

For KCC Use: 5-25-2010  
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: June 8 2010  
month day year

OPERATOR: License# 33764 ✓  
Name: Investment Equipment, LLC  
Address 1: 17509 County Rd 14  
Address 2: \_\_\_\_\_  
City: Ft. Morgan State: CO Zip: 80701 + 8904  
Contact Person: Dave Rebol  
Phone: 970-867-9007

CONTRACTOR: License# 34233 ✓  
Name: Maverick Drilling, LLC

Well Drilled For:  Oil  Gas  Seismic; \_\_\_\_\_ # of Holes  Other: \_\_\_\_\_  
Well Class:  Infield  Pool Ext.  Wildcat  Other: \_\_\_\_\_  
Type Equipment:  Mud Rotary  Air Rotary  Cable

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: 130' N of  
\_\_\_\_\_ - SW - SW - SE Sec. 22 Twp. 10 S. R. 18  E  W  
(0000) 460 feet from  N /  S Line of Section  
2,310 feet from  E /  W Line of Section  
Is SECTION:  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)  
County: Roos  
Lease Name: Shepard Well #: 5  
Field Name: Eilers

Is this a Prorated / Spaced Field?  Yes  No  
Target Formation(s): Arbuckle  
Nearest Lease or unit boundary line (in footage): 460

Ground Surface Elevation: 2042 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: 180'  
Depth to bottom of usable water: 800'  
Surface Pipe by Alternate:  I  II  
Length of Surface Pipe Planned to be set: 210  
Length of Conductor Pipe (if any): none  
Projected Total Depth: 3800'  
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: May 19, 2010 Signature of Operator or Agent: \_\_\_\_\_ Title: Agent

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MAY 19 2010  
CONSERVATION DIVISION  
WICHITA, KS

**For KCC Use ONLY**  
API # 15 - 163-23873-0000  
Conductor pipe required None feet  
Minimum surface pipe required 200 feet per ALT.  I  II  
Approved by: Rut 5-20-2010  
This authorization expires: 5-20-2011  
(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: \_\_\_\_\_

22  
10  
18  
 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 - 163-23873-00-00  
 Operator: Investment Equipment, LLC  
 Lease: Shepard  
 Well Number: 5  
 Field: Eilers

Location of Well: County: Rooks  
460 feet from  N /  S Line of Section  
2,310 feet from  E /  W Line of Section  
 Sec. 22 Twp. 10 S. R. 18  E  W

Number of Acres attributable to well: \_\_\_\_\_  
 QTR/QTR/QTR/QTR of acreage: \_\_\_\_\_ - SW - SW - SE

Is Section:  Regular or  Irregular

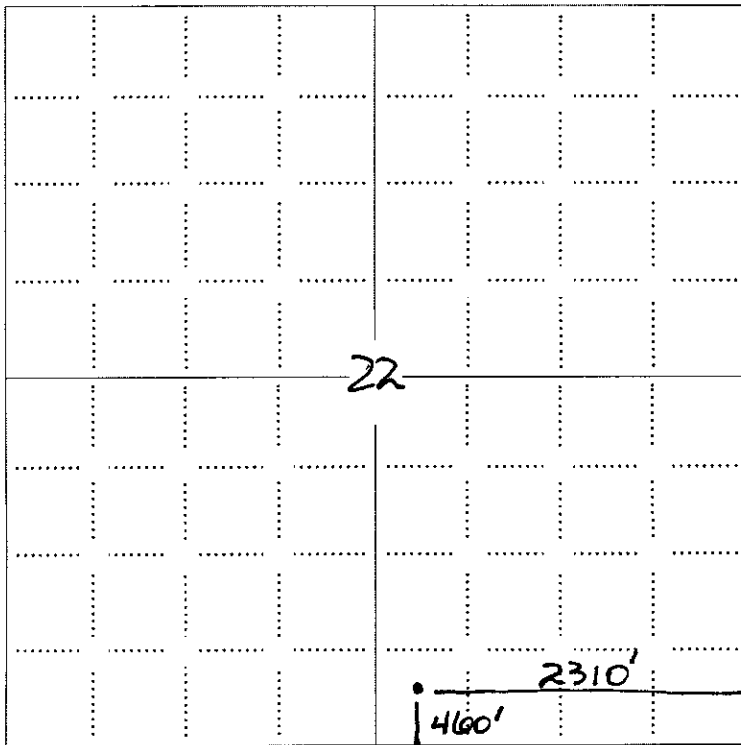
**If Section is Irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

