

OWWO

For KCC Use: Effective Date: 6-1-08 District # 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: 06 month 15 day 08 year

OPERATOR: License# 31714 Name: Novy Oil & Gas, Inc Address 1: 125 N. Market #1230 City: Wichita State: KS Zip: 67202 Contact Person: Michael E. Novy Phone: (316) 265-4651 CONTRACTOR: License# 33905 Name: Royal Drilling

Spot Description: G-NW-4 C NE Sec. 34 Twp. 9 S. R. 20 E W 3,960 feet from N S Line of Section 1,320 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: Coddington Well #: 10 Field Name: Northampton Is this a Prorated / Spaced Field? Yes No Target Formation(s): Granite Nearest Lease or unit boundary line (in footage): 1320 Ground Surface Elevation: 2275 est 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: 100' Depth to bottom of usable water: 1000' Surface Pipe by Alternate: II Length of Surface Pipe Planned to be set: 176 Ft of 8 5/8 set W/150 SX Alt II Length of Conductor Pipe (if any): Projected Total Depth: 4100 Formation at Total Depth: Granite Water Source for Drilling Operations: Well Farm Pond Other: Truck DWR Permit #: Will Cores be taken? Yes No If Yes, proposed zone:

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

If OWWO: old well information as follows: Operator: Hansen Dane G Trust Well Name: Coddington #10 Original Completion Date: 12/06/1967 Original Total Depth: 3866

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

AFFIDAVIT

RECEIVED KANSAS CORPORATION COMMISSION

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:

MAY 21 2008

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: 05/26/08 Signature of Operator or Agent: Michael E. Novy Title: Vice President

For KCC Use ONLY API # 15 - 163-20074-00-01 Conductor pipe required None feet Minimum surface pipe required 170 feet per ALT. I II Approved by: Pat 5-27-08 This authorization expires: 5-27-09 (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:

34 9 20 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 - 15-163-20074 - 00-01

Operator: Novy Oil & Gas, Inc

Lease: Coddington

Well Number: 10

Field: Northampton

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: C - ~~NW~~ - NE

Location of Well: County: Rooks

3,960 feet from N / S Line of Section

1,320 feet from E / W Line of Section

Sec. 34 Twp. 9 S. R. 20 E W

Is Section: Regular or Irregular

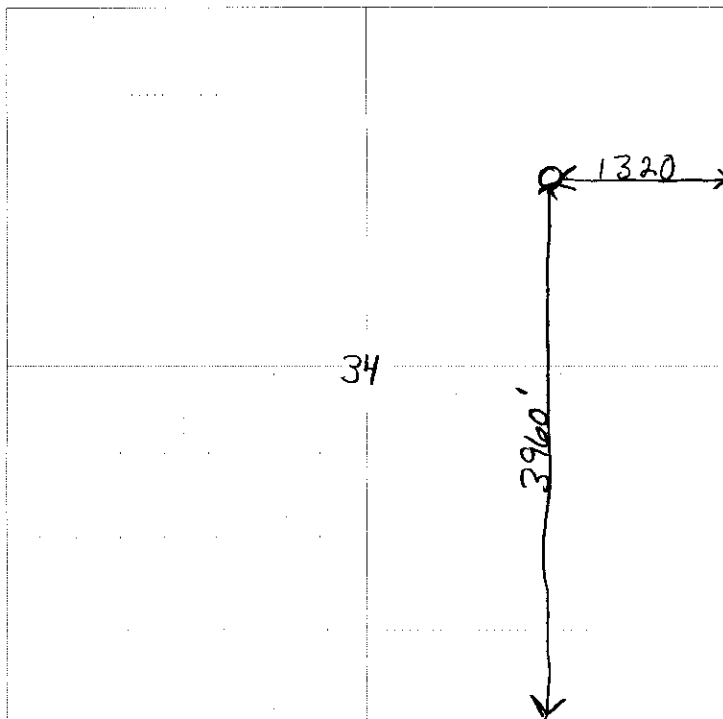
If Section is Irregular, locate well from nearest corner boundary.

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.)

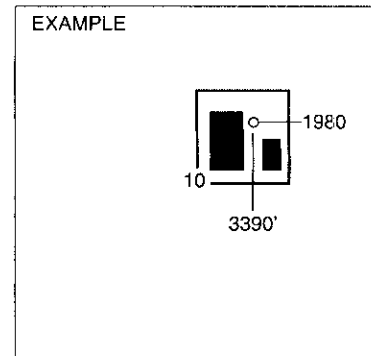


NOTE: In all cases locate the spot of the proposed drilling locaton.

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KANSAS CORPORATION COMMISSION

MAY 21 2008

CONSERVATION DIVISION
WICHITA, KS



SEWARD CO.

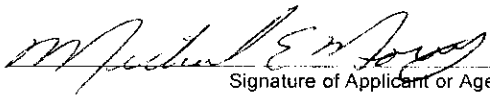
In plotting the proposed location of the well, you must show:

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: (C0-7 for oil wells; CG-8 for gas wells).

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

Form GDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Novy Oil & Gas, Inc		License Number: 31714	
Operator Address: 125 N. Market #1230		Wichita KS 67202	
Contact Person: Michael E. Novy		Phone Number: (316) 265-4651	
Lease Name & Well No.: Coddington 10		Pit Location (QQQQ): C ^{NE} NW	
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: 500 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Sec. 34 Twp. 9 R. 20 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 3,960 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1,320 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Rooks _____ County _____	
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
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): 100 Length (feet) 100 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 NA feet Depth of water well _____ feet		Depth to shallowest fresh water 25 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: Fresh Water Mud Number of working pits to be utilized: 4 Abandonment procedure: Haul off free water after cutting salt Let pit dry then fill 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.			
05/26/08 Date	 Signature of Applicant or Agent		RECEIVED KANSAS CORPORATION COMMISSION MAY 21 2008 CONSERVATION DIVISION WICHITA, KS
KCC OFFICE USE ONLY			
Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>			
Date Received: 5/21/08 Permit Number: _____ Permit Date: 5/27/08 Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

157103-20074-00-01

**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.