

KANSAS CORPORATION COMMISSION 1016147
OIL & GAS CONSERVATION DIVISION

Form C-1
October 2007

Form must be Typed
Form must be Signed
All blanks must be Filled

For KCC Use:
Effective Date: 01/08/2008
District # 1
SGA? Yes No

NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: 3/15/2008
month day year

Spot Description: 16
W2 - E2 - SE Sec. 32 Twp. 18 S. R. 31 E W
(a) (b) (c) 1,320 feet from N / S Line of Section
990 feet from E / W Line of Section

OPERATOR: License# 33476
Name: FIML Natural Resources, LLC
Address 1: 410 17TH ST STE 900
Address 2:
City: DENVER State: CO Zip: 80202 + 4420
Contact Person: Cassie Parks
Phone: 303-893-5073

Is SECTION: Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)
County: Scott
Lease Name: McKean trust Well #: 16B-32-1831
Field Name: Not named

CONTRACTOR: License# 30606
Name: Murfin Drilling Co., Inc.

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): MSSP Spergen, Warsaw, Osage, Lansing, Marmaton, Johnson

Well Drilled For: Oil Gas Seismic Other:
 Enh Rec Storage Disposal
Well Class: Infield Pool Ext. Wildcat Other
Type Equipment: Mud Rotary Air Rotary Cable
of Holes: _____
 If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Original Completion Date: _____ Original Total Depth: _____

Nearest Lease or unit boundary line (in footage): 675
Ground Surface Elevation: 2979 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: 1550
Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set: 350
Length of Conductor Pipe (if any): 0
Projected Total Depth: 4800
Formation at Total Depth: MSSP Osage

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

Water Source for Drilling Operations:
 Well Farm Pond Other: Hauled in
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.

Submitted Electronically

For KCC Use ONLY
API # 15 - 15-171-20686-00-00
Conductor pipe required 0 feet
Minimum surface pipe required 200 feet per ALT. I II
Approved by: Jonelle Rains 01/31/2008
This authorization expires: 01/03/2009
(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: _____

32 18 31
 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 - 15-171-20686-00-00
 Operator: FIML Natural Resources, LLC
 Lease: McKean trust
 Well Number: 16B-32-1831
 Field: Not named

Location of Well: County: Scott
 1,320 feet from N / S Line of Section
 990 feet from E / W Line of Section
 Sec. 32 Twp. 18 S. R. 31 E W

Number of Acres attributable to well: _____
 QTR/QTR/QTR/QTR of acreage: _____ - W2 - E2 - SE

Is Section: Regular or Irregular

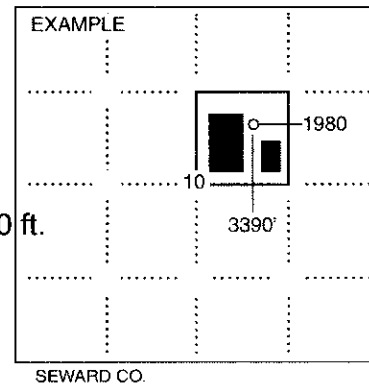
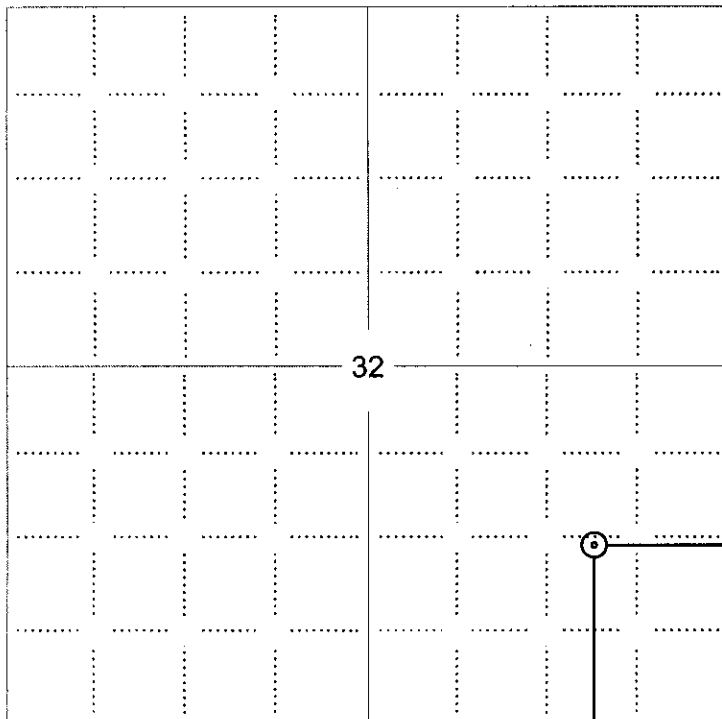
If Section is Irregular, locate well from nearest corner boundary.

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.)



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 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: (CO-7 for oil wells; CG-8 for gas wells).

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: FIML Natural Resources, LLC		License Number: 33476	
Operator Address: 410 17TH ST STE 900		DENVER CO 80202	
Contact Person: Cassie Parks		Phone Number: 303-893-5073	
Lease Name & Well No.: McKean trust 16B-32-1831		Pit Location (QQQQ): W2 E2 SE Sec. 32 Twp. 18 R. 31 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1,320 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 990 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Scott 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: 3,000 (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? Natural clay	
Pit dimensions (all but working pits): 80 Length (feet) 80 Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: 4 (feet) <input type="checkbox"/> No Pit			
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 0 feet Depth of water well 1,550 feet		Depth to shallowest fresh water 180 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> 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: Bentonite mud Number of working pits to be utilized: 2 Abandonment procedure: Evaporation/backfill Drill pits must be closed within 365 days of spud date.	
Submitted Electronically			

KCC OFFICE USE ONLY

Steel Pit RFAC RFAS Date Received: 01/03/2008 Permit Number: 15-171-20686-00-00 Permit Date: 01/03/2008 Lease Inspection: Yes No

Summary of Changes

Lease Name and Number: McKean trust 16B-32-1831

API: 15-171-20686-00-00

Doc ID: 1016147

Correction Number: 1

Approved By: Jonelle Rains 01/31/2008

Field Name	Previous Value	New Value
Feet to Nearest Water Well Within One-Mile of Pit	5280	0
Ground Surface Elevation	2980	2979
KCC Only - Approved By	Rick Hestermann 01/03/2008	Jonelle Rains 01/31/2008
KCC Only - Regular Section Quarter Calls	E2 W2 E2 SE	W2 E2 SE
Number of Feet East or West From Section Line	675	990
Number of Feet East or West From Section Line	675	990
Quarter Call 4 - Smallest	E2	
Quarter Call 4 - Smallest	E2	