

For KCC Use: 6-12-2010
 Effective Date: _____
 District #: _____
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Form C-1
 December 2002
Form must be Typed
Form must be Signed
All blanks must be Filled

Expected Spud Date July 1 2010
month day year

OPERATOR: License# 33979
 Name: Clipper Energy, LLC c/o Vess Oil Corporation
 Address: 1700 Waterfront Parkway, Bldg. 500
 City/State/Zip: Wichita, KS 67206
 Contact Person: W.R. Horgan
 Phone: 316-682-1537 X102

CONTRACTOR: License# 5929
 Name: Duke Drilling Co., Inc.

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

RECEIVED
KANSAS CORPORATION COMMISSION
WICHITA, KS
JUN 04 2010
PRORATED: SPACEO: HUBBARD-PANOMA
REPLACES 15-189-22738-0000 (CANCELED)

Spot East
 N/2 NW NE Sec. 15 Twp. 31 S. R. 35 West
330 feet from N / S Line of Section
1980 feet from E / W Line of Section

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

County: Stevens
 Lease Name: Churchman Bible Well #: 5
 Field Name: Cave

Is this a Prorated / Spaced Field? Yes No
 Target Information(s): L/KC K, Chester
 Nearest Lease or unit boundary: 330'
 Ground Surface Elevation: 3011' 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: 500' 560'
 Depth to bottom of usable water: 860' 600'

Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 1850 - DV Tool @ 3150' to cover Council Grove & Hugoton
 Length of Conductor Pipe required: 0
 Projected Total Depth: 5800
 Formation at Total Depth: St. Louis

Water Source for Drilling Operations:
 Well Farm Pond Other Water Supply Well
 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 to the best of my knowledge and belief.
 Date: 6/3/10 Signature of Operator or Agent: Basay Conto Title: Operations Engineer

For KCC Use ONLY
 API # 15 - 189-22744-00-00
 Conductor pipe required None feet
 Minimum surface pipe required 620 feet per Alt. 1
 Approved by: RWH 6-7-2010
 This authorization expires: 6-7-2011
(This authorization void if drilling not started within 12 months of effective 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;
- 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
 Signature of Operator or Agent: _____
 Date: _____

15-31-3520

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. 15 189-22744-00-00
 Operator: Clipper Energy, LLC d/o Vess Oil Corporation
 Lease: Churchman Bible
 Well Number: 5
 Field: Cave
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: N/2 - NW - NE

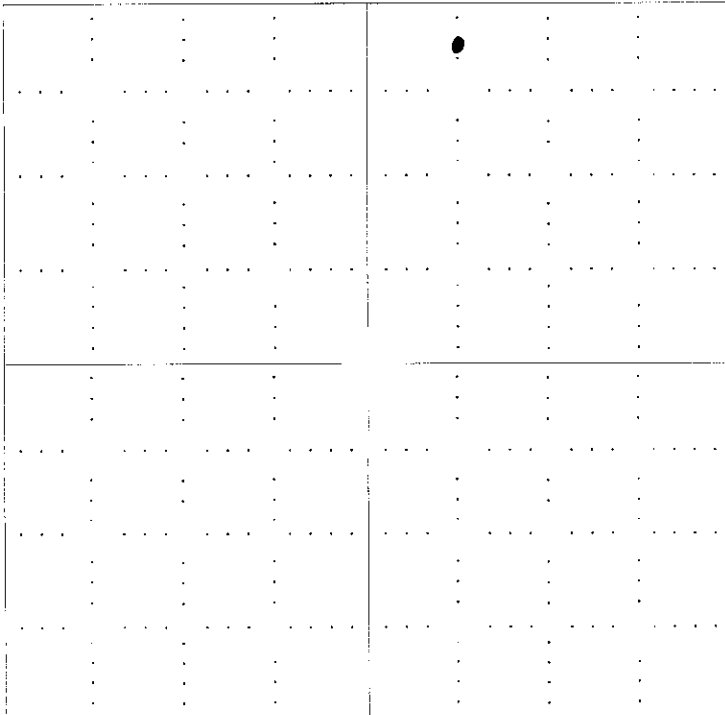
Location of Well: County: Stevens
 330 _____ feet from N / S Line of Section
 1980 _____ feet from E / W Line of Section
 Sec. 15 Twp. 31 S. R. 35 East West

Is Section: Regular or Irregular

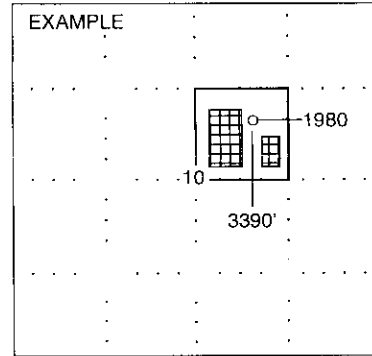
If Section is Irregular, locate well from nearest corner boundary.
 Section corner used: NE NW SE SW

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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 CONSERVATION DIVISION
 WICHITA, KS



SEWARD CO.

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 section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).

JUN 04 2010

CONSERVATION DIVISION
WICHITA, KS

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE POND

Form CDP-1
January 2001
Form must be Typed

Submit in Duplicate

Operator Name: Clipper Energy, LLC		License Number: 33979
Operator Address: c/o Vess Oil Corporation, 1700 Waterfront Parkway, Bldg. 500, Wichita, KS 67206		
Contact Person: W.R. Horgan		Phone Number: (316) 682 - 1537 X103
Lease Name: Churchman Bible #5		Pit Location:
Type of Pond: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Treatment Pit <input type="checkbox"/> Workover Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Burn 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: 6000 (bbls)	NE Qtr. Sec. 15 Twp. 31 R. 35 <input type="checkbox"/> E <input checked="" type="checkbox"/> W 330 Feet from N/S (circle one) Line of Section 1980 Feet from E/W (circle one) Line of Section Stevens 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 Treatment 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 mud and clay
Pit dimensions (all but working pits): 125 Length (feet) 125 Width (feet) Depth from ground level to deepest point: 5 (feet)		
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 985 feet Depth of water well 544 feet		Depth to shallowest fresh water 280 feet. <input checked="" type="checkbox"/> Source of information: _____ measured _____ well owner _____ electric log <input checked="" type="checkbox"/> KDWR
Emergency, Treatment 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 pond? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling and Workover Pits ONLY: Type of material utilized in drilling/workover: fresh water & bentonite mud Number of working pits to be utilized: 0 - steel pits Abandonment procedure: Remove free water, let rest and evaporate, push soil back in, add sandy top soil last and compact it all. 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.		
6/3/10 Date		<i>Casey Bonts</i> Signature of Applicant or Agent

15-189-22744-00-00

KCC OFFICE USE ONLY		RFAC
Date Received: 6/4/10	Permit Number: _____	Permit Date: 6/4/10 Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No