

OWWO

For KCC Use: 4-26-08  
Effective Date: 4  
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: May 14, 2008  
month day year

OPERATOR: License# 3293  
Name: Russell Oil, Inc.  
Address 1: PO Box 1469  
Address 2: \_\_\_\_\_  
City: Plainfield, IL 60544 State: IL Zip: 60544 + \_\_\_\_\_  
Contact Person: LeRoy Holt II  
Phone: 815-609-7000  
CONTRACTOR: License# 33793  
Name: H2 Drilling, LLC

Spot Description: \_\_\_\_\_  
C - NW - SW - SW Sec. 19 Twp. 10 S. R. 30  E  W  
(or/oo) 990 feet from  N /  S Line of Section  
4,950 feet from  E /  W Line of Section  
Is SECTION:  Regular  Irregular?

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

County: Sheridan  
Lease Name: Ferguson Well #: #17-19 SWD  
Field Name: Zelda  
Is this a Prorated / Spaced Field?  Yes  No  
Target Formation(s): Cedar Hills

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

Nearest Lease or unit boundary line (in footage): 330'  
Ground Surface Elevation: 2907' 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: 1550'  
Surface Pipe by Alternate:  I  II  
Length of Surface Pipe Planned to be set: 313' set when drilled in 1983  
Length of Conductor Pipe (if any): none  
Projected Total Depth: 2500'  
Formation at Total Depth: Anhydrite

If OWWO: old well information as follows:  
Operator: First Energy Corporation  
Well Name: Ferguson #17-19  
Original Completion Date: 12-1-1983 Original Total Depth: 4620

Water Source for Drilling Operations:  Well  Farm Pond  Other: \_\_\_\_\_  
DWR Permit #: application to be filed by drilling contractor  
(Note: Apply for Permit with DWR   
Will Cores be taken?  Yes  No  
If Yes, proposed zone: \_\_\_\_\_

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

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.

APR 21 2008

It is agreed that the following minimum requirements will be met:

CONSERVATION DIVISION  
WICHITA, KS

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: April 18, 2008 Signature of Operator or Agent: Uran Holt II Title: President

For KCC Use ONLY  
API # 15 - 179-20718-00-01  
Conductor pipe required None feet  
Minimum surface pipe required 313 feet per ALT.  I  II  
Approved by: 4-21-08  
This authorization expires: 4-21-09  
(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 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: \_\_\_\_\_

19 10 30  
 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 - 179-20718-00-01

Operator: Russell Oil, Inc.

Lease: Ferguson

Well Number: #17-19 SWD

Field: Zelda

Number of Acres attributable to well: \_\_\_\_\_

QTR/QTR/QTR/QTR of acreage: C - NW - SW - SW

Location of Well: County: Sheridan

990 feet from  N /  S Line of Section

4,950 feet from  E /  W Line of Section

Sec. 19 Twp. 10 S. R. 30  E  W

Is Section:  Regular or  Irregular

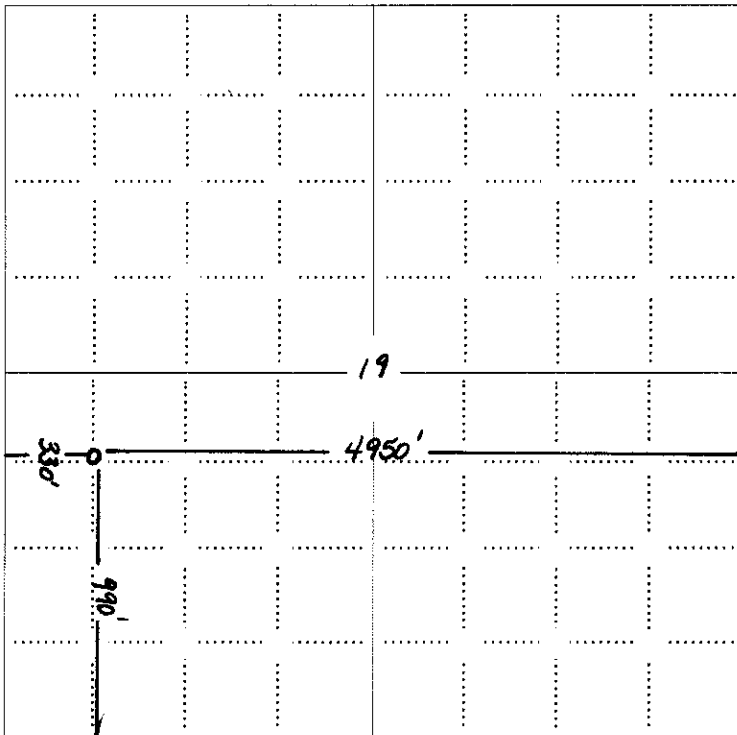
**If Section is Irregular, locate well from nearest corner boundary.**

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.)*

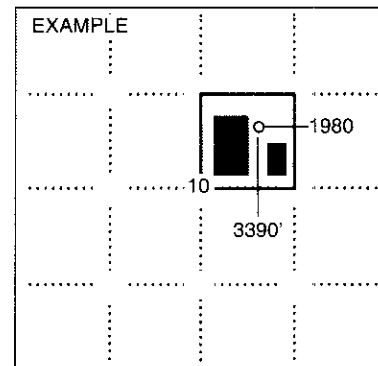


**NOTE: In all cases locate the spot of the proposed drilling location.**

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CONSERVATION DIVISION  
WICHITA, KS



SEWARD CO.

