

For KCC Use: 4-30-08
 Effective Date: 4-30-08
 District #: 4
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

awo
 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: 04 30 2008
 month day year

OPERATOR: License# 32158
 Name: H&B Petroleum Corporation
 Address 1: PO Box 277, Ellinwood, Kansas 67526-0277
 Address 2: _____
 City: _____ State: _____ Zip: _____ + 0 2 7 7
 Contact Person: Al Hammersmith
 Phone: 620-564-3002
 CONTRACTOR: License# 34066
 Name: Trinity Oilfield Services Inc.

Well Drilled For: Oil Gas Seismic; # of Holes _____
 Enh Rec Storage Disposal Other: _____
 Well Class: Infield Pool Ext. Wildcat Other: _____
 Type Equipment: Mud Rotary Air Rotary Cable
 If OWWO: old well information as follows:
 Operator: Nadel & Gussman Inc.
 Well Name: Ouderkirk #3
 Original Completion Date: 07-03-1949 Original Total Depth: 3774

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

Spot Description: _____
 NW - SE - NW - _____ Sec. 7 Twp. 10 S. R. 19 E W
 (0/0/0/0) 1,650 feet from N / S Line of Section
1,650 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: Ouderkirk Well #: 3
 Field Name: Marcotte
 Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Arbuckle
 Nearest Lease or unit boundary line (in footage): 330
 Ground Surface Elevation: 2225 +/- 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: 140
 Depth to bottom of usable water: 950
 Surface Pipe by Alternate: I II
 Length of Surface Pipe Planned to be set: 196
 Length of Conductor Pipe (if any): n/a
 Projected Total Depth: 3774
 Formation at Total Depth: Arbuckle

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: April 23, 2008 Signature of Operator or Agent: [Signature] Title: Vice President

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APR 24 2008

CONSERVATION DIVISION
 WICHITA, KS

For KCC Use ONLY
 API # 15 - 163-01908-00-01
 Conductor pipe required None feet
 Minimum surface pipe required 196 feet per ALT. I II
 Approved by: [Signature] 4-2508
 This authorization expires: 4-2509
 (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: _____

7
10
19
 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 - 163-01908-00-01
 Operator: H&B Petroleum Corporation
 Lease: Ouderkirk
 Well Number: 3
 Field: Marcotte
 Number of Acres attributable to well: 10
 QTR/QTR/QTR/QTR of acreage: NW - SE - NW -

Location of Well: County: _____ Rooks _____
 1,650 feet from N / S Line of Section
 1,650 feet from E / W Line of Section
 Sec. 7 Twp. 10 S. R. 19 E W

Is Section: Regular or Irregular

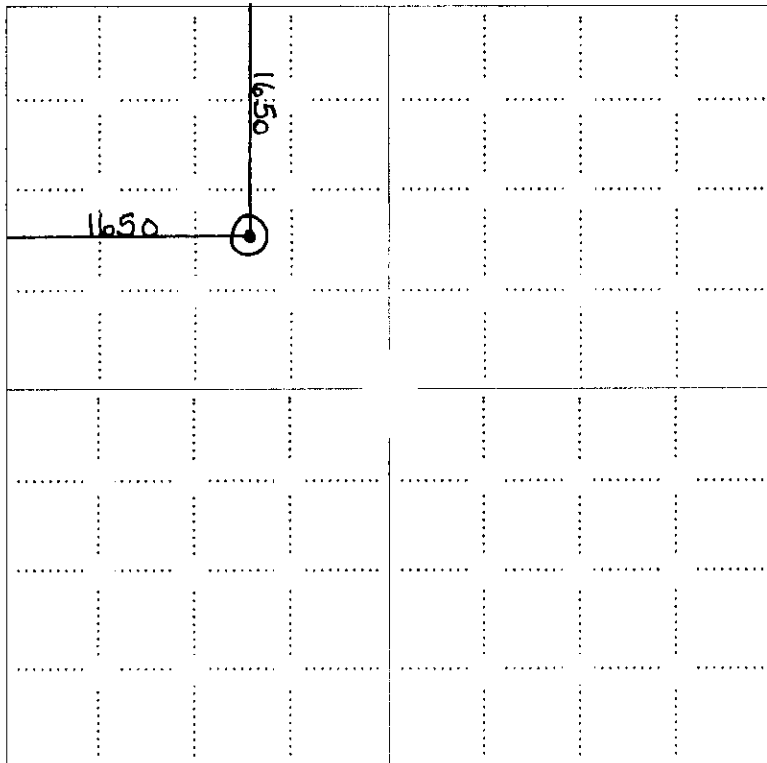
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

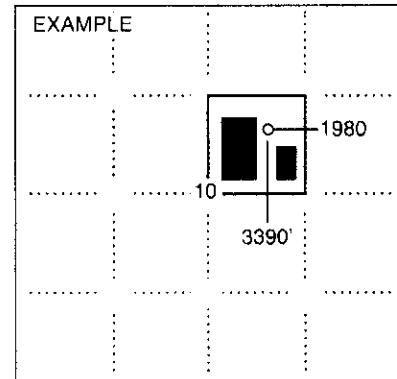
(Show footage to the nearest lease or unit boundary line.)



