

For KCC Use:  
Effective Date: 12-12-07  
District # 1  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

KANSAS

Form C-1  
October 2007

DEC 07 2007

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 work

CONSERVATION DIVISION  
WICHITA, KS

Expected Spud Date: Dec. 15, 2007  
month day year

OPERATOR: License# 9152  
Name: MAREXCO, Inc.  
Address 1: 3033 NW 63rd Street - Suite 151  
Address 2:  
City: Oklahoma City State: OK Zip: 73116 +  
Contact Person: Stephen W. Marden  
Phone: 405.286.5657

CONTRACTOR: License# 33374 33784  
Name: Trinidad Drilling Limited Partnership

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> Seismic ; # of Holes	<input type="checkbox"/> Disposal	<input type="checkbox"/> Pool Ext.
<input type="checkbox"/> Other:	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Air Rotary
	<input type="checkbox"/> Other	<input type="checkbox"/> Cable

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 Description: \_\_\_\_\_  
approx. - C - SE Sec. 29 Twp. 22 S. R. 36  E  W  
(0000) 1,250' feet from  N /  S Line of Section  
1,250' feet from  E /  W Line of Section  
Is SECTION:  Regular  Irregular?

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

County: Kearny  
Lease Name: Vincent Well #: 1-29  
Field Name: Hugoton

Is this a Prorated / Spaced Field?  Yes  No  
Target Formation(s): Chase Herrington/Krider

Nearest Lease or unit boundary line (in footage): 1,250'  
Ground Surface Elevation: 3,203' 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: 220'  
Depth to bottom of usable water: 950'

Surface Pipe by Alternate:  I  II  
Length of Surface Pipe Planned to be set: 336'

Length of Conductor Pipe (if any): \_\_\_\_\_  
Projected Total Depth: 2,700'

Formation at Total Depth: Chase Winfield

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:

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 correct to the best of my knowledge and belief.

Date: 11/28/07 Signature of Operator or Agent: Stephen W. Marden Title: V.P.

For KCC Use ONLY  
API # 15 - 093-21819-0000  
Conductor pipe required None feet  
Minimum surface pipe required 240 feet per ALT.  I  II  
Approved by: Rut 12-7-07  
This authorization expires: 12-7-08  
(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 (within 60 days);
- 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 Date: \_\_\_\_\_  
Signature of Operator or Agent: \_\_\_\_\_

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

29 22 36  E  W

**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 - 093-21819-0000  
Operator: MAREXCO, Inc.  
Lease: Vincent  
Well Number: 1-29  
Field: Hugoton  
Number of Acres attributable to well: 640  
QTR/QTR/QTR/QTR of acreage: \_\_\_\_\_

Location of Well: County: Kearny  
1,250 feet from  N /  S Line of Section  
1,250 feet from  E /  W Line of Section  
Sec. 29 Twp. 22 S. R. 36  E  W

Is Section:  Regular or  Irregular

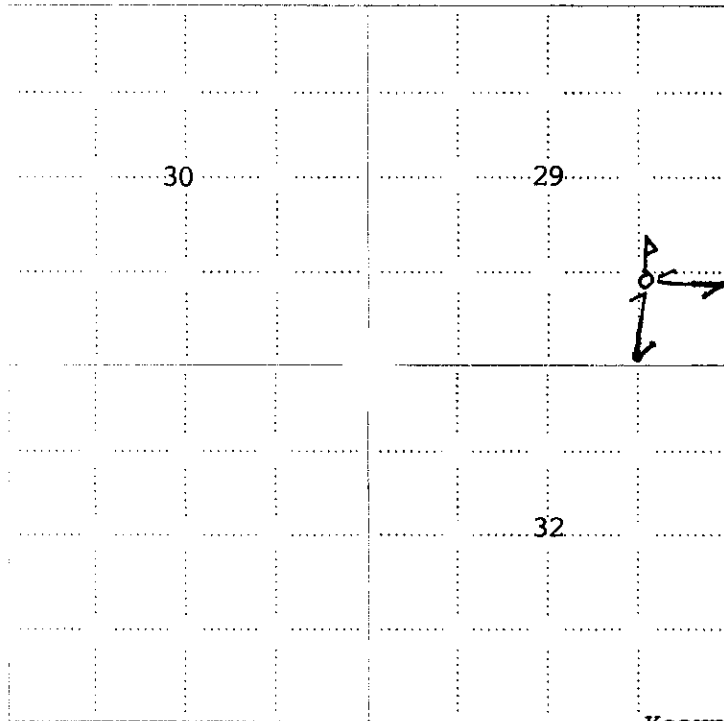
If Section is Irregular, locate well from nearest corner boundary.

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.)*

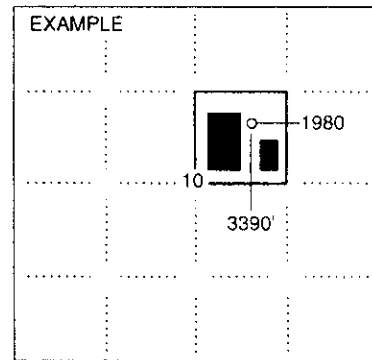
Portions of 22S-36W



Kearny County

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

KANSAS  
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WICHITA, KS



SEWARD CO.

**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 south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).

**PLAT AND CERTIFICATION OF ACREAGE ATTRIBUTABLE TO A GAS WELL**

Kansas Corporation Commission, Conservation Division  
 Finney State Office Building, 130 South Market, Room 2078  
 Wichita, Kansas 67202

API NUMBER 15- 093-21819-0000

LOCATION OF WELL: COUNTY Kearny

OPERATOR MAREXCO, Inc.

