

For KCC Use: 10-14-2009
 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: 10/10/2009
 month day year

OPERATOR: License# 5259 ✓
 Name: Mai Oil Operations, Inc.
 Address 1: P.O. Box 33
 Address 2: _____
 City: Russell State: Ks. Zip: 67865 + _____
 Contact Person: Allen Bangert
 Phone: 785-483-2169

CONTRACTOR: License# 33350 ✓
 Name: Southwind Drilling, Inc.

Well Drilled For: Oil Gas
 Enh Rec Storage Disposal
 Seismic; # of Holes _____
 Other: _____
 If OWWO: old well information as follows:

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: 60' North & 100' West
 NW SW NW Sec. 31 Twp. 17 S. R. 14 E W
1,590 feet from N / S Line of Section
230 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: Meter Unit Well #: 1
 Field Name: Wildcat Olmitz Northeast

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Arbuckle

Nearest Lease or unit boundary line (in footage): 330'
 Ground Surface Elevation: 1970 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: 320' 400'
 Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 1000'
 Length of Conductor Pipe (if any): None
 Projected Total Depth: 3570'

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: 10/05/2009 Signature of Operator or Agent: Allen Bangert Title: Prod. Supt.

For KCC Use ONLY
 API # 15 - 009-25354-00-00
 Conductor pipe required None feet
 Minimum surface pipe required 120 feet per ALT. I II
 Approved by: LMA 10-9-2009
 This authorization expires: 10-9-2010
 (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: _____

31
17
14
 E
 W

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 OCT 06 2009
 KCC WICHITA

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 - 009-25354-00-00
Operator: Mal Oil Operations, Inc.
Lease: Mater Unit
Well Number: 1
Field: Wildcat

Location of Well; County: Barton
1,590 feet from N / S Line of Section
230 feet from E / W Line of Section
Sec. 31 Twp. 17 S. R. 14 E W

Number of Acres attributable to well: _____
QTR/QTR/QTR/QTR of acreage: _____ - NW - SW - NW

Is Section: Regular or Irregular

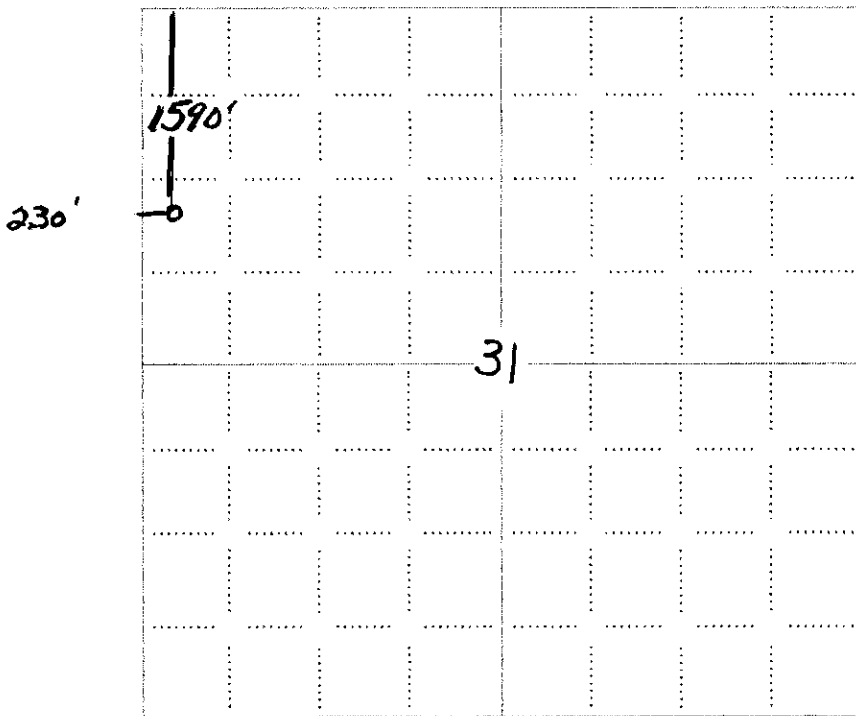
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

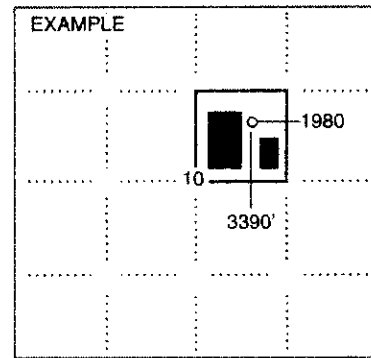
PLAT

(Show location of the well and shade 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 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).

MAI OIL OPERATIONS, INC.

