

aww

For KCC Use:
Effective Date: 8-20-08
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: August 20 2008
month day year

OPERATOR: License# 33550
Name: Relative Energy, Inc.
Address 1: 213 North Third
Address 2: _____
City: Lindsborg State: KS Zip: 67456
Contact Person: Mark Casebeer
Phone: 620-242-7766
CONTRACTOR: License# 6819
Name: Scott's Well Service, Inc.

Spot Description: C-W2-SE-SW-35-17-4W
C W2 SE SW Sec. 35 Twp. 17 S. R. 4 E W
(a/a/a/a) 680 feet from N / S Line of Section
1,650 feet from E / W Line of Section

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

County: McPherson
Lease Name: Sidney Johnson Trust "B" Well #: 1
Field Name: Lindsborg SW
Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Mizener

Nearest Lease or unit boundary line (in footage): 660'
Ground Surface Elevation: 1353 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: 58
Depth to bottom of usable water: 58-120

Surface Pipe by Alternate: I II
Length of Surface Pipe ~~Planned to be set~~ 391' of 8 5/8" is set

Length of Conductor Pipe (if any): 175' of 12 1/2" is set
Projected Total Depth: 3500'
Formation at Total Depth: Maquoiketa dolomite

Water Source for Drilling Operations:
 Well Farm Pond Other: City water

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

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

Well Drilled For: Oil Gas Seismic; # of Holes _____
 Enh Rec Storage Disposal
 Other: _____
Well Class: Infield Pool Ext. Wildcat Other
Type Equipment: Mud Rotary Air Rotary Cable

If OWWO: old well information as follows:
Operator: Oasis Petroleum, Inc.
Well Name: Laurel #2
Original Completion Date: 5/30/66 Original Total Depth: 3705

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

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AUG 20 2008

CONSERVATION DIVISION
WICHITA, KS

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: 8/19/2008 Signature of Operator or Agent: Mark Casebeer Title: President

For KCC Use ONLY
API # 15 - 113-00096-00-02
Conductor pipe required 175 feet
Minimum surface pipe required 391 feet per ALT. I II
Approved by: AWT 8-21-08
This authorization expires: 8-21-09
(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: _____

35 17 4
 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 - 15-113-00096-0002
 Operator: Relative Energy, Inc.
 Lease: Sidney Johnson Trust "B"
 Well Number: 1
 Field: Lindsborg SW
 Number of Acres attributable to well: _____
 QTR/QTR/QTR/QTR of acreage: C - W2 - SE - SW

Location of Well: County: McPherson

 660 feet from N / S Line of Section
 1,650 feet from E / W Line of Section
 Sec. 35 Twp. 17 S. R. 4 E W

Is Section: Regular or Irregular

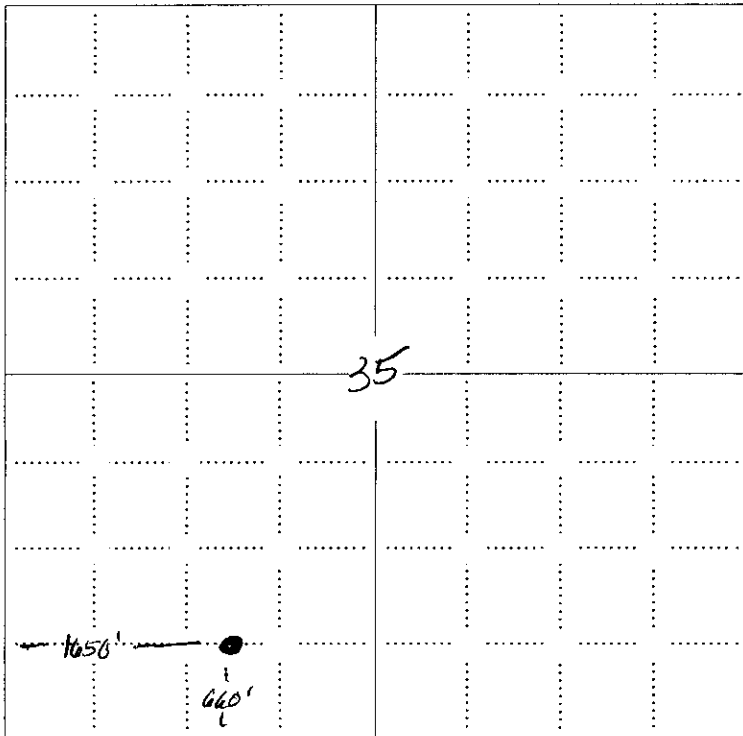
If Section is Irregular, locate well from nearest corner boundary.

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.)

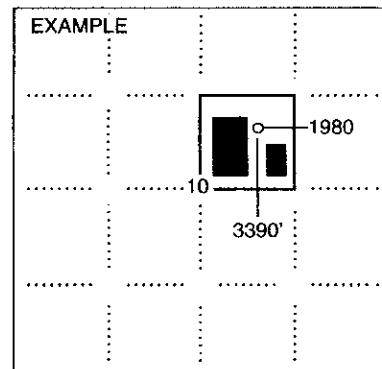


NOTE: In all cases locate the spot of the proposed drilling location.

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CONSERVATION DIVISION
 WICHITA, KS



SEWARD CO.

