Field: SPIVEY - GRABS - BASIL
Number of Acres attributable to well: _____
QTR / QTR / QTR of acreage: NE - SW - NW

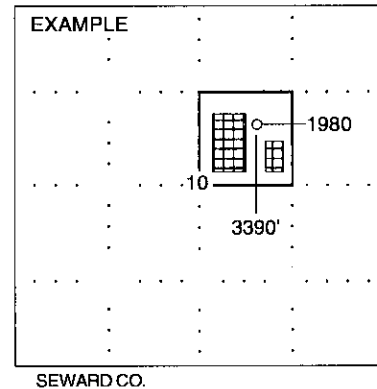
Location of Well: County: KINGMAN
1680 feet from N / S Line of Section
1075 feet from E / W Line of Section
Sec. 36 Twp. 30 S. R. 8 East West
Is Section: Regular or Irregular
If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE NW SE SW

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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OCT 18 2007
CONSERVATION DIVISION
WICHITA, KS



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

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: MTM Petroleum, Inc.		License Number: 6236
Operator Address: PO BOX 82 SPIVEY KS 67142		
Contact Person: MARVIN A. MILLER		Phone Number: (620) 532 - 3794
Lease Name & Well No.: BOYLE HILLS #3 OWWO		Pit Location (QQQQ): _____ NW
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input checked="" type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small> 2002	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 2000 (bbls)	Sec. 36 Twp. 30 R. 8 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1680 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 1075 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section KINGMAN County
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input 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? CLAY BOTTOM, BENTONITE
Pit dimensions (all but working pits): 80 Length (feet) 80 Width (feet) N/A: Steel Pits Depth from ground level to deepest point: 4 (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.
		RECEIVED KANSAS CORPORATION COMMISSION OCT 18 2007 CONSERVATION DIVISION WICHITA, KS
Distance to nearest water well within one-mile of pit 279 feet Depth of water well 110 feet		Depth to shallowest fresh water 96 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: FRESHWATER Number of working pits to be utilized: 2 Abandonment procedure: HAUL OFFSITE, JET TO RESERVE BACKFILL WHEN DRY 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.		
10/17/2007 Date		<i>Mark Miller</i> Signature of Applicant or Agent
KCC OFFICE USE ONLY		
Date Received: 10/18/07 Permit Number: _____ Permit Date: 11/14/07 Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

15-095-2188-00-01



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

November 14, 2007

Mr. Marvin A. Miller
MTM Petroleum, Inc.
PO Box 82
Spivey, KS 67142

Re: Drilling Pit Application
Boyle Hills Lease Well No. 3
NW/4 Sec. 36-30S-08W
Kingman County, Kansas

Dear Mr. Miller:

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 **lined with bentonite**. The fluids are to be removed from the reserve pit within 48 hours after drilling operations have ceased.

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 (316) 630-4000 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,

A handwritten signature in black ink that reads "Kathy Haynes".

Kathy Haynes
Environmental Protection and Remediation Department

cc: File

ANSAS
OPERATION COMMISSION
Oklahoma Derby Building
Kansas 67202

WELL PLUGGING RECORD
K.A.R.-82-3-117

API NUMBER 15-095-21828-00-00

LEASE NAME Boyle/Hills

WELL NUMBER 3

1680 Ft. from N Section Line

1075 Ft. from W Section Line

SEC. 36 TWP. 30 RGE. 8 ~~15~~ (W)

COUNTY Kingman County, Kansas

Date Well Completed _____

Plugging Commenced 11-16-02

Plugging Completed 11-16-02

LEASE OPERATOR MTM Petroleum

ADDRESS PO Box 82 Spivey, Kansas 67142-0082

PHONE# (620) 532-3794 OPERATORS LICENSE NO. 6236

Character of Well D&A

(Oil, Gas, O&A, SWD, Input, Water Supply Well)

The plugging proposal was approved on 11-15-02 (date)

BY Jack Luthi (KCC District Agent's Name)

Is ACO-1 filed? yes If not, Is well log attached? _____

Producing Formation _____ Depth to Top _____ Bottom _____ T.D. 4456'

Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS _____ CASING RECORD 8 5/8 e 221 per ACO-1

Formation	Content	From	To	Size	Put In	Pulled out

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same and depth placed, from _____ feet to _____ feet each section.

- 1st Plug: 1300' w/35 sacks cement through drillpipe
- 2nd Plug: 850' w/35
- 3rd Plug: 270' w/40
- 4th Plug: 60' w/25 Rathole w/20 Mousehole w/10

Name of Plugging Contractor Duke Drilling Co., Inc. License No. 5929

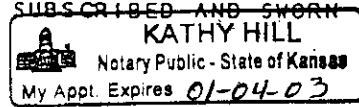
Address PO Box 823 Great Bend, Kansas 67530

NAME OF PARTY RESPONSIBLE FOR PLUGGING FEES: MTM Petroleum

STATE OF Kansas COUNTY OF Kingman, ss.

Marvin A. Miller, President (Employee of Operator) or (Operator)
I, above-described well, being first duly sworn on oath, says: That I have knowledge of the facts and statements, and matters herein contained and the log of the above-described well as filed thereon, and the same are true and correct, so help me God.

(Signature) Marvin A. Miller
(Address) PO Box 82 Spivey KS 67142

SUBSCRIBED AND SWORN TO before me this 10th day of December, 2002

Kathy Hill Notary Public
My Commission Expires: 01-04-03 Kathy Hill

USE ONLY ONE SIDE OF EACH FORM