

For KCC Use:
 Effective Date: 4-12-2010
 District # _____
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

OWWO

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: 04 / 15 / 2010
month day year

OPERATOR: License# 33649 ✓
 Name: KENNETH W. CORY, LTD
 Address 1: 6750 West Loop South
 Address 2: Suite 1050
 City: Bellaire State: TX Zip: 77401 + 4 1 9 8
 Contact Person: Mark Cory
 Phone: 713-661-5911

CONTRACTOR: License# 5929 ✓
 Name: Duke Drilling Company

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Mud Rotary
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> Seismic ; # of Holes _____	<input type="checkbox"/> Disposal	<input type="checkbox"/> Cable
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Wildcat	
	<input type="checkbox"/> Other	

If OWWO: old well information as follows:
 Operator: Shamrock Oil & Gas Corporation
 Well Name: #1 Heinson
 Original Completion Date: 07/04/1959 Original Total Depth: 5857'

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

Spot Description: _____
 _____ NW - NW Sec. 34 Twp. 33 S. R. 28 E W
 (0000) 660 feet from N / S Line of Section
660 feet from E / W Line of Section

Is SECTION: Regular Irregular?

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

County: Meade
 Lease Name: Heinson Well #: 1
 Field Name: Bochers Unnamed

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Chester
 Nearest Lease or unit boundary line (in footage): 660'

Ground Surface Elevation: 2426' 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: 300' 180'

Depth to bottom of usable water: 350' 450' (105)

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 1652'

Length of Conductor Pipe (if any): 42'

Projected Total Depth: 5857'

Formation at Total Depth: Chester

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: 03-22-10 Signature of Operator or Agent: _____ Title: _____

For KCC Use ONLY
 API # 15 - 15-109-00105-00-01
 Conductor pipe required None feet
 Minimum surface pipe required 1052 feet per ALT. I II
 Approved by: PWC 4-7-2010
 This authorization expires: 4-7-2011
 (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: _____

RECEIVED
 MAR 26 2010

KCC WICHITA

34
33
28
 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 - 109-00105-00-01
Operator: KENNETH W. CORY, LTD
Lease: Heinson
Well Number: 1
Field: Borchers

Location of Well: County: Meade
660 feet from N / S Line of Section
660 feet from E / W Line of Section
Sec. 34 Twp. 33 S. R. 28 E W

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

Is Section: Regular or Irregular

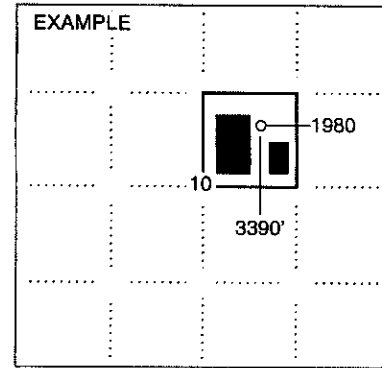
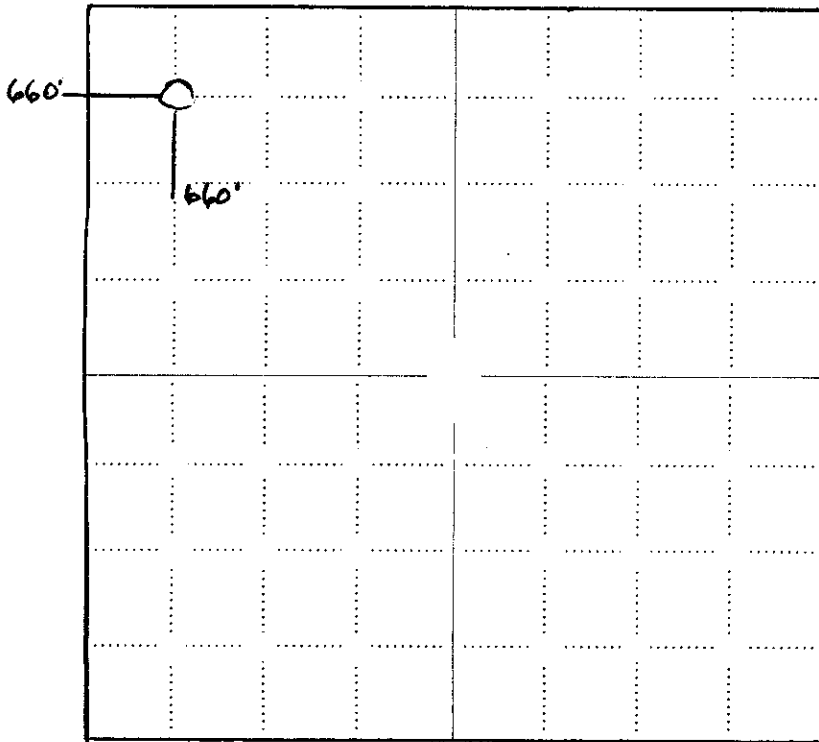
If Section is Irregular, locate well from nearest corner boundary.

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.)



