

For KCC Use: 4-14-2010  
 Effective Date: \_\_\_\_\_  
 District # \_\_\_\_\_  
 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 27th 2010  
month day year

OPERATOR: License# 34004  
 Name: SAXON OIL COMPANY, LTD  
 Address 1: 5910 N. CENTRAL EXPRESSWAY SUITE 1250  
 Address 2: \_\_\_\_\_  
 City: DALLAS State: TEXAS Zip: 75225  
 Contact Person: TED WOOTEN  
 Phone: (214)234-0552  
 CONTRACTOR: License# 30606  
 Name: MURFIN DRILLING CO., INC.

Spot Description: \_\_\_\_\_  
 NW/4 - NE/4 - Sec. 27 Twp. 29 S. R. 41  E  W  
(N/O/O/O) 660 feet from  N /  S Line of Section  
1,980 feet from  E /  W Line of Section  
 Is SECTION:  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)  
 County: STANTON  
 Lease Name: TILLEY PAINTER Well #: 1  
 Field Name: ARROYO  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): MORROW (KEYES)  
 Nearest Lease or unit boundary line (in footage): 660  
 Ground Surface Elevation: 3392 Estimated 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: 206-320  
 Depth to bottom of usable water: 500-720  
 Surface Pipe by Alternate:  I  II  
 Length of Surface Pipe Planned to be set: 1650  
 Length of Conductor Pipe (if any): 40  
 Projected Total Depth: 6000  
 Formation at Total Depth: Mississippian  
 Water Source for Drilling Operations:  
 Well  Farm Pond  Other:  
 DWR Permit #: 20100148  
 (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: \_\_\_\_\_  
 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 #: \_\_\_\_\_

**PRORATED & SPACED: HUBOTON-PANOMA**

**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: 4/7/10 Signature of Operator or Agent: [Signature] Title: President

**For KCC Use ONLY**  
 API # 15 - 187-21165-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 740 feet per ALT.  I  II  
 Approved by: [Signature] 4-9-2010  
 This authorization expires: 4-9-2011  
(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**  
**APR 08 2010**  
**KCC WICHITA**

27  
29  
41  
 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 - 187-21165-00-00

