

* Corrected Intent *

CORRECTED

For KCC Use: Effective Date: 4-12-08 District # 3 SGA? Yes No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

RECEIVED KANSAS CORPORATION COMMISSION

Form C-1 October 2007

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

NOTICE OF INTENT TO DRILL SEP 02 2008

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

CONSERVATION DIVISION WICHITA, KS

Expected Spud Date: 2 4 12 08 month day year

Spot Description: C 5/2 SW SE Sec. 1 Twp. 15 S. R. 21 E W 330 feet from N S Line of Section 1,950 feet from E W Line of Section

Is SECTION: Regular Irregular?

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

County: Douglas

Lease Name: Lester Kalb Well #: I-18

Field Name: Baldwin

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Squirrel

Nearest Lease or unit boundary line (in footage): 200'

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: 100'

Depth to bottom of usable water: 200' 250'

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 20' 40'

Length of Conductor Pipe (if any): None

Projected Total Depth: 900'

Formation at Total Depth: Squirrel

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

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

Will Cores be taken? Yes No

If Yes, proposed zone:

OPERATOR: License# 32116 Name: R.T. Enterprises of Kansas Address 1: 1207 N. 1st Street East Address 2: City: Louisburg State: KS Zip: 66053 Contact Person: Lori Driskell Phone: 913-406-4236 CONTRACTOR: License# 33715 Name: Town Oilfield Service, Inc.

Well Drilled For: Oil Gas Seismic; # of Holes Other: Well Class: Enh Rec Storage Disposal 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: Operator 32218 TOR Construction, Inc Is: 32116 R.T. Enterprises of Kansas, Inc.

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:

RECEIVED KANSAS CORPORATION COMMISSION

APR 03 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: 3/28/08 Signature of Operator or Agent: L. Driskell Title: Agent

For KCC Use ONLY API # 15: 045-21405-0000 Conductor pipe required: None feet Minimum surface pipe required: 40 feet per ALT. Approved by: Lori Driskell 4-7-08 This authorization expires: 4-7-09 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:

* Corrected *

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT

CORRECTED

Form CDP-1
April 2004
Form to be Typed

Submit in Duplicate

| | | | |
|--|--|--|--|
| Operator Name: <u>R.T. Enterprises of Kansas</u> | | License Number: <u>32114</u> | |
| Operator Address: <u>1207 N. 1st Street East</u> | | <u>Louisburg KS 66053</u> | |
| Contact Person: <u>Lori Driskell</u> | | Phone Number: <u>913-406-4236</u> | |
| Lease Name & Well No.: <u>Lester Kalb I-18</u> | | Pit Location (QQQQ): <u>S2 SWSE</u> | |
| 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: <u>100</u> (bbls) | |
| | | C SW SE SW Sec. <u>1</u> Twp. <u>15</u> R. <u>21</u> ²⁰ <input checked="" type="checkbox"/> East <input type="checkbox"/> West <u>330</u> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <u>1,980</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <u>Douglas</u> County | |
| 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? | | | |
| Pit dimensions (all but working pits): <u>8</u> Length (feet) <u>12</u> Width (feet) <input checked="" 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. | | Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. | |
| Distance to nearest water well within one-mile of pit <u>3010</u> feet Depth of water well <u>100</u> feet | | Depth to shallowest fresh water <u>45</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>2</u> Abandonment procedure: <u>Pits filled as soon as well is completed</u> Drill pits must be closed within 365 days of spud date. | |
| RECEIVED KANSAS CORPORATION COMMISSION | | | |
| I hereby certify that the above statements are true and correct to the best of my knowledge and belief. | | | |
| <u>3/28/08</u> Date | | <u>L. Driskell</u> Signature of Applicant or Agent | |
| SEP 05 2008 CONSERVATION DIVISION WICHITA, KS | | | |

15-045-21405-0000

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|------------------------------|----------------------|------------------------------------|---|-------------------------------|
| KCC OFFICE USE ONLY | | Steel Pit <input type="checkbox"/> | RFAC <input type="checkbox"/> | RFAS <input type="checkbox"/> |
| Date Received: <u>9/5/08</u> | Permit Number: _____ | Permit Date: <u>9/5/08</u> | Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

* Public Water Supply Sec. 12-15-2008
D-501



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

September 8, 2008

R.T. Enterprises of Kansas
1207 N 1st St East
Louisburg, KS 66053

RE: Drilling Pit Application
Lester Kalb Lease Well No. I-~~8~~18
SE/4 Sec. 01-15S-20E
Douglas County, Kansas

Dear Sir or Madam:

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.

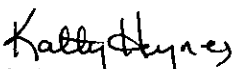
If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 432-2300 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,


Kathy Haynes

Environmental Protection and Remediation Department

cc: File