

RECEIVED

OWWO

JUL 12 2010

For KCC Use: 7-18-2010
Effective Date: 4
District #
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

KCC WICHITA

Form C-1
March 2010

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
Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

Expected Spud Date: 7/15/10
month day year

Spot Description:
NE NW SE Sec. 18 Twp. 9 S. R. 21
2,310 feet from N / S Line of Section
1,650 feet from E / W Line of Section

OPERATOR: License# 33937
Name: Meridian Energy Inc.
Address 1: 1475 N. Ward Cr.
Address 2:
City: Franklown State: CO Zip: 80116
Contact Person: Neal LaFon
Phone: 303-688-4022

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

CONTRACTOR: License# tbd
Name: Advise on ACO-1

County: Graham
Lease Name: Sutor Well #: 5
Field Name: Morel

Well Drilled For: Oil Gas Enh Rec Storage Disposal Seismic Other
Well Class: Infield Pool Ext Wildcat Other
Type Equipment: Mud Rotary Air Rotary Cable

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Arbuckle

If OWWO: old well information as follows:
Operator: Peel-Hardman
Well Name: #5 Sutor
Original Completion Date: 12/29/50 Original Total Depth: 3804

Nearest Lease or unit boundary line (in footage): 330
Ground Surface Elevation: 2299 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: 100
Depth to bottom of usable water: 1000
Surface Pipe by Alternate: 167
Length of Surface Pipe Planned to be set: 167
Length of Conductor Pipe (if any):
Projected Total Depth: 3804
Formation at Total Depth: Arbuckle

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

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 to the best of my knowledge and belief.

Date: 7/6/2010 Signature of Operator or Agent: Neal A. LaFon Title: President

For KCC Use ONLY
API # 15 - 065-01438-00-01
Conductor pipe required None feet
Minimum surface pipe required 167 feet per ALT.
Approved by: Rub 7-13-2010
This authorization expires: 7-13-2011
(This authorization void if drilling not started within 12 months of approval date.)
Spud date: Agent:

Remember to:

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
- 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 well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well will not be drilled or Permit Expired Date:
Signature of Operator or Agent:

Mail to: KCC - Conservation Division,
130 S. Market - Room 2078, Wichita, Kansas 67202

18 9 21

For KCC Use ONLY

API # 15 - 06501438-00-01

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IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

KCC WICHITA

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: Meridian Energy Inc.  
Lease: Sutor  
Well Number: 5  
Field: Morel

Location of Well: County: Graham  
2,310 feet from  N /  S Line of Section  
1,650 feet from  E /  W Line of Section  
Sec. 18 Twp. 9 S. R. 21  E  W

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

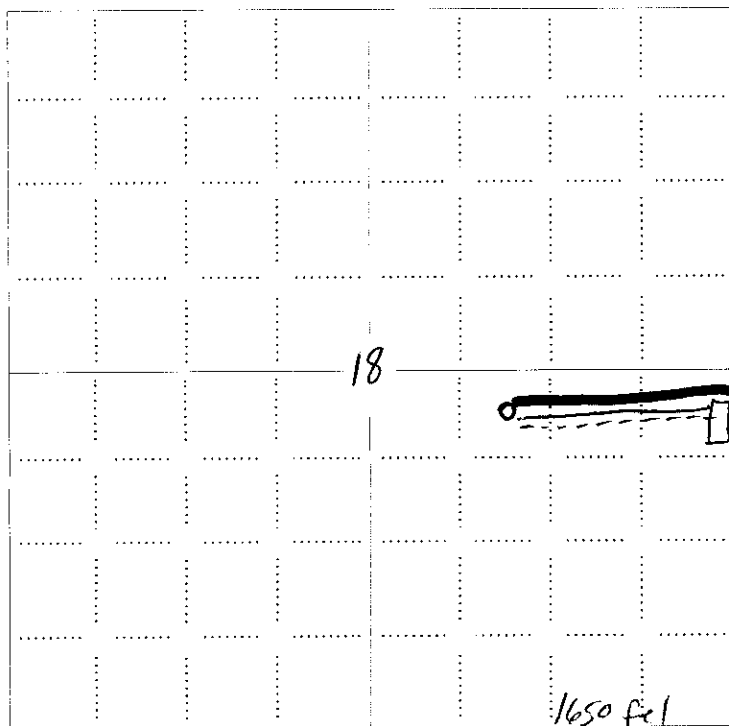
Is Section:  Regular or  Irregular

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

Section corner used:  NE  NW  SE  SW

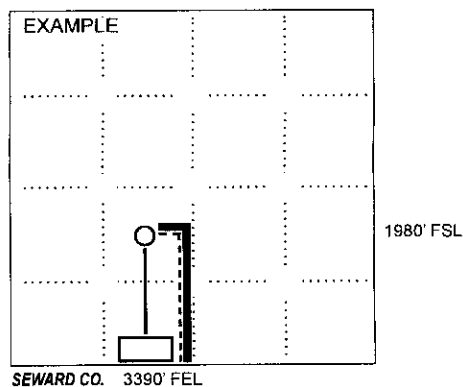
PLAT

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired.



**LEGEND**

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location



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).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

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KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

JUL 19 2010

Form CDP-1  
May 2010  
Form must be Typed

APPLICATION FOR SURFACE PIT **KCC WICHITA**

Submit in Duplicate

Operator Name: Meridian Energy Inc.		License Number: 33937	
Operator Address: 1475 N. Ward Cr.		Franktown CO 80116	
Contact Person: Neal LaFon		Phone Number: 303-688-4022	
Lease Name & Well No.: Sutor 5		Pit Location (QQQQ): NE NW SE Sec. 18 Twp. 9 R. 21 East West 2,310 Feet from North / South Line of Section 1,650 Feet from East / West Line of Section Graham 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 checked="" 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: (bbls)		
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	How is the pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits): 8 Length (feet) 15 Width (feet) Depth from ground level to deepest point: 6 (feet)		<input type="checkbox"/> N/A: Steel Pits <input type="checkbox"/> No Pit	
If the pit is lined give a brief description of the liner material, thickness and installation procedure. 3 mil plastic, anchored around edges		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. temporary pit- visual monitoring	
Distance to nearest water well within one-mile of pit: 1936 feet Depth of water well 77 feet		Depth to shallowest fresh water 48 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input 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: Number of working pits to be utilized: 2 Abandonment procedure: 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.			
7/7/2010 Date		 Signature of Applicant or Agent	
<b>KCC OFFICE USE ONLY</b>			
Date Received: 7-12-10 Permit Number: Permit Date: 7-13-10 Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

15-065-01438-00-01

15-065-01438-0001

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KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

KCC WICHITA

Form KSONA-1

July 2010

Form Must Be Signed  
Form must be Filled  
All blanks must be Filled

**CERTIFICATION OF COMPLIANCE WITH THE  
KANSAS SURFACE OWNER NOTIFICATION ACT**

*This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.*

Select the corresponding form being filed:  C-1 (Intent)  CB-1 (Cathodic Protection Borehole Intent)  T-1 (Transfer)  CP-1 (Plugging Application)

OPERATOR: License # 33937  
Name: Meridian Energy Inc.  
Address 1: 1475 N. Ward Cr.  
Address 2: \_\_\_\_\_  
City: Franktown State: CO Zip: 80116 + \_\_\_\_\_  
Contact Person: Neal LaFon  
Phone: ( 303 ) 6884022 Fax: ( \_\_\_\_\_ ) \_\_\_\_\_  
Email Address: \_\_\_\_\_

Well Location:  
NE NW SE Sec. 18 Twp. 9 S. R. 21  East  West  
County: Graham  
Lease Name: Sutor Well #: 5

*If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:*

**Surface Owner Information:**

Name: Ken Grecian  
Address 1: HC1 Box 38  
Address 2: \_\_\_\_\_  
City: Palco State: KS Zip: 67657 + \_\_\_\_\_

*When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.*

*If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.*

**Select one of the following:**

I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.