Operator: SAXON OIL COMPANY, LTD

Lease: TILLEY PAINTER

Well Number: 1

Field: ARROYO

Number of Acres attributable to well: \_\_\_\_\_

QTR/QTR/QTR/QTR of acreage: NW/4 - NE/4 - \_\_\_\_\_ - \_\_\_\_\_

Location of Well: County: STANTON

660 feet from  N /  S Line of Section

1,980 feet from  E /  W Line of Section

Sec. 27 Twp. 29 S. R. 41  E  W

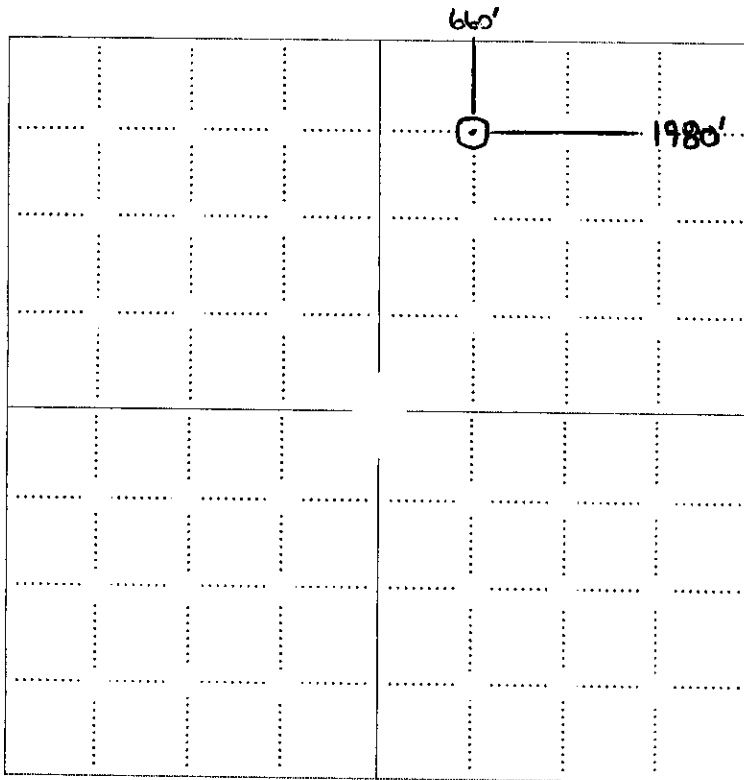
Is Section:  Regular or  Irregular

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

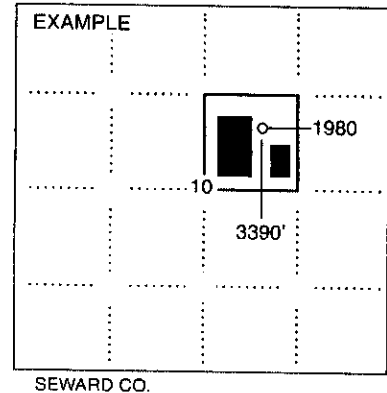
Section corner used:  NE  NW  SE  SW

**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.)*



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 APR 08 2010  
 KCC WICHITA



SEWARD CO.

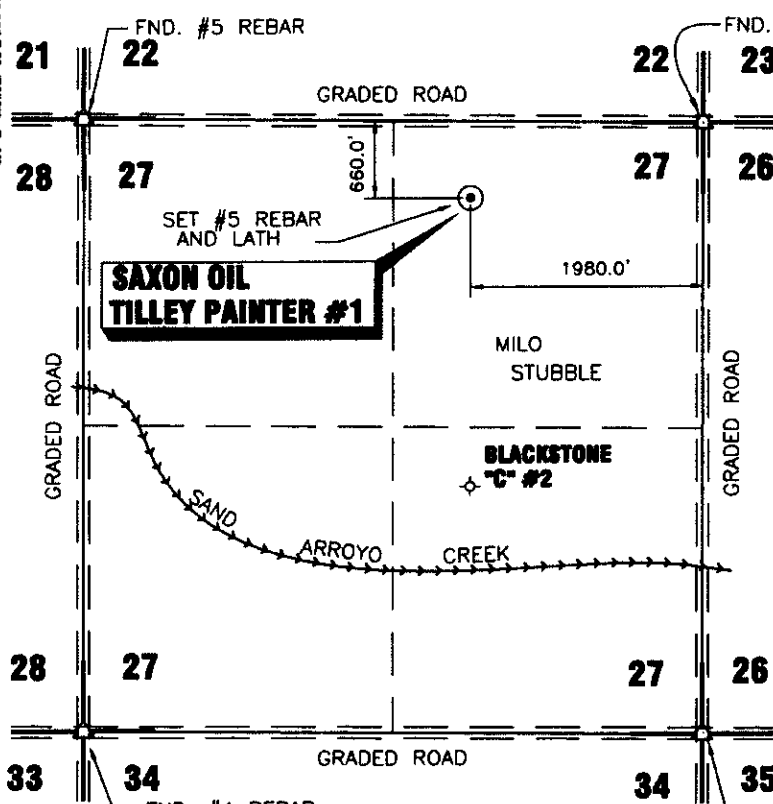
**NOTE: In all cases locate the spot of the proposed drilling location.**

**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).

# T29S - R41W

15-187-21165000



DATE 3/25/2010  
 OPERATOR SAXON OIL  
 WELL NAME TILLEY PAINTER #1  
 LOCATION NE/4, SEC.27, T29S-R41W  
 FOOTAGES & 660.0' F N L  
 RELATIONS 1980.0' F E L  
 ELEVATION 3391.6'

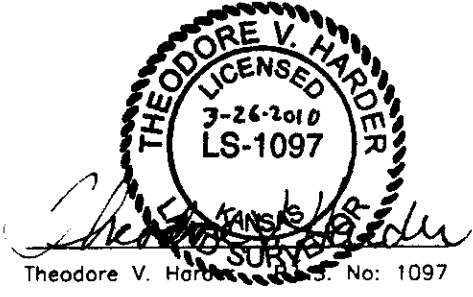
DISTANCE TO EXISTING WELL  
2505.52' BLACKSTONE "C" #2  
 AUTHORIZED BY M. BIEKER

