

O WWO

For KCC Use: 3-15-2010
Effective Date: _____
District # 4
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: 03 15 2010
month day year

OPERATOR: License# 32158 ✓
Name: H&B Petroleum Corporation
Address 1: PO Box 277
Address 2: _____
City: Ellinwood State: KS Zip: 67526 + 0 2 7 7
Contact Person: Al Hammersmith
Phone: 620-564-3002
CONTRACTOR: License# 34066
Name: Trinity Oilfield Services Inc

Spot Description: _____
NW - SE - NW - Sec. 7 Twp. 10 S. R. 19 E W
(Q/Q/Q/Q) 1,650 feet from N / S Line of Section
1,650 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: Ouderkirk Well #: 3
Field Name: Marcotte

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

Nearest Lease or unit boundary line (in footage): 330
Ground Surface Elevation: 2225 +/- 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: 140
Depth to bottom of usable water: 950
Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set: 196
Length of Conductor Pipe (if any): n/a
Projected Total Depth: 3774
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: _____

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: Nadel & Gussman Inc
Well Name: Ouderkirk #3
Original Completion Date: 07-03-1949 Original Total Depth: 3774

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: March 9, 2010 Signature of Operator or Agent: [Signature] Title: Vice President

For KCC Use ONLY
API # 15 - 163-01908-00-02
Conductor pipe required None feet
Minimum surface pipe required 196 feet per ALT. I II
Approved by: [Signature] 3-10-2010
This authorization expires: 3-10-2011
(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: _____

7
10
19
 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 - 163-01908-00-02
 Operator: H&B Petroleum Corporation
 Lease: Ouderkirk
 Well Number: 3
 Field: Marcotte
 Number of Acres attributable to well: 10
 QTR/QTR/QTR/QTR of acreage: NW - SE - NW - _____

Location of Well: County: _____ Rooks _____
 1,650 feet from N / S Line of Section
 1,650 feet from E / W Line of Section
 Sec. 7 Twp. 10 S. R. 19 E W

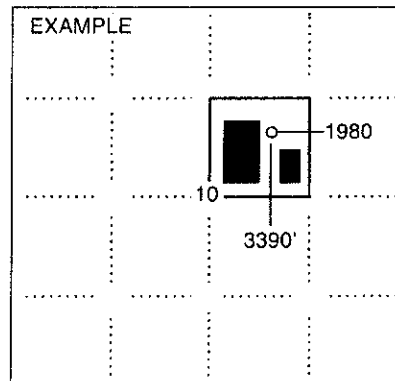
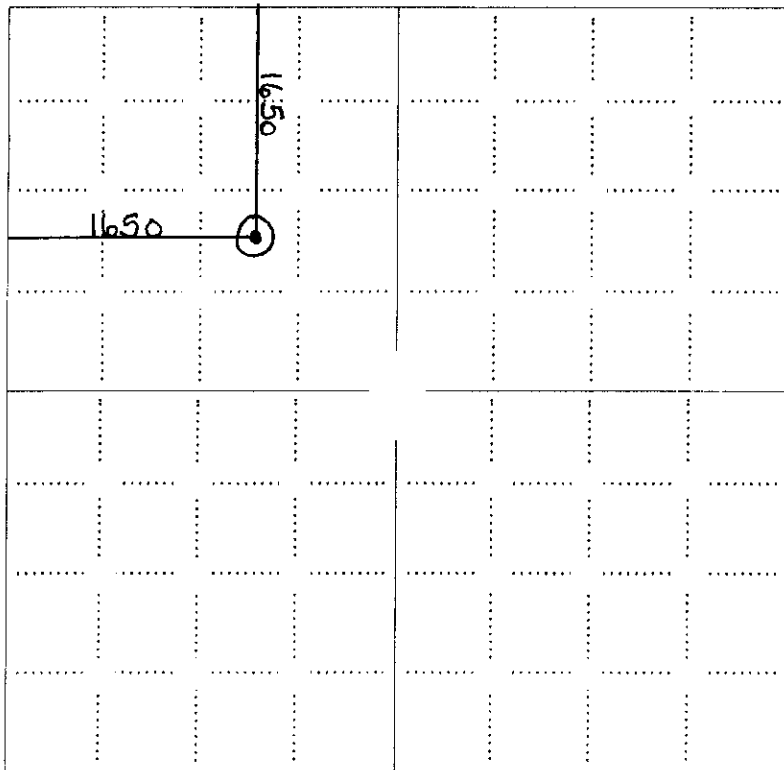
Is Section: Regular or Irregular

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.)*



SEWARD CO.

