

For KCC Use:
 Effective Date: 3-8-08
 District #: 4
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

Form C-1
 October 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 well

Expected Spud Date: Spring 2008
month day year

OPERATOR: License# 33699 ✓
 Name: T-N-T ENGINEERING INC
 Address 1: 3711 MAPLEWOOD AVE, SUITE 201
 Address 2:
 City: WICHITA FALLS State: TX Zip: 76308 +
 Contact Person: RANDY WEIGEL
 Phone: (785) 737-3736
 CONTRACTOR: License# 33493 ✓
 Name: AMERICAN EAGLE DRILLING LLC

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

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: _____
 NW NE SE SW Sec. 27 Twp. 8 S. R. 19 E W
(0.0000) 1,038 feet from N / S Line of Section
2,243 feet from E / W Line of Section

Is SECTION: Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
 County: ROOKS
 Lease Name: STICE Well #: 7
 Field Name: WEBSTER

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): ARBUCKLE-LANSING KANSAS CITY
 Nearest Lease or unit boundary line (in footage): 397'
 Ground Surface Elevation: 1974 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: 150
 Depth to bottom of usable water: 800

Surface Pipe by Alternate: I II ALT. II
 Length of Surface Pipe Planned to be set: 220'

Length of Conductor Pipe (if any): _____
 Projected Total Depth: 3500'
 Formation at Total Depth: ARBUCKLE

Water Source for Drilling Operations:
 Well Farm Pond Other: HAULED

DWR Permit #: _____
 (Note: Apply for Permit with DWR)
 Will Cores be taken? Yes No

If Yes, proposed zone: _____

AFFIDAVIT

RECEIVED
 KANSAS CORPORATION COMMISSION

FEB 29 2008

CONSERVATION DIVISION
 WICHITA, KS

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: 2-28-08 Signature of Operator or Agent: Hal Gill Title: Ks. Engr.

For KCC Use ONLY
 API # 15: 163-23698-0000
 Conductor pipe required: None feet
 Minimum surface pipe required: 200 feet per ALT I II
 Approved by: fw 3-3-08
 This authorization expires: 3-3-09
(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 preparation 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: _____

27
8
19

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 - 163-23698-0000
 Operator: T-N-T ENGINEERING, INC.
 Lease: Stice
 Well Number: 7
 Field: Webster
 Number of Acres attributable to well: 10
 QTR/QTR/QTR/QTR of acreage: NW - NE - SE - SW

Location of Well: County: Rooks
1,038 feet from N / S Line of Section
2,243 feet from E / W Line of Section
 Sec. 27 Twp. 8 S. R. 19 E W

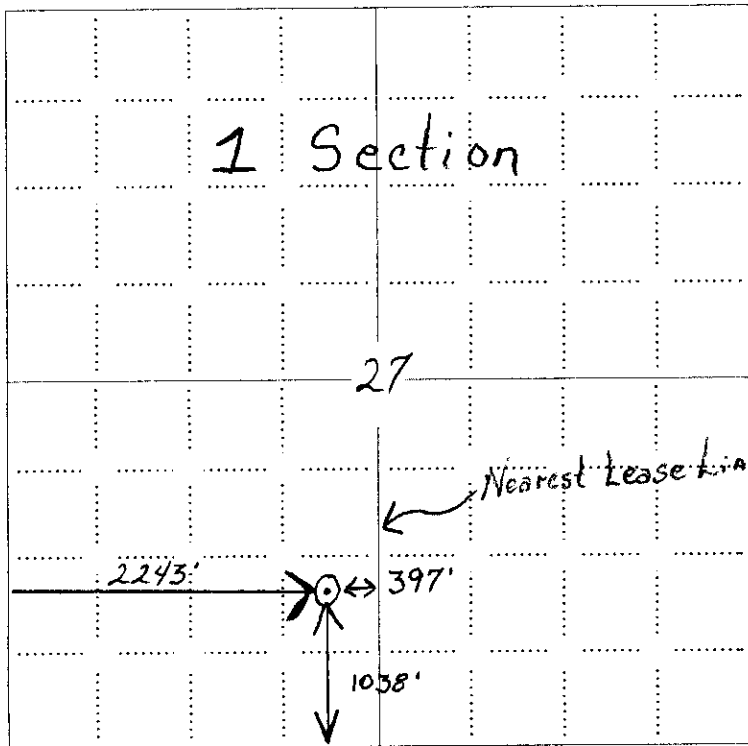
Is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

