

For KCC Use:
 Effective Date: 1-10-2009
 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: _____
 month day year

OPERATOR: License# 32468 ✓
 Name: Pioneer Oil Company, Inc.
 Address 1: Rural Route 4 Box 142B
 Address 2: Hwy 50 & Airport Rd.
 City: Lawrenceville State: IL Zip: 624639 + 9 5 1 3
 Contact Person: Mark Jones and/or Jenna Sibert
 Phone: (618) 943-5314

CONTRACTOR: License# Unknown Must be licensed by KCC
 Name: Advise on ACO-1

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

Spot Description: SE/4
 _____ C _____ S/2 _____ SE Sec. 33 Twp. 8 S. R. 28 E W
 (aaaa) 660 feet from N / S Line of Section
1,320 feet from E / W Line of Section

Is SECTION: Regular Irregular?
 (Note: Locate well on the Section Plat on reverse side)

County: Sheridan
 Lease Name: Schamberger Well #: 1
 Field Name: Freda

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

Nearest Lease or unit boundary line (in footage): 660'
 Ground Surface Elevation: 2674' 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: 150'
 Depth to bottom of usable water: 1450'

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: 4100'

Formation at Total Depth: Marmaton

Water Source for Drilling Operations:
 Well Farm Pond Other: Haul In

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** 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: Nov 21, 2008 Signature of Operator or Agent: Mark Jones Title: Vice President

For KCC Use ONLY
 API # 15 - 179-21220-0000
 Conductor pipe required None feet
 Minimum surface pipe required 200 feet per ALT. I II
 Approved by: Mark Jones 1-5-2009
 This authorization expires: 1-5-2010
 (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: _____

RECEIVED
 KANSAS CORPORATION COMMISSION
 JAN 02 2009

CONSERVATION DIVISION
 WICHITA, KANSAS

33
 8
 28
 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 - 179-21220-0000

Operator: Pioneer Oil Company, Inc.

Lease: Schamberger

Well Number: 1

Field: Freda

Number of Acres attributable to well: 160

QTR/QTR/QTR/QTR of acreage: _____ - C - S/2 - SE

Location of Well: County: Sheridan
_____ feet from N / S Line of Section
_____ feet from E / W Line of Section
Sec. 33 Twp. 8 S. R. 28 E W

Is Section: Regular or Irregular

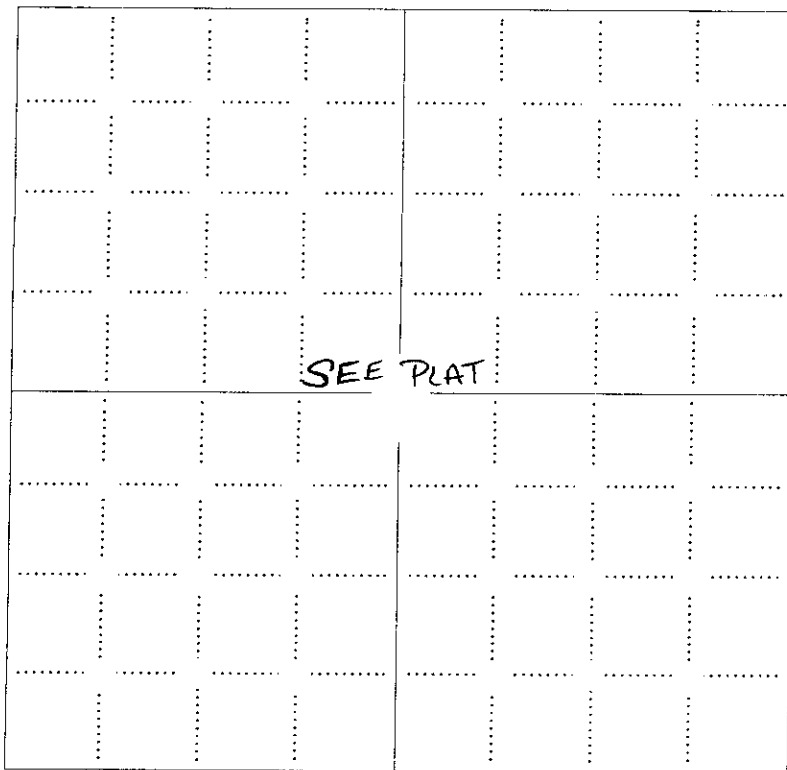
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

