

For KCC Use: 6-23-2009
 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: July 31 2009
month day year

OPERATOR: License# 32468 ✓
 Name: Pioneer Oil Company, Inc.
 Address 1: RR 4 Box 142B
 Address 2: _____
 City: Lawrenceville State: IL Zip: 62439 + 9513
 Contact Person: Mark Jones
 Phone: 618 943 - 5314

CONTRACTOR: License# 31548 ✓
 Name: Discovery Drilling Company

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

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: W/2 - E/2 - E/2 NW Sec. 27 Twp. 10 S. R. 25 E W
(2/2, 1/2)
1,320 feet from N / S Line of Section
2,145 feet from E / W Line of Section

Is SECTION: Regular Irregular?

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

County: Graham
 Lease Name: Pfeifer Well #: 1
 Field Name: Ambrose South

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Arbuckle

Nearest Lease or unit boundary line (in footage): 495

Ground Surface Elevation: 2495 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: 1300'

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 210'

Length of Conductor Pipe (if any): None

Projected Total Depth: 4150'

Formation at Total Depth: Marmaton

Water Source for Drilling Operations: Well Farm Pond Other: Hauled 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 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: 6/15/09 Signature of Operator or Agent: Mark Jones Title: Vice President

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For KCC Use ONLY
 API # 15 - 065-23557-00-00
 Conductor pipe required None feet
 Minimum surface pipe required 200 feet per ALT. I II
 Approved by: Mark Jones 6-18-2009
 This authorization expires: 6-18-2010
(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: _____

27 10 25
 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 - 065-23557-00-00

Operator: Pioneer Oil Company, Inc.

Lease: Pfeifer

Well Number: 1

Field: Ambrose South

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: SW - SE - NE - NW
W2 E2 E2

Location of Well: County: Graham

1,320 feet from N / S Line of Section

2,145 feet from E / W Line of Section

Sec. 27 Twp. 10 S. R. 25 E W

Is Section: Regular or Irregular

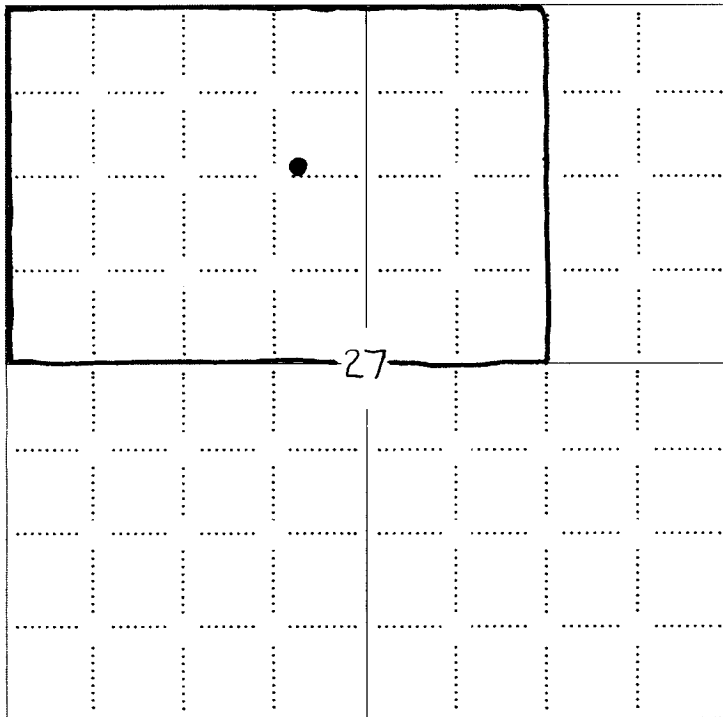
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

