

Correction RECEIVED

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AUG 03 2010

JUL 20 2010

For KCC Use:

Effective Date: 7-25-2010

District # 3

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: July 25, 2010

OPERATOR: License# 33761

Name: K?A Oil Company - K?A Oil

Address 1: P.O. Box 4

Address 2:

City: Longton State: KS Zip: 67352

Contact Person: Fredrick Kill

Phone: 620-642-2039

CONTRACTOR: License# 33689

Name: Cannon Drilling Company

Spot Description:

NW - NW - SE - SE Sec. 33 Twp. 31 S. R. 12 E W

1,065 feet from N / S Line of Section

1,181 feet from E / W Line of Section

Is SECTION: Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Elk

Lease Name: Vestel Well #: 9

Field Name: Hate Inge

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Longton Sand

Nearest Lease or unit boundary line (in footage): 1,055

Ground Surface Elevation: n/a 973 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: 150

Depth to bottom of usable water: 225

Surface Pipe by Alternate: In

Length of Surface Pipe Planned to be set: 40' min

Length of Conductor Pipe (if any): none

Projected Total Depth: 440 ft.

Formation at Total Depth: Longton Sand

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:

Well Drilled For: Oil Gas Enh Rec Storage Disposal Seismic: # of Holes 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 #:

* WAS: Lease name: Bestel
IS: Lease name: Vestel

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: July 20, 2010 Signature of Operator or Agent: Donna Thanda Title: Agent

For KCC Use ONLY

API # 15 - 049-22541-0000

Conductor pipe required None feet

Minimum surface pipe required 40 feet per ALT. 1 2

Approved by: 7-20-2010/7-23-2010

This authorization expires: 7-20-2011

(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

33 31 12

For KCC Use ONLY

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IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

Operator: KNA Oil Company

Lease: BESTEL

Well Number: 9

Field: Hale Ings

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: NW - NW - SE - SE

Location of Well: County: Elk

1,055 feet from N / S Line of Section

1,161 feet from E / W Line of Section

Sec. 33 Twp. 31 S. R. 12 E W

Is Section: Regular or Irregular

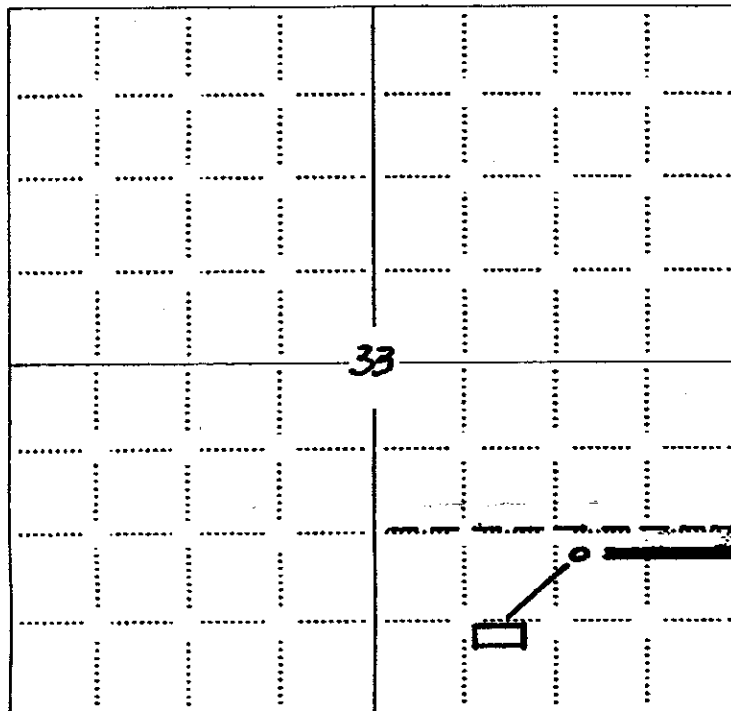
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

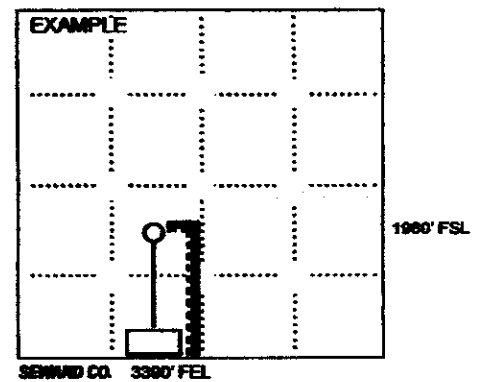
Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).

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