

OWWO

For KCC Use: 8-17-2009
Effective Date: 1
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: September 1 2009
month day year

OPERATOR: License# 32166
Name: Dunne Equities Operating, Inc
Address 1: 8100 E 22nd N Building 1100
Address 2:
City: Wichita State: KS Zip: 67226
Contact Person: Paul Meister
Phone: (316)684-6508

CONTRACTOR: License# 30606
Name: Murfin Drilling Co., Inc

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

If OWWO: old well information as follows:
Operator: Texas Oil & Gas
Well Name: P. Jones #3
Original Completion Date: 5-05-1981 Original Total Depth: 4640

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

Spot Description: W2 SE SW Sec. 13 Twp. 28 S. R. 13
660 feet from N / S Line of Section
1,650 feet from E / W Line of Section

Is SECTION: Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)

County: Pratt
Lease Name: P. Jones Well #: 3
Field Name: Konold

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Arbuckle
Nearest Lease or unit boundary line (in footage): > 330'

Ground Surface Elevation: 1908 KB 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: 280' 220'
Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set: 8 5/8 @ 400' / 402'

Length of Conductor Pipe (if any):
Projected Total Depth: 4750
Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:
 Well Farm Pond Other: Haul
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:

KANSAS CORPORATION COMMISSION
AUG 05 2009
RECEIVED

- 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: 8-4-09 Signature of Operator or Agent: [Signature] Title: President

For KCC Use ONLY
API # 151-20910-0001
Conductor pipe required None feet
Minimum surface pipe required 402 feet per ALT. I II
Approved by: [Signature] 8-12-2009
This authorization expires: 8-12-2010
(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:

13 28 13
 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 - 15-151-20910 -00-01
 Operator: Dunne Equities Operating, Inc
 Lease: P. Jones
 Well Number: 3
 Field: Konold

Location of Well: County: Pratt
 660 feet from N / S Line of Section
 1,650 feet from E / W Line of Section
 Sec. 13 Twp. 28 S. R. 13 E W

Number of Acres attributable to well: 320
 QTR/QTR/QTR/QTR of acreage: - W2 - SE - SW

Is Section: Regular or Irregular

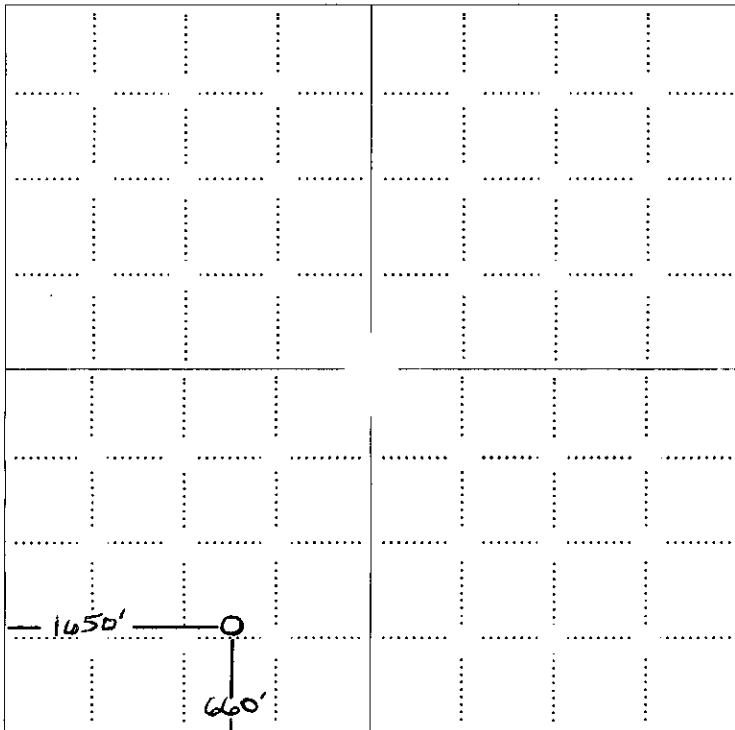
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

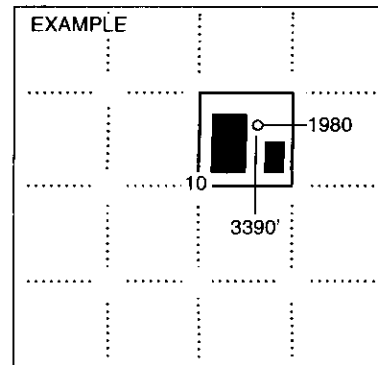
PLAT

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

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



KANSAS CORPORATION COMMISSION
 AUG 05 2009
 RECEIVED



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

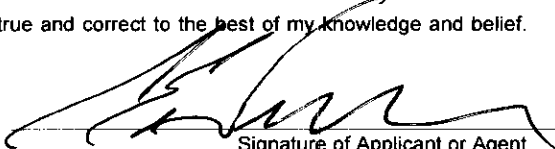
In plotting the proposed location of the well, you must show:

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: (CO-7 for oil wells; CG-8 for gas wells).

