

For KCC Use:

Effective Date: 11-30-09
District #: 1
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: December 10, 2009
month day year

Spot Description: _____
_____ N/2 - NE Sec. 7 Twp. 25 S. R. 23 E W
625 feet from N / S Line of Section
1,325 feet from E / W Line of Section

OPERATOR: License# 32204
Name: REDLAND RESOURCES, INC.
Address 1: 6001 NW 23RD STREET
Address 2: _____
City: OKLAHOMA CITY State: OK Zip: 73127 + _____
Contact Person: ALAN THROWER
Phone: 405.789.7104

Is SECTION: Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)

CONTRACTOR: License# 5929
Name: DUKE DRILLING

County: FORD
Lease Name: ELM CREEK Well #: T-2
Field Name: WILDCAT

Well Drilled For: Oil Gas Selsmic; # of Holes _____
 Enh Rec Storage Disposal Other: _____
Well Class: Infield Pool Ext. Wildcat Other _____
Type Equipment: Mud Rotary Air Rotary Cable
 If OWWD: old well information as follows: _____

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

Nearest Lease or unit boundary line (in footage): 625'
Ground Surface Elevation: 2347' 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: 680
Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set: 250'
Length of Conductor Pipe (if any): 50'
Projected Total Depth: 5600'
Formation at Total Depth: ARBUCKLE

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

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

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NOV 25 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 correct to the best of my knowledge and belief.

Date: 11/24/09 Signature of Operator or Agent: Sally R. Byers Title: AGENT

For KCC Use ONLY
API # 15 - 057-20656-00-00
Conductor pipe required None feet
Minimum surface pipe required 200 feet per ALT. I II
Approved by: SB 11-25-2009
This authorization expires: 11-25-2010
(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: _____

7
25
23
 E
 W

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 - 057-20656-00-00
Operator: REDLAND RESOURCES, INC.
Lease: ELM CREEK
Well Number: 7-2
Field: WILDCAT

Location of Well: County: FORD
625 feet from N / S Line of Section
1,325 feet from E / W Line of Section
Sec. 7 Twp. 25 S. R. 23 E W

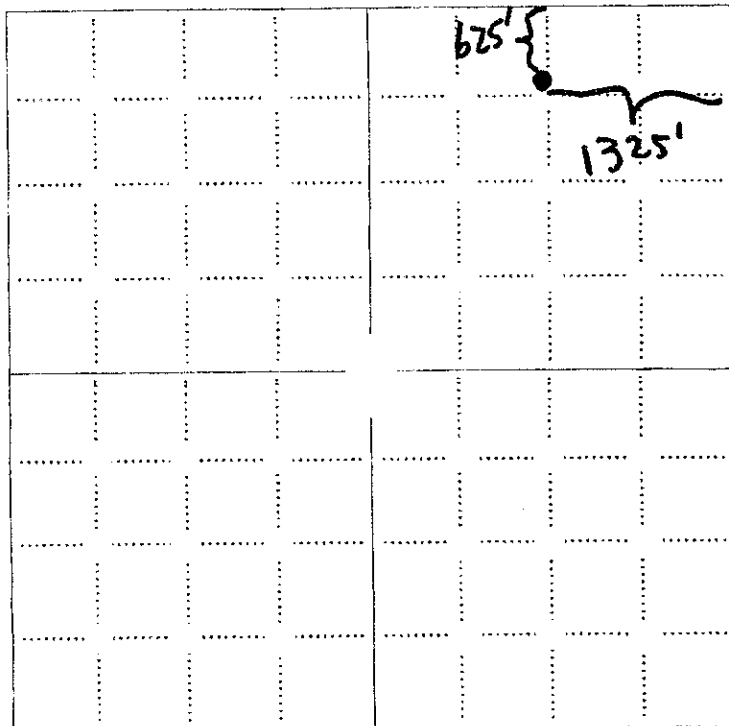
Number of Acres attributable to well: _____
QTR/QTR/QTR/QTR of acreage: _____ N/2 _____ NE

Is Section: Regular or Irregular

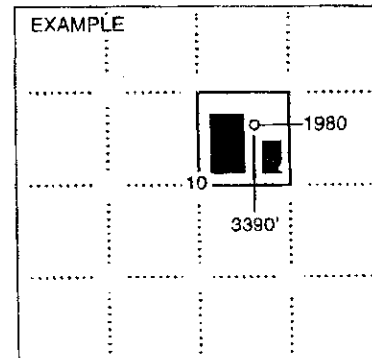
If Section Is Irregular, locate well from nearest corner boundary.
Section corner used: NE NW SE SW

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.)*



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SEWARD CO.

