OWWO

For KCC Use: 4-15-2009
Effective Date: ____
District # 2
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: 04/09/2009 (month / day / year)

OPERATOR: License# 5446
Name: BEN GILES
Address 1: 532 SOUTH MARKET
Address 2:
City: WICHITA State: KS Zip: 67202 + ____
Contact Person: BEN GILES
Phone: 316-265-1992

CONTRACTOR: License# 5446
Name: COMPANY TOOLS

Spot Description: ~~SE NE NE~~
SE (Q/Q/Q/Q) - NE - NE - ____ Sec. 10 Twp. 26 S. R. 4 [X] E [ ] W
4,290 feet from [ ] N / [X] S Line of Section
330 feet from [X] E / [ ] W Line of Section
Is SECTION: [X] Regular [ ] Irregular?

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

County: BUTLER
Lease Name: MELVILLE Well #: 2 OWWO
Field Name: EL DORADO
Is this a Prorated / Spaced Field? [ ] Yes [X] No
Target Formation(s): ARBUCKLE
Nearest Lease or unit boundary line (in footage): 330
Ground Surface Elevation: 1349 feet MSL
Water well within one-quarter mile: [X] Yes [ ] No
Public water supply well within one mile: [ ] Yes [X] No
Depth to bottom of fresh water: 150
Depth to bottom of usable water: 150
Surface Pipe by Alternate: [ ] I [✓] II 130'
Length of Surface Pipe ~~Planned to be~~ set: 198' CEMENTED IN PLACE
Length of Conductor Pipe (if any):
Projected Total Depth: 2412
Formation at Total Depth: ARBUCKLE
Water Source for Drilling Operations:
[ ] Well [X] Farm Pond [ ] Other:
DWR Permit #:
(Note: Apply for Permit with DWR [✓])
Will Cores be taken? [ ] Yes [X] No
If Yes, proposed zone:

Well Drilled For:	Well Class:	Type Equipment:
[X] Oil [ ] Enh Rec	[X] Infield	[X] Mud Rotary
[ ] Gas [ ] Storage	[ ] Pool Ext.	[ ] Air Rotary
[ ] Disposal	[ ] Wildcat	[ ] Cable
[ ] Seismic ; ____ # of Holes	[ ] Other	
[ ] Other:		

[X] If OWWO: old well information as follows:
Operator: PETROLEUM PROPERTY SERVICES, INC.
Well Name: MELVILLE #2 OWWO
Original Completion Date: 09/23/65 Original Total Depth: 2412

Directional, Deviated or Horizontal wellbore? [ ] Yes [X] No
If Yes, true vertical depth:
Bottom Hole Location:
KCC DKT #:

RECEIVED
KANSAS CORPORATION COMMISSION

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.

APR 03 2009
04-03-09
CONSERVATION DIVISION
WICHITA KS

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 4-3-09 Signature of Operator or Agent: Bryan M. Giles Title Owner Operator

For KCC Use ONLY
API # 15 - 015-30186-00-01
Conductor pipe required None feet
Minimum surface pipe required 130 feet per ALT. [ ] I [✓] II
Approved by: Rus 4-10-2009
This authorization expires: 4-10-2010
(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: ____

10 26 4 E [X] W [ ]

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

Side Two

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 - ~~09/23/1965~~ 15-015-30186-00-01

