

For KCC Use: 7-29-08  
 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: 08/06/08  
 month day year

OPERATOR: License# 34139  
 Name: L & D Oil & Gas  
 Address 1: 4610 NW 62nd  
 Address 2:  
 City: Topoka State: KS Zip: 66618  
 Contact Person: Chris Kremeier  
 Phone: 785-366-6957  
 CONTRACTOR: License# 32548  
 Name: Kan-Drill

Spot Description: SE NW SE NE  
 (a/a/a/a) 920-1780 Sec. 19 Twp. 19 S. R. 6  E  W  
+20 905 feet from  N /  S Line of Section  
PSURVEY feet from  E /  W Line of Section

Is SECTION:  Regular  Irregular?

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

County: Chase  
 Lease Name: Rempel B Well #: 10  
 Field Name: Koegeboehn  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Viola

Nearest Lease or unit boundary line (in footage): 390

Ground Surface Elevation: 1350 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: 40

Depth to bottom of usable water: 50 180

Surface Pipe by Alternate:  I  II

Length of Surface Pipe Planned to be set: 200

Length of Conductor Pipe (if any): none

Projected Total Depth: 2100

Formation at Total Depth: viola

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: \_\_\_\_\_

Well Drilled For: Well Class: Type Equipment:

- |   |                                   |   |                                     |
|---|-----------------------------------|---|-------------------------------------|
| <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 type="checkbox"/> Air Rotary |
| <input type="checkbox"/> Seismic ; # of Holes | <input type="checkbox"/> Disposal | <input type="checkbox"/> Wildcat            | <input type="checkbox"/> Cable      |
| <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 #: \_\_\_\_\_

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: 7/22/08 Signature of Operator or Agent: Christie Kremeier Title: \_\_\_\_\_

For KCC Use ONLY

API # 15 - 017-20903-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 200 feet per ALT.  I  II  
 Approved by: Chris 7-24-08  
 This authorization expires: 7-24-09  
 (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: \_\_\_\_\_

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JUL 23 2008

CONSERVATION DIVISION  
 WICHITA, KS

19 19 6  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 - 017-20903-0000

Operator: L & D Oil & Gas

Lease: Rempel B

Well Number: 10

Field: Koegeboehn

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

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

Location of Well: County: Chase

020° 1780 feet from  N /  S Line of Section

120° 905 feet from  E /  W Line of Section

Sec. 19 Twp. 19 S. R. 6  E  W

Is Section:  Regular or  Irregular

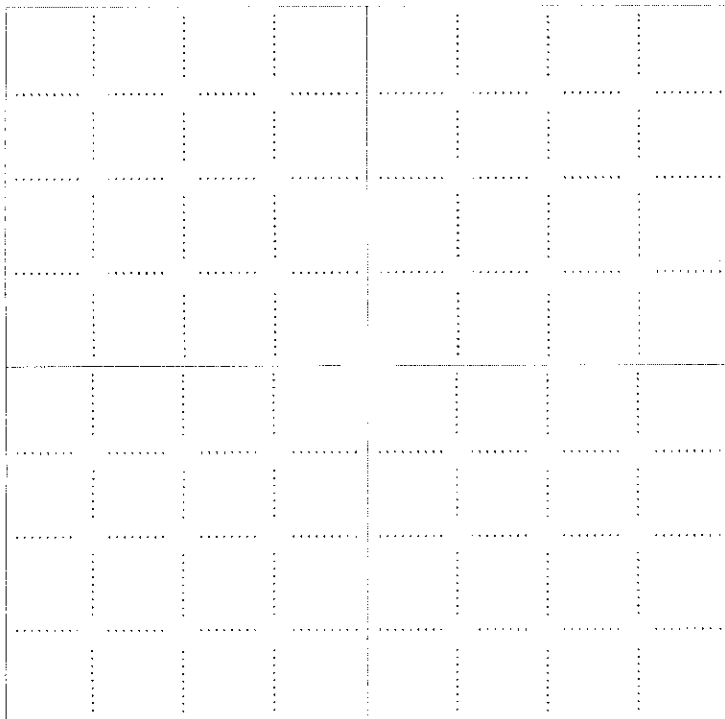
If Section is Irregular, locate well from nearest corner boundary.

