

For KCC Use:  
 Effective Date: 10-6-08  
 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: October 7, 2008  
month day year

OPERATOR: License# 33856  
 Name: WHITE EXPLORATION, INC.  
 Address 1: 2400 N. Woodlawn, Suite 115  
 Address 2: \_\_\_\_\_  
 City: Wichita State: KS Zip: 67220 + \_\_\_\_\_  
 Contact Person: Kenneth S. White  
 Phone: 316-682-6300

CONTRACTOR: License# 30606  
 Name: Murfin Drilling Company, Inc.

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" 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"/> Infield	
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Pool Ext.	
	<input checked="" type="checkbox"/> Wildcat	
	<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 #: \_\_\_\_\_

Declaration of Pooling Attached

PRORATED & SPACED: HUBOTAN

**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: September 29, 2008 Signature of Operator or Agent: Kenneth S. White Title: President

**For KCC Use ONLY**

API # 15 - 081-21840-0000

Conductor pipe required None feet

Minimum surface pipe required 700 feet per ALT.  I  II

Approved by: RWA 10-1-08

This authorization expires: 10-1-09  
(This authorization void if drilling not started within 12 months of approval date.)

Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

Spot Description: 120' South of  
 C - SE - SE - NE Sec. 36 Twp. 29 S. R. 32  E  W  
(a/a/a/a)  
2,430 feet from  N /  S Line of Section  
330 feet from  E /  W Line of Section

Is SECTION:  Regular  Irregular?

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

County: Haskell

Lease Name: Phoenix Farms Well #: 1

Field Name: wildcat

Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): Morrow, Mississippi

Nearest Lease or unit boundary line (in footage): 330'

Ground Surface Elevation: 2880 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: 550

Depth to bottom of usable water: 680

Surface Pipe by Alternate:  I  II

Length of Surface Pipe Planned to be set: 1800'

Length of Conductor Pipe (if any): none

Projected Total Depth: 5800'

Formation at Total Depth: Mississippi

Water Source for Drilling Operations:  
 Well  Farm Pond  Other: Not known at this time

DWR Permit #: \_\_\_\_\_

(Note: Apply for Permit with DWR)

Will Cores be taken?  Yes  No

If Yes, proposed zone: \_\_\_\_\_

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SEP 30 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: \_\_\_\_\_

36  
29  
32  
 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 - 081-21840-0000  
 Operator: WHITE EXPLORATION, INC.  
 Lease: Phoenix Farms  
 Well Number: 1  
 Field: wildcat

Location of Well: County: Haskell  
2,430 feet from  N /  S Line of Section  
330 feet from  E /  W Line of Section  
 Sec. 36 Twp. 29 S. R. 32  E  W

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

Is Section:  Regular or  Irregular

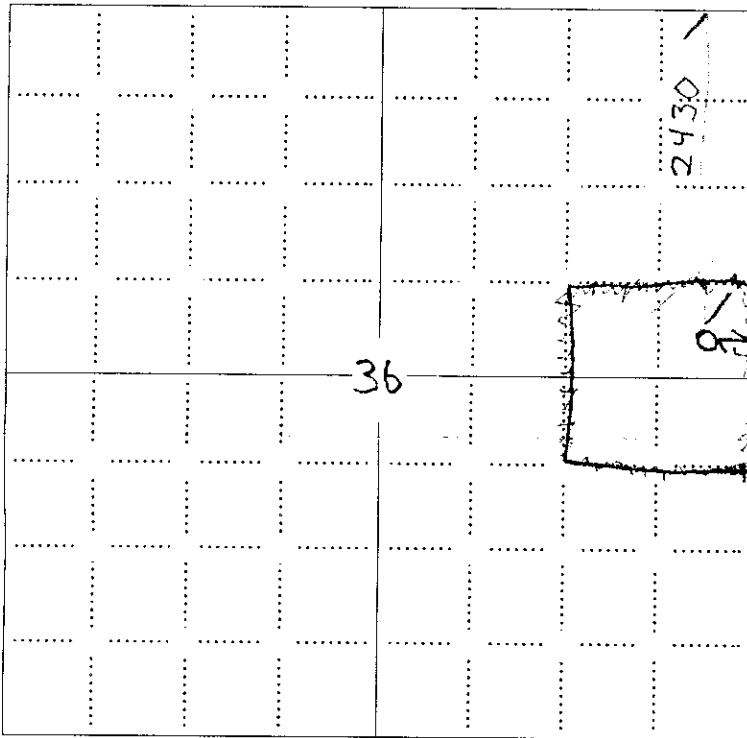
**If Section is Irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