Operator: BEN GILES

Lease: MELVILLE

Well Number: 2 OWWO

Field: EL DORADO

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: SE - NE - NE - _____

Location of Well: County: BUTLER

4,290 feet from ☐ N / ☒ S Line of Section

330 feet from ☒ E / ☐ W Line of Section

Sec. 10 Twp. 26 S. R. 4 ☒ E ☐ W

Is Section: ☒ Regular or ☐ Irregular

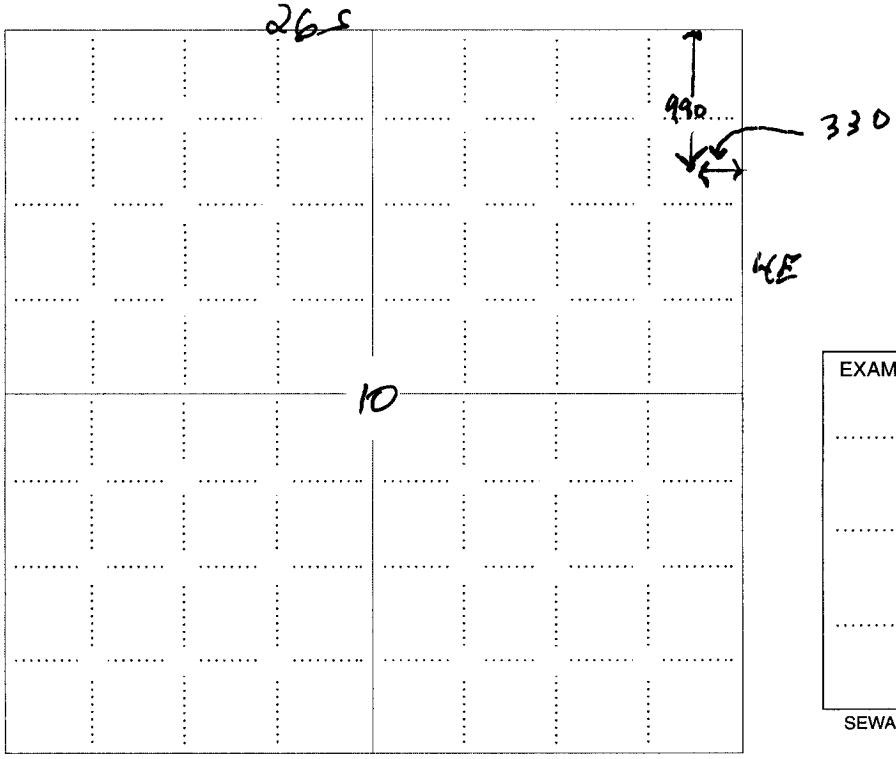
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: ☐ NE ☐ NW ☐ SE ☐ SW

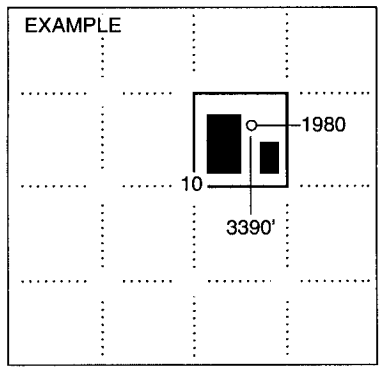
PLAT

(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
APR 03 2009
04-03-09
CONSERVATION DIVISION
WICHITA, KS



SEWARD CO.

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).

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: BEN GILES | License Number: 5446

Operator Address: 532 SOUTH MARKET WICHITA KS 67202

Contact Person: BEN GILES | Phone Number: 316-265-1992

Lease Name & Well No.: MELVILLE #2 OWWO

Type of Pit:
☐ Emergency Pit ☐ Burn Pit
☐ Settling Pit ☒ Drilling Pit
☐ Workover Pit ☐ Haul-Off Pit
(If WP Supply API No. or Year Drilled)

Pit is:
☒ Proposed ☐ Existing
If Existing, date constructed:
Pit capacity: (bbls)

Pit Location (QQQQ): SE - NE - NE -
Sec. 10 Twp. 26 R. 4 ☒ East ☐ West
4,290 Feet from ☐ North / ☒ South Line of Section
330 Feet from ☒ East / ☐ West Line of Section
BUTLER County

Is the pit located in a Sensitive Ground Water Area? ☐ Yes ☒ No

Chloride concentration: mg/l
(For Emergency Pits and Settling Pits only)

Is the bottom below ground level? ☒ Yes ☐ No

Artificial Liner? ☒ Yes ☐ No

How is the pit lined if a plastic liner is not used?

Pit dimensions (all but working pits): 20 Length (feet) 8 Width (feet) ☐ N/A: Steel Pits

Depth from ground level to deepest point: 6 (feet) ☐ No Pit

If the pit is lined give a brief description of the liner material, thickness and installation procedure.

