

For KCC Use: **1-4-09**
 Effective Date: **4**
 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: **01-11-08**
 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.**

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

Spot Description: **10' South and 40' East**
 C **N/2** N/2 Sec. **11** Twp. **13** S. R. **14** E W
 (0.000) **670** feet from N / S Line of Section
2,600 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: **Rein 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: **1751'** 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: **120' / 130'**
 Depth to bottom of usable water: **400' / 380'**

Surface Pipe by Alternate: I II
 Length of Surface Pipe Planned to be set: **420'**

Length of Conductor Pipe (if any): **None**
 Projected Total Depth: **3270'**

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: _____

Oil & Gas Leases submitted.

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:

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DEC 30 2008
 CONSERVATION DIVISION
 WICHITA, KS

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: **12-29-08** Signature of Operator or Agent: *Allen Bangert* Title: **Prod. Supt.**

For KCC Use ONLY
 API # 15 - **167-23557-0000**
 Conductor pipe required **None** feet
 Minimum surface pipe required **400** feet per ALT. I II
 Approved by: *Ruth 12-30-08*
 This authorization expires: **12-30-09**
 (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: _____

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

11
13
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 - 167-23557-0000
Operator: Mai Oil Operations, Inc.
Lease: Rein Unit
Well Number: 1
Field: Wildcat

Location of Well: County: Russell
670 feet from N / S Line of Section
2,600 feet from E / W Line of Section
Sec. 11 Twp. 13 S. R. 14 E W

Number of Acres attributable to well: _____
QTR/QTR/QTR/QTR of acreage: C - N/2 - N/2 - _____

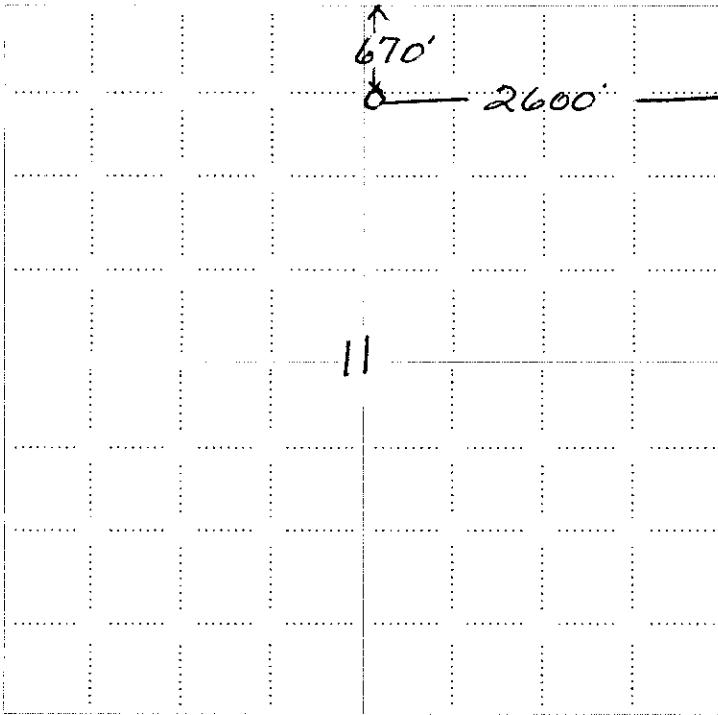
Is Section: Regular or Irregular

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

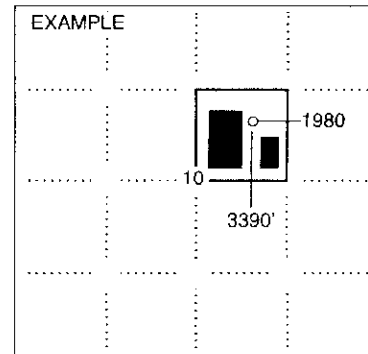
Section corner used: NE NW SE SW

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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SEWARD CO.

