

OWWO

For KCC Use: Effective Date: 8-12-08 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: August 27, 2008 month day year

OPERATOR: License# 31885 Name: M & M Exploration, Inc. Address 1: 60 Garden Center, Suite 102 Address 2: City: Broomfield State: CO Zip: 80020 Contact Person: Mike Austin Phone: 303-438-1991 CONTRACTOR: License# 33350 Name: Southwind Drilling LLC

Spot Description: E/2 SE NE Sec. 31 Twp. 33 S. R. 14 feet from N S Line of Section 1,980 feet from E W Line of Section 340

Is SECTION: Regular Irregular? County: Barber

Lease Name: Z Bar Ranch Well #: 31-2 Field Name: Aetna Gas Area

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

Nearest Lease or unit boundary line (in footage): 340' Ground Surface Elevation: 1714 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: 180

Surface Pipe by Alternate: I II Length of Surface Pipe Planned to be set: 851'

Length of Conductor Pipe (if any): Projected Total Depth: 4928 Formation at Total Depth: Mississippian

Water Source for Drilling Operations: Well Farm Pond Other: Stream

DWR Permit #: (Note: Apply for Permit with DWR)

Will Cores be taken? Yes No If Yes, proposed zone: RECEIVED KANSAS CORPORATION COMMISSION

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: Texas West Oil & Gas Corp. Well Name: Z Bar Ranch 31-2 Original Completion Date: 4-28-81 Original Total Depth: 4928'

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:

AUG 06 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: August 4, 2008 Signature of Operator or Agent: Title: President

For KCC Use ONLY API # 15 - 007-21082-00-01 Conductor pipe required None feet Minimum surface pipe required 851 feet per ALT. I II Approved by: This authorization expires: 8-7-09 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:

31 33 14

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 - 007-21082-00-01
Operator: M & M Exploration, Inc.
Lease: Z Bar Ranch
Well Number: 31-2
Field: _____
Number of Acres attributable to well: _____
QTR/QTR/QTR/QTR of acreage: _____ - E/2 - SE - NE

Location of Well: County: Barber
_____ feet from N / S Line of Section
_____ feet from E / W Line of Section
Sec. 31 Twp. 33 S. R. 14 E W

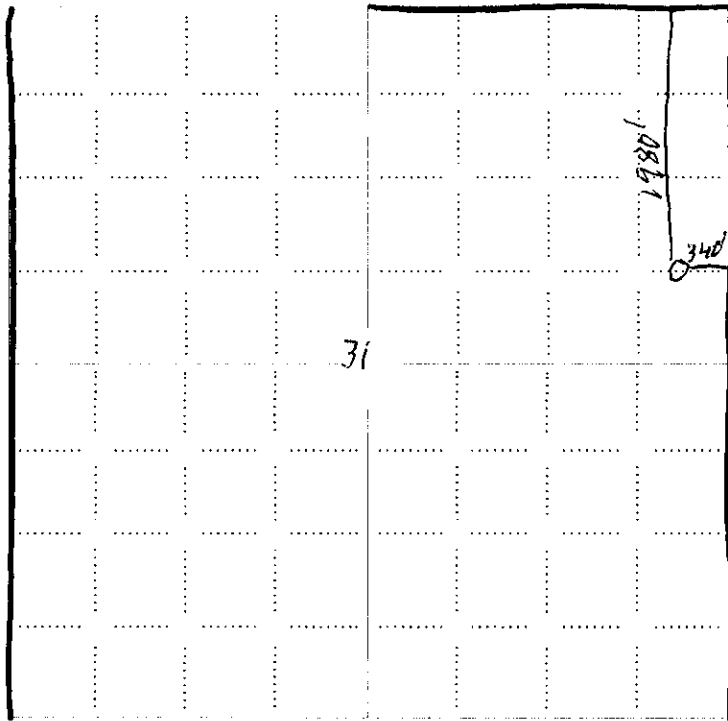
Is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

PLAT

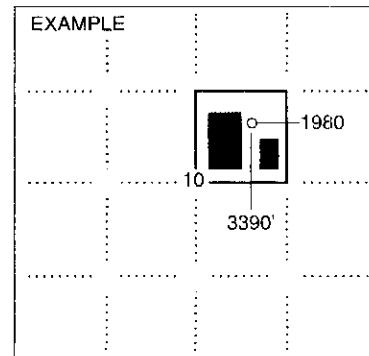
*(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)*