PLASTIC PIT LINERS

Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.

RECEIVED
KANSAS CORPORATION COMMISSION
APR 03 2009
04-03-09
CONSERVATION DIVISION
WICHITA, KS

Distance to nearest water well within one-mile of pit: 985 feet (cathodic well) Depth of water well 350 feet

Depth to shallowest fresh water 150 30 feet.
Source of information:
☐ measured ☐ well owner ☐ electric log ☐ 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? ☐ Yes ☐ No

Drilling, Workover and Haul-Off Pits ONLY:

Type of material utilized in drilling/workover: DRILLING MUD

Number of working pits to be utilized: 2

Abandonment procedure: MUD WILL BE HAULED OFF, PITS WILL BE ALLOWED TO DRY, THEN FILLED IN

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.

04/03/2009
Date

Signature of Applicant or Agent

15-015-30148-00-01

KCC OFFICE USE ONLY Steel Pit ☐ RFAC ☐ RFAS ☐

Date Received: 4/3/09 Permit Number: Permit Date: 4/3/09 Lease Inspection: ☐ Yes ☒ No

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

15-015-30186-0001

STATE CORPORATION COMMISSION
200 Colorado Derby Building
Wichita, Kansas 67202

K.A.R.-82-3-117

API NUMBER 9/23/65

LEASE NAME P. Melville

WELL NUMBER 2

4920 Ft. from S Section Line

330 Ft. from E Section Line

SEC. 10 TWP. 26 RGE. 4 (E)or(W)

COUNTY Butler

Date Well Completed 9/23/65

Plugging Commenced 4/6/95

Plugging Completed 4/13/95

TYPE OR PRINT
NOTICE: Fill out completely and return to Cons. Div. office within 30 days.

RECEIVED
KANSAS CORPORATION COMMISSION
APR 03 2009
04-03-09
CONSERVATION DIVISION
WICHITA KS

LEASE OPERATOR Petroleum Property Services, Inc.

ADDRESS 155 N. Market #1010 Wichita,KS. 67202

PHONE#(316) 265-3351 OPERATORS LICENSE NO. 31142

Character of Well Oil

(Oil, Gas, D&A, SWD, Input, Water Supply Well)

The plugging proposal was approved on 4/7/95 (date)

by Jerry Clark (KCC District Agent's Name).

Is ACO-1 filed? NO If not, is well log attached? YES

Producing Formation Arbuckle Depth to Top 2377 Bottom 2412 T.D. 2412

Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS | CASING RECORD

Formation	Content	From	To	Size	Put in	Pulled out
Arbuckle	Oil & Water	2402	12	8 5/8	130	NONE
				5 1/2	2402	NONE

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same and depth placed, from feet to feet each set
Plug back with sand 2412 to 2362. 3 sx. cement 2362 to 2337. Perforate at 250-251, and cement to surface with 270 sx. Good circulation out 8 5/8, final pressure 400#, 5 1/2 stayed full.

Name of Plugging Contractor Petroleum Property Services, Inc. License No. 31142

Address 155 N. Market #1010 Wichita, KS. 67202

NAME OF PARTY RESPONSIBLE FOR PLUGGING FEES: Petroleum Property Services, Inc.

STATE OF Kansas COUNTY OF Sedgwick, ss.

Jim Thatcher (Employee of Operator) or (Operator) of above-described well, being first duly sworn on oath, says: That I have knowledge of the facts statements, and matters herein contained and the log of the above-described well as filed that the same are true and correct, so help me God.