LEASE Vincent

WELL NUMBER 1-29

FIELD Hugoton

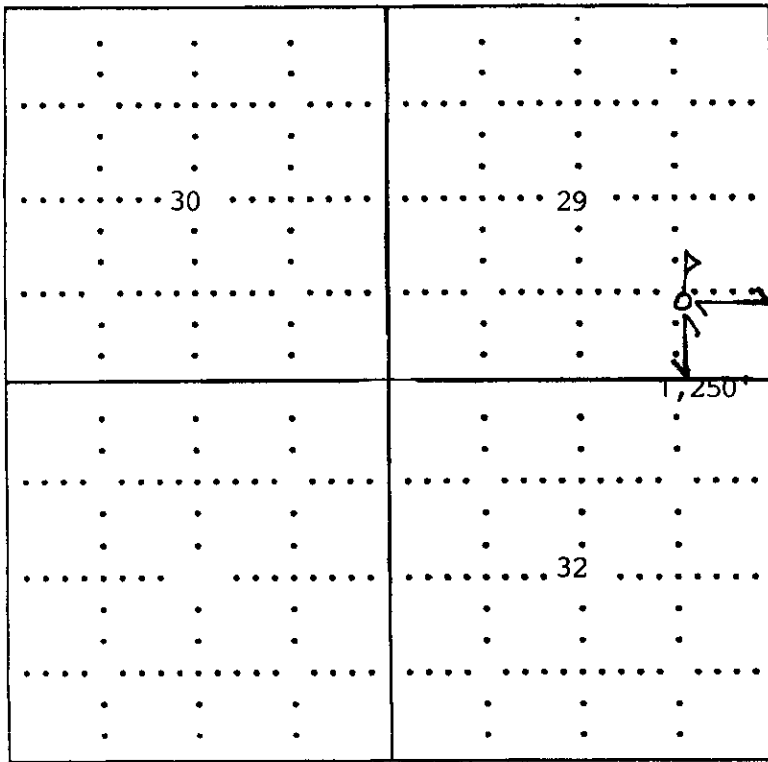
1,250 feet from south/north line of section  
1,250 feet from east/west line of section

NUMBER OF ACRES ATTRIBUTABLE TO WELL 640  
 in fill

QTR/QTR/QTR OF ACREAGE - - -

SECTION 29 TWP 22 (S) RG 36 E/W  
 IS SECTION X REGULAR or IRREGULAR  
 IF SECTION IS IRREGULAR, LOCATE WELL FROM  
 NEAREST CORNER BOUNDARY. (check line below)  
 Section corner used: NE NW SE SW

(Show the location of the well and shade attributable acreage for prorated or spaced wells).  
 (Show the footage to the nearest lease or unit boundary line; and show footage to the nearest  
 common source supply well). Portions of 22S-36W

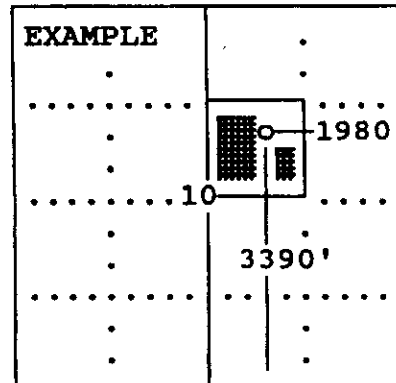


Kearny County

KANSAS

DEC 07 2007

CONSERVATION DIVISION  
 WICHITA, KS



SEWARD CO.

The undersigned hereby certifies as Vice President (title) for

MAREXCO, Inc. (Co.), a duly authorized agent, that all

information shown hereon is true and correct to the best of my knowledge and belief, that all acreage claimed attributable to the well named herein is held by production from that well and hereby make application for an allowable to be assigned to the well upon the filing of this form and the State test, whichever is later.

Signature Stephen W. Ward

Subscribed and sworn to before me on this 5<sup>th</sup> day of December, 2007

Brenda F. Guest

**NOTARY SEAL**  
 BRENDA F. GUEST  
 Notary Public  
 State of Oklahoma  
 Commission # 05005099 Expires 6/01/09

Notary Public

My Commission expires

FORM CG-8 (12/94)

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

Form CDP-1  
April 2004  
Form must be Typed  
DEC 07 2007

Submit in Duplicate

CONSERVATION DIVISION  
WICHITA, KS

Operator Name: MAREXCO, Inc.		License Number: 9152	
Operator Address: 3033 NW 63rd St. - Suite 151 Oklahoma City, OK 73116			
Contact Person: Stephen W. Marden		Phone Number: (405) 286-5657	
Lease Name & Well No.: Vincent #1-29		Pit Location (QQQQ): <i>NW NW SE</i> approx <del>E</del> SE/4	
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: _____ (bbls)	Sec. 29 Twp. 22S R. 36 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1,250 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1,250 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Kearny County	
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? native muds	
Pit dimensions (all but working pits): 75 Length (feet) 75 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.	
Distance to nearest water well within one-mile of pit 2,600 feet    Depth of water well ?? feet		Depth to shallowest fresh water 220 feet. Source of information: KCC _____ 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: native & chem. muds Number of working pits to be utilized: _____ Abandonment procedure: break down corners after drilling let dry, backfill with topsoil last 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.			
11/29/07 Date		<i>Stephen W. Marden</i> Signature of Applicant or Agent	

15-093-21819-0000

**KCC OFFICE USE ONLY**

Date Received: 12/7/07    Permit Number: \_\_\_\_\_    Permit Date: 12/7/07    Lease Inspection:  Yes  No