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

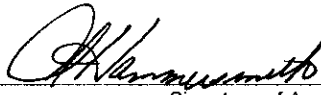
In plotting the proposed location of the well, you must show:

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: (C0-7 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: H&B Petroleum Corporation		License Number: 32158	
Operator Address: PO Box 277		Ellinwood Kansas 67526	
Contact Person: Al Hammersmith		Phone Number: 620-564-3002	
Lease Name & Well No.: Ouderkirk 3		Pit Location (QQQQ): NW SE NW	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input checked="" 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: 250 (bbls)	
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	
Pit dimensions (all but working pits): <u>8</u> Length (feet) <u>30</u> Width (feet)		<input checked="" type="checkbox"/> N/A: Steel Pits <input type="checkbox"/> No Pit	
Depth from ground level to deepest point: <u>5</u> (feet)			
If the pit is lined give a brief description of the liner material, thickness and installation procedure. 10 mil - laid in and cover edges		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. If loss of fluid is noticed will empty pit	
Distance to nearest water well within one-mile of pit <u>3960</u> ^{<u>3401</u>} feet Depth of water well <u>65</u> ^{<u>88</u>} feet		Depth to shallowest fresh water <u>32</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: <u>Drilling cmt w/ fresh water</u> Number of working pits to be utilized: <u>2</u> Abandonment procedure: <u>Pull off fluid/ dry/ backfill</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.			
March 9, 2010 Date		 Signature of Applicant or Agent	
RECEIVED MAR 10 2010 KCC WICHITA			
KCC OFFICE USE ONLY Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>			
Date Received: <u>3-10-10</u> Permit Number: _____ Permit Date: <u>3-10-10</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

15-163-01908-00-02

15-163-01908-0000

STATE OF KANSAS
STATE CORPORATION COMMISSION
200 Colorado Derby Building
Wichita, Kansas 67202

WELL PLUGGING RECORD
K.A.R.-82-3-117

API NUMBER _____

LEASE NAME Ouderkirk

WELL NUMBER 3'

1650 Ft. from N Section Line

1650 Ft. from W Section Line

SEC. 7 TWP. 10S RGE. 19 (E) or (W)

COUNTY Rooks

Date Well Completed 7-3-49

Plugging Commenced 10-2-91

Plugging Completed 10-2-91

TYPE OR PRINT
NOTICE: Fill out completely
and return to Cons. Div.
office within 30 days.

LEASE OPERATOR Nadel and Gussman

ADDRESS 3200 First National Tower, Tulsa, OK 74103

PHONE#(918) 583-3333 OPERATORS LICENSE NO. 5337

Character of Well Oil

(Oil, Gas, D&A, SWD, Input, Water Supply Well)

The plugging proposal was approved on July 30, 1991 (date)

by David P. Williams (KCC District Agent's Name).

Is ACO-1 filed? n/a If not, Is well log attached? Yes

Producing Formation Arbuckle (openhole) Depth to Top 3772 Bottom 3774 T.D. 3774

Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS | CASING RECORD

Formation	Content	From	To	Size	Put In	Pulled out
Arbuckle	Oil & water	0	196	8-5/8	196	0
		0	3772	5-1/2	3772	0

RECEIVED
STATE CORPORATION COMMISSION
10-9-91
OCT 09 1991
COMMISSION

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same and depth placed, from feet to feet each set. CIBP @ 3500 ft. Set 150 sks plug from 3490 to 1500 ft via tubing. Set 100 sks cement plug from 1500' to surface via tubing. Hooked on to 5-1/2 casing and squeezed in 40 sks. SIP 200 psi. Hooked on to 8-5/8 casing and pumped 2 sks of hulls followed by 75 sks cement down annulus. SIP 100 psi.

(If additional description is necessary, use BACK of this form.)

Name of Plugging Contractor C & L Well Service License No. 08052

Address Box 162, Plainville, KS 67663

NAME OF PARTY RESPONSIBLE FOR PLUGGING FEES: Nadel and Gussman

STATE OF Oklahoma COUNTY OF Tulsa, ss.

Joe G. Anderson (Employee of Operator) or (Operator) of above-described well, being first duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the log of the above-described well as filed that the same are true and correct, so help me God.

(Signature) Joe Anderson
(Address) 3200 First National Tower
Tulsa, OK 74103

SUBSCRIBED AND SWORN TO before me this 7th day of October, 19 91

Kathy Garrow Kathy Garrow
Notary Public

My Commission Expires: 8-1-95