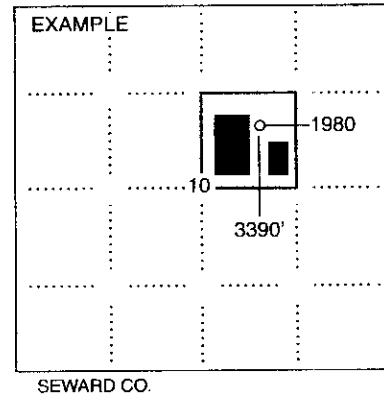
PLAT

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)
 (Show footage to the nearest lease or unit boundary line.)*



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

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 WICHITA, KS



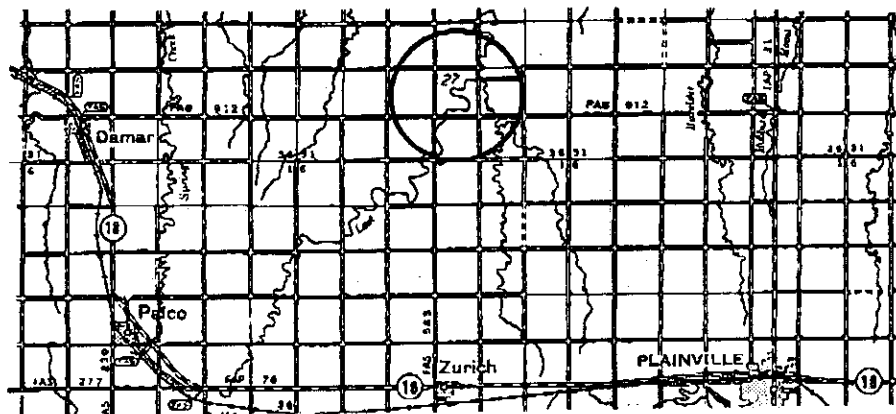
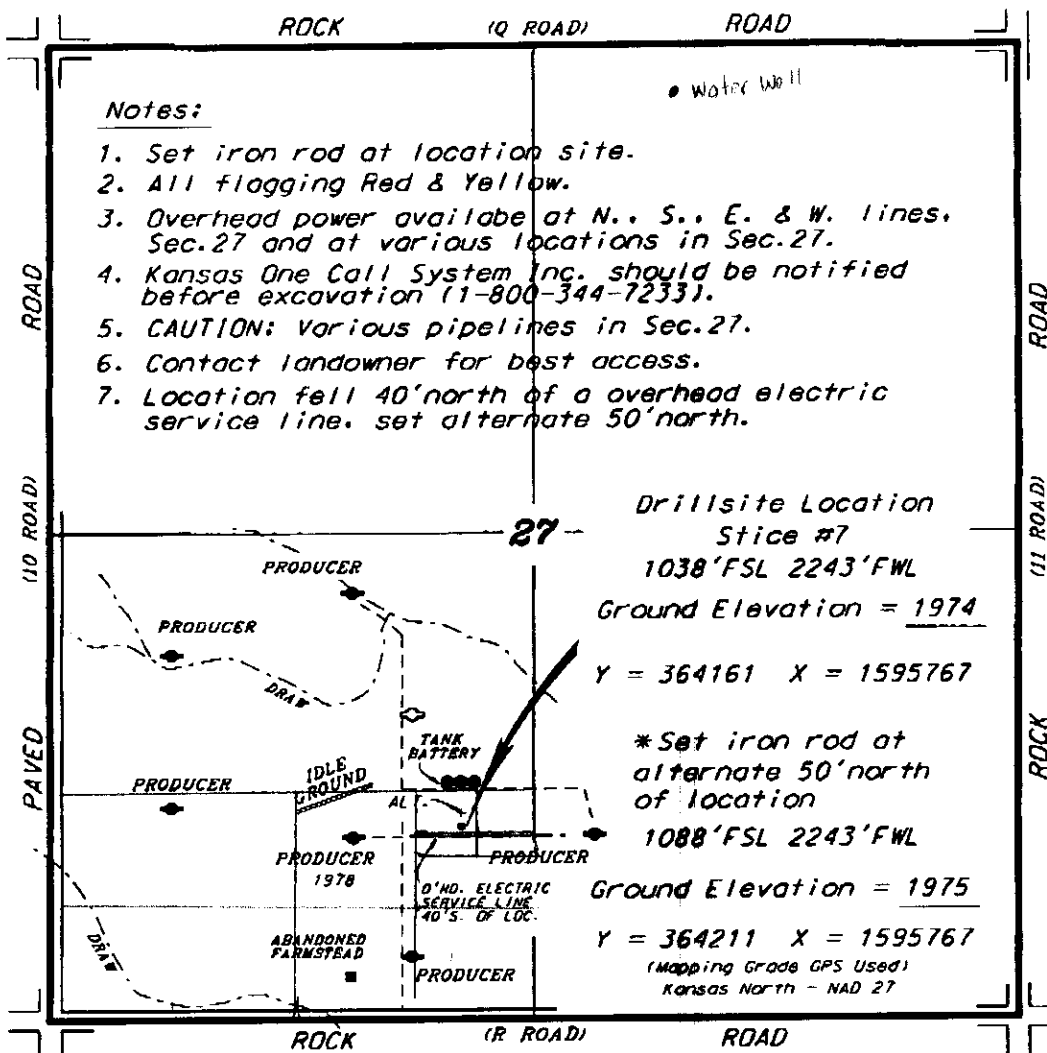
In plotting the proposed location of the well, you must show:

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 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).

TNT ENGINEERING, INC.
STICE LEASE
SW. 1/4, SECTION 27, T8S, R19W
ROOKS COUNTY, KANSAS

15-103-23698-0000

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



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WICHITA, KS

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 standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, when established 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 plat and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expense and hold entitled released from any liability from incidental or consequential damages.

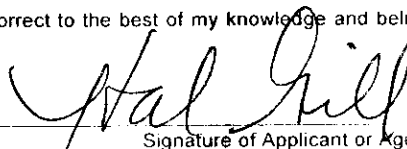
Elevations derived from National Geodetic Vertical Datum.

Date February 11, 2008

**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: T-N-T ENGINEERING INC | | License Number: 33699 |
| Operator Address: 3711 MAPLEWOOD AVE, SUITE 201 | | WICHITA FALLS TX 76308 |
| Contact Person: RANDY WEIGEL | | Phone Number: (785) 737-3736 |
| Lease Name & Well No.: STICE 7 | | Pit Location (QQQQ): NW NE SE SW Sec. 27 Twp. 8 R. 19 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1,038 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 2,243 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section ROOKS 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: _____ (bbls) | |
| 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? |
| Pit dimensions (all but working pits): <u>390</u> Length (feet) <u>880</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>3</u> (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 <u>3986</u> feet Depth of water well <u>31</u> feet | | Depth to shallowest fresh water <u>16</u> 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: <u>Chen mud</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>Let fluids evaporate, break up and backfill. Cover with top soil.</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. | | RECEIVED KANSAS CORPORATION COMMISSION |
| <u>2-28-08</u> Date |  Signature of Applicant or Agent | FEB 29 2008 CONSERVATION DIVISION WICHITA, KS |
| KCC OFFICE USE ONLY | | |
| Date Received: <u>2/29/08</u> Permit Number: _____ | | Steel Pit <input type="checkbox"/> RFAC <input checked="" type="checkbox"/> RFAS <input type="checkbox"/> |
| Permit Date: <u>2/29/08</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |

15-163-23698-0000



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

February 29, 2008

Mr. Randy Weigel
TNT Engineering, Inc.
3711 Maplewood Ave Ste 201
Wichita Falls, TX 76308

RE: Drilling Pit Application
Stice Lease Well No. 7
SW/4 Sec. 27-08S-19W
Rooks County, Kansas

Dear Mr. Weigel:

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,

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

Kathy Haynes
Environmental Protection and Remediation Department

cc: File