

For KCC Use: 8-30-2009
Effective Date: 8-30-2009
District # 5259
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

Expected Spud Date: 9/01/2009
month 9 day 1 year 2009

OPERATOR: License# 5259

Name: Mai Oil Operations, Inc.

Address 1: P.O. Box 33

Address 2:

City: Russell State: Ks. Zip: 67665

Contact Person: Allen Bangert

Phone: 785-483-2169

CONTRACTOR: License# 33350

Name: Southwind Drilling, Inc.

| | | |
|---|-----------------------------------|---|
| Well Drilled For: | Well Class: | Type Equipment: |
| <input checked="" type="checkbox"/> Oil | <input type="checkbox"/> Enh Rec | <input type="checkbox"/> Infield |
| <input type="checkbox"/> Gas | <input type="checkbox"/> Storage | <input type="checkbox"/> Pool Ext. |
| <input type="checkbox"/> Seismic | <input type="checkbox"/> Disposal | <input checked="" type="checkbox"/> Wildcat |
| <input type="checkbox"/> Other | <input type="checkbox"/> Other | <input type="checkbox"/> Mud Rotary |
| | | <input type="checkbox"/> Air Rotary |
| | | <input type="checkbox"/> Cable |

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: 90' South & 40' East

SW NW SW Sec. 28 Twp. 17 S. R. 15 E W
(a0000) 1,560 feet from N / S Line of Section
370 feet from E / W Line of Section

Is SECTION: Regular Irregular?

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

County: Barton

Lease Name: Stoss-Neeland Unit

Well #: 1

Field Name: Wildcat

Is this a Prorated / Spaced Field?

Yes No

Target Formation(s): Arbuckle

Nearest Lease or unit boundary line (in footage): 330'

Ground Surface Elevation: 2005'

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: 120'

Depth to bottom of usable water: 420'

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 440'

Length of Conductor Pipe (if any): None

Projected Total Depth: 3630'

Formation at Total Depth: Arbuckle

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: _____

Oil & gas Leases w/ pooling clauses submitted.

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: 8-21-2009

Signature of Operator or Agent: Allen Bangert

Title: Prod. Supt.

For KCC Use ONLY

API # 15 - 009-25343-00-00

Conductor pipe required None feet

Minimum surface pipe required 440 feet per ALT.

Approved by: Allen Bangert

This authorization expires: 8-25-2010

(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: _____

28
17
15
m

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 - 009-25343-00-00

Operator: Mai Oil Operations, Inc.

Lease: Stoss-Neeland Unit

Well Number: 1

Field: Wildcat

Number of Acres attributable to well:

QTR/QTR/QTR/QTR of acreage: - SW - NW - SW

Location of Well: County: Barton

1,560

feet from N / S Line of Section

370

feet from E / W Line of Section

Sec. 28

Twp. 17

S. R. 15

 E WIs Section: Regular or Irregular

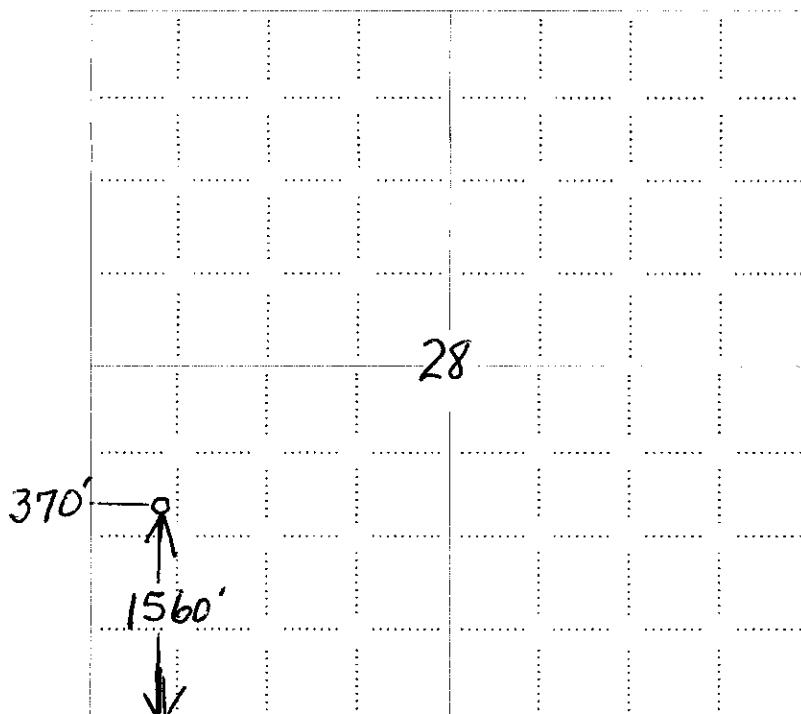
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

