

For KCC Use: 3-1-2010
 Effective Date: _____
 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: MARCH 8 2010
month day year

OPERATOR: License# 6170 ✓
 Name: Globe Operating, Inc.
 Address 1: P.O. Box 12
 Address 2: _____
 City: Great Bend State: KS Zip: 67530 + 0012
 Contact Person: Richard Stalcup
 Phone: 620-792-7607

CONTRACTOR: License# 33323 ✓
 Name: Petromark Drilling, LLC

Spot Description: 160 feet N & 38 feet W of C of:
NE NW SW NE Sec. 22 Twp. 21 S. R. 13 E W
(a/a/a/a)
1,325 feet from N / S Line of Section
2,183 feet from E / W Line of Section

Is SECTION: Regular Irregular?

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

County: Stafford

Lease Name: Schultz Well #: 6

Field Name: Gates ✓

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Arbuckle ✓

Nearest Lease or unit boundary line (in footage): 457 feet ✓

Ground Surface Elevation: 1879 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: 120 feet ✓

Depth to bottom of usable water: 180 feet ✓

Surface Pipe by Alternate: I II ✓

Length of Surface Pipe Planned to be set: 320 feet ✓

Length of Conductor Pipe (if any): None

Projected Total Depth: 3600 feet ✓

Formation at Total Depth: Arbuckle ✓

Water Source for Drilling Operations:

Well Farm Pond Other: _____

DWR Permit #: _____

(Note: Apply for Permit with DWR) No ✓

Will Cores be taken? Yes No

If Yes, proposed zone: _____

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

Well Class: Infield Pool Ext. Wildcat Other

Type Equipment: Mud Rotary Air Rotary Cable

If OWWO: old well information as follows:
 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 #: _____

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: 2/22/10 Signature of Operator or Agent: [Signature] Title: Agent

For KCC Use ONLY
 API # 15 - 185-23611-0000
 Conductor pipe required None feet
 Minimum surface pipe required 200 feet per ALT. I II
 Approved by: [Signature] 2-24-2010
 This authorization expires: 2-24-2011
(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: _____

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 KCC WICHITA

22
 21
 13
 E
 W

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 - 185-23611-00-00
 Operator: Globe Operating, Inc.
 Lease: Schultz
 Well Number: 6
 Field: Gates

Location of Well: County: Stafford
1,325 feet from N / S Line of Section
2,183 feet from E / W Line of Section
 Sec. 22 Twp. 21 S. R. 13 E W

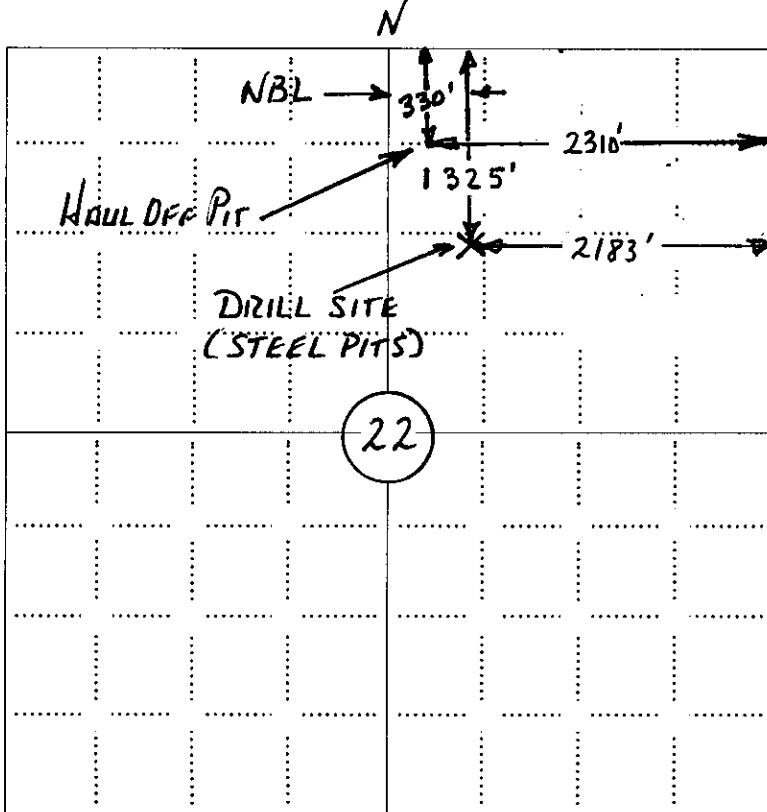
Number of Acres attributable to well: _____
 QTR/QTR/QTR/QTR of acreage: NE - NW - SW - NE

