

For KCC Use:

Effective Date:

District #

SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

Form C-1

October 2007

Form must be Typed

Form must be Signed

All blanks must be Filled

Expected Spud Date: 1-2-09
month day year

OPERATOR: License# 5259
Name: Mai Oil Operations, Inc.
Address 1: P.O. Box 33
Address 2:
City: Russell State: Ks. Zip: 67665
Contact Person: Allen Bangert
Phone: 785-483-2169
CONTRACTOR: License# 33350
Name: Southwind Drilling, Inc.

Spot Description: 150' South & 70' West
C S/2 SE SW Sec. 34 Twp. 15 S. R. 14
180 feet from N / S Line of Section
1,910 feet from E / W Line of Section

Is SECTION: Regular Irregular?

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

County: Russell
Lease Name: Field Unit Well #: 1
Field Name: Wildcat

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Arbuckle

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

Ground Surface Elevation: 1912 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: 220'

Depth to bottom of usable water: 380'

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 400'

Length of Conductor Pipe (if any): None

Projected Total Depth: 3450'

Formation at Total Depth: Arbuckle

Water Source for Drilling Operations: Well Farm Pond Other:

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

Will Cores be taken? Yes No

If Yes, proposed zone:

Well Drilled For: Oil Gas
Enh Rec Storage Disposal
Seismic: # of Holes
Other:
Well Class: 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 #:

Oil & Gas Leases w/ pooling clauses submitted (Sections offset)
AFFIDAVIT

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DEC 12 2008

CONSERVATION DIVISION
WICHITA, KS

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: 12-11-08 Signature of Operator or Agent: Allen Bangert Title: Prod. Supt.

For KCC Use ONLY
API # 15 - 167-23554-0000
Conductor pipe required None feet
Minimum surface pipe required 400 feet per ALT. I II
Approved by: Putt 12-12-08
This authorization expires: 12-12-09
(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 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:

34 15 14
 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 - 1107-23554-0000
Operator: Mai Oil Operations, Inc.
Lease: Field Unit
Well Number: 1
Field: Wildcat

Number of Acres attributable to well: _____
QTR/QTR/QTR/QTR of acreage: C - S/2 - SE - SW

Location of Well: County: Russell
180 feet from N / S Line of Section
1,910 feet from E / W Line of Section
Sec. 34 Twp. 15 S. R. 14 E W

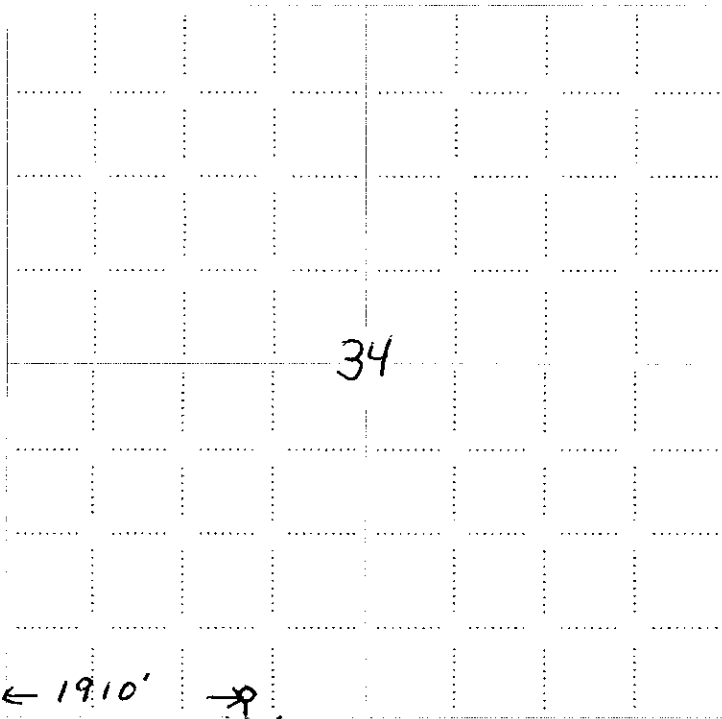
is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

