

For KCC Use: 6-25-08
 Effective Date: _____
 District # 3
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

Form C-1
 December 2002
 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 6/20/08
 month day year

OPERATOR: License# 31473
 Name: BG-5 Inc.
 Address: 3939 Ellis Road
 City/State/Zip: Rantoul, KS 66079
 Contact Person: Jimmie Patton
 Phone: 785-241-4016

CONTRACTOR: License# 6142
 Name: Town Oil Co. Inc.

| | | | |
|--|-----------------------------------|---|--|
| <input checked="" type="checkbox"/> Oil | <input type="checkbox"/> Enh Rec | <input checked="" type="checkbox"/> Infield | <input type="checkbox"/> Mud Rotary |
| <input type="checkbox"/> Gas | <input type="checkbox"/> Storage | <input type="checkbox"/> Pool Ext. | <input checked="" type="checkbox"/> Air Rotary |
| <input type="checkbox"/> OWWO | <input type="checkbox"/> Disposal | <input type="checkbox"/> Wildcat | <input type="checkbox"/> Cable |
| <input type="checkbox"/> Seismic; # of Holes | <input type="checkbox"/> Other | | |
| <input type="checkbox"/> Other | | | |

If OWWO: old well information as follows:
 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 East
 NW SE NE Sec. 13 Twp. 18 S. R. 20 West
1915 feet from N / S Line of Section
950 feet from E / W Line of Section
 Is SECTION Regular Irregular?

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

County: Franklin
 Lease Name: Trent Well #: T94
 Field Name: Rantoul

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Squirrel
 Nearest Lease or unit boundary: 725

Ground Surface Elevation: n/a 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: 120

Depth to bottom of usable water: 600 200

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 20

Length of Conductor Pipe required: none

Projected Total Depth: 750'

Formation at Total Depth: Squirrel

Water Source for Drilling Operations:

Well Farm Pond Other XX

DWR Permit #: _____

(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone: _____

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.

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 to the best of my knowledge and belief.

Date: _____ Signature of Operator or Agent: [Signature] Title: _____

For KCC Use ONLY
 API # 15 - 059-25346-0000
 Conductor pipe required None feet
 Minimum surface pipe required 20 feet per Alt. **XO 2**
 Approved by: [Signature]
 This authorization expires: 6-20-09
 (This authorization void if drilling not started within 6 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;
- 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
 Signature of Operator or Agent: _____
 Date: _____

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

JUN 19 2008

CONSERVATION DIVISION
 WICHITA, KS

13
 18
 20E

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 - 059-25346-0000
Operator: BG-5 Inc.
Lease: Trent
Well Number: T94
Field: Rantoul

Location of Well: County: Franklin
1915 feet from N / S Line of Section
950 feet from E / W Line of Section
Sec. 13 Twp. 18 S. R. 20 East West

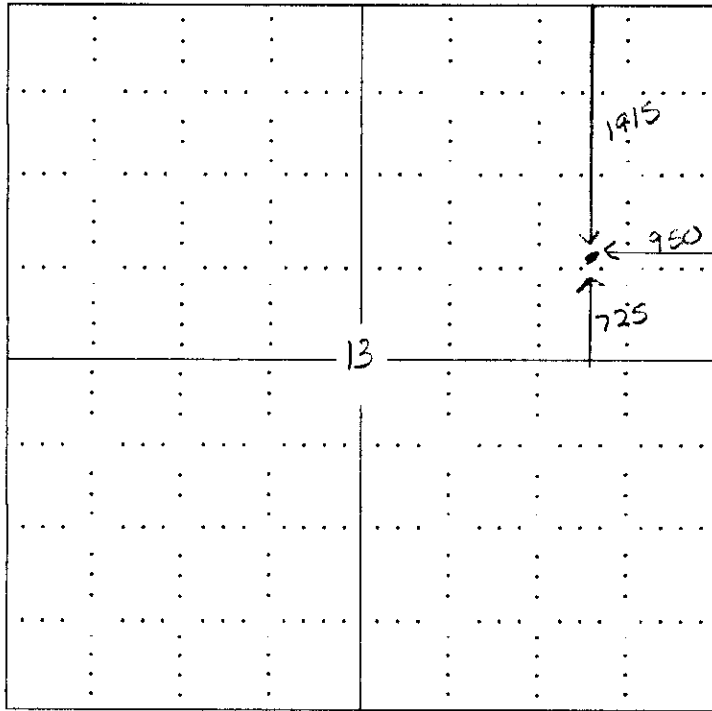
Number of Acres attributable to well: _____
QTR / QTR / QTR of acreage: NW - SE - NE

Is Section: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE NW SE SW

PLAT

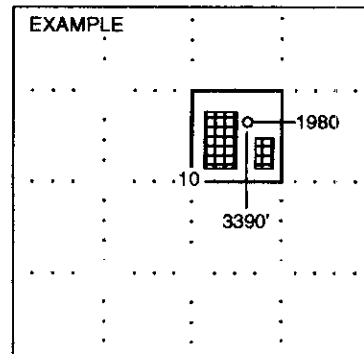
*(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)*



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WICHITA, KS



SEWARD CO.

