

For KCC Use:
 Effective Date: 6-30-08
 District #: 4
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

OWWO

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: July 14 2008
month day year

OPERATOR: License# 33979 ✓
 Name: Clipper Energy, LLC
 Address 1: 3838 Oak Lawn #1310 Dallas, TX.75219
 Address 2: _____
 City: Dallas State: TX Zip: 75219 + _____
 Contact Person: Bill Robinson
 Phone: 214-220-1080

CONTRACTOR: License# ~~33940~~ 34082
 Name: Alliance Well Service (TR Service & Rental)

Well Drilled For: Oil Gas Enh Rec Storage Disposal Seismic; # 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: Kaiser-Francis
 Well Name: Bragg #7
 Original Completion Date: 5-14-55 Original Total Depth: 3882

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

Spot Description: _____
 - nw - se - ne Sec. 33 Twp. 9 S. R. 21 E W
 (a/a/a/a) 1,650 feet from N / S Line of Section
990 feet from E / W Line of Section

Is SECTION: Regular Irregular?
 (Note: Locate well on the Section Plat on reverse side)

County: Graham
 Lease Name: DeYoung Well #: 7
 Field Name: Cooper

Is this a Prorated / Spaced Field? Yes No ✓
 Target Formation(s): Arbuckle
 Nearest Lease or unit boundary line (in footage): 990

Ground Surface Elevation: 2315 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: 1050
 Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 191 (per old well)
 Length of Conductor Pipe (if any): 99
 Projected Total Depth: 3900
 Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:
 Well Farm Pond Other: truck ✓
 DWR Permit #: _____

(Note: Apply for Permit with DWR)
 Will Cores be taken? Yes No ✓
 If Yes, proposed zone: _____

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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:

JUN 25 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: 6-24-08 Signature of Operator or Agent: [Signature] Title: geologist

For KCC Use ONLY
 API # 15 - 065-01508-00-01
 Conductor pipe required none feet
 Minimum surface pipe required 191 feet per ALT. I II
 Approved by: [Signature]
 This authorization expires: 6-25-09
 (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: _____

33
9
21
 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 - 0165-01508-00-01
 Operator: Clipper Energy, LLC
 Lease: DeYoung
 Well Number: 7
 Field: Cooper
 Number of Acres attributable to well: _____
 QTR/QTR/QTR/QTR of acreage: _____ - nw - se - ne

Location of Well: County: Graham
 _____ feet from N / S Line of Section
 _____ feet from E / W Line of Section
 Sec. 33 Twp. 9 S. R. 21 E W

Is Section: Regular or Irregular

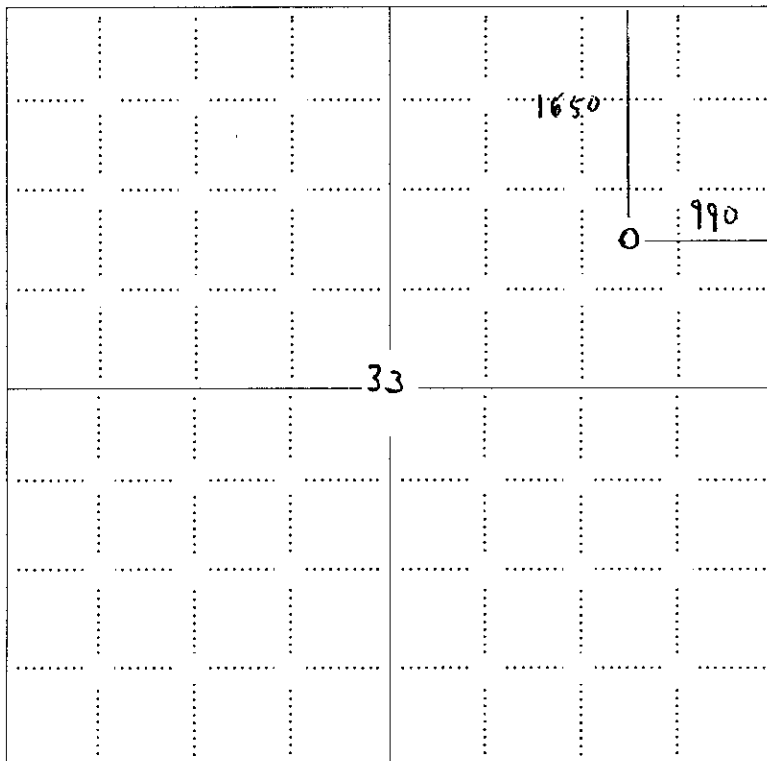
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

