

For KCC Use: 10-11-08
 Effective Date: 10-11-08
 District #: 4
 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: 10 - 15 - 08
month day year

OPERATOR: License# 31171 ✓
 Name: Continental Operating Co.
 Address 1: 1 Houston Center 1221 McKinney Ste 3700
 Address 2: _____
 City: Houston State: Tx Zip: 77010 +
 Contact Person: Gregory A. Mitschke
 Phone: 713 - 209 - 1110

CONTRACTOR: License# 33493 ✓
 Name: American Eagle Drilling, LLC

<input checked="" type="checkbox"/> Oil ✓	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield ✓	<input checked="" type="checkbox"/> Mud Rotary ✓
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> Seismic ;	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> Other:	<input type="checkbox"/> # of Holes	<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:
 SE NE SE Sec. 5 Twp. 8 S. R. 17 E W
 1,750 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: Rooks
 Lease Name: Eckert Well #: 2-R
 Field Name: Lone Star

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Arbuckle

Nearest Lease or unit boundary line (in footage): 330'
 Ground Surface Elevation: 1928' 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: 180'
 Depth to bottom of usable water: 200' - 750'

Surface Pipe by Alternate: I II ✓
 Length of Surface Pipe Planned to be set: 200'

Length of Conductor Pipe (if any): None
 Projected Total Depth: 3400'
 Formation at Total Depth: Arbuckle

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

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

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

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: 9/30/08 Signature of Operator or Agent: _____ Title: _____

Gregory A. Mitschke
 Senior Vice President
 Continental Operating Co.

For KCC Use ONLY
 API # 15 - 163-23776-0000
 Conductor pipe required None feet
 Minimum surface pipe required 200 feet per ALT. I II
 Approved by: pub 10-6-08
 This authorization expires: 10-6-09
 (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 prorator 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: _____

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

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OCT 02 2008

CONSERVATION DIVISION
 WICHITA, KS

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 - 163-23776-0000
Operator: Continental Operating Co.
Lease: Eckert
Well Number: 2#R
Field: Lone Star

Location of Well: County: Rooks
1,750 feet from N / S Line of Section
330 feet from E / W Line of Section
Sec. 5 Twp. 8 S. R. 17 E W

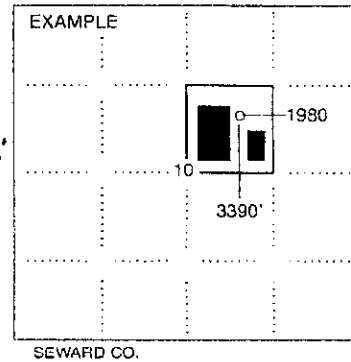
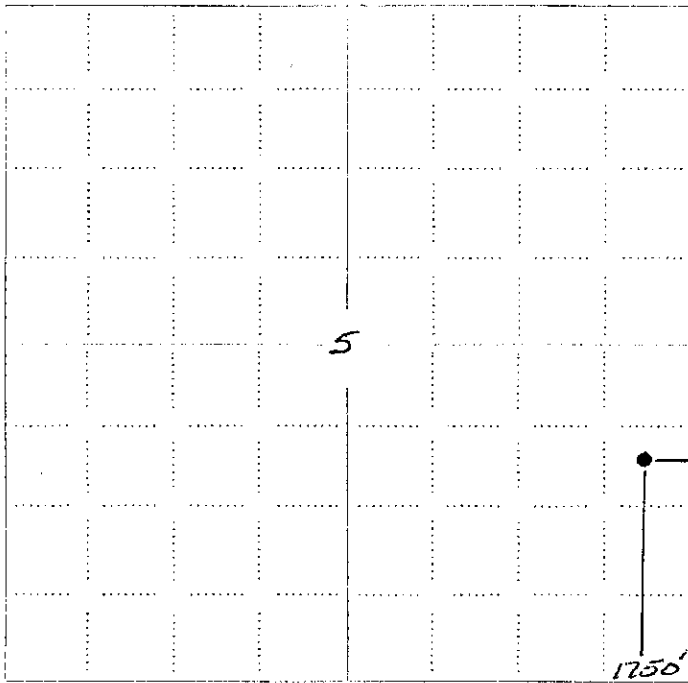
Number of Acres attributable to well: _____
QTR/QTR/QTR/QTR of acreage: _____ SE _____ NE _____ SE

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 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).

