For KCC Use: Effective Date: District # 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:	Spot Description:	
month day year		
OPERATOR: License# 31691	(Q/Q/Q/Q) 1,950 feet from N / S Line of Section	
Name: Coral Coast Petroleum, L.C.	2,025 feet from E / W Line of Section	
Address 1; 8100 E. 22nd Street N. Building 600 Ste. R	Is SECTION: Regular X Irregular?	
Address 2:	(Note: Locate well on the Section Plat on reverse side)	
City: Wichita State: KS Zip: 67226 +	County: Clark	
Contact Person: Daniel M. Reynolds	Lease Name: Harper Well #: 1	
Phone: 316-269-1233	Field Name: Harper Ranch	
CONTRACTOR: License#_ 5822	Is this a Prorated / Spaced Field?	
Name: _Val Energy, Inc.	Target Formation(s): Morrow	
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary line (in footage): 660	
	Ground Surface Elevation: 1810 feet MSL	
⊠Oil / Enh Rec ⊠Infield ⊠ Mud Rotary	Water well within one-quarter mile:	
Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable	Public water supply well within one mile:	
Seismic; # of Holes Other	Depth to bottom of fresh water: 100	
Other:	Depth to bottom of usable water:	
	Surface Pipe by Alternate: XI III	
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set: 600	
Operator:	Length of Conductor Pipe (if any): 60	
Well Name:	Projected Total Depth: 5600	
Original Completion Date: Original Total Depth:	Formation at Total Depth: Mississippi	
	Water Source for Drilling Operations:	
Directional, Deviated or Horizontal wellbore?	Well X Farm Pond Other:	
If Yes, true vertical depth:	DWR Permit #:	
Bottom Hole Location:	(Note: Apply for Permit with DWR	
TOO DIVI II.	Will Cores be taken?	
	If Yes, proposed zone:	
ACC	IDAVIT ×	
The undersigned hereby affirms that the drilling, completion and eventual plug	raing of this well will comply with K.S.A. 55 et. seg.	
	··· · · · · · · · · · · · · · · · · ·	
It is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office <i>prior</i> to spudding of well; 2. A copy of the approved notice of intent to drill <i>shall be</i> posted on each 3. The minimum amount of surface pipe as specified below <i>shall be set</i> b through all unconsolidated materials plus a minimum of 20 feet into the 4. If the well is dry hole, an agreement between the operator and the distri		
A copy of the approved notice of intent to drill shall be posted on each to the shall be posted on the shall be posted on each to the shall be posted on the	drilling rig; by circulating cement to the top; in all cases surface pipe shall be see the underlying formation. ict office on plug length and placement is necessary prior to pluggings of the production casing is cemented in;	
3. The minimum amount of surface pipe as specified below shall be set b	y circulating cement to the top; in all cases surface pipe shall be 🙀 🍃 🕒 📑	
through all unconsolidated materials plus a minimum of 20 feet into the	underlying formation.	
 If the well is dry hole, an agreement between the operator and the district. The appropriate district office will be notified before well is either plugge 	ct office on plug length and placement is necessary prior to plugging:	
The appropriate district office will be fround before well is either plugge If an ALTERNATE II COMPLETION, production pipe shall be cemented	from below any usable water to surface within 120 DAYS of soud date	
Or pursuant to Appendix "B" - Eastern Kansas surface casing order #13	3,891-C, which applies to the KCC District 3 area, alternate II cementifig	
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 be	est of my knowledge)and belief.	
November 7, 2008	Managing Member	
Date: November 7, 2008 Signature of Operator or Agent:	Title: Title:	
	Remember to:	
For KCC Use ONLY	- File Drill Pit Application (form CDP-1) with Intent to Drill;	
API#15-025-21476-000	- File Completion Form ACO-1 within 120 days of spud date;	
Conductor pipe requiredfeet	- File acreage attribution plat according to field proration orders; - Notify appropriate district office 48 hours prior to workover or re-entry;	
Minimum surface pipe required 200 feet per ALT.	Submit plugging report (CP-4) after plugging is completed (within 60 days):	
Approved by: Lux 11-17-08	- Obtain written approval before disposing or injecting salt water.	
1117179	- If this permit has expired (See: authorized expiration date) please	
This authorization expires: (This authorization void if drilling not started within 12 months of approval date.)	check the box below and return to the address below.	
(Innination role a claimy not orange within the months of approved dates)	Well Not Drilled - Permit Expired Date:	
Spud date: Agent:	Signature of Operator or Agent:	