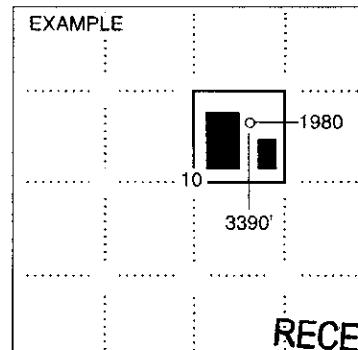
PLAT

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

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



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



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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: (C0-7 for oil wells; CG-8 for gas wells).

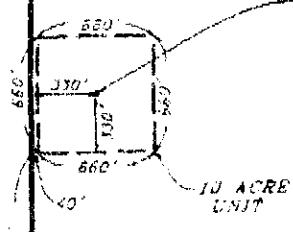
MAJ OIL OPERATIONS, INC.
STOSS-NEELAND UNIT LEASE
IN SW. 1/4, SECTION 28, T17S, R15W
BARTON COUNTY, KANSAS

15-009-25343-0000

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Proposed Location

Stoss-Neeland Unit #1
1560' FSL 310' FWL



APR. 24. 1944

UNIT DESCRIPTION

That part of the Southwest Quarter of Section 28, Township 17 South, Range 15 West of the 6th Principal Meridian, Barton County, Kansas, described as follows: Commencing at the southwest corner of said Section 28; thence on an assumed bearing of North, along the west line of the Southwest Quarter of said section, a distance of 1230.00 feet; thence on a bearing of East a distance of 40.00 feet to the point of beginning of the unit to be described; thence continuing on a bearing of East a distance of 660.00 feet; thence on a bearing of North a distance of 660.00 feet; thence on a bearing of West a distance of 660.00 feet; thence on a bearing of South a distance of 660.00 feet to the point of beginning. The above described unit contains 10.0 acres.

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AUGUST 1948 KCC WICHITA

* Controlling board is placed upon the body bags and photographs are taken for use and update of required section of fetal monitoring file.

Upon receipt of an order, the operator using the general knowledge of usage of the telephone system in the particular area, can determine which telephone line in the block is in use, and the which location of the telephone block in the block is in use. Therefore, the operator securing this service can determine which other subscriber is utilizing telephone service in the same block. The operator can then advise the subscriber of the telephone number which is being used in the same block. The operator can then advise the subscriber to whom the telephone number is being used, and the subscriber can then be released from any claim of liability or responsibility of telephone.

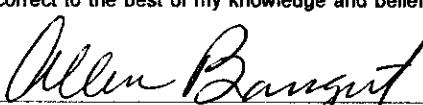
• **Figures 6-10** show the effect of the different methods of calculating the \bar{X} and S on the \bar{X} and S of the data.

CENTRAL KANSAS OILFIELD SERVICES, INC. (820)792-1977

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: Mai Oil Operations, Inc. | | License Number: 5259 | |
| Operator Address: P.O. Box 33, Russell, Ks. 67665 | | | |
| Contact Person: Allen Bangert | | Phone Number: 785-483-2169 | |
| Lease Name & Well No.: Stoss-Neeland Unit #1 | | Pit Location (QQQQ): | |
| 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 (If WP Supply API No. or Year Drilled) | | Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: <hr/> Pit capacity: 500 (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? Drilling Mud | |
| Pit dimensions (all but working pits): 75 Length (feet) | | 75 Width (feet) | <input type="checkbox"/> N/A: Steel Pits |
| Depth from ground level to deepest point: 3 (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 284 feet | | Depth to shallowest fresh water 155 feet. Source of information: <i>NR-1000</i> <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 checked="" type="checkbox"/> No | | Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Drilling Mud Number of working pits to be utilized: 3 Abandonment procedure: Let dry and backfill 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. 8-21-2009 Date | | | |
| Signature of Applicant or Agent  | | RECEIVED AUG 24 2009 KCC WICHITA | |
| KCC OFFICE USE ONLY Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/> | | | |
| Date Received: 8/24/09 Permit Number: _____ Permit Date: 8/24/09 Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | |