

For KCC Use: 3-15-2009
 Effective Date: _____
 District #: 1
 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: APRIL 20, 2009
month day year

OPERATOR: License# 32204
 Name: REDLAND RESOURCES, INC.
 Address 1: 6001 NW 23RD STREET
 Address 2: _____
 City: OKLAHOMA CITY State: OK Zip: 73127
 Contact Person: ALAN THROWER
 Phone: (405)789-7104
 CONTRACTOR: License# 5929
 Name: DUKE DRILLING

Spot Description: _____
 _____ NE - NE Sec. 35 Twp. 31 S. R. 18 E W
(or 1/4) 331 feet from N / S Line of Section
332 feet from E / W Line of Section
 Is SECTION: Regular Irregular?

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

County: COMANCHE
 Lease Name: GRAY Well #: 35-1
 Field Name: WILMORE

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): MISSISSIPPIAN

Nearest Lease or unit boundary line (in footage): 331'

Ground Surface Elevation: 2150 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: 180'

Depth to bottom of usable water: 180' 280' (water well)

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 280' 300 min

Length of Conductor Pipe (If any): 50'

Projected Total Depth: 5300'

Formation at Total Depth: MISSISSIPPIAN

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 CWWO: 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 #: _____

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: 3/6/09 Signature of Operator or Agent: Sally R. Byers Title: Agent

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION
 WICHITA, KS
 MAR 9 2009

For KCC Use ONLY

API # 15 - 033-21556-00-00

Conductor pipe required None feet

Minimum surface pipe required 300 feet per ALT. I II

Approved by: AKW 3-10-2009

This authorization expires: 3-10-2010
(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: _____

35 31 18 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 - 033-21556-000
 Operator: REDLAND RESOURCES, INC.
 Lease: GRAY
 Well Number: 35-1
 Field: WILMORE

Location of Well: County: COMANCHE
 331 feet from N / S Line of Section
 332 feet from E / W Line of Section
 Sec. 35 Twp. 31 S. R. 18 E W

Number of Acres attributable to well: _____
 QTR/QTR/QTR/QTR of acreage: _____ NE _____ NE

Is Section: Regular or Irregular

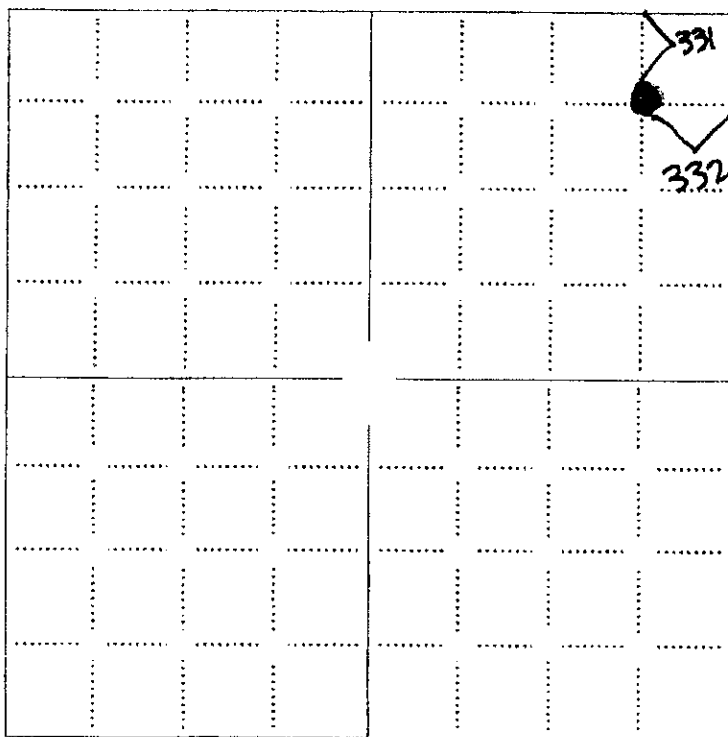
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

