

OWWD

For KCC Use: 6-1-08  
Effective Date: 2  
District # 2  
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: 07/2008  
month day year

Spot Description: 440FNL & 1085 FEL SEG  
NW NE NE Sec. 31 Twp. 34 S. R. 7  E  W  
440 feet from  N /  S Line of Section  
1,085 feet from  E /  W Line of Section

OPERATOR: License# 33556  
Name: Drake Exploration LLC.  
Address 1: 526 S Summit  
City: Arkansas city State: KS Zip: 67005  
Contact Person: Darren Broyles  
Phone: 620-442-6161

Is SECTION:  Regular  Irregular?  
(Note: Locate well on the Section Plat on reverse side)  
County: Cowley  
Lease Name: Reeves Well #: 1  
Field Name: WC

CONTRACTOR: License# 32701  
Name: C and G Drilling INC.

Is this a Prorated / Spaced Field?  Yes  No  
Target Formation(s): Arbuckle

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

Nearest Lease or unit boundary line (in footage): 440'  
Ground Surface Elevation: 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: 280  
Surface Pipe by Alternate:  I  II  
Length of Surface Pipe Planned to be set: 309'

If OWWO: old well information as follows:  
Operator: Road Runner  
Well Name: Reeves #1  
Original Completion Date: 10/23/01 Original Total Depth: 3108

Length of Conductor Pipe (if any):  
Projected Total Depth: 3450  
Formation at Total Depth: arbuckle

Directional, Deviated or Horizontal wellbore?  Yes  No

Water Source for Drilling Operations:  
 Well  Farm Pond  Other

If Yes, true vertical depth:  
Bottom Hole Location:  
KCC DKT #:

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

If Yes, proposed zone: RECEIVED

AFFIDAVIT

KANSAS CORPORATION COMMISSION

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.C.A.R. 85-10-101 et. seq. KANSAS CORPORATION COMMISSION  
It is agreed that the following minimum requirements will be met:

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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: 5/20/08 Signature of Operator or Agent: Darren Broyles Title: MANAGING MEMBER

For KCC Use ONLY  
API # 15 - 035-2415 7-00-01  
Conductor pipe required None feet  
Minimum surface pipe required 309 feet per ALT.  I  II  
Approved by: Matt 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:

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

31 34 7

**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 - 035-24157-00-01

Operator: Drake Exploration LLC.

Lease: Reeves

Well Number: 1

Field: WC

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

QTR/QTR/QTR/QTR of acreage: \_\_\_\_\_

Location of Well: County: Cowley

440 feet from  N /  S Line of Section

1,085 feet from  E /  W Line of Section

Sec. 31 Twp. 34 S. R. 7  E  W

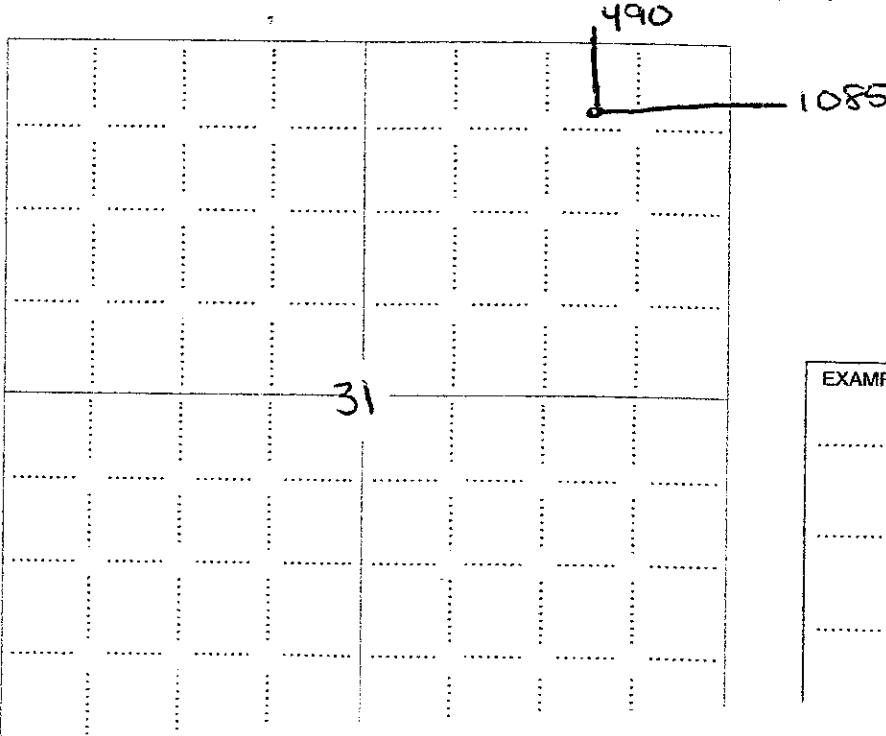
Is Section:  Regular or  Irregular

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

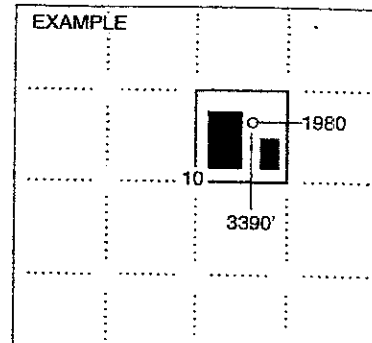
Section corner used:  NE  NW  SE  SW

**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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CONSERVATION DIVISION  
WICHITA, KS