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

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

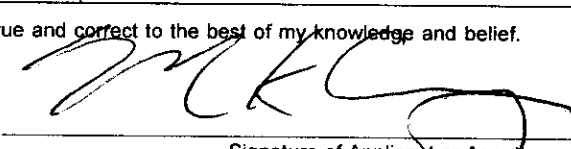
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease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

RECEIVED
MAR 26 2010
KCC WICHITA

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

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

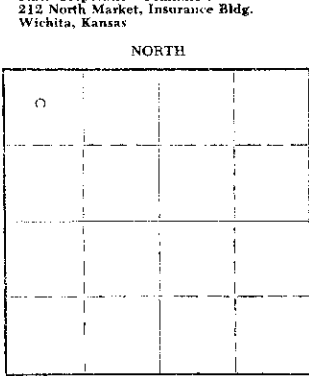
Operator Name: KENNETH W. CORY, LTD		License Number: 33649	
Operator Address: 6750 West Loop South		Suite 1050 Bellaire TX 77401	
Contact Person: Mark Cory		Phone Number: 713-661-5911	
Lease Name & Well No.: Heinson 1		Pit Location (QQQQ): _____ - _____ - NW - NW Sec. 34 Twp. 33 R. 28 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 660 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 660 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Meade _____ County	
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: 350 _____ (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 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? Bentonite	
Pit dimensions (all but working pits): 20 Length (feet) 10 Width (feet)		<input type="checkbox"/> N/A: Steel Pits	
Depth from ground level to deepest point: 10 (feet)		<input type="checkbox"/> No Pit	
If the pit is lined give a brief description of the liner material, thickness and installation procedure. Bentonite sprayed on		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. N/A	
Distance to nearest water well within one-mile of pit 3967 feet Depth of water well 220 feet		Depth to shallowest fresh water 145 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: Barite Mud Number of working pits to be utilized: 1 Abandonment procedure: Haul off/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.			
_____ Date		 Signature of Applicant or Agent	
RECEIVED MAR 26 2010 KCC WICHITA			
KCC OFFICE USE ONLY			
Date Received: 3-26-10		Permit Number: _____ Permit Date: 4-7-10	
		Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

15-109-00105-00-01

Give All Information Completely
Make Required Affidavit
Mail or Deliver Report to:
Conservation Division
State Corporation Commission
312 North Market, Insurance Bldg.
Wichita, Kansas

WELL PLUGGING RECORD

15-119-00105-00-00



Locate well correctly on above Section Plat

Location as "NE/CNWSW" or footage from lines Meade County, Sec. 34 Twp. 33S Rge. 28 (E) (W)
Location as "NE/CNWSW" or footage from lines C NW NW
Lease Owner The Shamrock Oil and Gas Corporation
Lease Name William F. Heinson Well No. 1
Office Address Box 631, Amarillo, Texas
Character of Well (completed as Oil, Gas or Dry Hole) Dry
Date well completed July 4, 1959
Application for plugging filed July 4, 1959
Application for plugging approved July 4, 1959
Plugging commenced July 4, 1959
Plugging completed July 4, 1959
Reason for abandonment of well or producing formation Dry

If a producing well is abandoned, date of last production None 19
Was permission obtained from the Conservation Division or its agents before plugging was commenced? Yes

Name of Conservation Agent who supervised plugging of this well Merle A. Rives
Producing formation None Depth to top _____ Bottom _____ Total Depth of Well 5857 Feet
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
Sand	Water		300	9 5/8"	1657	-0-

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 for each plug set.

Filled hole with heavy rotary mud to 600'. Pushed 9 5/8" plug to 500'. Spotted 35 sacks cement at 600'. Filled hole with heavy rotary mud to 40'. Pushed 9 5/8" plug to 40'. Filled hole with 20 sacks of cement from 40' to base of casing.

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

Name of Plugging Contractor Halliburton Oil Well Cementing Company
Address Liberal, Kansas

STATE OF TEXAS, COUNTY OF POPPER ss.
S. Canton (employee of owner) or (owner or operator) of the 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 and that the same are true and correct. So help me God.

(Signature) [Signature]

Box 631, Amarillo, Texas
(Address)

SUBSCRIBED AND SWORN TO before me this 7th day of July, 1959

PAULINE POWELL
Notary Public

My commission expires 6-7-59

PLUGGING
FILE SEC 34 T. 33 R. 28
BOOK PAGE 49 LINE 20



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

April 7, 2010

Kenneth W. Cory, Ltd.
6750 West Loop South Ste 1050
Bellaire, TX 77401-4198

RE: Drilling Pit Application
Heinson Lease Well No. 1
NW/4 Sec. 34-33S-28W
Meade 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 lined with bentonite or native clay**. The free fluids must be removed. The fluids are to be removed from the reserve pit as soon as practical 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, 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,

A handwritten signature in black ink that reads "Kathy Haynes".

Kathy Haynes
Environmental Protection and Remediation Department

cc: district

CONSERVATION DIVISION

Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802
(316) 337-6200 • Fax: (316) 337-6211 • <http://kcc.ks.gov/>