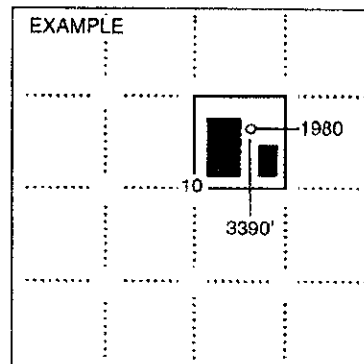
PLAT

(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
 ANSAS CORPORATION COMMISSION
 APR 09 2009
 INSERVATION 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; CO-8 for gas wells)

15033-21556-0000

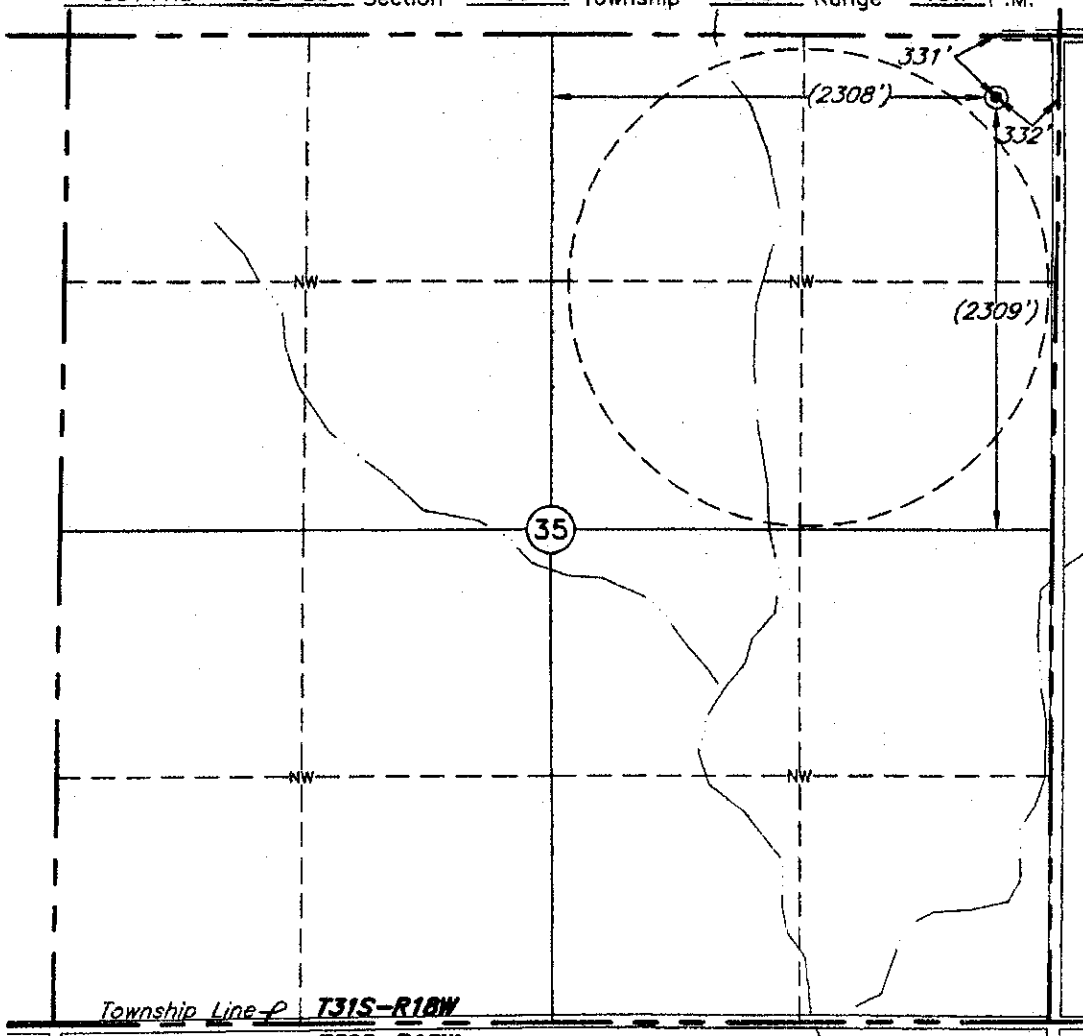
TOPOGRAPHIC LAND SURVEYORS

6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219
Certificate of Authorization No. LS-99, Exp. June 30, 2009

COMANCHE

County, Kansas

331'FNL - 332'FEL Section 35 Township 31S Range 18W P.M.