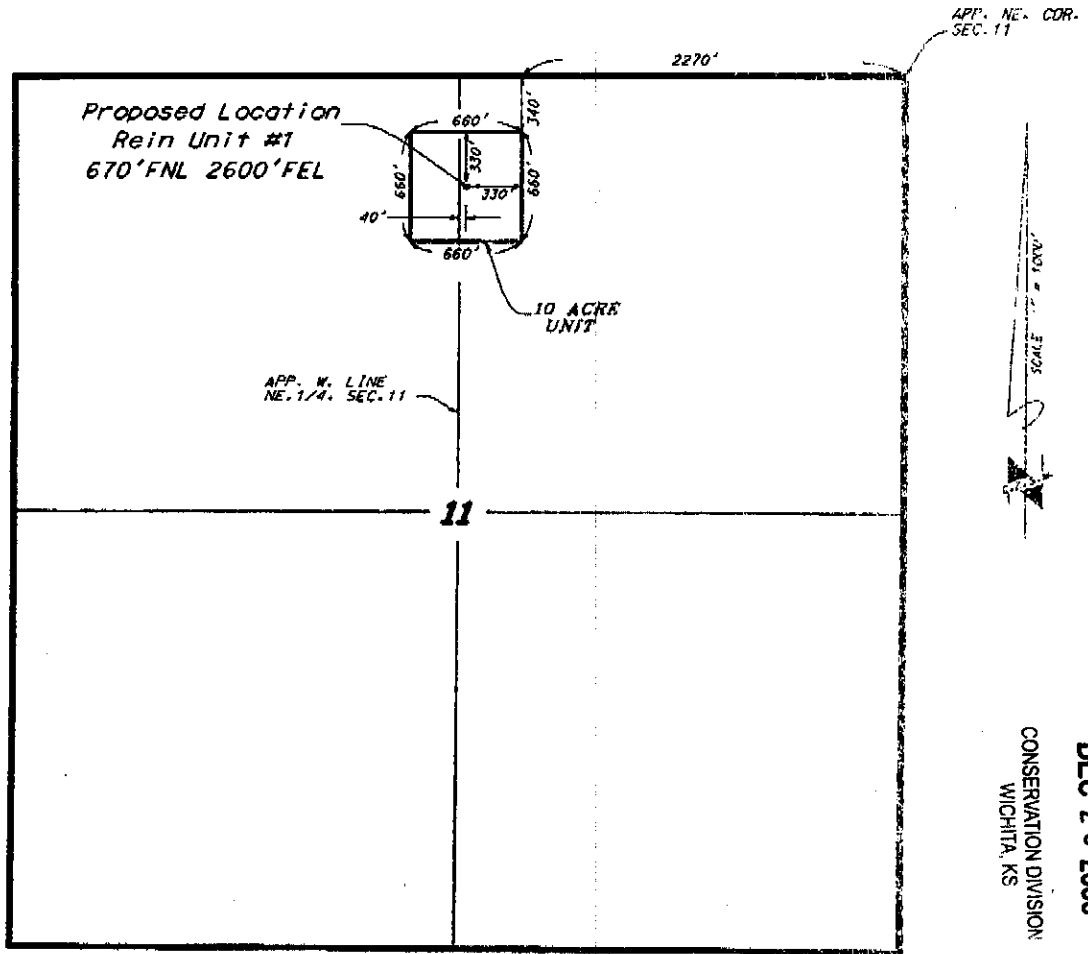
NOTE: In all cases locate the spot of the proposed drilling location.

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).

15-167-23557-0000

MAI OIL OPERATIONS, INC.
REIN UNIT LEASE
IN NE.1/4 AND NW.1/4, SECTION 11, T13S, R14W
RUSSELL COUNTY, KANSAS



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DEC 29 2008
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WICHITA, KS

UNIT DESCRIPTION

That part of the Northeast Quarter and Northwest Quarter of Section 11, Township 13 South, Range 14 West of the 6th Principal Meridian, Russell County, Kansas, described as follows:

Commencing at the northeast corner of said Section 11; thence on an assumed bearing of West, along the north line of the Northeast Quarter of said section, a distance of 2270.00 feet; thence on a bearing of South a distance of 340.00 feet to the point of beginning of the unit to be described; thence continuing 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 of 660.00 feet; thence on a bearing of East a distance of 660.00 feet to the point of beginning. The above described unit contains 10.0 acres.

* 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 gristline location in the section is not guaranteed. Therefore, the surveyor accepting this service and accepting this plan 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 December 12, 2008

**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.: Rein Unit #1		Pit Location (QQQQ): <i>NW SW NE</i> - G - N/2 - N/2 - A/E	
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)	
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>3474</u> feet Depth of water well <u>53</u> feet		Depth to shallowest fresh water <u>21</u> feet. Source of information: <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: <u>Drilling Mud</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>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.		RECEIVED KANSAS CORPORATION	
_____ 12-29-08 Date		 Signature of Applicant or Agent	
DEC 30 2008		CONSERVATION DIVISION WICHITA, KS	
KCC OFFICE USE ONLY			
Date Received: <u>12/30/08</u> Permit Number: _____		Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>	
Permit Date: <u>12/30/08</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

15767-23557-0000

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