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

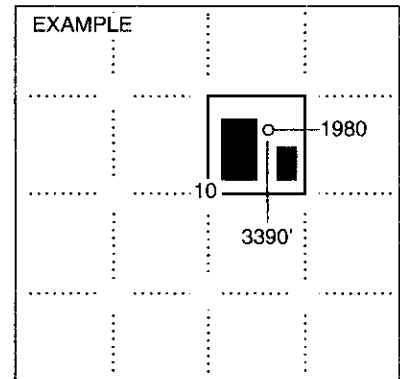
(Show footage to the nearest lease or unit boundary line.)



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 WICHITA, KS



SEWARD CO.

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: (C0-7 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: Clipper Energy, LLC		License Number: 33979	
Operator Address: 3838 Oak Lawn #1310 Dallas, TX.75219		Dallas TX 75219	
Contact Person: Bill Robinson		Phone Number: 214-220-1080	
Lease Name & Well No.: DeYoung 7		Pit Location (QQQQ): _____ nw _____ se _____ ne	
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: _____ (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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
How is the pit lined if a plastic liner is not used?		Sec. <u>33</u> Twp. <u>9</u> R. <u>21</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>1,650</u> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <u>990</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Graham County	
Pit dimensions (all but working pits): <u>10</u> Length (feet) <u>25</u> Width (feet) <input 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.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit <u>N/A</u> feet Depth of water well _____ feet		Depth to shallowest fresh water <u>180</u> feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input checked="" type="checkbox"/> electric log <input 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>chemical mud</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>evaporation then back-filled</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 25 2008 CONSERVATION DIVISION WICHITA, KS	
6-24-08 Date	 Signature of Applicant or Agent		

15-2065-01508-00-01

KCC OFFICE USE ONLY		Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>
Date Received: <u>6/25/08</u>	Permit Number: _____	Permit Date: <u>6/25/08</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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

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

15-065-01508-00-00

API NUMBER None

LEASE NAME Bragg

WELL NUMBER 7

3630 Ft. from S Section Line

990 Ft. from E Section Line

SEC. 33 TWP. 9S RGE. 21 (E) or (W)

COUNTY Graham

Date Well Completed 3-14-55

Plugging Commenced 7-28-87

Plugging Completed "

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

LEASE OPERATOR Kaiser-Francis Oil Company

ADDRESS P. O. Box 21468, Tulsa, OK 74121-1468

PHONE# (918) 494-0000 OPERATORS' LICENSE NO. 6568

Character of Well oil

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

Did you notify the KCC/KDHE Joint District Office prior to plugging this well? yes

Which KCC/KDHE Joint Office did you notify? Dist. #4, Hays

Is ACO-1 filed? on old form If not, is well log attached? -

Producing Formation Arbuckle Depth to Top 3881 Bottom 3882 T.D. 3882

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	3881	82	8-5/8	191	-0-
				5-1/2	3881	-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.

Pumped 120 sxs thrifty-mix + 3 sxs hulls from TD to surf.
Pumped add'l. 100 sxs cmt down annulus.

JOB COMPLETE

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

Name of Plugging Contractor Kaiser-Francis Oil Company License No. 6568

Address P. O. Box 21468, Tulsa, OK 74121-1468

STATE OF Oklahoma COUNTY OF Tulsa, ss.

Charlotte Van Valkenburg (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) C. Van Valkenburg
 (Address) P. O. Box 21468, Tulsa, OK 74121-1468

SUBSCRIBED AND SWORN TO before me this 5th day of August, 1987

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 STATE CORPORATION COMMISSION

Deborah L. Harrell
 Notary Public

My Commission Expires: 12-6-89

1987
8/7/87
 CONSERVATION DIVISION
 Wichita, Kansas

Form CP-
 Revised 08-84