

PAY-785-749-0174

OWWO

For KCC Use: 4-13-07
Effective Date: 4
District #: 4
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

Form G-1
December 2002
Form must be Typed
Form must be Signed
All blanks must be Filled

Expected Spud Date April 17 2007
month day year

OPERATOR: License# 32705
Name: Raney Oil Company, LLC
Address: 3425 Tam O'Shanter Dr.
City/State/Zip: Lawrence, KS 66047
Contact Person: Thomas Raney
Phone: (785) 749-0672

CONTRACTOR: License# ~~33346~~ 33346
Name: TIL SERVICES

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

If OWWO: old well information as follows:
Operator: I. O. Miller
Well Name: Sutor #3
Original Completion Date: 6/20/52 Original Total Depth: 3769

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

Spot NW SE SE Sec. 14 Twp. 10 S. R. 20
1980 990 feet from N / S Line of Section
1980 990 feet from E / W Line of Section
Is SECTION Regular Irregular?

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

Lease Name: Sutor Well #: 3
Field Name: Marcotte

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Arbuckle
Nearest Lease or unit boundary: 1980

Ground Surface Elevation: 2213 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: 950

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 201 PREVIOUSLY SET

Length of Conductor Pipe required:
Projected Total Depth: 3790

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:

AFFIDAVIT

KANSAS CORPORATION COMMISSION

JUL 17 2009

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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 to the best of my knowledge and belief.

Date: 4.10.07 Signature of Operator or Agent: [Signature] Title: member

For KCC Use ONLY
API # 15 - 15-103-02121-0001
Conductor pipe required NONE feet
Minimum surface pipe required 200 feet per Alt. X2
Approved by: WMM 4-13-07
This authorization expires: 10-13-07
(This authorization void if drilling not started within 6 months of approval date.)
Spud date: _____ Agent: _____

Remember to:

- File Drill Pit Application (form GDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field prorations 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.

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
Signature of Operator or Agent: [Signature]
Date: 7.13.09

Mail to: KCC - Conservation Division, 130 S. Market - Room 2070, Wichita, Kansas 67202

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APR 13 2007

KCC WICHITA

14 10 20

Side Two

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 - 163 021250000 ?

Operator: Raney Oil Company, LLC

Lease: Sutor

Well Number: 3

Field: Marocotte

Number of Acres attributable to well: 10

QTR / QTR / QTR of acreage: NW SE SE

Location of Well: County: Rooks

1980 feet from N / S Line of Section

1980 feet from E / W Line of Section

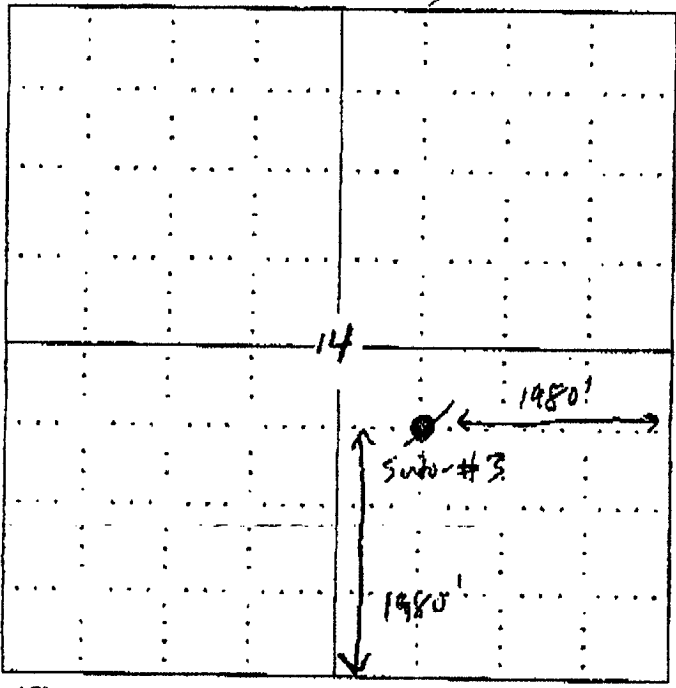
Sec. 14 Twp. 10 S. R. 20 East West

Is Section: Regular or Irregular

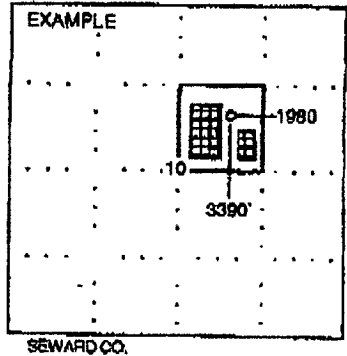
If Section is Irregular, locate well from nearest corner boundary.

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.)



Rooks County



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; CO-8 for gas wells).

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

FINAL NOTICE OF VIOLATION

July 8, 2009

July 6, 2009

Raney Oil Company, LLC
 3425 TAM O SHANTER
 LAWRENCE, KS 660471729

Hi Steve,

Don't know what happened to
 the first packet with ACO-1 &
 other info. Mailed it early this
 year.

Anyway, here is another copy
 of everything. Let me know
 if you need anything else.

Thanks,

Tom Raney

RE: API# 15163021210001
 LEASE NAME: SUTOR 3
 SEC 14 TOWNSHIP 10 RANGE 20 W

Dear Operator:

This letter shall serve as your final notice regarding your continuing violation of Kansas regulations. On 4/9/2009 9:42:01 AM, a Request for Information letter was sent to you, requesting the spud call and ACO-1 Well Completion Form for the above well. The KCC still has not received either the spud call or the ACO-1 Well Completion Form for the well. If this information is not provided to the KCC by July 20, 2009, this matter shall be submitted to our legal department, and it may result in a \$500.00 penalty per well remaining in violation.

This requested information must be submitted for processing pursuant to KCC regulations, specifically including K.A.R. 82-3-107(d) and K.A.R. 82-3-130. Please contact me with any questions.

Sincerely,

Steve Bond
 Steve Bond
 Production Department Supervisor

well not
 drilled.
 please delete.
 JWB/ks

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KCC WICHITA

CONSERVATION DIVISION

Fimney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802

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