Is Section: Regular or Irregular

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

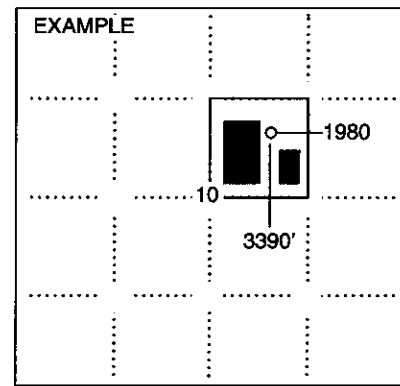
PLAT

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



NBL = 457' TO THE WEST

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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).

GLOBE OPERATING, INC.
SCHULTZ LEASE
NE.1/4, SECTION 22, T21S, R13W
STAFFORD COUNTY, KANSAS

15-185-23611-0000

GRAVEL (NE 180TH ST.) ROAD

Drillsite Location
Schultz #6
1325'FNL 2183'FEL

Ground Elevation = 1879

Y = 563333 X = 1931943

(Set wood stake)

*Alternate Location
1351'FNL 2184'FEL

Ground Elevation = 1879

Y = 563307 X = 1931942

State Plane-NAD 27-Kansas South
(Mapping Grade GPS Used)

PIVOT SYSTEM WHEEL
TRACK 40'E. OF LOC.
& ALT.

IDLE
GROUND

APPROX LOCATION
CENTER PIVOT IRR.
SYSTEM

ALT.

SCHULTZ #5

PRODUCER
1878

SCHULTZ #4
1872

PRODUCER
1879

22

ROAD (NE 10TH AVE.)
GRAVEL

SCALE 1" = 1000'



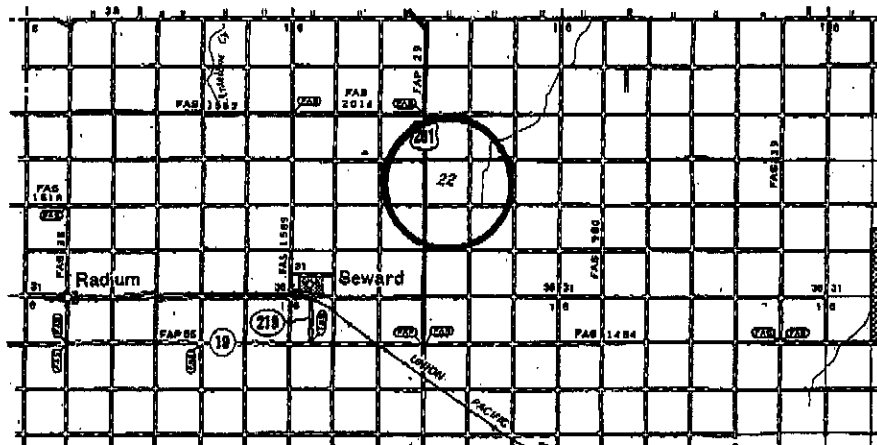
Notes:

1. Set iron rod at location site.
2. All flagging Red & Yellow.
3. Overhead power available at N., S. & E. lines, Sec.22 and N.1/2 of W. line, Sec.22.
4. Kansas One Call System (inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec.22.
6. Contact landowner for best access.

GRAVEL (NE 170TH ST.) ROAD

*Ingress and egress to location as shown on this plat is per usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.

HIGHWAY (N. HIGHWAY 281) 281



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KCC WICHITA


* Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 360 acres.
 * Approximate section lines were determined using the normal standards of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drillsite location in the section is not guaranteed. Therefore, the operator accepting this service and accepting this plat and all other parties relating thereto agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and hold entities released from any liability from incidental or consequential damages.
 * Elevations derived from National Geodetic Vertical Datum.