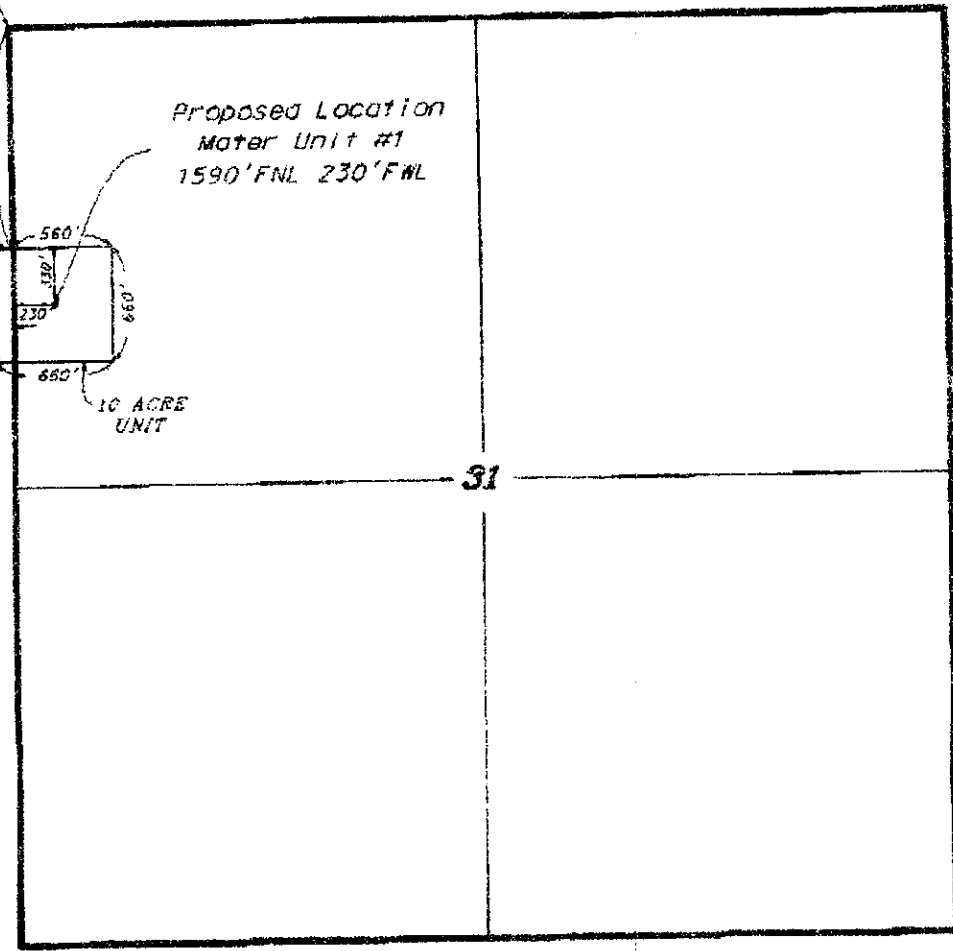
MATER UNIT LEASE

IN NW. 1/4, SECTION 31, T17S, R14W AND IN THE NE. 1/4, SECTION 36, T17S, R15W
BARTON COUNTY, KANSAS

15-009-25354-0000

APP. NW. COR.
SEC. 31

SECTION 36



UNIT DESCRIPTION

That part of the Northwest Quarter of Section 31, Township 17 South, Range 14 West and the Northeast Quarter of Section 36, Township 17 South, Range 15 West of the 6th Principal Meridian, Barton County, Kansas, described as follows:

Commencing at the northwest corner of said Section 31; thence on an assumed bearing of South, along the west line of the Northwest Quarter of said section, a distance of 1260.00 feet to the point of beginning of the unit to be described; thence on a bearing of East a distance of 560.00 feet; thence on a bearing of South a distance of 660.00 feet; thence on a bearing of West a distance of 660.00 feet; thence on a bearing of North a distance of 660.00 feet; thence on a bearing of East a distance of 100.00 feet to the point of beginning.
The above described unit contains 10.0 acres.

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September 30, 2009

- Contouring data is based upon the best maps and photographic available to us and upon a careful inspection of lots containing 640 acres.
- Appropriate section lines were determined using the corner positions of some of the field surveys originating in the state of Kansas. The exact location of the drilled location in the section is not necessarily located, and the exact location of the drilled location in the section is not guaranteed. Therefore, the company, securing this survey and accepting this plot and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, suits and expenses on any and all matters relating to any liability from negligence or consequential damages.
- Elevations derived from National Geodetic Vertical Datum.

**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.: Mater Unit #1		Pit Location (QQQQ): NW SW NW Sec. <u>31</u> Twp. <u>17</u> R. <u>14</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>1,590</u> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <u>230</u> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Barton 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 <i>(If WP Supply API No. or Year Drilled)</i>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ 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 <i>(For Emergency Pits and Settling Pits only)</i>
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? <i>native clay</i>
Pit dimensions (all but working pits): <u>75</u> Length (feet) <u>75</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>3</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.
Distance to nearest water well within one-mile of pit <u>1398</u> feet Depth of water well <u>204</u> feet		Depth to shallowest fresh water <u>130</u> 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: <u>Drilling Mud</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>Let dry and backfill</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>10/05/2009</u> Date		RECEIVED OCT 06 2009 KCC WICHITA
Allen Bangert Signature of Applicant or Agent		
KCC OFFICE USE ONLY		
Date Received: <u>10/6/09</u> Permit Number: _____ Permit Date: <u>10/8/09</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>

15009-25354-0000