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.)*

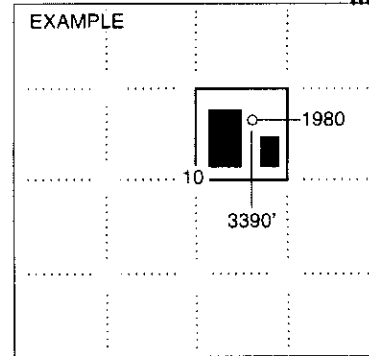


**NOTE: In all cases locate the spot of the proposed drilling locaton.**

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WICHITA, KS



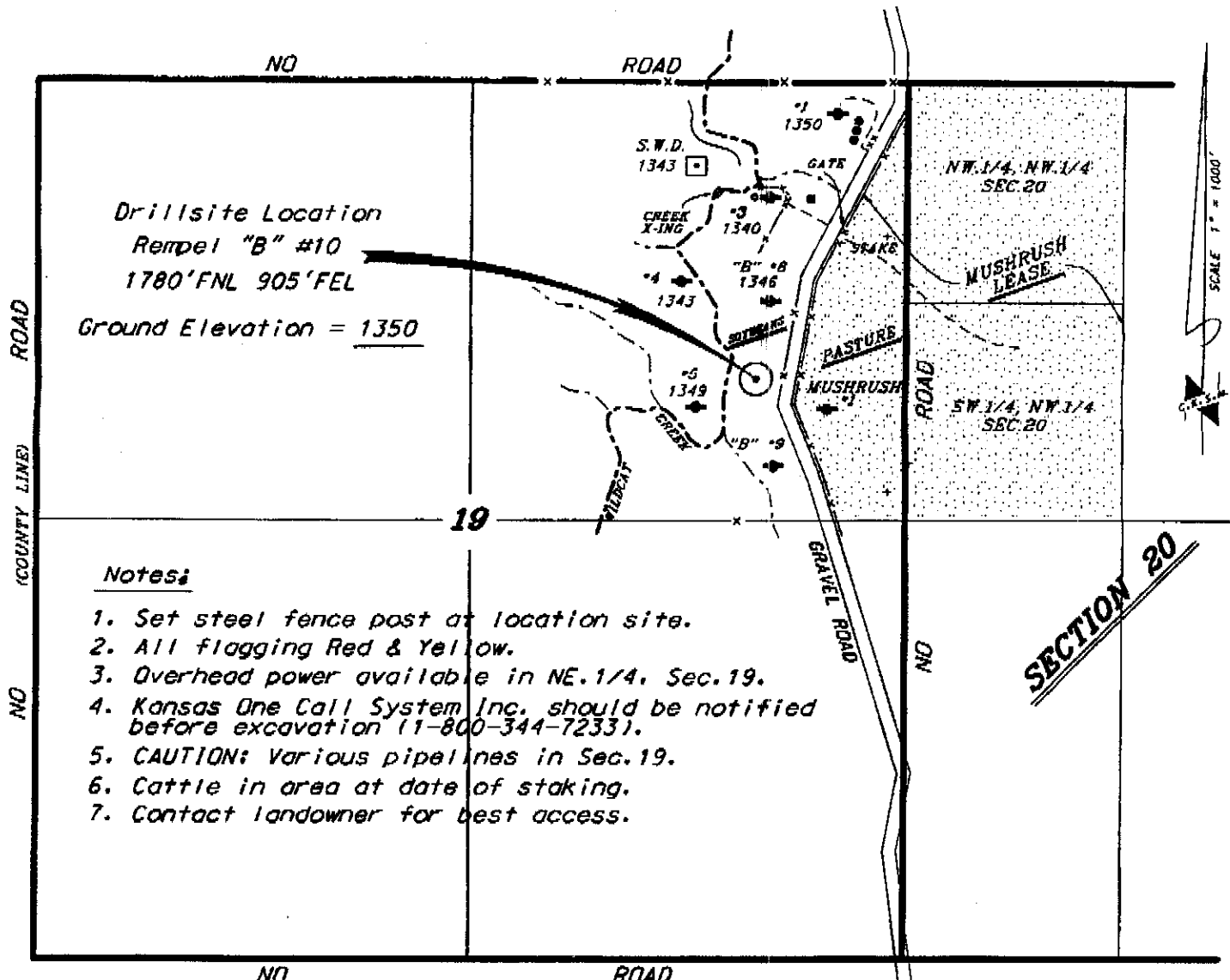
SEWARD CO.