Date February 10, 2010

**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: Globe Operating, Inc.		License Number: 6170
Operator Address: P.O. Box 12, Great Bend, Kansas 67530		
Contact Person: Richard Stalcup		Phone Number: 620-792-7607
Lease Name & Well No.: Schultz #6		Pit Location (QQQQ): NE - NW - SW - NE Sec. <u>22</u> Twp. <u>21</u> R. <u>13</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>1,325</u> Feet from <input type="checkbox"/> North / <input type="checkbox"/> South Line of Section <u>2,183</u> Feet from <input type="checkbox"/> East / <input type="checkbox"/> West Line of Section Stafford County
Type of Pit: WELL SITE PIT N/A <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 <small>(If W/P Supply API No. or Year Drilled)</small>	Pit is: <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input 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 type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	How is the pit lined if a plastic liner is not used?
Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) Depth from ground level to deepest point: _____ (feet)		<input checked="" type="checkbox"/> N/A: Steel Pits <input checked="" 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>850</u> feet Depth of water well <u>72</u> feet	Depth to shallowest fresh water <u>11</u> feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	15-185-23611-00-00
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: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ 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.		RECEIVED FEB 23 2010 KCC WICHITA
_____ 2/22/10 Date	 Signature of Applicant or Agent	
KCC OFFICE USE ONLY		
Date Received: <u>2-23-10</u> Permit Number: _____ Permit Date: <u>2-23-10</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Steel Pit <input checked="" type="checkbox"/> RFAC <input checked="" type="checkbox"/> RFAS <input type="checkbox"/>	



*Mark Parkinson, Governor
Thomas E. Wright, Chairman
Joseph F. Harkins, Commissioner*

February 24, 2010

Globe Operating, Inc.
PO Box 12
Great Bend, KS 67530-0012

RE: Drilling Pit Application
Schultz Lease Well No. 6
NE/4 Sec. 22-21S-13W
Stafford County, Kansas

According to the drilling pit application referenced above, no earthen pits will be used at this location. Steel pits will be used. Please inform the Commission in writing as to which disposal well you utilized to dispose of the contents in the steel pits and the amount of fluid that was disposed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal.

Should a haul-off pit be necessary please file form CDP-1 (April 2004), Application for Surface Pit, This location will have to be inspected prior to approval of the haul-off pit application.

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 District Office at (620) 225-8888.

**HAUL-OFF PIT APPLICATION
FILING REQUIREMENTS**

82-3-607. DISPOSAL OF DIKE AND PIT CONTENTS.

- (a) Each operator shall perform one of the following when disposing of dike or pit contents:
- (1) Remove the liquid contents to a disposal well or other oil and gas operation approved by the commission or to road maintenance or construction locations approved by the department;
 - (2) dispose of reserve pit waste down the annular space of a well completed according to the alternate I requirements of K.A.R. 82-3-106, if the waste to be disposed of was generated during the drilling and completion of the well; or
 - (3) dispose of the remaining solid contents in any manner required by the commission. The requirements may include any of the following:
 - (A) Burial in place, in accordance with the grading and restoration requirements in K.A.R. 82-3-602 (f);
 - (B) removal and placement of the contents in an on-site disposal area approved by the commission;
 - (C) removal and placement of the contents in an off-site disposal area on acreage owned by the same landowner or to another producing lease or unit operated by the same operator, if prior written permission from the landowner has been obtained; or
 - (D) removal of the contents to a permitted off-site disposal area approved by the department.
- (b) Each violation of this regulation shall be punishable by the following:
- (1) A \$1,000 penalty for the first violation;
 - (2) a \$2,500 penalty for the second violation; and
 - (3) a \$5,000 penalty and an operator license review for the third violation.

Complete and return with Haul-Off Pit Application, Form CDP1(2004)

Haul-off pit will be located in an on-site disposal area: Yes No

Haul-off pit is located in an off-site disposal area on acreage owned by the same landowner:
Yes No If yes, written permission from the land owner must be obtained. Attach written permission to haul-off pit application.

Haul-off pit is located in an off-site disposal area on another **producing** lease or unit operated by the same operator: s No If yes, written permission from the land owner must be obtained. Attach permission and a copy of the lease assignment that covers the acreage where the haul-off pit is to be located, to the haul-off pit application.