

For KCC Use: 10-5-2009
Effective Date: 4
District # 4
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

Form C-1
September 1999
Form must be Typed
Form must be Signed
All blanks must be Filled

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date 11/1/09
month day year

Spot W/2 SW SW Sec. 27 Twp. 8s. S. R. 13 East West
660 feet from S N (circle one) Line of Section
330 feet from E W (circle one) Line of Section
Is SECTION XX Regular Irregular?

OPERATOR: License# 33599
Name: Barline Oil, LLC
Address: 7804 E. Funston, Suite 216
City/State/Zip: Wichita, KS 67207
Contact Person: Bill Ree, Manager
Phone: 316-687-6287, Cell 316-833-3556

(Note: Locate well on the Section Plat on reverse side)
County: Osborne
Lease Name: Becker "A" Well #: 1
Field Name: Wildcat

CONTRACTOR: License# 31548
Name: Discovery Drilling

Is this a Prorated / Spaced Field? Yes No
Target Information(s): Arbuckle
Nearest Lease or unit boundary: Potts - 330'
1690 Est.

Well Drilled For: Oil Gas OWWO Seismic; # of Holes Other
Well Class: Enh Rec Storage Disposal Other
Type Equipment: Mud Rotary Air Rotary Cable

Ground Surface Elevation: 180 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: 625
Depth to bottom of usable water: 180
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 225'
Length of Conductor Pipe required: None
Projected Total Depth: 3800
Producing Formation Target: Lansing

If OWWO: old well information as follows:
Operator: N/A
Well Name: _____
Original Completion Date: _____ Original Total Depth: _____

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: _____

Directional, Deviated or Horizontal wellbore? Yes No
If Yes, true vertical depth: N/A
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. 55-101, 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. **In all cases, NOTIFY district office** prior to any cementing.

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

Date: 9/28/09 Signature of Operator or Agent: Bill Ree Title: Manager
Bill Ree

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SEP 30 2009
KCC WICHITA

For KCC Use ONLY
API # 15 - 141-20407-00-00
Conductor pipe required None feet
Minimum surface pipe required 200 feet per Alt. XO 2
Approved by: RWR 9-30-2009
This authorization expires: 9-30-2010
(This authorization void if drilling not started within 12 months of effective 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;
 - Obtain written approval before disposing or injecting salt water.

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

27-8-13W

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

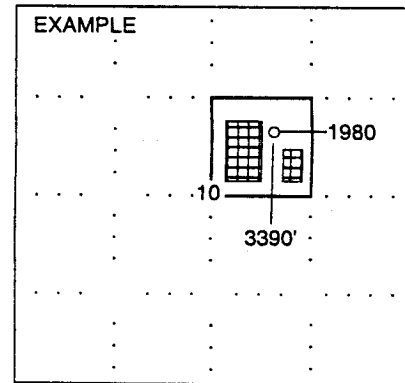
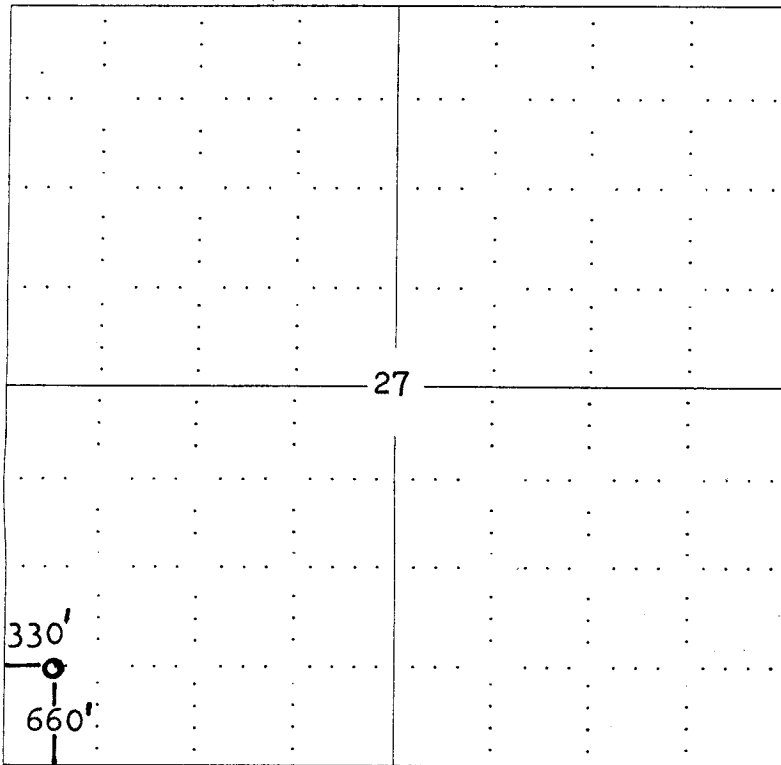
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 141-20407-00-00
 Operator: _____
 Lease: _____
 Well Number: _____
 Field: _____
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: _____ - _____ - _____

Location of Well: County: _____
 _____ feet from S / N (circle one) Line of Section
 _____ feet from E / W (circle one) Line of Section
 Sec. _____ Twp. _____ S. R. _____ East West
 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.)*



SEWARD CO.

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 section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
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 GCP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Barline Oil, LLC		License Number: 33599
Operator Address: 7804 E. Funston, Suite 216, Wichita, KS 67207		
Contact Person: Bill Ree, Manager		Phone Number: (316) 687-6285
Lease Name & Well No.: Becker "A", No. 1		Pit Location (QQQQ): W/2 - SW - SW
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: 3000 (bbls)	Sec. 27 Twp. 8S. 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 330 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Osborne County
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: N/A 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? clay type soil
Pit dimensions (all but working pits): 70 Length (feet) 70 Width (feet) N/A: Steel Pits Depth from ground level to deepest point: 4 (feet)		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. N/A		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. N/A
Distance to nearest water well within one-mile of pit 1320 feet Depth of water well 40 feet		Depth to shallowest fresh water 40 feet. Source of information: <input checked="" type="checkbox"/> measured well owner electric log KDWR
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: N/A 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: Drilling Mud Number of working pits to be utilized: 3 Abandonment procedure: Fluid evaporate & 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.		
9/29/09 Date		Bill Ree Signature of Applicant or Agent Bill Ree
KCC OFFICE USE ONLY		
Date Received: 9/30/09	Permit Number: _____	Permit Date: 9/30/09 Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

**RECEIVED
SEP 30 2009
KCC WICHITA**

15-141-20407-00-00

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

September 30, 2009

Barline Oil, LLC
7804 E. Funston Ste 216
Wichita, KS 67207

RE: Drilling Pit Application
Becker A Lease Well No. 1
SW/4 Sec. 27-08S-13W
Osborne 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. **Keep pits away from any draws/creek.**

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 (785) 625-0550 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,


Kathy Haynes

Environmental Protection and Remediation Department

cc: district