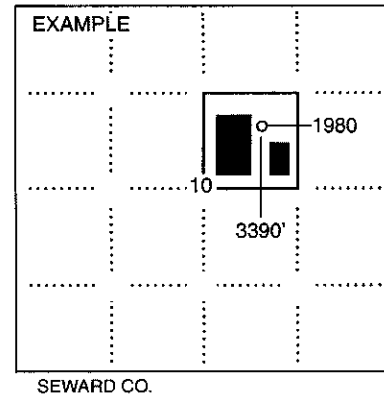
**PLAT**

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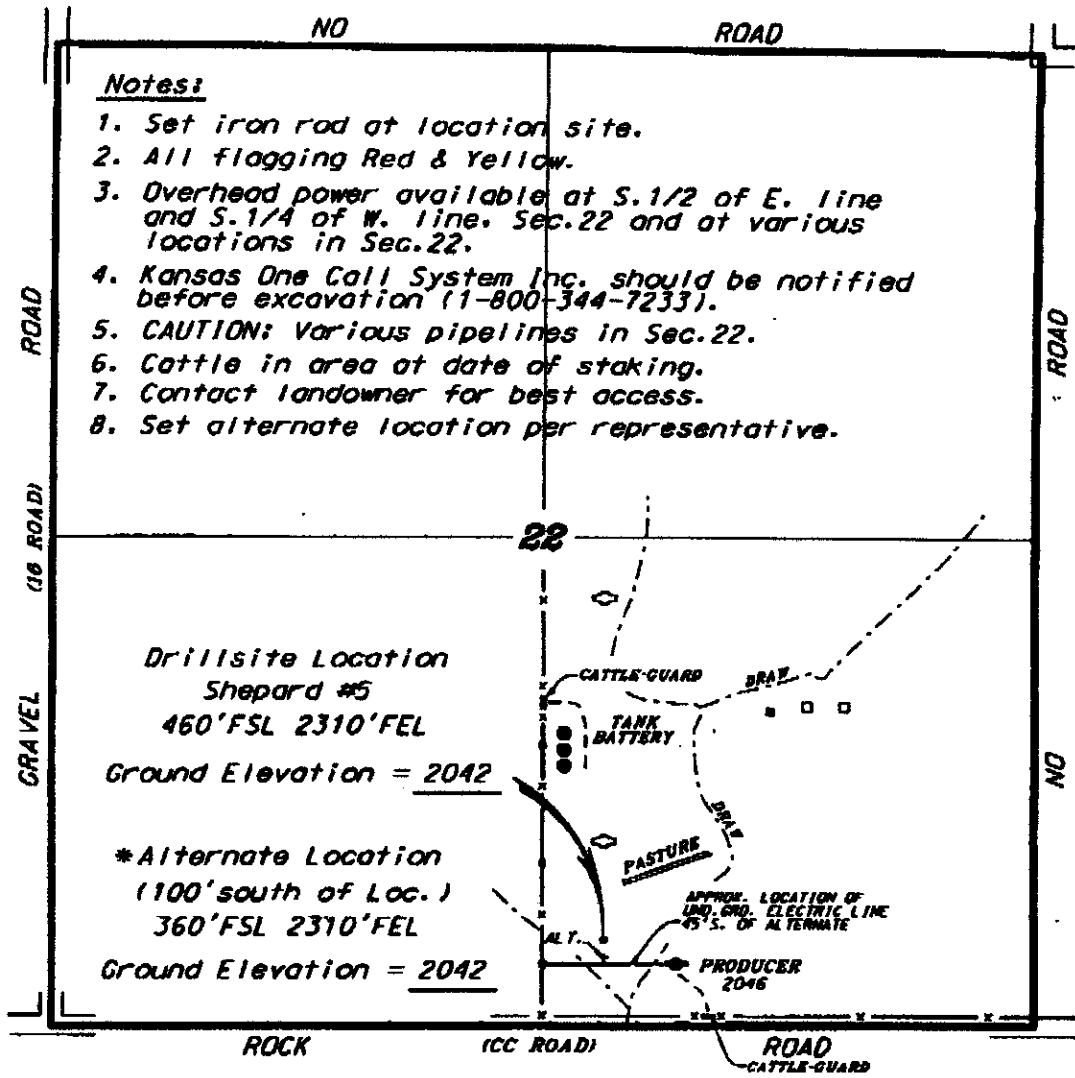
**NOTE: In all cases locate the spot of the proposed drilling location.**