I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

*If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.*

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 7/6/2010 Signature of Operator or Agent: Neal A. LaFon Title: President

Notice: Fill out COMPLETELY and return to Conservation Division at the address below within 60 days from plugging date.

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**WELL PLUGGING RECORD**  
K.A.R. 82-3-117

RECEIVED  
AUG 07 2006  
KCC WICHITA

Form CP-4  
December 2003  
Type or Print on this Form  
Form must be Signed  
All blanks must be Filled

Lease Operator: Berexco, INC.  
Address: PO Box 723 Hays, KS 67601  
Phone: (785) 628-6101 Operator License #: 5363  
Type of Well: Oil Docket #: \_\_\_\_\_  
(Oil, Gas D&A, SWD, ENHR, Water Supply Well, Cathodic, Other) (If SWD or ENHR)  
The plugging proposal was approved on: 7-25-06 (Date)  
by: Jay Pfeifer (KCC District Agent's Name)  
Is ACO-1 filed?  Yes  No If not, is well log attached?  Yes  No  
Producing Formation(s): List All (If needed attach another sheet)  
ARB Depth to Top: 3803 Bottom: 3804 T.D. 3804  
Depth to Top: \_\_\_\_\_ Bottom: \_\_\_\_\_ T.D. \_\_\_\_\_  
Depth to Top: \_\_\_\_\_ Bottom: \_\_\_\_\_ T.D. \_\_\_\_\_

API Number: 15-0609-01438-00-00  
Lease Name: Sutor B  
Well Number: 5 *KCC PR*  
Spot Location (QQQQ): NE - NW - SE - 8/8/06  
2310 Feet from  North /  South Section Line *per cp:*  
1650 Feet from  East /  West Section Line  
Sec. 18 Twp. 9 S. R. 21  East  West  
County: Graham  
Date Well Completed: 11-50  
Plugging Commenced: 7-25-06  
Plugging Completed: 7-26-06

Show depth and thickness of all water, oil and gas formations.

Oil, Gas or Water Records		Casing Record (Surface Conductor & Production)				
Formation	Content	From	To	Size	Put In	Pulled Out
ARB	oil	0	167	8-5/8	11-50	-
		0	3803	5-1/2	11-50	-

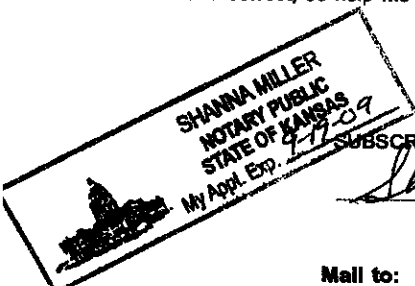
Describe in detail the manner in which the well is plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same depth placed from (bottom), to (top) for each plug set.

Rig up Perf-Tech. Perforate 2 holes each @ 1850', 1000', 150'. Run 2-3/8 open end tbg to 3000'. Rig up Allied Cementing. Mix 65 sxs 60/40 poz 10% gel w/ 300# hulls.  
Pull tbg to 2000' mix 65 sxs 60/40 poz 10% gel 200# hulls. Pull tbg to 1000'. Circulate cement to surface in 5-1/2x2-3/8 annulus w/ 100 sxs cement & 200# hulls.  
Pull tbg out of hole. Tie to 8-5/8 surface pipe - pressure to 400# - held. Tie to 5-1/2 csg. Mix 10 sxs cement, pressure to 500#. Shut in well.

Name of Plugging Contractor: Berexco, INC. License #: 5363  
Address: PO Box 723 Hays, KS 67601  
Name of Party Responsible for Plugging Fees: Dennis Kirmer Berexco, Inc *KCC PR 8/8/06 per Shanna (oper)*  
State of KS County, Ellis, ss.

(Employee of Operator) or (Operator) on 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 is as filed, and the same are true and correct, so help me God.

(Signature) Dennis Kirmer  
(Address) PO Box 723 Hays, KS 67601



SUBSCRIBED and SWORN TO before me this 4 day of August, 20 06  
Shanna Miller My Commission Expires: 9-19-09  
Notary Public

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

*PK*