

For KCC Use: 8-24-08  
 Effective Date: \_\_\_\_\_  
 District # 1  
 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 30 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

<b>Well Drilled For:</b>	<b>Well Class:</b>	<b>Type Equipment:</b>
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Mud Rotary
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Air Rotary
	<input type="checkbox"/> Disposal	<input type="checkbox"/> Cable
<input type="checkbox"/> Seismic ; _____ # of Holes	<input checked="" type="checkbox"/> Wildcat	
<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 Description: \_\_\_\_\_  
SW - SW - \_\_\_\_\_ Sec. 9 Twp. 31 S. R. 30  E  W  
(a/a/a/a)  
150 feet from  N /  S Line of Section  
660 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: Comstock Well #: 9#2

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: 2760 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: 560  
 Depth to bottom of usable water: 560

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: \_\_\_\_\_

*Consolidated Gas Leasehold attached*

**AFFIDAVIT**

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**AUG 18 2008**

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 **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

**For KCC Use ONLY**  
 API # 15 - 119-21218-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 580 feet per ALT.  I  II  
 Approved by: [Signature]  
 This authorization expires: 8-19-09  
(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: \_\_\_\_\_

**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 - 119-21218-0000  
 Operator: Keith F. Walker Oil & Gas Company, LLC  
 Lease: Comstock  
 Well Number: 9 #2  
 Field: \_\_\_\_\_

Location of Well: County: Meade  
 \_\_\_\_\_ feet from  N /  S Line of Section  
 \_\_\_\_\_ feet from  E /  W Line of Section  
 Sec. 9 Twp. 31 S. R. 30  E  W

Number of Acres attributable to well: \_\_\_\_\_  
 QTR/QTR/QTR/QTR of acreage: SW - SW - \_\_\_\_\_ - \_\_\_\_\_

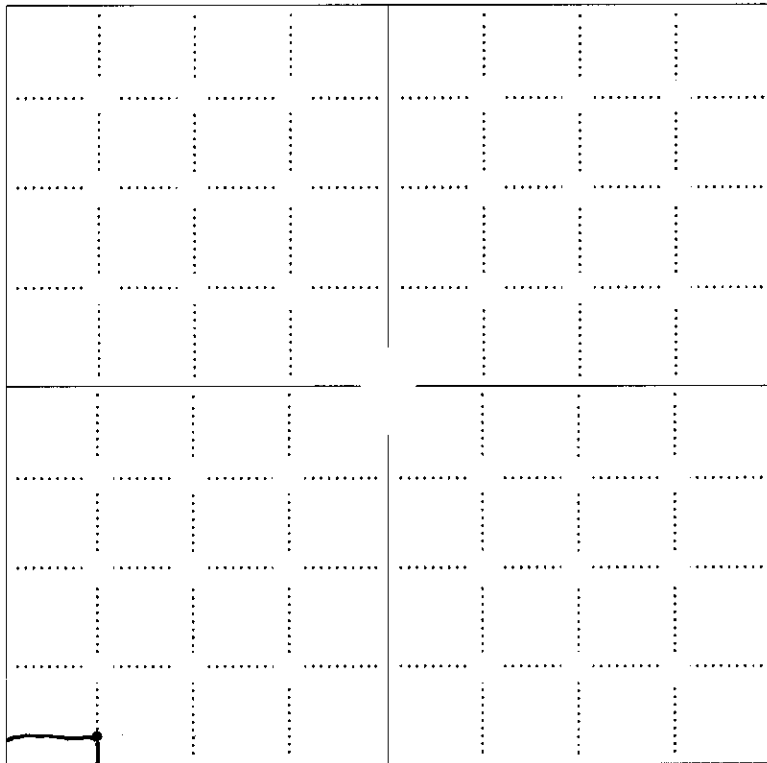
Is Section:  Regular or  Irregular

**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.)*

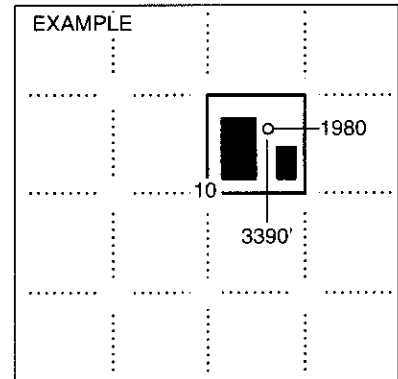


**NOTE: In all cases locate the spot of the proposed drilling location.**

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 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*

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>Comstock 9 #2</b>		Pit Location (QQQQ): <b>SW SW</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 <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: <b>12,000</b> (bbls)	
		Sec. <b>9</b> Twp. <b>31</b> R. <b>30</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>150</b> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <b>660</b> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <b>Meade</b> County	
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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
		How is the pit lined if a plastic liner is not used? <b>Compaction</b>	
Pit dimensions (all but working pits): <b>125</b> Length (feet) <b>125</b> Width (feet)		<input checked="" type="checkbox"/> N/A - Steel Pits <input type="checkbox"/> No Pit	
Depth from ground level to deepest point: <b>5</b> (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.	
		RECEIVED KANSAS CORPORATION COMMISSION <b>AUG 18 2008</b> CONSERVATION DIVISION WICHITA, KS	
Distance to nearest water well within one-mile of pit <b>584</b> feet    Depth of water well <b>300</b> feet		Depth to shallowest fresh water <b>187</b> feet. Source of information: <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> 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: <b>Fresh water mud</b> Number of working pits to be utilized: <b>1</b> Abandonment procedure: <b>Evaporate &amp; backfill</b> 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.			
<b>8-15-08</b> 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: <b>8/18/08</b> Permit Number: _____    Permit Date: <b>8/18/08</b> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

15-119-21818-0000

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**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 Three Hundred and Twenty (320) 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 9: SW/4  
Section 16: NW/4  
Meade County, Kansas

Executed the 2 day of May, 2008, but EFFECTIVE as of April 15, 2008.

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

John P. Gilbert, Vice-President of Land and Marketing

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CONSERVATION DIVISION  
WICHITA, KS

STATE OF OKLAHOMA )  
                                  ) §  
COUNTY OF CLEVELAND)

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 he executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER my hand and seal of office this 2 day of May, 2008.

My Commission Expires: 11/10/09

Notary Public: Rebecca A. Casey