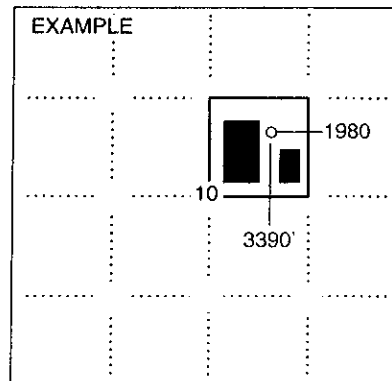
PLAT

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

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



RECEIVED
KANSAS CORPORATION COMMISSION
JAN 02 2009
CONSERVATION DIVISION
WICHITA, KS



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

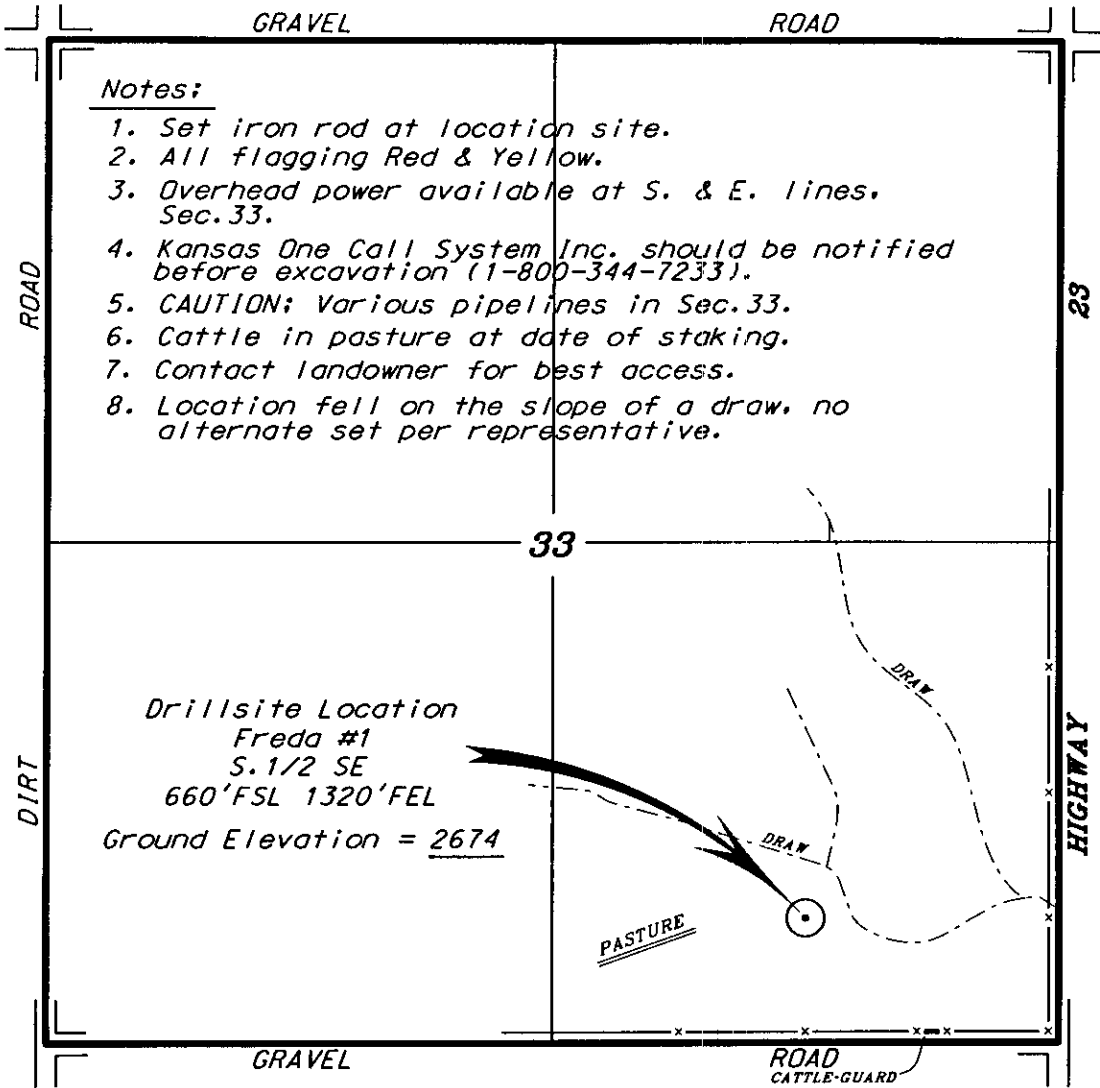
In plotting the proposed location of the well, you must show:

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

PIONEER OIL COMPANY
 FREDA LEASE
 SE. 1/4, SECTION 33, T8S, R28W
 SHERIDAN COUNTY, KANSAS

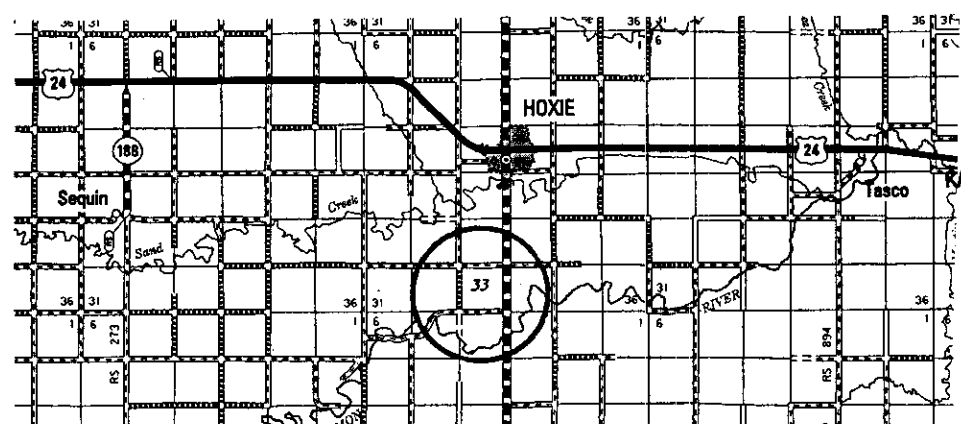
15179-21220-0000

*Ingress and egress to location as shown on this plot is per usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.



- Notes:**
1. Set iron rod at location site.
 2. All flagging Red & Yellow.
 3. Overhead power available at S. & E. lines, Sec. 33.
 4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
 5. CAUTION; Various pipelines in Sec. 33.
 6. Cattle in pasture at date of staking.
 7. Contact landowner for best access.
 8. Location fell on the slope of a draw, no alternate set per representative.

Drillsite Location
 Freda #1
 S. 1/2 SE
 660' FSL 1320' FEL
 Ground Elevation = 2674



RECEIVED
 KANSAS CORPORATION COMMISSION
 JAN 02 2009
 CONSERVATION DIVISION
 WICHITA, KS

* Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.
 * Approximate section lines were determined 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 drillsite location in the section is not guaranteed. Therefore, the operator, securing this service and accepting this plot and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and said entities released from any liability from incidental or consequential damages.
 * Elevations derived from National Geodetic Vertical Datum.

Date June 17, 2008

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: Pioneer Oil Company, Inc.		License Number: 32468	
Operator Address: Rural Route 4 Box 142B		Hwy 50 & Airport Rd. Lawrenceville IL 624639	
Contact Person: Mark Jones and/or Jenna Sibert		Phone Number: (618) 943-5314	
Lease Name & Well No.: Schamberger 1		Pit Location (QQQQ): C S/2 SE	
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 (If WP Supply API No. or Year Drilled)		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: Pit capacity: _____ (bbis)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l (For Emergency Pits and Settling Pits only)	
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? Native Clay & Fresh Drilling Mud			
Pit dimensions (all but working pits): 80 Length (feet) 60 Width (feet)		N/A: Steel Pits	
Depth from ground level to deepest point: 4 (feet)		No Pit	
If the pit is lined give a brief description of the liner material, thickness and installation procedure. Native Clay & Fresh Drilling Mud		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. Monitor For Dryness & Backfill as Soon as Possible	
Distance to nearest water well within one-mile of pit 1043 feet Depth of water well 102 feet		Depth to shallowest fresh water 150.55 feet Source of information: <i>R-KCC</i> <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" 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: Chemical Mud Number of working pits to be utilized: 3 Abandonment procedure: Monitor for Dryness & Backfill as Soon As Possible 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.		RECEIVED KANSAS CORPORATION COMMISSION JAN 02 2009 CONSERVATION DIVISION WICHITA, KS	
Nov 21, 2008 Date		<i>Mark Jones</i> Signature of Applicant or Agent	
KCC OFFICE USE ONLY			
Date Received: 1/2/09 Permit Number: _____		Permit Date: 1/5/09 Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	