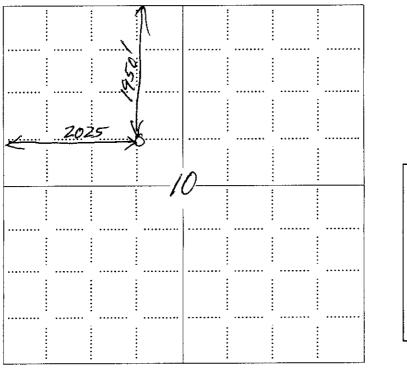
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

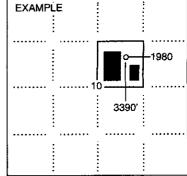
Plat of acreage attributable to a well in a prorated or spaced field

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 - 025-21476-0000 Operator: Coral Coast Petroleum, L.C.	Location of Well: County: Clark
Lease: Harper	1,950 feet from N / S Line of Section
Well Number: 1 Field: Harper Ranch	2,025 feet from E / X W Line of Section Sec. 10 Twp. 34 S. R. 21 E X W
Number of Acres attributable to well: QTR/QTR/QTR/QTR of acreage:	Is Section: Regular or Improvements 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.)





SEWARD CO.

CONSERVATION DIVISION WICHITA, KS

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: (C0-7 for oil wells; CG-8 for gas wells).

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Coral Coast Petroleum, L.C.		License Number: 31691				
Operator Address: 8100 E. 22nd Street N. Building 600 Ste. R		Wichita	KS	67226		
Contact Person: Daniel M. Reynolds		Phone Number: 316-269-1233				
Lease Name & Well No.: Harper 1		Pit Location (QQQQ):				
Type of Pit:	Pit is:		SW. NE. SE. NW			
Emergency Pit Burn Pit	Proposed Existing		Sec10Twp34R21East West			
Settling Pit Drilling Pit	If Existing, date constructed:		1 9 50 Feet from 🗷 North / South Line of Section			
Workover Pit	Pit capacity:	(bbls)	<u>೨೧♀≾</u> Feet from East / ≮ Clark	West Line	_ }	
	42 V C		Chlorida concentration		County	
Is the pit located in a Sensitive Ground Water Area? Yes No		Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)				
Is the bottom below ground level? Yes No	Artificial Liner? Yes No		How is the pit lined if a plastic liner is not used? Compacted Earth			
Pit dimensions (all but working pits):	30 Length (fe	eet) 80	Width (feet)	N/A: Stee	I Pits	
Depth fr	om ground level to de	eepest point:	3 (feet)	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. KANSAS CORPORATION					RECEIVE CORPORATION CO.	
					OV 10 2008	
				CONS	SERVATION ŪIVISI. WICHITA, KS	
Distance to nearest water well within one-mile of pit Depth to shallo Source of infor		owest tresh waterleet.				
3706 feet Depth of water well 140 feet Measu		red well owner electric lo	لـــــــــــــــــــــــــــــــــــــ	.KDWR		
}	Emergency, Settling and Burn Pits ONLY: Drilling, Workover and Haul-Off Pits ONLY:				3	
			al utilized in drilling/workover: Drilling mud			
Number of producing wells on lease: Number of working pits to be utilized:1				0',		
Barrels of fluid produced daily: Abandonment procedure: Allow to dry and backfill				— 1×		
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Drill pits must		be closed within 365 days of spud date.				
I hereby certify that the above state	ements are true and	correct to the besi	t of my knowledge and belief.		8	
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No 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.						
November 7, 2008 Date Signature of Applicant or Agent						
Date Signature of Applicant of Agent						
KCC OFFICE USE ONLY Steel Pit RFAC RFAS						
Date Received: נוליסלסג Permit Number: Permit Date: ווליבול בase Inspection: א Yes No						



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

November 14, 2008

Coral Coast Petroleum, LC 8100 E 22nd St N. Bldg. 600 Ste R Wichita, KS 67226

RE: Drilling Pit Application Harper Lease Well No. 1 NW/4 Sec. 10-34S-21W Clark County, Kansas

Dear Sir or Madam:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, the bottom shall be flat and reasonably level, and **lined with native clay or bentonite**. The free fluids must be removed. The 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 within 96 hours after drilling operations have ceased. **Keep pits away from the draw.**

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) 225-8888 when the fluids have been removed. Please file form CDP-5, 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,

Kathythynes Kathy Haynes

Environmental Protection and Remediation Department

Cc: File