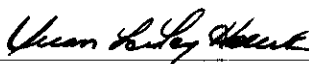
**In plotting the proposed location of the well, you must show:**

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: (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: <b>Russell Oil, Inc.</b>		License Number: <b>3293</b>	
Operator Address: <b>PO Box 1469</b>		Plainfield, IL 60544 IL <b>60544</b>	
Contact Person: <b>LeRoy Holt II</b>		Phone Number: <b>815-609-7000</b>	
Lease Name & Well No.: <b>Ferguson #17-19 SWD</b>		Pit Location (QQQQ): <b>C NW SW SW</b>	
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: <b>4,500</b> (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? <b>native drilling mud</b>			
Pit dimensions (all but working pits): <u>100</u> Length (feet) <u>100</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>4</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>2000'+<sup>9</sup></u> feet    Depth of water well <u>135</u> feet		Depth to shallowest fresh water <u>70</u> feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> 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: <u>drilling mud</u> Number of working pits to be utilized: <u>2</u> Abandonment procedure: <u>Allow pit to evaporate and dry thoroughly, refill w/excavated dirt.</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	
April 18, 2008 Date		 Signature of Applicant or Agent	
		APR 21 2008 CONSERVATION DIVISION WICHITA, KS	
<b>KCC OFFICE USE ONLY</b>			
		Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>	
Date Received: <u>4/21/08</u>		Permit Number: _____ Permit Date: <u>4/21/08</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

15-179-20718-00-01



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

**NOTICE TO OPERATORS FILING INTENT TO DRILL  
FOR DISPOSAL OR ENHANCED RECOVERY  
INJECTION WELLS, (CLASS II INJECTION WELL)**

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved "Intent to Drill" does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in **K.A.R. 82-3-400 et seq** of our regulations. Associated regulations governing drilling, completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sandstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a "Design Approval" before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.

15-179-20718-0000

WELL PLUGGING RECORD

Give All Information Completely  
 Make Required Affidavit

COUNTY Sheridan SEC. 19 TWP. 10S RGE. 30W E/W  
 Location as in quarters or footage from lines:  
990' fsl & 330' fwl


Locate Well  
 correctly on above  
 Section Platt.

Lease Owner First Energy Corporation  
 Lease Name Ferguson Well No. 17-19  
 Office Address 16701 Greenspoint Pk Dr, St 200, Houston, TX 77060  
 Character of Well (Completed as Oil, Gas or Dry Hole): Dry Hole  
 Date Well Completed 12-1-83  
 Application for plugging filed 12-1-83  
 Plugging commenced 12-1-83  
 Plugging completed 12-1-83  
 Reason for abandonment of well or producing formation \_\_\_\_\_

Dry Hole  
 Was permission obtained from the Conservation Division or Agent's before plugging was commenced? Yes (OL)

Name of Conservation Agent who supervised plugging of this well Dennis Hammel, KCC  
 Producing formation \_\_\_\_\_ Depth to top \_\_\_\_\_ bottom \_\_\_\_\_ T.D. 4620'

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

OIL, GAS OR WATER RECORDS

Casing Record

Formation	Content	From	To	Size	Put in	Pulled Out
Surface				8 5/8"	312'	none

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 hold. If cement or other plugs were used, state the character of same and depth placed, from \_\_\_\_\_ feet to \_\_\_\_\_ feet for each plug set.

- 1st plug set @ 2500' w/25 sx.
- 2nd plug set @ 1550' w/100 sx.
- 3rd plug set @ 330' w/40 sx.
- 4th plug set @ 40' w/10 sx.
- 10 sx in the rat hole.

(If additional description is necessary, use BACK of this sheet)

Name of Plugging Contractor Murfin Drilling Company

STATE OF KANSAS COUNTY OF SEDGWICK, ss.  
David L. Murfin (employee of owner) or (owner or operator) of the above-described well, being first duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the log of the above-described well as filed and that the same are true and correct. So help me God.

(Signature) David L. Murfin  
 David L. Murfin - 250 North Water, Suite 300  
 Wichita, KS 67202 (Address)

SUBSCRIBED AND SWORN TO before me this 6th day of December, 19 83

Edman Hall  
 Notary Public.

My Commission expires: 4-25-87

RECEIVED Edman Hall  
 STATE CORPORATION COMMISSION

JAN 04 1984