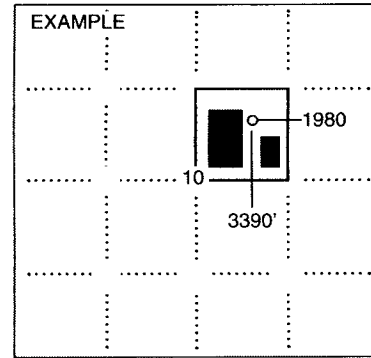
PLAT

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

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



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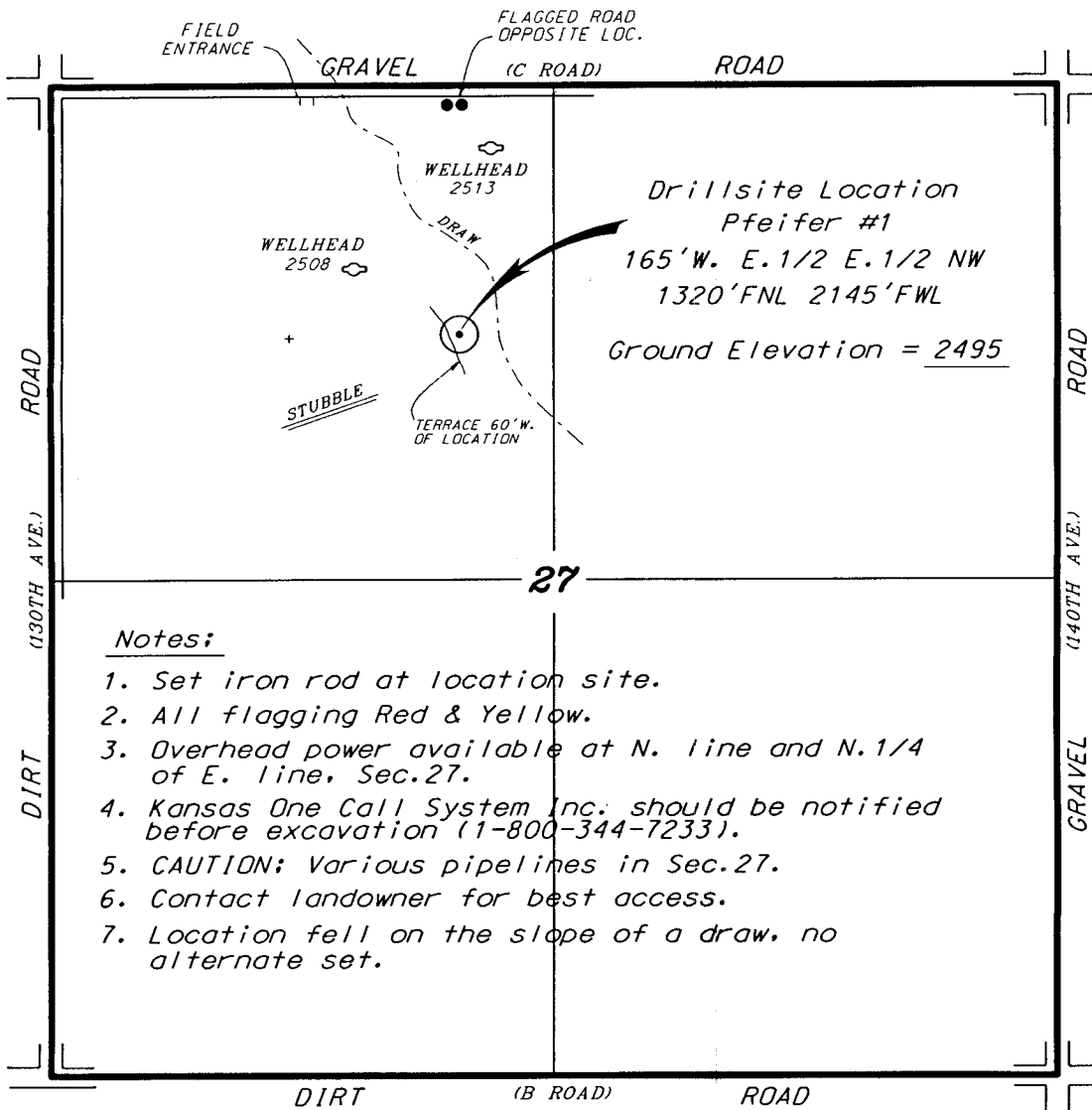
NOTE: In all cases locate the spot of the proposed drilling locaton.