**NE/4 SEC. 27, T29S - R41W  
 STANTON COUNTY, KANSAS**

CROP MILO STUBBLE  
 WATER WELL \_\_\_\_\_  
 NEAREST TOWER \_\_\_\_\_  
 AIRPORT \_\_\_\_\_

LATITUDE 37°30'11.35434"N  
 LONGITUDE 101°47'11.60675"W  
 STATE PLANE COORD.  
 KANSAS SOUTH ZONE X = 1046789.94  
 NAD 27 Y = 321378.77

DRIVING DIRECTIONS USED TO STAKE  
 WELL FROM KNOWN LANDMARK OR CITY  
 FROM:  
FROM INTERSECTION HWY.#160 & #27 @ SW  
CORNER JOHNSON CITY, KS. THENCE SOUTH ON  
HWY #27 4.0 MILES; THENCE WEST 1.1 MILE  
THENCE SOUTH 660 FEET INTO.



NOTE: CONTRACTOR TO CONTACT ONE CALL @ 1-800-DIG SAFE  
 PRIOR TO ANY EXCAVATION OR CONSTRUCTION.

5910 N. Central Expressway Suite 1250 Dallas, TX 75206 Phone: 214-234-0532	NO. DWN.	REVISIONS	DATE
	AND ASSOCIATES "locating our world" LAND SURVEYING - GPS SPECIALISTS P.O. BOX 518 614 MORTON Elkhart, Kansas 67960 Phone: (620) 697-2696 Fax: (620) 697-4175 E-MAIL: tharder@elkhart.com		
WELL LOCATION OF THE TILLEY PAINTER #1 LOCATED IN THE NE/4 SEC.27, T29S - R41W, STANTON COUNTY, KS	SCALE: 1"=1500'	DATE: 3/25/10	
DRAWN BY: JLM CHECKED BY: TVH APPROVED BY: _____ AUTHORIZED BY: M. BIEKER	WORK ORDER NO.: _____		

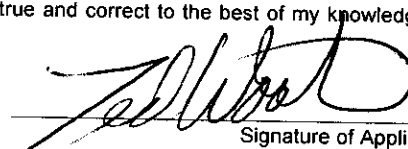
DRAWING NO. ST0310A05

RECEIVED  
 APR 08 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: <b>Saxon Oil Company</b>		License Number: <b>34004</b>
Operator Address: <b>5910 N. Central Expressway Suite 1250 Dallas Tx 75225</b>		
Contact Person: <b>Ted Wooten</b>		Phone Number: <b>(214)234-0552</b>
Lease Name & Well No.: <b>Tilley Painter #1</b>		Pit Location (QQQQ): <b>SW NW NE</b>
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: <b>16,000</b> (bbls)	Sec. <u>27</u> Twp. <u>29</u> R. <u>41</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>1,000</u> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <u>1,600</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <b>STANTON</b> County
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	How is the pit lined if a plastic liner is not used? Drilling mud loss circulation materials will be used to seal against losses
Pit dimensions (all but working pits): <u>150</u> Length (feet) <u>150</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>4</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>5500</u> <sup><u>2824</u></sup> feet    Depth of water well <u>401</u> <sup><u>380</u></sup> feet	Depth to shallowest fresh water <u>288</u> <sup><u>200</u></sup> feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <u>fresh and saltwater gels</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: <u>evaporate or haul liquids to injection well and neutralize solids and bury.</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.		<b>RECEIVED</b> <b>APR 07 2010</b> <b>KCC WICHITA</b>
<u>04/05/2010</u> Date	 Signature of Applicant or Agent	
<b>KCC OFFICE USE ONLY</b>		
Date Received: <u>4-7-10</u> Permit Number: _____		Steel Pit <input type="checkbox"/> RFAC <input checked="" type="checkbox"/> RFAS <input type="checkbox"/>
Permit Date: <u>4-9-10</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

15-187-21105-00-00

April 9, 2010

Saxon Oil Company, Ltd  
5910 N. Central Expressway Ste 1250  
Dallas, TX 75225

Re: Drilling Pit Application  
Tilley Painter Lease Well No. 1  
NE/4 Sec. 27-29S-41W  
Stanton 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 the free fluids must be removed. The fluids are to be removed from the reserve pit within 96 hours of drilling completion.

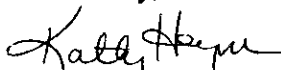
**If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.**

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 (August 2004), 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](http://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,

  
Kathy Haynes

Environmental Protection and Remediation Department

cc: File