

For KCC Use: 3-9-2009
 Effective Date: 3
 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: March 10, 2009
month day year

OPERATOR: License# 3830
 Name: AX&P, Inc.
 Address 1: 20147 200 Rd
 Address 2: _____
 City: Neodesha State: KS Zip: 66757
 Contact Person: J J Hanke
 Phone: 620) 325-5212
 CONTRACTOR: License# 33079
 Name: Patrick Tubbs

<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield	<input checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> Seismic, # of Holes _____	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Other		

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 NE NW SE Sec. 33 Twp. 30 S. R. 16 E W
(Q/Q/Q)
1250 feet from N / S Line of Section
1710 = / feet from E / W Line of Section
 Is SECTION: Regular Irregular?

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

County: Wilson
 Lease Name: Unit 1 - Wolfe East Well #: 41DE
 Field Name: Neodesha Field
 Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Neodesha Sand
 Nearest Lease or unit boundary line (in footage): 500'+
 Ground Surface Elevation: 780' 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: 100'+
 Depth to bottom of usable water: 150'+
 Surface Pipe by Alternate: I II
 Length of Surface Pipe Planned to be set: 35'
 Length of Conductor Pipe (if any): none
 Projected Total Depth: 870'
 Formation at Total Depth: Neodesha Sd.
 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: _____

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 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: 2/28/09 Signature of Operator or Agent: [Signature] Title: Pres.

RECEIVED

MAR 03 2009

KCC WICHITA

For KCC Use ONLY

API # 15 - 205-27763-00-00
 Conductor pipe required None feet
 Minimum surface pipe required 20 feet per ALT. I II
 Approved by: [Signature] 3-4-2009
 This authorization expires: 3-4-2010
(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 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: _____

33-30-16-17E

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: AX&P, Inc.		License Number: 3830	
Operator Address: 20147 CR 200 Neodesha, Ks 66757			
Contact Person: J.J. Hanke		Phone Number: (620) 325-5212	
Lease Name & Well No: Unit 1 WE#41DE		Pit Location (QQQQ): SE NE NE NW 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 <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: 100 (bbls)	Sec. 33 Twp. 30 R. 16 <input checked="" type="checkbox"/> East <input type="checkbox"/> West 1249 ¹²⁵⁰ Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 1710 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Wilson County	
Is the pit located in a Sensitive Ground Water Area? <input checked="" 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? natural clays	
Pit dimensions (all but working pits): 20 Length (feet) 10 Width (feet) _____ N/A: Steel Pits Depth from ground level to deepest point: 5 (feet)			
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. check pit level daily	
Distance to nearest water well within one-mile of pit: 4076 1/2 mile feet Depth of water well 55 feet		Depth to shallowest fresh water 100+ 16 feet. Source of information: (1) _____ measured _____ well owner _____ 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: fresh water Number of working pits to be utilized: one Abandonment procedure: backfill w topsoil 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.			
2/28/09 Date		 Signature of Applicant or Agent	
RECEIVED MAR 03 2009 KCC WICHITA			
KCC OFFICE USE ONLY REAC			
Date Received: 3/3/09 Permit Number: _____ Permit Date: 3/3/09 Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

15-205-27763-0000

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



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

March 3, 2009

AX & P, Inc.
20147 200 Rd
Neodesha, KS 66757

RE: Drilling Pit Application
Unit 1 Wolfe East Lease Well No. 41DE
NE/4 Sec. 33-30S-16E
Wilson County, Kansas

Dear Sir or Madam:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as practical after drilling operations have ceased.

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) 432-2300 when the fluids have been removed. Please file form CDP-5 (August 2004), 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,

Kathy Haynes
Environmental Protection and Remediation Department

cc: File