

For KCC Use: 5-12-10
Effective Date: 1
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: May 17 2010
month day year

OPERATOR: License# 32432
Name: LaVeta Oil & Gas, LLC
Address 1: P.O. Box 780
Address 2: _____
City: Middleburg State: VA Zip: 20118 + 0780
Contact Person: Bennie Griffin
Phone: 620-458-9222

CONTRACTOR: License# 33323
Name: Petromark Drilling, LLC

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

Spot Description: _____
C - SE - SW - NW Sec. 29 Twp. 22 S. R. 11 E W
(or/or/or) 2,970 feet from N / S Line of Section
4,290 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: William Spangenberg Well #: 8

Field Name: _____
Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Arbuckle
Nearest Lease or unit boundary line (in footage): 330 feet South

Ground Surface Elevation: 1820 est. 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: _____
Depth to bottom of usable water: 180 feet

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 300 feet
Length of Conductor Pipe (if any): None

Projected Total Depth: 3700 feet
Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:
 Well Farm Pond Other: Contractor/Producer to Apply

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: 4/20/2010 Signature of Operator or Agent: [Signature] Title: 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: _____

For KCC Use ONLY
API # 15 - 185-23623-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 240 feet per ALT. I II
Approved by: NJ 5-7-10
This authorization expires: 5-7-2011
(This authorization void if drilling not started within 12 months of approval date.)
Spud date: _____ Agent: _____

APR 21 2010

KCC WICHITA

29 22 11 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 - 185-23623-0000
 Operator: LaVeta Oil & Gas, LLC
 Lease: William Spangenberg
 Well Number: 8
 Field: _____

Location of Well: County: Stafford
 _____ feet from N / S Line of Section
 _____ feet from E / W Line of Section
 Sec. 29 Twp. 22 S. R. 11 E W

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

Is Section: Regular or Irregular

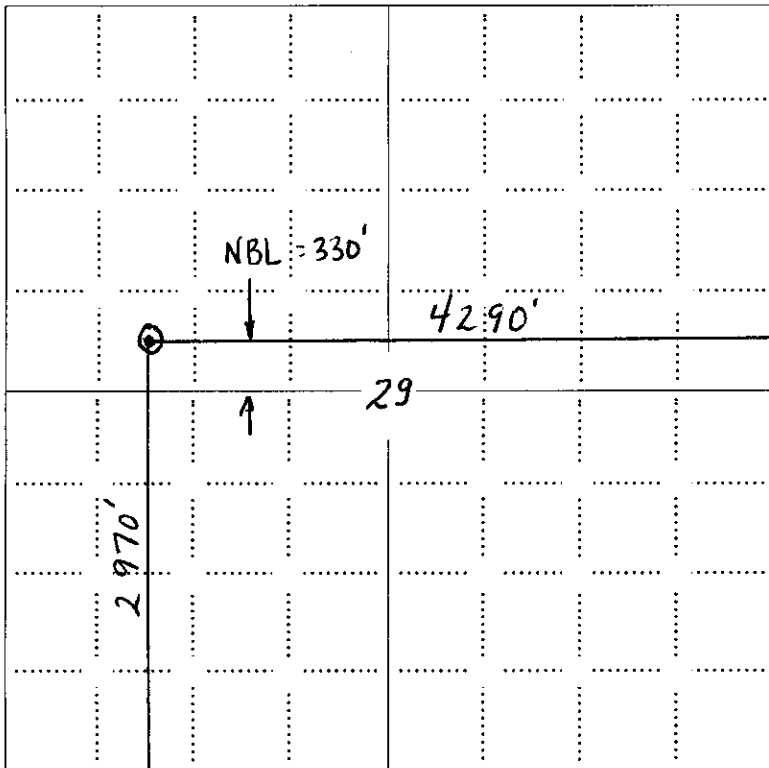
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

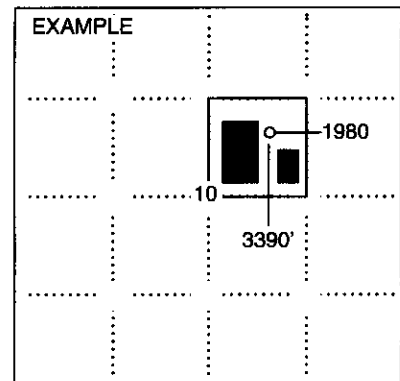
PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

(Show footage to the nearest lease or unit boundary line.)



RECEIVED
 APR 21 2010
 KCC WICHITA



SEWARD CO.

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

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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).

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form CDP-1
April 2004
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: LaVeta Oil & Gas, LLC		License Number: 32432
Operator Address: P.O. Box 780		Middleburg VA 20118
Contact Person: Bennie Griffin		Phone Number: 620-458-9222
Lease Name & Well No.: William Spangenberg 8		Pit Location (QQQQ): C SE SW NW
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: 3,490 (bbls)	Sec. 29 Twp. 22 R. 11 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 2,970 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 4,290 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Stafford County
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 & Solids From Drilling Operation
Pit dimensions (all but working pits): <u>70</u> Length (feet) <u>70</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. RECEIVED APR 21 2010 KCC WICHITA
Distance to nearest water well within one-mile of pit <u>918</u> feet Depth of water well <u>75</u> feet		Depth to shallowest fresh water <u>16</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 Fluid Cuttings</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>Pits allowed to evaporate until dry, then backfill when conditions apply.</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. <u>4/20/2010</u> Date <u>[Signature]</u> Signature of Applicant or Agent		
KCC OFFICE USE ONLY		
Date Received: <u>4-21-10</u> Permit Number: _____ Permit Date: <u>5-6-10</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Steel Pit <input type="checkbox"/> RFAC <input checked="" type="checkbox"/> RFAS <input checked="" type="checkbox"/>

15-185-281033-00-00



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

May 6, 2010

LaVeta Oil & Gas LLC
PO Box 780
Middleburg, VA 20118-0780

RE: Drilling Pit Application
Williams Spangenberg Lease Well No. 8
NW/4 Sec. 29-22S-11W
Stafford 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 as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again within 96 hours 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 (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.

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
Department of Environmental Protection and Remediation

cc: File