

For KCC Use:
 Effective Date: 3-17-2010
 District #: 2
 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: April 12, 2010
month day year

OPERATOR: License# 5120
 Name: Range Oil Company, Inc.
 Address 1: 125 N. Market, Suite 1120
 Address 2: _____
 City: Wichita State: KS Zip: 67037 + _____
 Contact Person: John Washburn
 Phone: 316-265-6231

CONTRACTOR: License# 30141
 Name: Summit Drilling Company

Well Drilled For: Oil Gas Enh Rec Storage Disposal Seismic; _____ # of Holes Other: _____
 Well Class: Infield Pool Ext. Wildcat Other _____
 Type Equipment: Mud Rotary Air Rotary Cable

If OWVO: 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 #: _____

Spot Description: Approx (bore) - SE - SW - NW Sec. 16 Twp. 27 S. R. 6 E W
2,240 feet from N / S Line of Section
1,050 feet from E / W Line of Section

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

Lease Name: Seglem Well #: 1
 Field Name: Reynolds - Schaffer

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

Nearest Lease or unit boundary line (in footage): 400'
 Ground Surface Elevation: 1391 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: 100'
 Depth to bottom of usable water: 180'

Surface Pipe by Alternate: I II
 Length of Surface Pipe Planned to be set: 200'

Length of Conductor Pipe (if any): none
 Projected Total Depth: 3220'

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: _____

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: 3-11-10 Signature of Operator or Agent: John M. Washburn Title: Exploration Manager

For KCC Use ONLY
 API # 15 - 015-23854-0000
 Conductor pipe required None feet
 Minimum surface pipe required 200 feet per ALT. I II
 Approved by: Just 3-12-2010
 This authorization expires: 3-12-2011
 (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: _____

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

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16
 27
 6
 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 - 015-23854-00-00
 Operator: Range Oil Company, Inc.
 Lease: Seglem
 Well Number: 1
 Field: Reynolds - Schaffer

Location of Well: County: Butler
2,240 feet from N / S Line of Section
1,050 feet from E / W Line of Section
 Sec. 16 Twp. 27 S. R. 6 E W

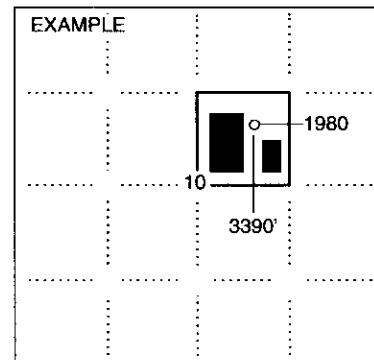
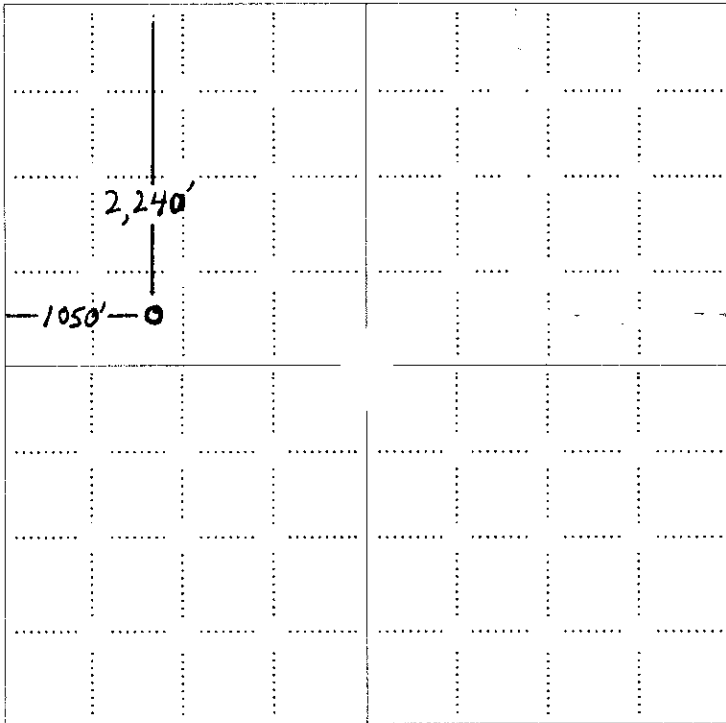
Number of Acres attributable to well: _____
 QTR/QTR/QTR/QTR of acreage: _____ - SE - SW - NW

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:

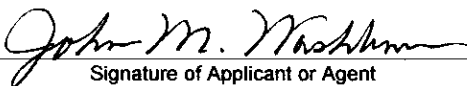
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease 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: (CO-7 for oil wells; CG-8 for gas wells).

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

Form GDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Range Oil Company, Inc.		License Number: 5120
Operator Address: 125 N. Market, Suite 1120		Wichita KS 67037
Contact Person: John Washburn		Phone Number: 316-265-6231
Lease Name & Well No.: Seglem 1		Pit Location (QQQQ): <i>Approx. SE SW NW</i>
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 <i>(If WVP Supply API No. or Year Drilled)</i>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 400 (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? Native clay and drilling mud
Pit dimensions (all but working pits): 30 Length (feet) 15 Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: 4 (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 1600 feet Depth of water well 140 feet		Depth to shallowest fresh water 70 feet. Source of information: <input type="checkbox"/> measured <input checked="" 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: fresh drilling mud Number of working pits to be utilized: 0 Abandonment procedure: Fill the reserve pit when it is dry enough to support equipment 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.		
_____ 3-11-10 Date		 Signature of Applicant or Agent

15-015-23854-0000

KCC OFFICE USE ONLY		Steel Pit <input type="checkbox"/>	RFAC <input type="checkbox"/>	RFAS <input type="checkbox"/>
Date Received: 3-12-10	Permit Number: _____	Permit Date: 3-12-10	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

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

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OIL COMPANY, INC.

