

*** CORRECTED**

REVISED: PLEASE NOTE CHANGE IN SURFACE LOCATION
Jeff B. Small

Form C-1
October 2007

Form must be Typed
Form must be Signed
All blanks must be Filled

For KCC Use: 10-13-2009
Effective Date: _____
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

Expected Spud Date: November 5 2009
month day year

OPERATOR: License# 34191
Name: Reeder Operating, LLC
Address 1: 4925 Greenville Ave. Suite 1400
Address 2: _____
City: Dallas State: TX Zip: 75206
Contact Person: Jeffrey J. Harwell
Phone: 214-373-7793 (ext 259)
CONTRACTOR: License# 33575
Name: WW Drilling, LLC

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NOV 10 2009

Well Drilled For: Oil Gas Seismic Other
 Enh Rec Storage Disposal
 Infield Pool Ext. Wildcat Other
of Holes: _____
If OWWO: old well information as follows: _____

Well Class: _____
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: _____
SE . nw . se Sec. 5 Twp. 1 S. R. 35 E W
~~1.613~~ 1418 feet from N / S Line of Section
~~1.500~~ 1405 feet from E / W Line of Section
Is SECTION: Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
County: Rawlins
Lease Name: Walter Well #: 10-5
Field Name: None
Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Lansing-Kansas City
Nearest Lease or unit boundary line (in footage): 1500 ft / 1405'
Ground Surface Elevation: ~~3127'~~ 3146' 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 ft
Depth to bottom of usable water: 150 ft
Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set: 275
Length of Conductor Pipe (if any): None
Projected Total Depth: 4800 ft
Formation at Total Depth: Base of Kansas City
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: _____

Replaces 15-153-20872-00-00 (Cancelled)

AFFIDAVIT *** WAS: 1513 FSL; 1500 FEL**
IS: 1418 FSL; 1405 FEL RECEIVED
*** WAS: NLUB: 1500; Elev. 3127**
IS: NLUB: 1405; Elev. 3146 OCT 08 2009
KCC WICHITA

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: 7 Oct 2009 Signature of Operator or Agent: *Jeffrey J. Harwell* Title: VP, Operations

For KCC Use ONLY
API # 15 - 153-20882-00-00
Conductor pipe required None feet
Minimum surface pipe required 200 feet per ALT. I II
Approved by: Jeffrey J. Harwell 10-8-2009 / KCH 11-18-2009
This authorization expires: 10-8-2010
(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: _____

CORRECTED

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 - 153-20882-00-00

Operator: Reeder Operating, LLC

Lease: Walter

Well Number: 10-5

Field: None

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - SE - nw - se

Location of Well: County: Rawlins

~~1,513~~ 1418' feet from N / S Line of Section
~~1,500~~ 1405' feet from E / W Line of Section
Sec. 5 Twp. 1 S. R. 35 E W

Is Section: Regular or Irregular

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

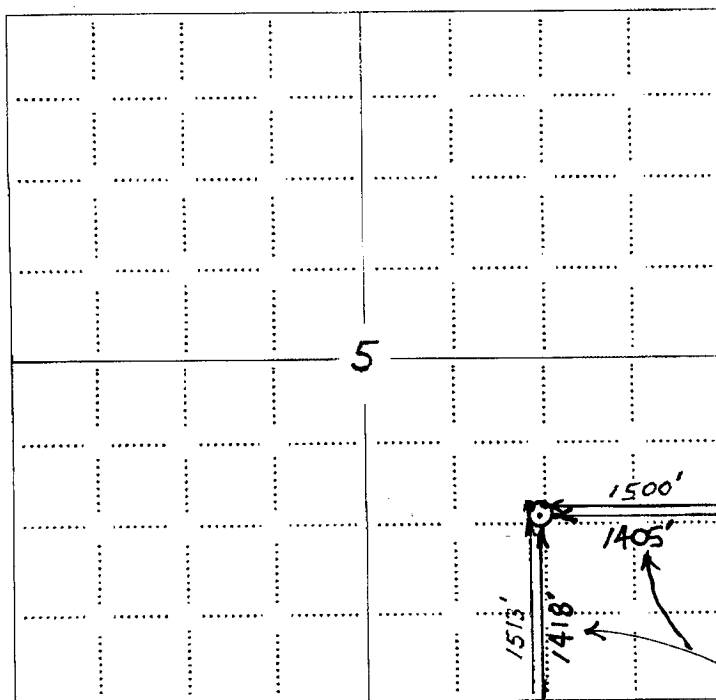
Section corner used: NE NW SE SW

REVISED:
PLEASE NOTE
CHANGE IN SURFACE
LOCATION

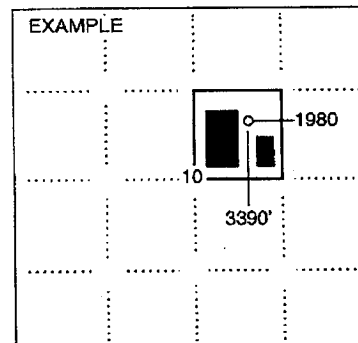
PLAT

(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.



REVISED CALLS MOVE
SURFACE LOCATION 135' SE
[Signature]

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).

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NOV 18 2009
KCC WICHITA

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT

*REVISED:
PLEASE NOTE
CHANGES IN SURFACE
LOCATION*
Jeffrey J. Harwell

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Reeder Operating, LLC		License Number: 34191	
Operator Address: 4925 Greenville Ave. Suite 1400		Dallas TX 75206	
Contact Person: Jeffrey J. Harwell		Phone Number: 214-373-7793 (ext 259)	
Lease Name & Well No.: Walter 10-5		Pit Location (QQQQ): SE NW SE Sec. <u>5</u> Twp. <u>1</u> R. <u>35</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>1,513</u> / <u>1418</u> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <u>4,500</u> / <u>1405</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Rawlins 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 <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: _____ (bbls)	CORRECTED	
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 type="checkbox"/> Yes <input checked="" 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? Native Clay	
Pit dimensions (all but working pits): <u>50</u> Length (feet) <u>50</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>4</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. RECEIVED NOV 18 2009 KCC WICHITA	
Distance to nearest water well within one-mile of pit <u>N/A</u> feet Depth of water well _____ feet		Depth to shallowest fresh water <u>225</u> feet. Source of information: <input checked="" type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input 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>2</u> Abandonment procedure: <u>Air dry and back fill</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>7 Oct 2009</u> Date		<i>Jeffrey J. Harwell</i> Signature of Applicant or Agent	

KCC OFFICE USE ONLY		Steel Pit <input type="checkbox"/>	RFAC <input type="checkbox"/>	RFAS <input type="checkbox"/>
Date Received: <u>11/18/09</u>	Permit Number: _____	Permit Date: <u>11/18/09</u>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

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