

For KCC Use: 8-17-08  
Effective Date: \_\_\_\_\_  
District # \_\_\_\_\_  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION *Changed location*  
OIL & GAS CONSERVATION DIVISION *due to Electric* Form C-1  
October 2007

**NOTICE OF INTENT TO DRILL** *LINES, SK*

Must be approved by KCC five (5) days prior to commencing well

Form must be Typed  
Form must be Signed  
blanks must be Filled

**CORRECTED**

Expected Spud Date: August 20 2008  
month day year

OPERATOR: License# 33392  
Name: Keith F. Walker Oil & Gas Company, LLC  
Address 1: 103 West Boyd Street  
Address 2: \_\_\_\_\_  
City: Norman State: OK Zip: 73069 + \_\_\_\_\_  
Contact Person: Alan L. Stacy  
Phone: 405-701.0676

CONTRACTOR: License# 34000  
Name: Kenai Mid Continent

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: \_\_\_\_\_  
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 #: \_\_\_\_\_

*\* WAS: 100' FEL  
IS: 140' FEL*

*Declaration of Unitization attached.*

**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: 8-15-08 Signature of Operator or Agent: [Signature] Title: Engineer Tech

Spot Description: \_\_\_\_\_  
E/2 - E/2 - NE - SE Sec. 20 Twp. 31 S. R. 30  E  W  
*(a/a/a/a)* 1,980 feet from  N /  S Line of Section  
140 feet from  E /  W Line of Section

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

County: Meade  
Lease Name: Cartwright Well #: 20 #1

Field Name: \_\_\_\_\_  
Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): Chester  
Nearest Lease or unit boundary line (in footage): 660'

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: 500

Depth to bottom of usable water: 500  
Surface Pipe by Alternate:  I  II

Length of Surface Pipe Planned to be set: 1700'  
Length of Conductor Pipe (if any): \_\_\_\_\_

Projected Total Depth: 5900'  
Formation at Total Depth: Chester

Water Source for Drilling Operations:  
 Well  Farm Pond  Other: \_\_\_\_\_

DWR Permit #: Applying for permit  
*(Note: Apply for Permit with DWR)*

Will Cores be taken?  Yes  No  
If Yes, proposed zone: \_\_\_\_\_

RECEIVED  
KANSAS CORPORATION COMMISSION

AUG 18 2008

CONSERVATION DIVISION  
WICHITA, KS

**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: \_\_\_\_\_

20  
31  
30  
 E  
 W

**For KCC Use ONLY**

API # 15 - 119-21217-00-00  
Conductor pipe required None feet  
Minimum surface pipe required 520 feet per ALT.  I  II  
Approved by: [Signature] 8-12-08 / [Signature] 8-19-08  
This authorization expires: 8-12-09  
*(This authorization void if drilling not started within 12 months of approval date.)*  
Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

**CORRECTED**

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 - 119-21217-0000  
Operator: Keith F. Walker Oil & Gas Company, LLC  
Lease: Cartwright  
Well Number: 20 #1  
Field: \_\_\_\_\_

Location of Well: County: Meade  
1,980 feet from  N /  S Line of Section  
140 feet from  E /  W Line of Section  
Sec. 20 Twp. 31 S. R. 30  E  W

Number of Acres attributable to well: \_\_\_\_\_  
QTR/QTR/QTR/QTR of acreage: E/2 - E/2 - NE - SE

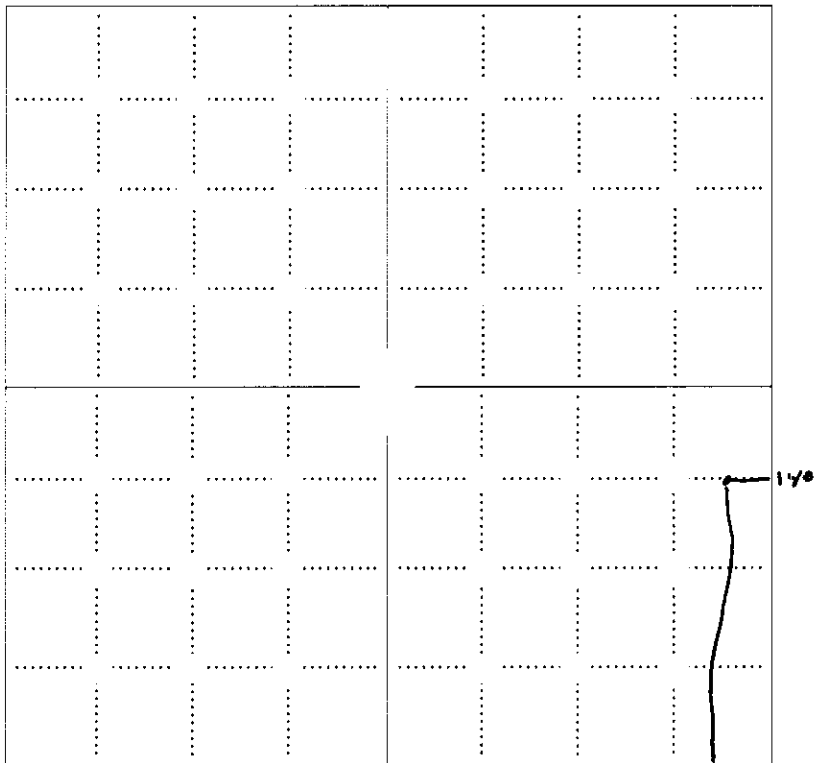
Is Section:  Regular or  Irregular

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.)