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

L & D OIL & GAS, INC.  
REMPEL LEASE  
NE. 1/4, SECTION 19, T19S, R6E  
CHASE COUNTY, KANSAS

15017-20903-0000

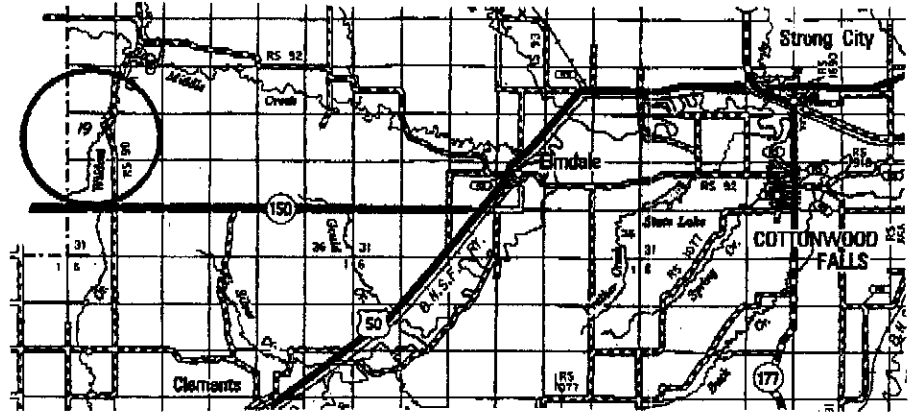


Notes:

1. Set steel fence post at location site.
2. All flagging Red & Yellow.
3. Overhead power available in NE. 1/4, Sec. 19.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec. 19.
6. Cattle in area at date of staking.
7. Contact landowner for best access.

\* Ingress and egress to location as shown on this plat is per usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.

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CONSERVATION DIVISION  
WICHITA, KS

July 14, 2008

\* Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.

\* Appropriate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drillsite location in the section is not guaranteed. Therefore, the operator securing this service and accepting this plat and all other parties relying thereon agree to hold Central Kansas Drilled Services, Inc., its officers and employees harmless from all losses, costs and expenses and said entities released from any liability from incidental or consequential damages.

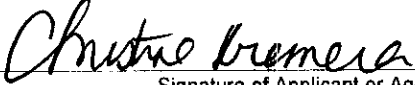
\* Elevations derived from National Geodetic Vertical Datum.

Date

**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>L &amp; D Oil &amp; Gas</b>		License Number: <b>34139</b>	
Operator Address: <b>4610 NW 62nd</b>		<b>Topeka KS 66618</b>	
Contact Person: <b>Chris Kremer</b>		Phone Number: <b>785-366-6957</b>	
Lease Name & Well No.: <b>Rempel B 10</b>		Pit Location (QQQQ): <b>SE NW SE NE</b>	
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: <b>240</b> (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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Pit dimensions (all but working pits): <u>45</u> Length (feet) <u>8</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.  <b>3 mil</b>		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.  <div style="text-align: right;"> <b>RECEIVED</b>                      KANSAS CORPORATION COMMISSION   <b>JUL 23 2008</b> </div>	
Distance to nearest water well within one-mile of pit <u>na</u> feet    Depth of water well <u>60</u> feet		Depth to shallowest fresh water <u>40</u> feet.    CONSERVATION DIVISION WICHITA, KS Source of information: <input type="checkbox"/> measured <input checked="" type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <u>mud</u> Number of working pits to be utilized: _____ Abandonment procedure: <u>let dry and cover</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.			
<u>7-22-08</u> Date		 Signature of Applicant or Agent	
<b>KCC OFFICE USE ONLY</b> Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>			
Date Received: <u>7/23/08</u> Permit Number: _____    Permit Date: <u>7/23/08</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

15-017-20903-0000