**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>Drake Exploration LLC.</b>  |  | License Number: <b>33556</b>  |  |
| Operator Address: <b>526 S Summit</b>   |  | Arkansas city KS 67005  |  |
| Contact Person: <b>Darren Broyles</b>   |  | Phone Number: <b>620-442-6161</b>   |  |
| Lease Name & Well No.: <b>Reeves 1</b>  |  | Pit Location (QQQQ):<br><u>NW NE NE</u>   |  |
| Type of Pit:<br><input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit<br><input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit<br><input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit<br><i>(If WP Supply API No. or Year Drilled)</i>  |  | Pit is:<br><input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing<br>If Existing, date constructed: _____<br>Pit capacity: _____ (bbls)   |  |
| Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |  | Chloride concentration: _____ mg/l<br><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<br>How is the pit lined if a plastic liner is not used?<br><u>bentonite</u>   |  |
| Pit dimensions (all but working pits): <u>100</u> Length (feet) <u>100</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits<br>Depth from ground level to deepest point: <u>2</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<br><u>NA</u> feet    Depth of water well _____ feet   |  | Depth to shallowest fresh water <u>200</u> feet.<br>Source of information:<br><input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KOWR  |  |
| <b>Emergency, Settling and Burn Pits ONLY:</b><br>Producing Formation: _____<br>Number of producing wells on lease: _____<br>Barrels of fluid produced daily: _____<br>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><br>Type of material utilized in drilling/workover: <u>bentonite</u><br>Number of working pits to be utilized: <u>2</u><br>Abandonment procedure: <u>evaporate &amp; backfill</u><br>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.   |  |   |  |
| <u>5/20/08</u><br>Date  |  | <u>Darren Broyles</u><br>Signature of Applicant or Agent  |  |
| RECEIVED<br>KANSAS CORPORATION COMMISSION<br>MAY 20 2008<br>CONSERVATION DIVISION<br>WICHITA, KS  |  |   |  |
| RECEIVED<br>KANSAS CORPORATION COMMISSION<br>MAY 27 2008<br>CONSERVATION DIVISION<br>WICHITA, KS  |  |   |  |
| <b>KCC OFFICE USE ONLY</b>  |  |   |  |
| Date Received: <u>5/20/08</u>   |  | Permit Number: _____  |  |
| Permit Date: <u>5/27/08</u>   |  | Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |  |

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

1503524157-00-01

STATE OF KANSAS  
STATE CORPORATION COMMISSION  
30 S. Market, Room 2078  
Wichita, KS 67202

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

API NUMBER 15-035-24157-0000

LEASE NAME REEVES

WELL NUMBER 1

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

440 Ft. from (N) Section Line

1085 Ft. from (E) Section Line

SEC. 31 TWP. 34 SRGE. 7 (E) or (W)

COUNTY COWLEY

LEASE OPERATOR KCC WICHITA ROADRUNNER ENERGY, INC

ADDRESS 7225 S. 85 E. AVE. STE. 100 TULSA OK 74133-3135

PHONE# (918) 250-8589 OPERATORS LICENSE NO. 04555

Date Well Completed 10-23-01

Character of Well DRY HOLE

Plugging Commenced 10-24-01

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

Plugging Completed 10-24-01

The plugging proposal was approved on NOV. 16, 2001 (date)

by STEVE VANGIESON (KCC District Agent's Name).

Is ACO-1 filed? ENCLOSED YES If not, is well log attached? YES (ENCLOSED)

Producing Formation DRY HOLE Depth to Top \_\_\_\_\_ Bottom \_\_\_\_\_ T.D. 3108

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 |
|-----------|-----------|------|------|--------|--------|------------|
| STALNAKER | WATER     | 1701 | 1758 | 8 5/8" | 309    | 0          |
| PERRY     | WATER     | 1942 | 1950 |        |        |            |
| LATZOW B  | WATER SO. | 2242 | 2308 |        |        |            |
| L. LATZOW | WATER     | 2389 | 2402 |        |        |            |

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 plug were used, state the character of same and depth placed, from \_\_\_\_\_ feet to \_\_\_\_\_ feet each set:  
PLUGGED HOLE WITH 35 SK @ 360', 25 SK @ 60 FT TO SURFACE  
UNITED CEMENTING TR. # 3439

Name of Plugging Contractor UNITED CEMENTING TR. # 3439 License No. \_\_\_\_\_

Address 100 NORTH BROADWAY - STE. 3300 OKLAHOMA CITY, OK. 73102

Name of Party Responsible for Plugging Fees: ROADRUNNER ENERGY INC.

State of OKLAHOMA County of TULSA, ss.

JAMES D. CLAY JR. (Employee of Operator) or (Operator) of above-described well, being first duly sworn on oath, says: That I have knowledge of the facts and statements, and matters herein contained and the log of the above-described well as filed thereon are true and correct, so help me God.

(Signature) James D. Clay Jr.

(Address) 7225 S. 85 E. AVE. - STE. 100 TULSA, OK 74133-3135

SUBSCRIBED AND SWORN TO before me this 23 day of January, 2002

Christine Sexton Christine Sexton  
Notary Public

My Commission Expires: 3-20-2004