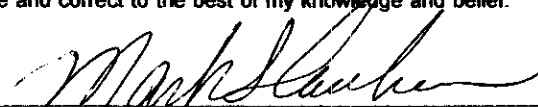
In plotting the proposed location of the well, you must show:

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).

**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: Relative Energy, Inc.		License Number: 33550
Operator Address: 213 North Third		Lindsborg KS 67456
Contact Person: Mark Casebeer		Phone Number: 620-242-7766
Lease Name & Well No.: Sidney Johnson Trust "B" 1		Pit Location (QQQQ): C W2 SE SW
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)	Sec. 35 Twp. 17 R. 4 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 640 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1,680 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section McPherson County
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input 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	How is the pit lined if a plastic liner is not used?
Pit dimensions (all but working pits): <u>15</u> Length (feet) <u>25</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>4</u> (feet) <input type="checkbox"/> No Pit		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. Plastic, 9ml, by hand		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. Will be emptied and closed within days
Distance to nearest water well within one-mile of pit <u>1650</u> feet Depth of water well <u>58</u> feet		Depth to shallowest fresh water <u>28</u> feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" 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>fresh water</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: <u>Clean out, remove liner, refill with earth</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>8/19/2008</u> Date	 Signature of Applicant or Agent	RECEIVED KANSAS CORPORATION COMMISSION AUG 20 2008 CONSERVATION DIVISION WICHITA, KS
KCC OFFICE USE ONLY		
Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>		
Date Received: <u>8/20/08</u> Permit Number: _____	Permit Date: <u>8/20/08</u>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

15-113-00096-00-02



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

August 20, 2008

Mr. Mark Casebeer
Relative Energy, Inc.
213 North Third
Lindsborg KS 67456

Re: Drilling Pit Application
Sidney Johnson Trust B Lease Well No. 1
SW/4 Sec. 35-17S-04W
McPherson County, Kansas

Dear Mr. Casebeer:

District staff has inspected the above referenced location and has determined that an unsealed condition will present a pollution threat to water resources. District staff has recommended that the reserve pit be lined. If a plastic liner is to be used it must have a minimum thickness of 10 mil. Integrity of the liner must be maintained at all times.

The free fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. 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 (316) 630-4000 when the fluids have been removed. Please file form CDP-5 (August 2004), 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,

A handwritten signature in black ink that reads "Kathy Haynes".

Kathy Haynes
Environmental Protection and Remediation Department

cc: district office

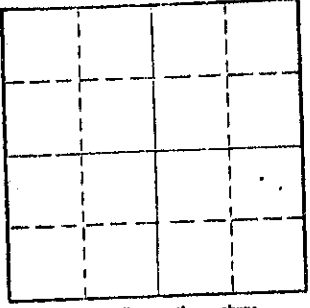
15-113-00096-00-01

STATE OF KANSAS
STATE CORPORATION COMMISSION

WELL PLUGGING RECORD

Give All Information Completely
Make Required Affidavit
Mail or Deliver Report to:
Conservation Division
State Corporation Commission
P. O. Box 17027
Wichita, Kansas 67217
NORTH

McPherson County, Sec. 35 Twp. 17S Rge. (E) 4 (W)
Location as "NE/CNW/SE/SW" or footage from lines: CW/2 SE SW
Lease Owner: Oasis Petroleum, Inc.
Lease Name: Laurel Well No. 2
Office Address: 800 Sutton Place, Wichita, Kansas
Character of Well (completed as Oil, Gas or Dry Hole): Oil
Date well completed: May 30 1966
Application for plugging filed: May 11 1973
Application for plugging approved: May 11 1973
Plugging commenced: May 11 1973
Plugging completed: May 11 1973
Reason for abandonment of well or producing formation: Production depleted
If a producing well is abandoned, date of last production: January 1972
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: Hugh Scott
Producing formation: Misener Depth to top: 3458 Bottom: 3476 Total Depth of Well: 3705 Feet
Show depth and thickness of all water, oil and gas formations.



Locate well correctly on above Section Plat

CASING RECORD

OIL, GAS OR WATER RECORDS

FORMATION	CONTENT	FROM	TO	SIZE	PLUG IN	PULLED OUT
				8-5/8"	396'	
				5 1/2"	3585'	

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 for each plug set.
Pumped 3 sacks hulls with 10 bbls water; 25 sacks gel; 65 bbls water;
1 sacks hulls, 3 bbls water, 30 sacks Halcolite cement at 2500# pressure,
down casing. Down annulus - 1 sacks hulls, 3 bbls water, sacks gel,
7 bbls water, 25 sacks Halcolite, pressure 300#

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OCT 23 1973
CONSERVATION DIVISION
Wichita, Kansas

(If additional description is necessary, use BACK of this sheet)
Name of Plugging Contractor: Halliburton Oil Well Cementing
Address: McPherson, Kansas

STATE OF Kansas, COUNTY OF Sedgwick ss.
Jack G. Paulsen (employee of owner) or (owner or 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) Jack G. Paulsen
800 Sutton Place, Wichita, Kansas
(Address)

SUBSCRIBED AND SWORN to before me this 16th day of October, 1973

Jean S. Taylor
Notary Public.

My commission expires June 28, 1974.