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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).

**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: H&B Petroleum Corporation		License Number: 32158
Operator Address: PO Box 277, Ellinwood, Kansas 67526-0277		
Contact Person: Al Hammersmith		Phone Number: 620-564-3002
Lease Name & Well No.: Ouderkirk 3		Pit Location (QQQQ): NW SE 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>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: Pit capacity: 250 (bbls)	Sec. <u>7</u> Twp. <u>10</u> R. <u>19</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1,650 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 1,650 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Rooks _____ 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?
Pit dimensions (all but working pits): <u>8</u> Length (feet) <u>30</u> Width (feet) <input checked="" type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>5</u> (feet) <input type="checkbox"/> No Pit		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. 10 mil - laid in and cover edges		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. If loss of fluid is noticed will empty pit
Distance to nearest water well within one-mile of pit <u>3960</u> feet Depth of water well <u>65</u> feet		Depth to shallowest fresh water <u>~ 32</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>drilling cmt w/fresh water</u> Number of working pits to be utilized: <u>2</u> Abandonment procedure: <u>Pull of fluid / dry / backfill</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.		
April 23, 2008 Date	 Signature of Applicant or Agent	RECEIVED KANSAS CORPORATION COMMISSION APR 24 2008 CONSERVATION DIVISION WICHITA, KS

157163-01908-00-01

KCC OFFICE USE ONLY		Steel Pit <input type="checkbox"/>	RFAC <input type="checkbox"/>	RFAS <input type="checkbox"/>
Date Received: <u>4/24/08</u>	Permit Number: _____	Permit Date: <u>4/24/08</u>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Mail to: KCC - Conservation Division, 130 S. Market - Room #078, Wichita, Kansas 67202

STATE OF KANSAS
STATE CORPORATION COMMISSION
200 Colorado Derby Building
Wichita, Kansas 67202

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

API NUMBER 15-163-01908-0000

LEASE NAME Ouderkirk

TYPE OR PRINT
NOTICE: Fill out completely
and return to Cons. Div.
office within 30 days.

WELL NUMBER 3

1650 Ft. from N Section Line

1650 Ft. from W Section Line

LEASE OPERATOR Nadel and Gussman

SEC. 7 TWP. 10S RGE. 19 (E) or (W)

ADDRESS 3200 First National Tower, Tulsa, OK 74103

COUNTY Rooks

PHONE#(918) 583-3333 OPERATORS LICENSE NO. 5337

Date Well Completed 7-3-49

Character of Well Oil

Plugging Commenced 10-2-91

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

Plugging Completed 10-2-91

The plugging proposal was approved on July 30, 1991 (date)

by David P. Williams (KCC District Agent's Name).

Is ACO-1 filed? n/a If not, is well log attached? Yes

Producing Formation Arbuckle (openhole) Depth to Top 3772 Bottom 3774 T.D. 3774

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
Arbuckle	Oil & water	0	196	8-5/8	196	0
		0	3772	5-1/2	3772	0

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 set. CIBP @ 3500 ft. Set 150 sks plug from 3490 to 1500 ft via tubing. Set 100 sks cement plug from 1500' to surface via tubing. Hooked on to 5-1/2 casing and squeezed in 40 sks. SIP 200 psi. Hooked on to 8-5/8 casing and pumped 2 sks of hulls followed by 75 sks cement down annulus. SIP 100 psi.

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

Name of Plugging Contractor C & L Well Service License No. 08052

Address Box 162, Plainville, KS 67663

NAME OF PARTY RESPONSIBLE FOR PLUGGING FEES: Nadel and Gussman

STATE OF Oklahoma COUNTY OF Tulsa, ss.

Joe G. Anderson (Employee of Operator) or (Operator) of 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 that the same are true and correct, so help me God.

(Signature) Joe Anderson

(Address) 3200 First National Tower
Tulsa, OK 74103

SUBSCRIBED AND SWORN TO before me this 7th day of October, 19 91

Kathy Garrow Kathy Garrow
Notary Public

My Commission Expires: 8-1-95