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

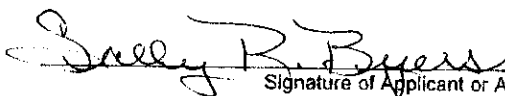
In plotting the proposed location of the well, you must show:

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 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)

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

Form CDP-1
April 2004
Form must be Typed

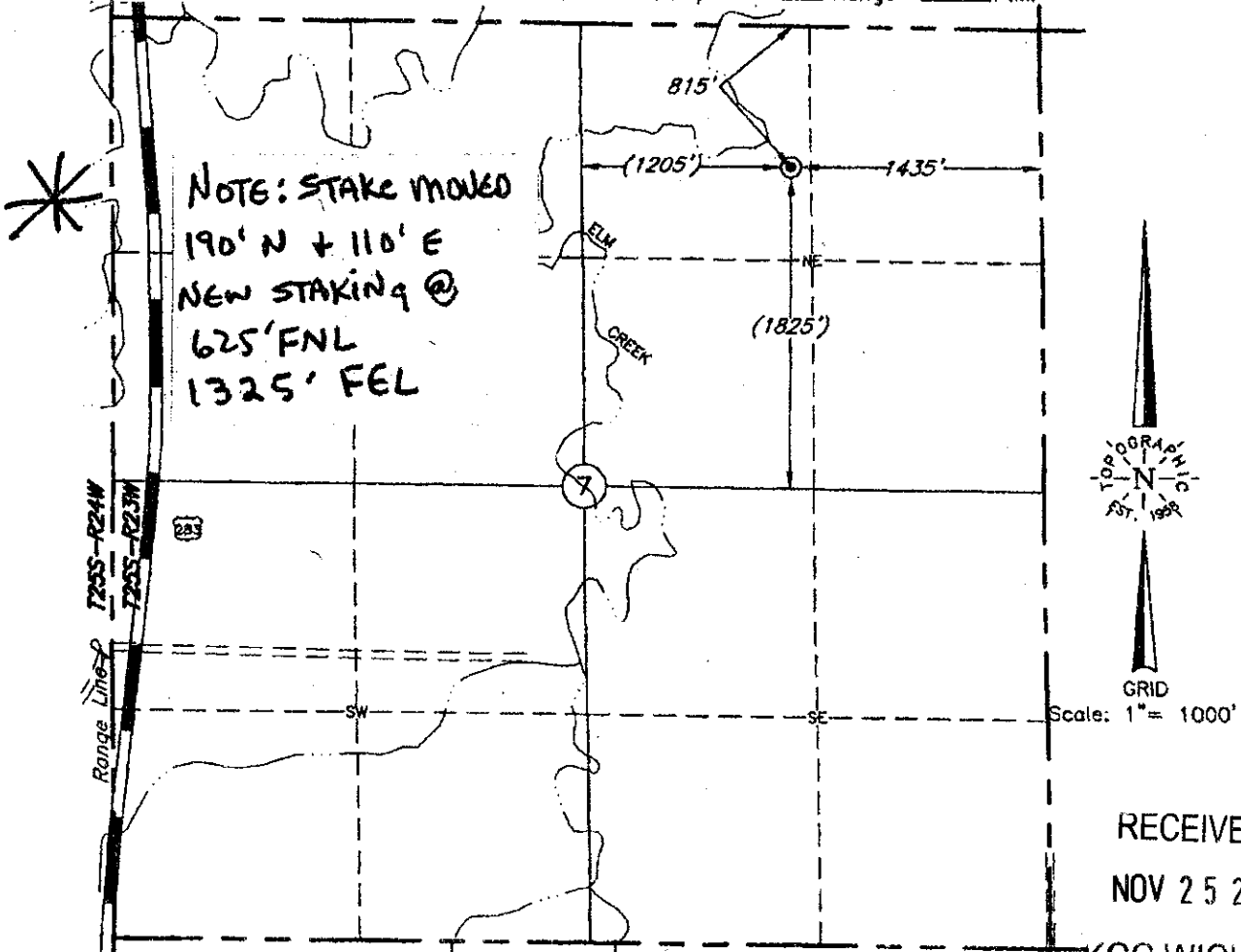
Submit in Duplicate

Operator Name: REDLAND RESOURCES, INC.		License Number: 32204
Operator Address: 6001 NW 23RD STREET		OKLAHOMA CITY OK 73127
Contact Person: ALAN THROWER		Phone Number: 405.789.7104
Lease Name & Well No.: ELM CREEK 7-2		Pit Location (QQQQ): _____ N/2 _____ NE
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)	Sec. <u>7</u> Twp. <u>25</u> R. <u>23</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West _____ Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <u>625</u> _____ Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <u>1,325</u> FORD _____ County
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? NATURAL PERMEABILITY
Pit dimensions (all but working pits): <u>150</u> Length (feet) <u>150</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>6</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 25 2009 KCC WICHITA
Distance to nearest water well within one-mile of pit <u>3562</u> feet Depth of water well <u>60</u> feet	Depth to shallowest fresh water <u>26</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: FRESH Number of working pits to be utilized: <u>2</u> Abandonment procedure: EVAPORATION/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.		
<u>11/24/09</u> Date	 Signature of Applicant or Agent	
KCC OFFICE USE ONLY		
Steel Pit <input type="checkbox"/> RFAC <input checked="" type="checkbox"/> RFAS <input checked="" type="checkbox"/>		
Date Received: <u>11-25-09</u> Permit Number: _____	Permit Date: <u>11-25-09</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

15-057-20656-00-00

TOPOGRAPHIC LAND SURVEYORS
6708 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 * LOCAL (405) 843-4847 * OUT OF STATE (800) 854-3219
Certificate of Authorization No. LS-99, Exp. Dec 31, 2010