RECEIVED
STATE CORPORATION COMMISSION
APR 27 1995
CONSERVATION DIVISION

(Signature) Jim Thatcher

(Address) 155 N. Market #1010 Wichita, KS. 6720

SUBSCRIBED AND SWORN TO before me this 25th day of April, 19 95

ELIZABETH S. GARRISON
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. 9/12/1998

Elizabeth S. Garrison
Notary Public

My Commission Expires: September 12, 1998

USE ONLY ONE SIDE OF EACH FORM

Form CP-4
Revised 05-88

WELL LOG BUREAU KANSAS GEOLOGICAL SOCIETY
508 East Murdock, Wichita, Kansas

15-015-30186-00-01

Company- W. F. BRADEN active oil well OR
Farm- Melville ("SWD") No. 2)

SEC. 10 T. 26 R. 4E
SE NE NE

County Butler
KANSAS

Total Depth. 2412'
Comm. 8-14-65 Comp. 9-23-65
Shot or Treated.
Contractor. Harold Martin Drlg.
Issued. 2-5-66

CASING:

8 5/8" 130' cem w/ 70 sx
5½" 2402' cem w/ 50 sx

Elevation. 1349' KB

Production. 20 BO PLUS 10 BWPD

Figures Indicate Bottom of Formations.

soil	3
shale & lime	445
shale w/lime strks	855
shale & lime	1015
shale w/lime strks	1180
shale & lime	1800
lime	2000
lime & shale	2355
Arbuckle lime	2412
Total Depth	

TOPS: SMP	
Kansas City	1961
Base Kansas City	2118
Arbuckle	2377

RECEIVED
KANSAS CORPORATION COMMISSION
APR 03 2009
04-03-09
CONSERVATION DIVISION
WICHITA, KS

KANSAS
CORPORATION COMMISSION

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

April 8, 2009

Benjamin M. Giles
532 South Market
Wichita, KS 67202

RE: Exception to Table 1 Surface Casing Requirements for the Melville #2 OWWO, 4290' FSL, 330' FEL, Sec. 10-T26S-R4E, Butler County, Kansas.

Dear Mr. Giles:

The Kansas Corporation Commission (KCC) has received your request, dated April 3, 2009, for an exception to Table 1 surface pipe requirements for the above-referenced well, which was plugged as the P. Melville #2 in 1995 by Petroleum Property Services, Inc. From your request, the KCC understands that Benjamin M. Giles desires to re-enter this well, which has 130' of surface pipe set. The Table 1 minimum surface pipe requirement for wells drilled in Butler County is 200'. The surface pipe set in this previously plugged well does not meet the present surface pipe setting depth requirements.

After review of this matter by technical staff it was determined that:

1. Bedrock at this location is the Permian Chase Group at or near surface.
2. A review of water well records indicated that deepest water well within approximately one mile of the Melville #2 OWWO is 145 feet deep.
3. At the time of the original plugging, the production casing next to the borehole was cemented in from 250' to the surface.

Based on this information, an exception is granted for the Table 1 Minimum Surface Casing Requirements with the following stipulation:

1. In the event the well is dry and no additional production pipe has been cemented in-place, plugging will be performed according to KCC rules per KCC District #2 requirements.

Sincerely,

Doug Louis
Director

cc: Steve Bond ✓ SB
Jeff Klock - Dist #2 ✓ via e-mail 4/6/09

MWM Oil Co., Inc.
532 S. Market
Wichita, KS 67202
Phone: (316) 265-1992 * Fax: (316) 265-1999

April 3, 2009

RECEIVED
KANSAS CORPORATION COMMISSION
APR 03 2009
04-03-09
CONSERVATION DIVISION
WICHITA, KS

Mr. Rick Hesterman
C/O Kansas Corporation Commission
1130 S Market
Wichita, KS 67202

Dear Mr. Hesterman

Enclosed please find the intent to drill for the Melville 2 OWWO. This is a wash down of Petroleum Property Services Inc.'s Melville #2 originally drilled by Braden Petroleum Company in 1972.

There was only 130 feet of surface casing set when the well was drilled. However, when the well was plugged in 1995, the 5 ½ casing was left in place, perforated at 250 feet and they circulated cement to the surface. Therefore, the ground water is protected, since we plan on going inside the old 5 ½ casing. A copy of the plugging report and the original scout card are attached.

Please let me know if this is acceptable.

Thank you for your help in this matter.

Very truly yours,

Benjamin M. Giles

Benjamin M. Giles