

For KCC Use:
Effective Date 10-25-08
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: 11 / 01 / 08
month day year

Spot Description:
Twp. 32 S. R. 39 E. W
Line of Section
N S W
E W
Line of Section
Is SECTION: Regular Irregular?

OPERATOR Licenses 34075
Name: One Source Financial Services, Inc.
Address 1: 5800 Padre Blvd
Address 2: Suite 210
City: South Padre Island State: TX Zip: 78587
Contact Person: Justin McAtee
Phone: 786-332-4260

County: Cheyenne
Lease Name: Chey. Feelyard Well #: 1-32
Field Name: Wheeler

CONTRACTOR Licenses 8278
Name: Excel Services

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Niobara
Nearest Lease or unit boundary line (in footage): 6600
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: 270
Depth to bottom of usable water: 270
Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set: 350
Length of Conductor Pipe (if any):
Projected Total Depth: 1500
Formation at Total Depth: Creataceous

Well Drilled For: Oil Gas Seismic 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:

Water Source for Drilling Operations:
 Well Farm Pond Other
* DWR Permit #:
Will Cores be taken? Yes No
* Yes: proposed zone

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

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

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OCT 20 2008

CONSERVATION DIVISION
WICHITA, KS

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 #1 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 #153, get-C, which applies to the KCC District 3 area, alternate #1 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: _____ Signature of Operator or Agent: _____ Title: President

For KCC Use ONLY
API # 15: 023-21148-00-00
Conductor pipe required: None feet
Minimum surface pipe required: 320 feet per ALT I II
Approved by: SB 10-20-08
This authorization expires: 10-20-09
(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 ACC-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 - 023-21148-00-00
 Operator: One Source Financial Services
 Lease: Chey Feedyard
 Well Number: 1-32
 Field: Wheeler
 Number of Acres attributable to well: _____
 QTR/QTR/QTR/QTR of acreage: c - ne1/4 - ne1/4 - _____

Location of Well: County: Cheyene
 _____ feet from N / S Line of Section
 _____ feet from E / W Line of Section
 Sec. 32 Twp. 4 S. R. 39 E W

Is Section: Regular or Irregular

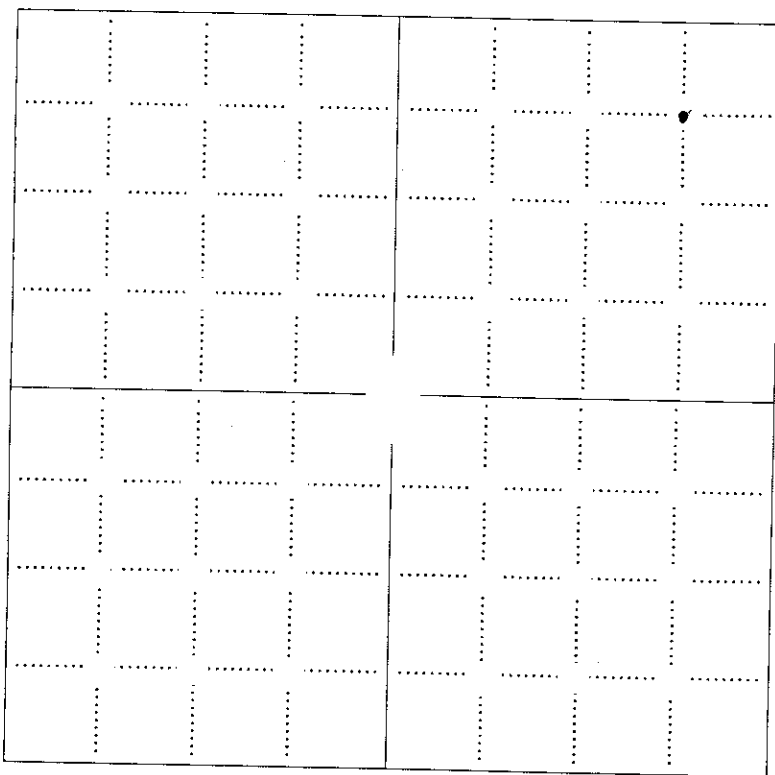
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

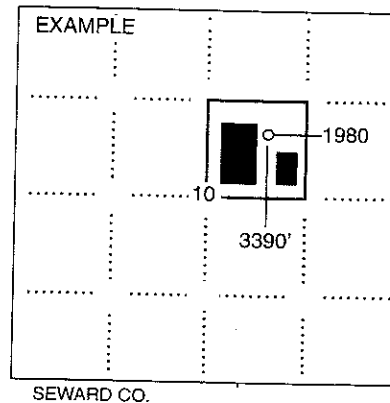
PLAT

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

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



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

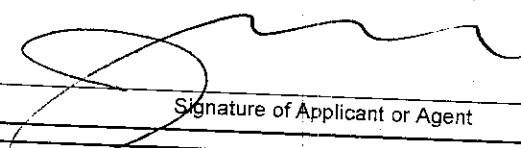
In plotting the proposed location of the well, you must show:

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: One Source Financial Services		License Number: 34077
Operator Address: 5800 Padre Blvd. Ste. 210 South Padre Island, TX. 78597		
Contact Person: Justin McAtee		Phone Number: 785-332-4260
Lease Name & Well No.: Chey Feedyard 1-32		Pit Location (QQQQ): c ne1/4 ne1/4
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: _____ (bbls)
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Sec. 32 Twp. 4 R. 39 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 660 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 660 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Cheyene _____ County
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>
Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		How is the pit lined if a plastic liner is not used? NATIVE CLAY
Pit dimensions (all but working pits): 8 Length (feet) 10 Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: 5 (feet) <input type="checkbox"/> No Pit		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. plastic - IF NEEDED.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. N/A
Distance to nearest water well within one-mile of pit n/ N/A feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input checked="" 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: gel Number of working pits to be utilized: 4 Abandonment procedure: air dry and back fill 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.		
Date	 Signature of Applicant or Agent	RECEIVED KANSAS CORPORATION COMMISSION OCT 20 2008 CONSERVATION DIVISION WICHITA, KS
KCC OFFICE USE ONLY		
Date Received: 10/20/08 Permit Number: _____		Permit Date: 10/20/08 Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>		

15-023-21148-00-00

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