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

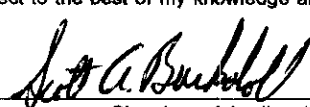
In plotting the proposed location of the well, you must show:

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 section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
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: BG-5 Inc. | | License Number: 31473 |
| Operator Address: 3939 Ellis Road, Rantoul, KS 66079 | | |
| Contact Person: Jimmie Patton | | Phone Number: (785) 241 - 4016 |
| Lease Name & Well No.: Trent T 94 | | Pit Location (QQQQ): SE NW SE NE Sec. 13 Twp. 18 R. 20 <input checked="" type="checkbox"/> East <input type="checkbox"/> West 1915 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 950 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Franklin 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 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>12</u> Width (feet) <u>N/A</u> : Steel Pits Depth from ground level to deepest point: <u>5</u> (feet) | | |
| 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>NA</u> feet Depth of water well _____ feet | Depth to shallowest fresh water _____ feet. Source of information: _____ measured _____ well owner _____ electric log _____ 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>Fresh water</u> Number of working pits to be utilized: <u>2</u> Abandonment procedure: <u>Pitts filled in as soon as well completed.</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 JUN 19 2008 CONSERVATION DIVISION WICHITA, KS |
| _____ Date |  Signature of Applicant or Agent | |

15-059-25 346-0000

| | | | |
|-------------------------------|----------------------|-----------------------------|---|
| KCC OFFICE USE ONLY | | | |
| Date Received: <u>6/19/08</u> | Permit Number: _____ | Permit Date: <u>6/19/08</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

ADOBE FILL-IN FORM ON INTERNET

FORM DATE

General Administrative

- 09/2005 ■ License Application OPL-1
- 04/2004 ■ Request for Change of Operator; Transfer of Injection or Surface Pit Permit T-1

Well Permitting

- 10/2007 ■ Notice of Intent to Drill C-1 Please use updated form on future filings.
- 04/2004 ■ Application for Surface Pit CDP-1
- 12/1993 ■ Cathodic Protection Borehole Intent to Drill CB-1

Well Completion Reports and Other Well Application

- 09/1999 ■ Well Completion Form ACO-1
- 09/2005 ■ Commingling Application ACO-4
- 05/1988 ■ Dual Completion Report ACO-5
- 09/2005 ■ Well Location Exception Application Check List ACO-17
- 09/2005 ■ Venting-Flaring of Gas ACO-18
- 09/2005 ■ Extended Gas Venting Affidavit CG-3
- 09/2005 ■ Coalbed Natural Gas Venting Affidavit CG-4
- 10/2004 ■ Temporary Abandonment Application CP-111
- 09/2003 ■ Verified Affidavit For Vacuum Operations V-1

Surface Pits and Waste Transfer

- 04/2004 ■ Application for Surface Pit CDP-1
- 04/2004 ■ Closure of Surface Pit CDP-4
- 04/2004 ■ Exploration and Production Waste Transfer CDP-5

Well Plugging Report

- 09/2003 ■ Well Plugging Application CP-1
- 12/2003 ■ Well Plugging Record CP-4
- 08/2003 ■ Seismic Hole Affidavit

Oil & Gas Well Testing Report

- 10/1996 ■ Oil Productivity Test & GOR Report C-5
- 10/1996 ■ Multi-Point Back Pressure Test CG-1
- 07/2003 ■ One Point Stabilized Open Flow or Deliverability Test G-2

Gas Gathering Report

- 04/1998 ■ Gas Gathering Report GG-1
- 04/1998 ■ Gas Gathering Segment Report GG-1a

Oil and Gas Producer's Report

- 06/1989 ■ Summary of Oil Producers Report CO-8, CO-8A
- 08/2000 ■ Gas Producer/Purchaser Monthly Report CG-7, CG-7A

Acreage Attribution and Well Spacing Report

- 12/1994 ■ Oil Acreage Attribution Plat CO-7
- 12/1994 ■ Gas Acreage Attribution Plat CG-8
- 05/1989 ■ Application for Well Spacing ACO-7

New Pool and Certificate of Enhancement Projects (Severance Tax Exemptions) Request

- 10/2005 ■ New Pool Determination-Discovery Allowable ACO-16
- 10/1999 ■ Application for Enhanced Recovery Project Certification CER-1, and Calculation Sheet Base Production Calculation and Certification CER I-A

Underground Injection Control Report

- 07/2003 ■ UIC Application U-1
- 07/2003 ■ Annual Report U3-C. This form is required on an annual basis due each March 1.
- 07/2003 ■ Notice of Injection (of commencement or termination of injection) U-5
- 07/2003 ■ Application to Amend Injection Order U-8
- 07/2003 ■ Notice to Modify Injection Order U-9

Wireline Service

- 08/2003 ■ Monthly Wireline Service Company Report MWSC-1