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
PFEIFER LEASE
NW. 1/4, SECTION 27, T10S, R25W
GRAHAM COUNTY, KANSAS

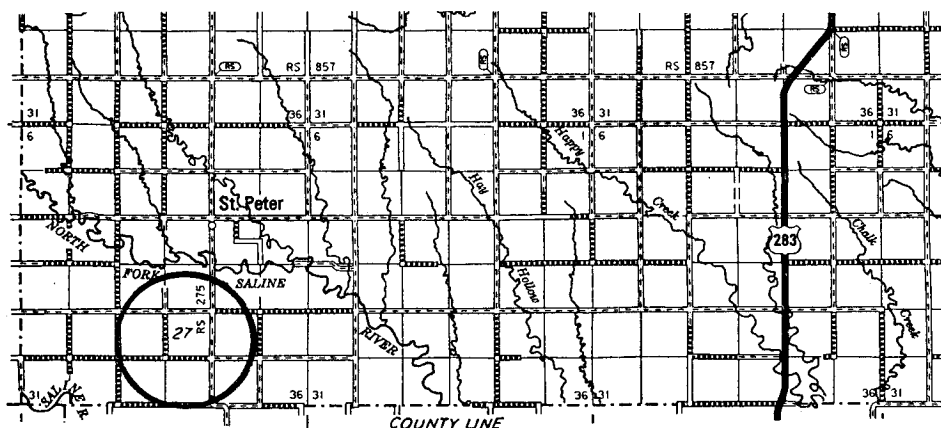
15005-23557-00-00



Notes:

1. Set iron rod at location site.
2. All flagging Red & Yellow.
3. Overhead power available at N. line and N. 1/4 of E. line, Sec. 27.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec. 27.
6. Contact landowner for best access.
7. Location fell on the slope of a draw, no alternate set.

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



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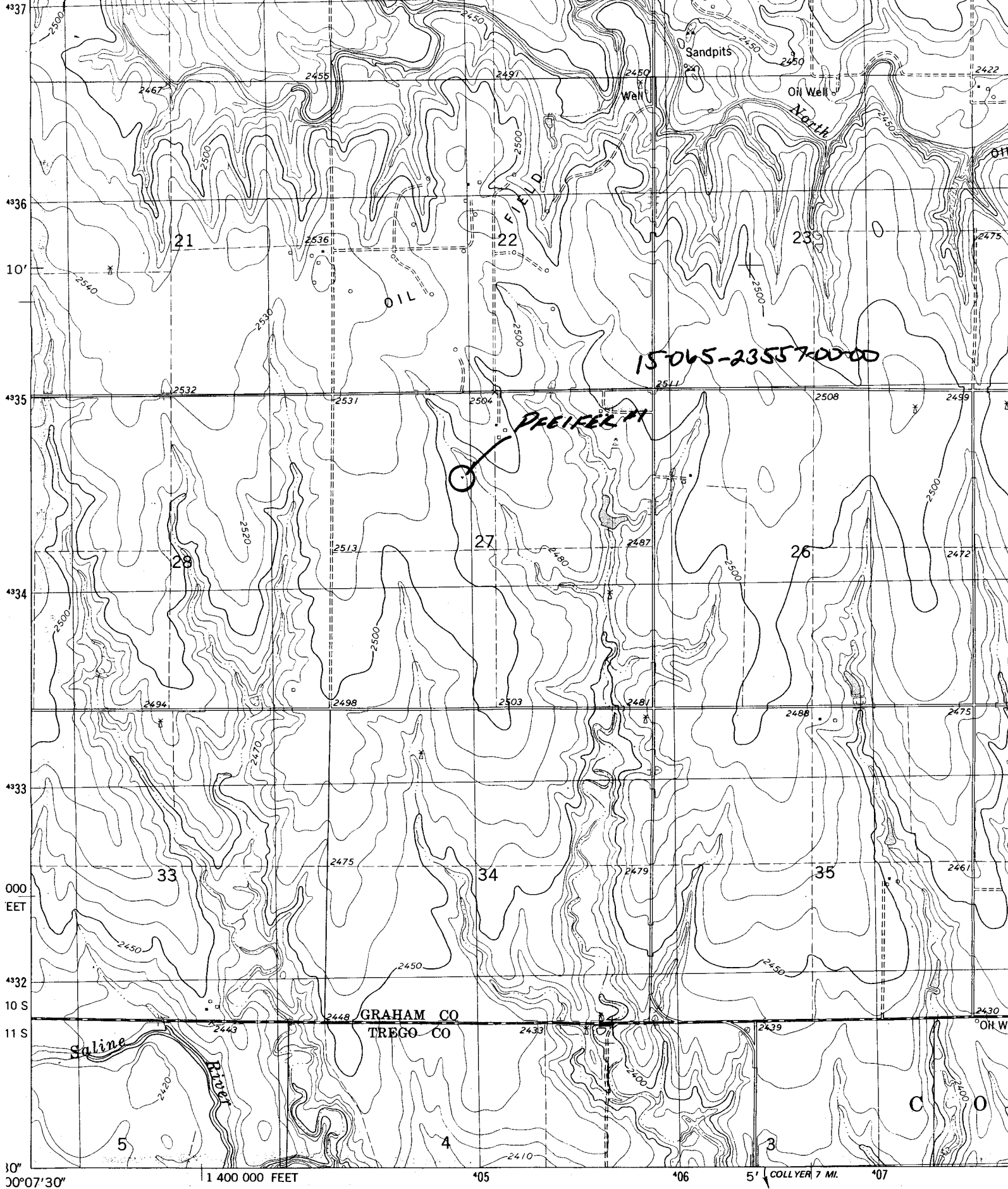
* Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.