**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: Dunne Equities Operating, Inc		License Number: 32166
Operator Address: 8100 E 22nd N Bldg 1100		Wichita, KS 67226
Contact Person: Paul Meister		Phone Number: (316)684-6508
Lease Name & Well No.: P Jones 3		Pit Location (QQQQ): W2 SE SW
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input checked="" 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)	Sec. 13 Twp. 28 R. 13 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 660 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1,650 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Pratt County
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input 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? Dicks mud seal & LCM
Pit dimensions (all but working pits): 60 Length (feet) 60 Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: 4 (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. Daily visual maintenance and monitoring
Distance to nearest water well within one-mile of pit 324 feet Depth of water well 145 feet		Depth to shallowest fresh water 80 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: Chemical mud Number of working pits to be utilized: 1 Abandonment procedure: air dry and back fill 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. August 4, 2009  Date Signature of Applicant or Agent		

KANSAS CORPORATION COMMISSION
AUG 05 2009
RECEIVED

15-151-2009/D-00-01

KCC OFFICE USE ONLY		Steel Pit <input type="checkbox"/>	RFAC <input checked="" type="checkbox"/>	RFAS <input type="checkbox"/>
Date Received: 8/5/09	Permit Number: _____	Permit Date: 8/11/09	Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

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

15-151-20910-0000

WELL PLUGGING RECORD

Give All Information Completely
 Make Required Affidavit

COUNTY Pratt SEC. 13 TWP 28 RGE. 13 W
 Location as in quarters, or footage from lines:
660' FSL and 1650' FWL

Lease Owner Texas Oil & Gas Corporation
 Lease Name Jones "P" Well No. 3
 Office Address 200 W. Douglas, Suite 300, Wichita, Ks. 67202
 Character of Well (Completed as Oil, Gas or Dry Hole): _____
 Date Well Completed May 5 1981
 Application for plugging filed May 5, 1981
 Plugging commenced May 5, 1981
 Plugging completed May 5, 1981
 Reason for abandonment of well or producing formation D & A

Locate Well
 correctly on above
 Section Platt.

Was permission obtained from the Conservation Division or it's
 Agent's before plugging was commenced? Yes

Name of Conservation Agent who supervised plugging of this well Maruice Lesley

Producing formation _____ Depth to top _____ bottom _____ T.D. _____

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
				8-5/8"	402'	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 hold. If cement or other plugs were used, state the character of same and depth placed, from _____ feet to _____ feet for each plug set.

Filled hole with rotary mud from 4640 ft. (rotary total depth) to 520'. Set plug at 520' and cemented with 40 sacks cement. Filled hole with heavy rotary mud from 520' to 420'. Set plug at 420' and cemented with 30 sacks cement. Filled hole with heavy rotary mud from 420' to 40' and cemented with 10 sacks cement. Set solid plug at 40 ft. and cemented to cellar with 10 sacks cement, 5 sacks cement in rat hole.

Plugging operations accomplished utilizing Dowell pump truck through 4 1/2 inch drill pipe.

(If additional description is necessary, use BACK of this sheet)

Name of Plugging Contractor Dowell
Hwy 281 & Santa Fe, Pratt, Kansas 67124

STATE OF Kansas COUNTY OF Sedgwick, ss.

Gary Younger, Agent (~~employee of owner~~) (~~owner or operator~~) of the 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 and that the same are true and correct. So help me God.

(Signature) [Signature]
251 No. Wacker, Wichita, Kansas
 (Address)

SUBSCRIBED AND SWORN TO before me this 8th day of May, 19 81

Elsie Willison
 Elsie Willison - Notary Public.

My Commission expires: July 25, 1982





Mark Parkinson, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner

August 11, 2009

Dunne Equities Operating, Inc.
8100 E 22nd N Bldg. 1100
Wichita, KS 67226

RE: Drilling Pit Application
P. Jones Lease Well No. 3
SW/4 Sec. 13-28S-13W
Pratt 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) 225-8888 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,

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

Kathy Haynes
Environmental Protection and Remediation Department

cc: File



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

**NOTICE TO OPERATORS FILING INTENT TO DRILL
FOR DISPOSAL OR ENHANCED RECOVERY
INJECTION WELLS, (CLASS II INJECTION WELL)**

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved "Intent to Drill" does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in **K.A.R. 82-3-400 et seq** of our regulations. Associated regulations governing drilling, completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sandstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a "Design Approval" before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.