FORD County, Kansas
1435' FEL - 815' FNL Section 7 Township 25S Range 23W P.M.



This location has been very carefully staked on the ground according to the best official survey records, maps, and photographs available to us, but its accuracy is not guaranteed. Review this plat and notify us immediately of any possible discrepancy.

Distances shown in (parenthesis) are calculated based upon the Quarter Section being 2640 feet, and have not been measured.

Operator: REDLAND RESOURCES, INC.

Lease Name: ELM CREEK

Well No.: 7-2

ELEVATION:

2347' Gr. at Stake

Topography & Vegetation Loc. fell in rolling grass pasture, 150' SE of bend in creek

Good Drill Site? Yes Reference Stakes or Alternate Location Stakes Set None

Best Accessibility to Location From NE
Distance & Direction From Spearville, KS, go ±7.5 mi. West, then 3.0 mi. North, then 1.0 mi. East
through Sec. 7 to the NE Cor. of Sec. 7-T25S-R23W

(The following information was gathered using a GPS receiver Accuracy ±2-3 Meters.)

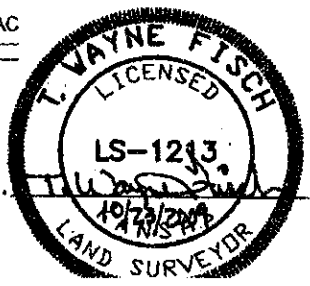
GPS
DATUM: NAD-27
LAT: 37°53'47.2"N
LONG: 99°53'09.3"W
STATE PLANE COORDINATES:
ZONE: KS SOUTH
X: 1600100

Invoice # 150076 Date Staked: Oct. 20, 2009 AC

CERTIFICATE:

I, T. Wayne Fisch a Registered Land Surveyor and an authorized agent of Topographic Land Surveyors, do hereby certify that the above described well location was surveyed and staked on the ground as shown herein.

Kansas Reg. No. 1213



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15-057-70156-00-00



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

November 25, 2009

Redland Resources, Inc.
6001 NW 23rd St
Oklahoma City, KS 73137

RE: Drilling Pit Application
Elm Creek Lease Well No. 7-2
NE/4 Sec. 07-25S-23W
Ford 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 the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again after drilling operations have ceased.

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 (620) 225-8888 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
Department of Environmental Protection and Remediation

cc: File

15-0577-2015L-00-00