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DEC 28 2009

\* CORRECTED

For KCC Use: Effective Date: 11-1-2009 District # 3 KCC WICHITA

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: 11-04-2009 month day year

Spot Description: SW - SW - SW - SW Sec. 26 Twp. 30 S. R. 16 E W 165 feet from N S Line of Section 165 feet from E W Line of Section SECTION: Regular Irregular

OPERATOR: License# 31941 Name: 3B Energy Inc. Address 1: PO Box 354 Address 2: 3494 Salline Rd City: Neodesha State: Ks Zip: 66757 + 0354 Contact Person: Bruce B Burkhead Phone: 620-330-7854

CONTRACTOR: License# 5675 Name: McPherson Drilling

County: Wilson Lease Name: Phillips Well #: 33 Field Name: Neodesha Is this a Prorated / Spaced Field? Yes No Target Formation(s): Bartlesville Nearest Lease or unit boundary line (in footage): 165 Ground Surface Elevation: 825 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: 50 Depth to bottom of usable water: 150 Surface Pipe by Alternate: I II Length of Surface Pipe Planned to be set: 20 FT Length of Conductor Pipe (if any): N/A Projected Total Depth: 850 Formation at Total Depth: Shale Water Source for Drilling Operations: Well Farm Pond Other: City DWR Permit #: Will Cores be taken? Yes No If Yes, proposed zone:

Well Drilled For: Oil Gas Seismic # of Holes Other Well Class: Enh Rec Storage Disposal 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 #:

\* WAS: NW-NW-SW-SW; 1155' FSL IS: SW-SW-SW SW; 165' FSL

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: 12-28-2009 Signature of Operator or Agent: [Signature] Title: President

For KCC Use ONLY API # 15- 205-27810-00-00 Conductor pipe required None feet Minimum surface pipe required 20 feet per ALT. Approved by: [Signature] This authorization expires: 10-27-2010 Spud date: Agent:

Remember to:

- File Drill Pit Application (form CDP-1) with Intent to Drill; - File Completion Form ACC-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:

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

26 30 16 m

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SHGC 1700

**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

**KCC WICHITA**

*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 - 205-27810-00-00  
Operator: 3B Energy Inc.  
Lease: Philips  
Well Number: 33  
Field: Neodesha

Location of Well: County: Wilson  
165 feet from  N /  S Line of Section  
165 feet from  E /  W Line of Section  
Sec. 26 Twp. 30 S. R. 16  E  W

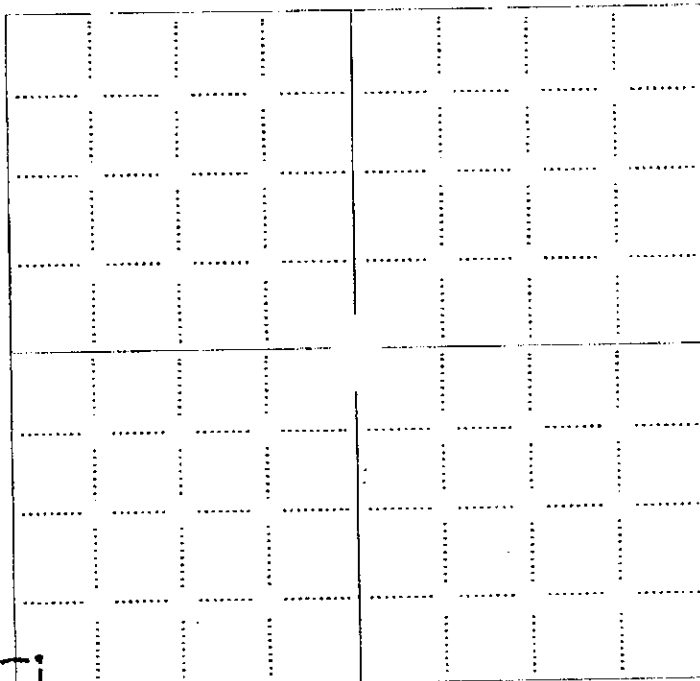
Number of Acres attributable to well: 5  
QTR/QTR/QTR/QTR of acreage: SW - SW - SW - SW

Is Section:  Regular or  Irregular

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

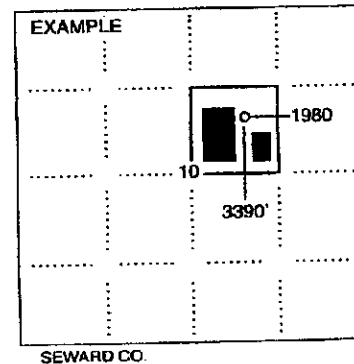
**PLAT**

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)  
(Show footage to the nearest lease or unit boundary line.)*



165ft  
165ft

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).

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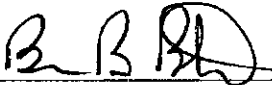
Form GDP-1  
April 2004  
Form must be Typed

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

KCC WICHITA

CORRECTED

Submit in Duplicate

Operator Name: <b>3B Energy, Inc.</b>		License Number: <b>31941</b>	
Operator Address: <b>PO Box 354</b>		<b>Neodesha Ks 68757 0354</b>	
Contact Person: <b>Bruce B Burkhead</b>		Phone Number: <b>620-330-7854</b>	
Lease Name & Well No.: <b>Phillips #33</b>		Pit Location (QQQQ): <b>SW SW SW SW</b> Sec. <u>26</u> Twp. <u>30</u> R. <u>16</u> <input checked="" type="checkbox"/> East <input type="checkbox"/> West <u>165</u> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <u>165</u> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <b>Wilson</b> County	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input 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: <b>320</b> (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?	
Pit dimensions (all but working pits): <u>25</u> Length (feet) <u>10</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.	
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>20</u> feet. Source of information: <input type="checkbox"/> measured <input checked="" type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: <u>Doze in and reseed</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>12-28-2009</u> Date		 Signature of Applicant or Agent	
<b>KCC OFFICE USE ONLY</b>			
Date Received: <u>12-28-09</u> Permit Number: _____		Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/> Permit Date: <u>12-28-09</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

15-205-27810-00-00