**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).

INVESTMENT EQUIPMENT, LLC  
SHEPARD LEASE  
SE. 1/4, SECTION 22, T10S, R18W  
ROOKS COUNTY, KANSAS

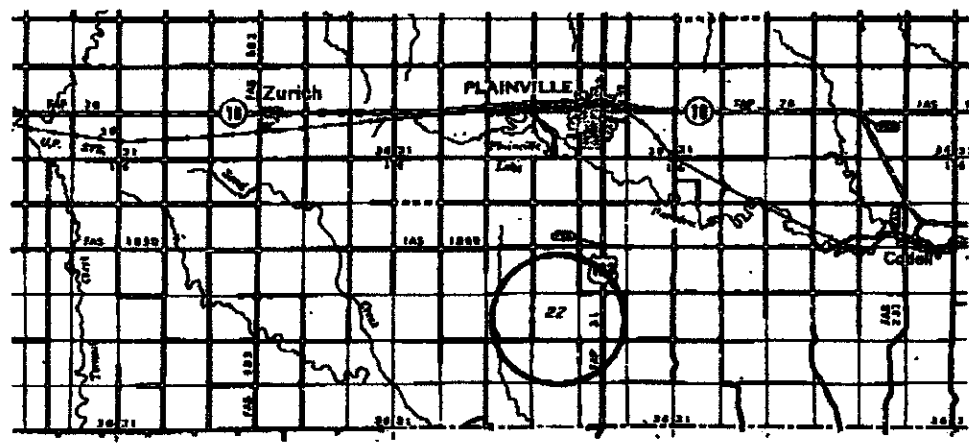
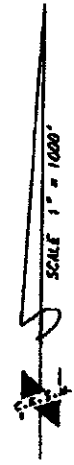
15-163-23873-00-00



**Notes:**

1. Set iron rod at location site.
2. All flagging Red & Yellow.
3. Overhead power available at S. 1/2 of E. line and S. 1/4 of W. line, Sec. 22 and at various locations in Sec. 22.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec. 22.
6. Cattle in area at date of staking.
7. Contact landowner for best access.
8. Set alternate location per representative.

Ingress and egress to location as shown on this plot is per usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.



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Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.  
Approximate section lines were determined using the normal standards of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drill-site location in the section is not guaranteed. Therefore, the operator assuming this service and accepting this plot and all other services relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all liability, costs and expenses and hold ourselves released from any liability from incidental or consequential damages.  
Elevations derived from National Geodetic Vertical Datum.

Date May 11, 2010

**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: Investment Equipment, LLC		License Number: 33764	
Operator Address: 17509 County Rd 14		Ft. Morgan CO 80701	
Contact Person: Dave Rebol		Phone Number: 970-867-9007	
Lease Name & Well No.: Shepard 5		Pit Location (QQQQ): _____ SW _____ SW _____ SE	
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 WP Supply API No. or Year Drilled)</i>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 4,000 _____ (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 clays and drilling mud.			
Pit dimensions (all but working pits): _____ 75 _____ Length (feet) _____ 75 _____ Width (feet)		<input type="checkbox"/> N/A: Steel Pits	
Depth from ground level to deepest point: _____ 5 _____ (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 KANSAS CORPORATION COMMISSION MAY 19 2010 CONSERVATION DIVISION WICHITA, KS	
Distance to nearest water well within one-mile of pit _____ 188' _____ feet    Depth of water well _____ 30 _____ feet		Depth to shallowest fresh water _____ 15 _____ 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 type="checkbox"/> Yes <input type="checkbox"/> No		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: Fresh water gel mud. Number of working pits to be utilized: _____ 3 _____ Abandonment procedure: Allow pits to evaporate naturally and backfill as conditions allow. 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.			
May 19, 2010 Date		 Signature of Applicant or Agent	
<b>KCC OFFICE USE ONLY</b>			
		Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/> <span style="margin-left: 200px;"><i>Normal</i></span>	
Date Received: 5-19-10    Permit Number: _____		Permit Date: 5-19-10    Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

15-1635-23873-00-00