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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: (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: M & M Exploration, Inc.		License Number: 31885	
Operator Address: 60 Garden Center, Suite 102		Broomfield CO 80020	
Contact Person: Mike Austin		Phone Number: 303-438-1991	
Lease Name & Well No.: Z Bar Ranch 31-2		Pit Location (QQQQ): E/2 SE/4 NE/4	
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?		Barber County	
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.	
		RECEIVED KANSAS CORPORATION COMMISSION AUG 06 2008	
Distance to nearest water well within one-mile of pit N/A feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. CONSERVATION DIVISION WICHITA, KS Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input 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: Fresh Number of working pits to be utilized: 3 Abandonment procedure: Evaporate then Backfill 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.			
August 4, 2008 Date		 Signature of Applicant or Agent	
KCC OFFICE USE ONLY			
Date Received: 8/6/08 Permit Number: _____		Steel Pit <input type="checkbox"/> RFAC <input checked="" type="checkbox"/> RFAS <input type="checkbox"/> <small>always drainage</small>	
Permit Date: 8/6/08		Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

15-007-21082-00-01



Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner

August 6, 2008

Mr. Mike Austin
M & M Exploration, Inc.
60 Garden Center Ste102
Broomfield, CO 80020

RE: Drilling Pit Application
Z Bar Ranch Lease Well No. 31-2
NE/4 Sec. 31-33S-14W
Barber County, Kansas

Dear Mr. Austin:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as practical after drilling operations have ceased. **The pits should be located outside of the drainage.**

If production casing is set all completion fluids shall be removed on a daily basis. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Please file form CDP-5, Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill.

If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,

Kathy Haynes
Department of Environmental Protection and Remediation

cc: district

STATE OF KANSAS STATE CORPORATION COMMISSION

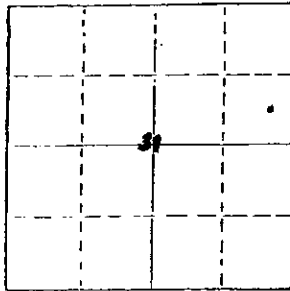
JUN 15 1981

WELL PLUGGING RECORD

CONSERVATION DIVISION

Give All Information Completely Make Required Affidavit Mail or Deliver Report to Conservation Division State Corporation Comm. 245 North Water Wichita, KS 67202

Barber County, Sec. 31, Twp. 33S Rge. 14W E/W Location as "NE/CNW1SW1/4" or footage from lines SE1/4 NE1/4 Sec. 31 (1980' FNL & 340' FEL) Lease Owner Texas West Oil & Gas Co. Lease Name Z-Bar Ranch Well No. 2-31 Office Address 1480 Midland Nat'l Bk Tower, Midland, Texas Character of Well (Completed as Oil, Gas or Dry Hole)



Locate well correctly on above Section Plot

DRY HOLE Date Well completed May 9, 1981 Application for plugging filed May 9, 1981 Application for plugging approved May 9, 1981 Plugging commenced May 9, 1981 Plugging completed May 9, 1981 Reason for abandonment of well or producing formation DRY HOLE

If a producing well is abandoned, date of last production 19

Was permission obtained from the Conservation Division or its agents before plugging was commenced? YES

Name of Conservation Agent who supervised plugging of this well Maurice Leslie Producing formation Depth to top Bottom Total Depth of Well 1,928' Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS

CASING RECORD

Table with 7 columns: FORMATION, CONTENT, FROM, TO, SIZE, PUT IN, PULLED OUT. Row 1: 8-5/8", 851', None.

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 hold. If cement or other plugs were used, state the character of same and depth placed, from feet to feet for each plug set.

- Mud to 850', 60 sx cement
Mud to 400', plug, 30 sx cement
Mud to 40', plug, 10 sx cement
10 sx in rathole

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

Name of Plugging Contractor Dunne-Gardner Petroleum, Inc.

STATE OF Kansas COUNTY OF Sedgwick, ss. Donald E. Hunt (employee of owner) or (contractor/operator)

of the 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 and that the same are true and correct. So help me God.

(Signature) Donald E. Hunt Suite 250, 200 West Douglas, Wichita, Kansas (Address)

SUBSCRIBER AND SWORN TO before me this 15th day of May, 1981

My Commission expires January 20, 1985 Kathleen L. Greger Notary Public.