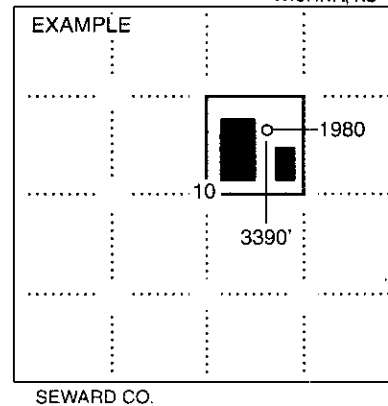


NOTE: In all cases locate the spot of the proposed drilling location. 1980'

RECEIVED  
KANSAS CORPORATION COMMISSION

**AUG 18 2008**

CONSERVATION DIVISION  
WICHITA, KS



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

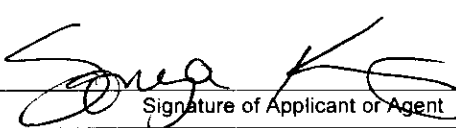
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease 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*

**CORRECTED**

|   |   |  |
|---|---|--|
| Operator Name: <b>Keith F. Walker Oil &amp; Gas Company, LLC</b>  |   | License Number: <b>33392</b>   |
| Operator Address: <b>103 West Boyd Street</b>   |   | <b>Norman OK 73069</b>   |
| Contact Person: <b>Alan L. Stacy</b>  |   | Phone Number: <b>405-701.0676</b>  |
| Lease Name & Well No.: <b>Cartwright 20 #1</b>  |   | Pit Location (QQQQ):<br><b>E/2 . E/2 . NE . SE</b>   |
| 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:<br><b>12,000</b> (bbls)   |
| Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |   | Sec. <b>20</b> Twp. <b>31</b> R. <b>30</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West<br>1,980 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section<br>140 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section<br><b>Meade</b> County |
| Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No   |   | Chloride concentration: _____ mg/l<br><i>(For Emergency Pits and Settling Pits only)</i>   |
| Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |   | How is the pit lined if a plastic liner is not used?<br><b>Compaction</b>  |
| Pit dimensions (all but working pits): <u>125</u> Length (feet) <u>125</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits<br>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<br><u>2000</u> feet    Depth of water well <u>400</u> feet  |   | Depth to shallowest fresh water <u>213</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"/> KDWR   |
| <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>Fresh water mud</u><br>Number of working pits to be utilized: <u>1</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>8-215-08</u><br>Date   | <br>Signature of Applicant or Agent | RECEIVED<br>KANSAS CORPORATION COMMISSION<br><b>AUG 18 2008</b><br>CONSERVATION DIVISION<br>WICHITA, KS  |
| <b>KCC OFFICE USE ONLY</b> Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>   |   |  |
| Date Received: <u>8/18/08</u> Permit Number: _____    Permit Date: <u>8/18/08</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |   |  |

15-119-21217-0000

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, KEITH F. WALKER OIL & GAS CO., L.L.C. is the owner of record of the oil and gas leases described in Exhibit "A" attached hereto and made a part hereof; and

WHEREAS, the described leases grant to the Lessee, its heirs, administrators, trustees and assigns, the right and privilege to consolidate said gas leasehold with any other adjacent or contiguous gas leasehold estates to form a consolidated gas leasehold estate and the Lessor's gas royalty estate created by the leases so as to create by combination of one or more consolidated gas leasehold estates of Six Hundred and Forty (640) acres each; and

WHEREAS, the undersigned desires to exercise the consolidation and unitization rights granted to it under each of the leases herein specifically described.

NOW, THEREFORE, the undersigned, present owner of all of the right, title and interest of the original Lessee in, to and under the leases described in Exhibit A, pursuant to consolidation and unitization provisions of said oil and gas leases, does hereby designate and describe the following lands as a consolidated gas leasehold estate for the purpose of exploration, development and production of gas:

Township 31 South, Range 30 West, 6<sup>th</sup> P.M.:

Section 20: S/2

Section 21: SW/4

Section 29: NW/4

Meade County, Kansas

Executed the 27<sup>th</sup> day of June, 2007, but EFFECTIVE as of January 11, 2007.

KEITH F. WALKER OIL & GAS COMPANY, L.L.C.

*John P. Gilbert*  
John P. Gilbert, Vice-President of Land and Marketing  
RECEIVED KANSAS CORPORATION COMMISSION

RECEIVED KANSAS CORPORATION COMMISSION

STATE OF OKLAHOMA )  
                                  ) §  
COUNTY OF CLEVELAND)

AUG 18 2008

AUG 11 2008

CONSERVATION DIVISION  
WICHITA, KS

CONSERVATION DIVISION  
WICHITA, KS

BEFORE ME, the undersigned authority, on this day personally appeared John P. Gilbert, known to me to be the person whose name is subscribed to the foregoing instrument, and known to me to be the Vice-President of Land and Marketing of Keith F. Walker Oil & Gas Company, L.L.C. and acknowledged to me that she executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER my hand and seal of office this 27 day of June, 2007.

My Commission Expires: 11-10-09

*Rebecca A. Casey*  
Notary Public: Rebecca A. Casey