Suite 1120
125 North Market
Wichita, Kansas 67202
316-265-6231

March 11, 2010

Mr. James E. Schauf
1951 W. 102nd Ave.
Denver, CO 80260

RE: Drilling plans for #1 Seglem

Dear Mr. Schauf:

I am writing to inform you that Range Oil Company, Inc. has scheduled to drill a test well on your property in Section 16, Township 27 South, Range 6 East of Butler County, Kansas. A rig is scheduled to start drilling on April 12, 2010.

As per the requirements of the Kansas Surface Owners Notification Act, I have enclosed the KCC Intent to Drill Form. I have also enclosed a plat showing the location of the drillsite, in addition to a proposed tank battery site and route of a buried leadline. We will discuss the actual tank battery site and route of leadline with you, if the test well recovers commercial quantities of oil.

If you have any questions about our plans of drilling this test well, you may contact me at 316-265-6231.

Very truly yours,
RANGE OIL COMPANY, INC.

A handwritten signature in cursive script that reads "John M. Washburn".

John M. Washburn
Exploration Manager

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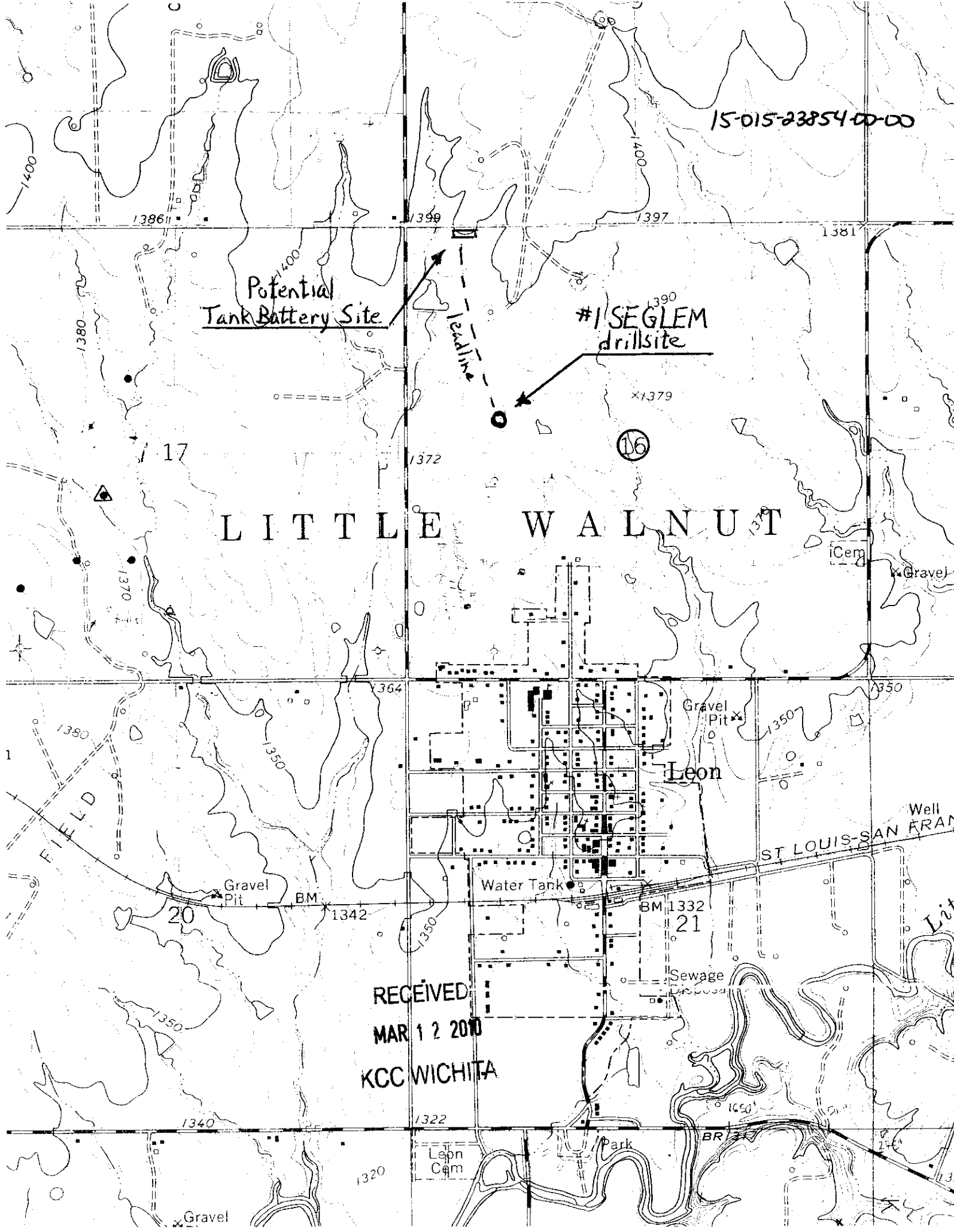
15-015-23854-00-00

Potential Tank Battery Site

#1 SEGLEM drillsite

Leadline

LITTLE WALNUT



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