This location has been very carefully staked on the ground according to the best official survey records, maps, and photographs available to us, but its accuracy is not guaranteed. Review this plot and notify us immediately of any possible discrepancy.

Distances shown in (parenthesis) are calculated based upon the Quarter Section being 2640 feet, and have not been measured.

Operator: REDLAND RESOURCES, INC.
Lease Name: GRAY

Well No.: 35-1

ELEVATION:
2150' Gr. at Stake

Topography & Vegetation Loc. fell ±70' NE of irrigated wheat field

KANSAS CORPORATION COMMISSION

Good Drill Site? Yes

Reference Stakes or Alternate Location
Stakes Set None

MAR 09 2009

Best Accessibility to Location From NE

Distance & Direction
from Hwy Jct or Town From Coldwater, KS, go 5.0 mi. East on US Hwy. 160, then 2.0 mi. North
to the NE Cor. of Sec. 35-T31S-R18W

CONSERVATION DIVISION
WICHITA KS

(The following information was gathered using a GPS receiver Accuracy ±2-3 Meters.)

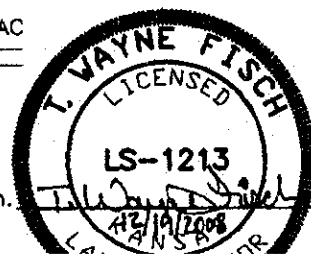
GPS
DATUM: NAD-27
LAT: 37°18'33.8"N
LONG: 99°14'17.3"W

STATE PLANE
COORDINATES:
ZONE: KS SOUTH

Invoice # 143612 Date Staked: Dec. 17, 2008 AC

CERTIFICATE:

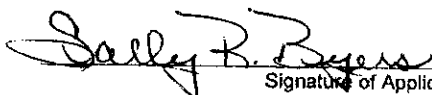
I, T. Wayne Fisch a Registered Land Surveyor and an authorized agent of Topographic Land Surveyors, do hereby certify that the above described well location was surveyed and staked on the ground as shown herein.



**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: REDLAND RESOURCES, INC. | | License Number: 32204 |
| Operator Address: 6001 NW 23RD STREET | | |
| Contact Person: ALAN THROWER | | Phone Number: (405)789-7104 |
| Lease Name & Well No.: GRAY #35-1 | | Pit Location (QQQQ): _____ NE _____ NE Sec. <u>35</u> Twp. <u>31</u> R. <u>18</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>331</u> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <u>332</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section COMANCHE County |
| 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: 3,000 (bbls) | |
| 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 PERMEABILITY |
| Pit dimensions (all but working pits): <u>150</u> Length (feet) <u>150</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>6</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>939</u> feet Depth of water well <u>220</u> feet | | Depth to shallowest fresh water <u>80</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>FR</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: <u>JET TO RESERVE, EVAPORATE 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 COMMISSION |
| <u>3/9/09</u> Date |  Signature of Applicant or Agent | MAR 09 2009 CONSERVATION DIVISION WICHITA KS |

15-033-21556-00-00

| | | | | |
|------------------------------|----------------------|------------------------------------|---------------------------------------------------------------------------------------|------------------------------------------|
| KCC OFFICE USE ONLY | | Steel Pit <input type="checkbox"/> | RFAC <input checked="" type="checkbox"/> | RFAS <input checked="" type="checkbox"/> |
| Date Received: <u>3/9/09</u> | Permit Number: _____ | Permit Date: <u>3/9/09</u> | Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |



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

March 9, 2009

Redland Resources, Inc.
6001 NW 23rd St
Oklahoma City, OK 73127

RE: Drilling Pit Application
Gray Lease Well No. 35-1
NE/4 Sec. 35-31S-18W
Comanche 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 **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 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) 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,

A handwritten signature in black ink that reads "Kathy Haynes".

Kathy Haynes
Environmental Protection and Remediation Department

Cc: File