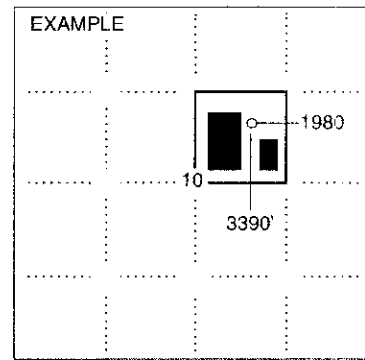
PLAT

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)*



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

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WICHITA, KS



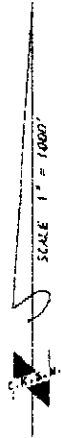
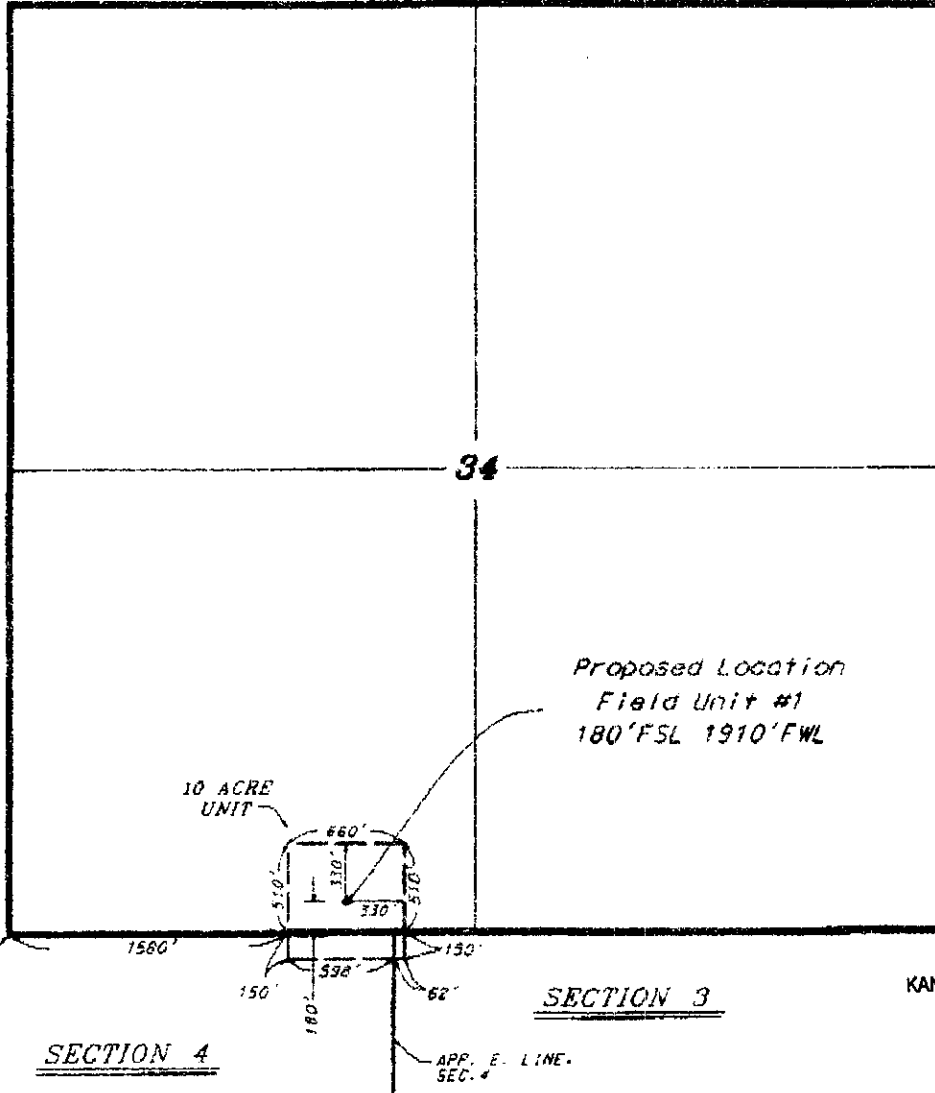
In plotting the proposed location of the well, you must show:

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).

MAI OIL OPERATIONS, INC.
FIELD UNIT LEASE

15-167-23554-0000

IN SW.1/4, SECTION 34, T15S, R14W, RUSSELL COUNTY, KANSAS AND
IN NW.1/4, SECTION 3, T16S, R14W AND IN NE.1/4, SECTION 4, T16S, R14W
BARTON COUNTY, KANSAS



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WICHITA, KS

UNIT DESCRIPTION

That part of the Southwest Quarter of Section 34, Township 15 South, Range 14 West of the 6th Principal Meridian, Russell County, Kansas and the Northwest Quarter of Section 3, Township 16 South, Range 14 West and the Northeast Quarter of Section 4, Township 16 South, Range 14 West of the 6th Principal Meridian, Barton County, Kansas, described as follows:
 Commencing at the southwest corner of said Section 34; thence on an assumed bearing of east, along the south line of the Southwest Quarter of said section, a distance of 1580.00 feet to the point of beginning of the unit to be described; thence on a bearing of North a distance of 510.00 feet; thence on a bearing of East a distance of 660.00 feet; thence on a bearing of South a distance of 660.00 feet; thence on a bearing of West a distance of 660.00 feet; thence on a bearing of North a distance 150.00 feet to the point of beginning.
 The above described unit contains 10.0 acres.

* Controlling data is based upon the best maps and encroachments available to us and upon a regular section of land containing 360 acres.
 * Approximate section lines were determined using the narrow boundaries of bars or artificial surveys existing 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 accepting this service and accepting this plan and all other services existing thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and hold entities harmless from any liability from incidental or consequential damages.
 * Elevations derived from National Geodetic Vertical Datum (NGVD).

Date November 25, 2008

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

**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: Mai Oil Operations, Inc.		License Number: 5259
Operator Address: P.O. Box 33, Russell, Ks. 67665		
Contact Person: Allen Bangert		Phone Number: 785-483-2169
Lease Name & Well No.: Field Unit #1		Pit Location (QQQQ): C S/2 SE SW
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: 500 (bbls)	Sec. 34 Twp. 15 R. 14 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 180 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1,910 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Russell 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? Drilling Mud
Pit dimensions (all but working pits): <u>75</u> Length (feet) <u>75</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>3</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>N/A</u> feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <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: Drilling Mud Number of working pits to be utilized: <u>3</u> Abandonment procedure: Let dry and Backfill 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 12-11-08		RECEIVED KANSAS CORPORATION COMMISSION DEC 12 2008 CONSERVATION DIVISION WICHITA, KS
KCC OFFICE USE ONLY		
Date Received: <u>12/12/08</u> Permit Number: _____ Permit Date: <u>12/12/08</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>

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

15167-23554000