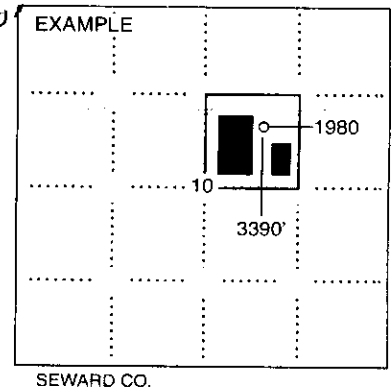
**PLAT**

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)*

*(Show footage to the nearest lease or unit boundary line.)*



40 acre oil unit



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

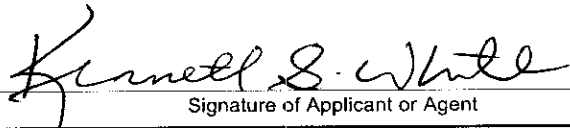
**In plotting the proposed location of the well, you must show:**

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: <b>WHITE EXPLORATION, INC.</b>		License Number: <b>33856</b>
Operator Address: <b>2400 N. Woodlawn, Suite 115</b>		<b>Wichita KS 67220</b>
Contact Person: <b>Kenneth S. White</b>		Phone Number: <b>316-682-6300</b>
Lease Name & Well No.: <b>Phoenix Farms 1</b>		Pit Location (QQQQ): <b>SE SE NE</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 <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: _____ (bbbls)	Sec. <b>36</b> Twp. <b>29</b> R. <b>32</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>2,430</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <b>330</b> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <b>Haskell</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 <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? <b>Bentonite in drilling mud</b>
Pit dimensions (all but working pits): <b>60</b> Length (feet) <b>60</b> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <b>3</b> (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. <b>RE</b> <b>KANSAS CORPORATION</b> <b>SEP 30 2008</b> <b>CONSERVATION DIVISION</b> <b>WICHITA, KS</b>
Distance to nearest water well within one-mile of pit <b>1026</b> feet    Depth of water well <b>682</b> feet		Depth to shallowest fresh water <b>286</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>Chemical mud</b> Number of working pits to be utilized: <b>3</b> Abandonment procedure: <b>Allow to dry and 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>September 29, 2008</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>9/30/08</b>	Permit Number: _____	Permit Date: <b>9/30/08</b>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

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

15-081-21840-0000

DECLARATION OF POOLING AND CONSOLIDATION FOR OIL

WHEREAS, the undersigned is the owner of the following described Oil and Gas Leases covering lands located in HASKELL COUNTY, KANSAS, described as follows:

- 1. Lessor: Phoenix Farms, Inc.  
 Lessee: Thomas Energy, Inc.  
 Date: January 30, 2006  
 Term: Three (3) Years  
 Recording: Book 180 at Page 190  
 Description: NE/4 Section 36-29S-32W
  
- 2. Lessor: Velma R. Burgess, a widow  
 Lessee: Thomas Energy, Inc.  
 Date: January 30, 2006  
 Term: Three (3) Years  
 Recording: Book 180 at Page 196  
 Description: SE/4 Section 36-29S-32W

WHEREAS each of the above described Oil and Gas Leases authorizes the lessee or his assigns to pool and consolidate the oil rights thereunder and each of the described Oil and Gas Leases is in full force and effect; and

WHEREAS, pursuant to the authority given in each of the above described Oil and Gas Leases, the undersigned desires to pool and consolidate the above described Oil and Gas Leases into a forty-acre oil unit in order to properly develop and operate the leased premises for the drilling and continued operations of a well to be drilled on the pooled lands to be known as the #1 PHOENIX FARMS, drilled at a location 2430' FNL and 330' FEL Section 36-29S-32W. Said forty-acre oil unit shall consist of the following:

	Mineral Acres Committed	Pooled Area Interest
Lease No. 1: S/2 SE/4 NE/4 Section 36-29S-32W	20	50%
Lease No. 2: N/2 NE/4 SE/4 Section 36-29S-32W	20	50%

NOW THEREFORE, pursuant to the authority granted in each of the above described Oil and Gas Leases, the undersigned, as the owner of the above described Oil and Gas Leases, executes this instrument as his formal declaration that the above described Oil and Gas Leases insofar as they cover the S/2 SE4 NE/4 Section 36-29S-32W and the N/2 NE/4 SE/4 Section 36-29S-32W, Haskell County, Kansas, are hereby pooled and consolidated into one operating unit insofar as they cover the oil and casinghead gas rights.

In the event that the #1 Phoenix Farms well is completed as a producing gas well, the above described oil and gas leases, and others, shall then be pooled and consolidated into a 640-acre gas unit under the terms and conditions of said leases.

EXECUTED this 29<sup>th</sup> day September, 2008

WHITE EXPLORATION, INC.

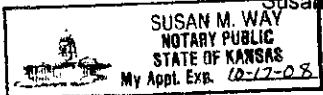
By: Kenneth S. White  
Kenneth S. White, President

STATE OF KANSAS           §  
  §  
COUNTY OF SEDGWICK   §

This instrument was acknowledged before me on the 29<sup>th</sup> day of September, 2008, by KENNETH S. WHITE, as President of WHITE EXPLORATION, INC.

Susan M. Way  
Susan M. Way, Notary Public

My Commission Expires:



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