* 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 plat and all other parties relying thereon agree to hold Central Kansas Driffield 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.

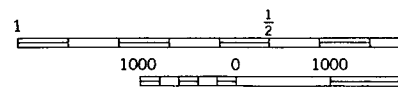
* Elevations derived from National Geodetic Vertical Datum.

Date May 4, 2009

CENTRAL KANSAS OILFIELD SERVICES, INC. (620)792-1977



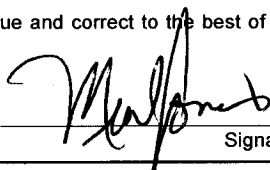
Mapped, edited, and published by the Geological Survey
 Control by USGS and NOS/NOAA
 Topography by photogrammetric methods from aerial photographs
 taken 1974. Field checked 1975. Map edited 1979



**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: Pioneer Oil Company, Inc.		License Number: 32468
Operator Address: RR 4 Box 142B		Lawrenceville IL 62439
Contact Person: Mark Jones		Phone Number: 618 943 - 5314
Lease Name & Well No.: Pfeifer 1		Pit Location (QQQQ): SW SE NE NW Sec. <u>27</u> Twp. <u>10</u> R. <u>25</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>1,320</u> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <u>2,145</u> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Graham 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: _____ (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? Fresh Gelled Mud/Native Clay
Pit dimensions (all but working pits): <u>80</u> Length (feet) <u>80</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. Monitor for dryness and backfill as soon as possible.
Distance to nearest water well within one-mile of pit <u>+1400</u> feet Depth of water well <u>89</u> feet		Depth to shallowest fresh water <u>67</u> feet. Source of information: <input type="checkbox"/> measured <input checked="" type="checkbox"/> well owner <input type="checkbox"/> electric log <input 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>Chemical mud</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>Monitor for dryness and backfill as soon as possible.</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.		
<u>6/15/09</u> Date	 Signature of Applicant or Agent	RECEIVED JUN 18 2009 KCC-WICHITA
KCC OFFICE USE ONLY		
Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>		
Date Received: <u>6/18/09</u> Permit Number: _____	Permit Date: <u>6/18/09</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

15-065-23557-00-00