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WICHITA, KS

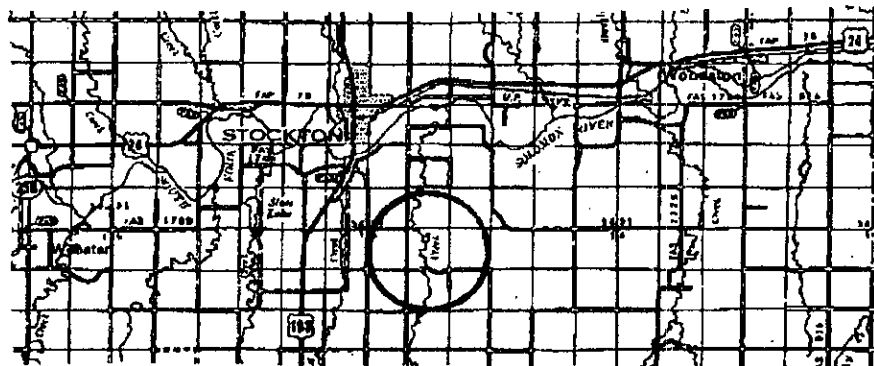
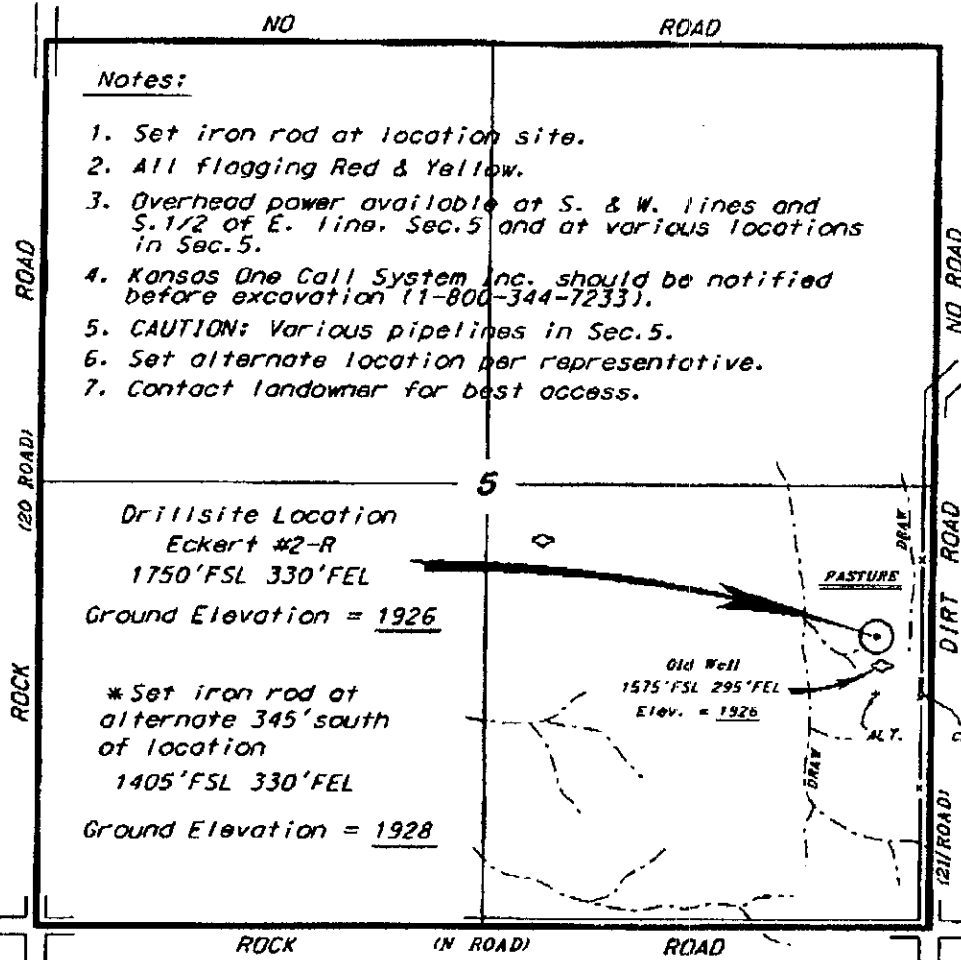
CONTINENTAL OPERATING COMPANY
ECKERT LEASE
SE. 1/4, SECTION 5, T8S, R17W
ROOKS COUNTY, KANSAS

15-163-23776-0000

Notes:

1. Set iron rod at location site.
2. All flagging Red & Yellow.
3. Overhead power available at S. & W. lines and S. 1/2 of E. line, Sec. 5 and at various locations in Sec. 5.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec. 5.
6. Set alternate location per representative.
7. Contact landowner for best access.

Wingress and egress to location as shown on this plat is for usage only and may not be legally asserted for public use. Contact landowner, tenant and county road department for access.



* Controlling data is based upon the best maps and photographs available to us and upon a careful section of land containing 640 acres.
 * Appropriate section lines were established using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drilling location in the section is not guaranteed. Therefore, the operator assuming this service and accepting this plat and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all liability, costs and expenses and shall defend and hold harmless from any liability from incidental or consequential damages.
 * Elevations derived from national geodetic vertical datum.

Date September 18, 2008

CENTRAL KANSAS OILFIELD SERVICES, INC. (620)792-1977

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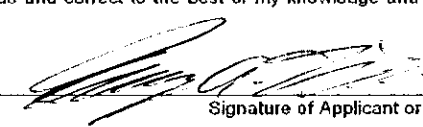
OCT 02 2008

CONSERVATION DIVISION
WICHITA, KS

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

Form GDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Continental Operating Co.		License Number: 31171	
Operator Address: 1 Houston Center 1221 McKinney Ste 3700		Houston Tx 77010	
Contact Person: Gregory A. Mitschke		Phone Number: 713 - 209 - 1110	
Lease Name & Well No.: Eckert 2-R		Pit Location (QQQQ): SE Ne SE Sec. 5 Twp. 8 R. 17 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1,750 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 330 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Rocks _____ County _____	
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 WVP Supply API No. or Year Drilled)</i>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" 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? Natural gumbo seal			
Pit dimensions (all but working pits): <u>40</u> Length (feet) <u>20</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>8</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. Daily inspection while drilling periodic inspection after drilling operations	
Distance to nearest water well within one-mile of pit <u>1387</u> feet Depth of water well <u>30</u> feet		Depth to shallowest fresh water <u>10 S.L.</u> feet. Source of information: <u>JR-KGS</u> <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input 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>Drilling mud & water</u> Number of working pits to be utilized: <u>2</u> Abandonment procedure: <u>Remove water and free fluids let dry and backfill</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>9/30/08</u> Date		 Signature of Applicant or Agent	
		Gregory A. Mitschke Senior Vice President Continental Operating Co.	
KCC OFFICE USE ONLY			
Date Received: <u>10/2/08</u>		Steel Pit <input type="checkbox"/> RFAC <input checked="" type="checkbox"/> RFAS <input type="checkbox"/>	
Permit Number: _____		Permit Date: <u>10/3/08</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

15-103-23776-0000

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