

For KCC Use: 8-31-2010  
 Effective Date: 8-31-2010  
 District #: 3  
 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  
 October 2007  
**Form must be Typed**  
**Form must be Signed**  
**All blanks must be Filled**

Expected Spud Date: 6/17/10  
 month day year

OPERATOR: License# 30345  
 Name: Piqua Petro., Inc.  
 Address 1: 1331 Xylan Road  
 Address 2: \_\_\_\_\_  
 City: Piqua State: KS Zip: 66761  
 Contact Person: Greg Lair  
 Phone: 620-433-0099

CONTRACTOR: License# 32079  
 Name: John E. Leis

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

Spot Description:  
 NE - NE - NW - Sec. 21 Twp. 24 S. R. 16  E  W  
 (10/10/00) 170 feet from  N /  S Line of Section  
2,470 feet from  E /  W Line of Section  
 Is SECTION:  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)  
 County: Woodson  
 Lease Name: Karmahn Well #: 01-10  
 Field Name: Vernon  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Squirrel  
 Nearest Lease or unit boundary line (in footage): 170'  
 Ground Surface Elevation: 105' 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: 125'  
 Depth to bottom of usable water: 150'  
 Surface Pipe by Alternate:  I  II  
 Length of Surface Pipe Planned to be set: 40' min.  
 Length of Conductor Pipe (if any): none  
 Projected Total Depth: 1100'  
 Formation at Total Depth: Squirrel  
 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: \_\_\_\_\_

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 WICHITA, KS

**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: 6/16/10 Signature of Operator or Agent: Judith R. De... Title: Secretary-Treasurer

**For KCC Use ONLY**  
 API # 15 - 207-27702-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 40 feet per ALT.  I  II  
 Approved by: [Signature]  
 This authorization expires: 8-26-2011  
 (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: \_\_\_\_\_

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

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21  
24  
16  
 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 - 207-27702-00-00  
Operator: Piqua Petro., Inc.  
Lease: Karmann  
Well Number: 01-10  
Field: Vernon

Location of Well: County: Woodson  
170 feet from  N /  S Line of Section  
2,470 feet from  E /  W Line of Section  
Sec. 21 Twp. 24 S. R. 16  E  W

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

Is Section:  Regular or  Irregular

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

Section corner used:  NE  NW  SE  SW

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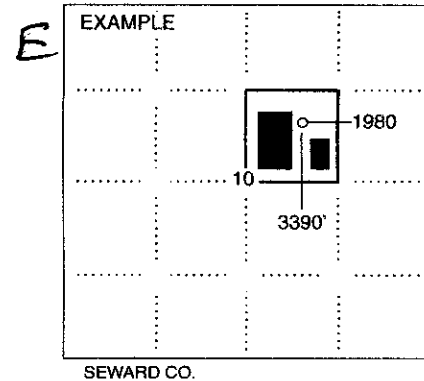
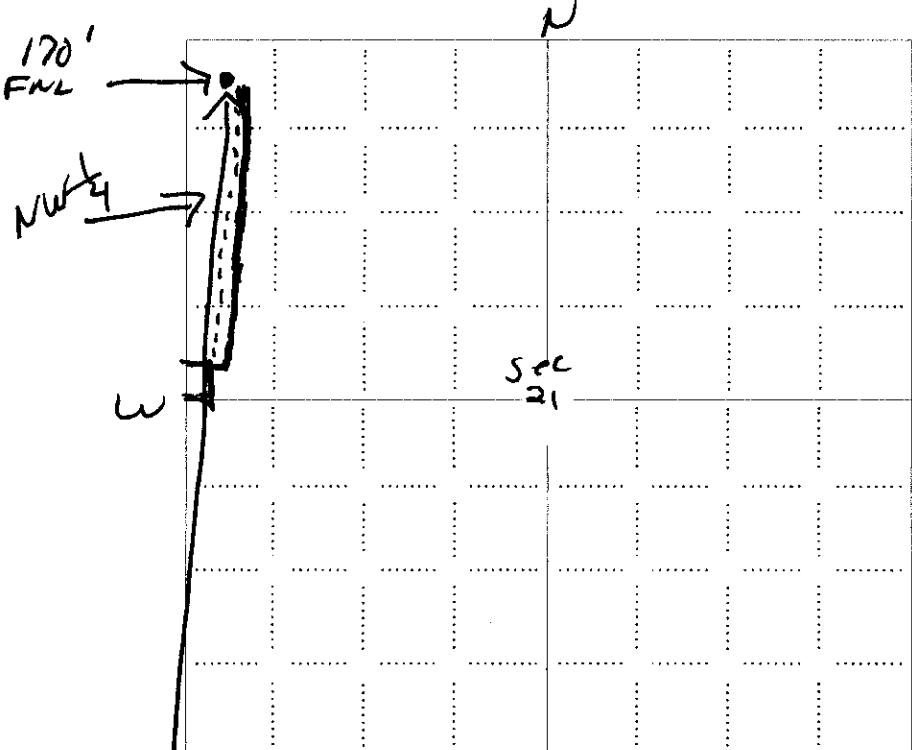
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WICHITA, KS

**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.)



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

2470' FWL S

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).

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WICHITA, KS

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APPLICATION FOR SURFACE PIT

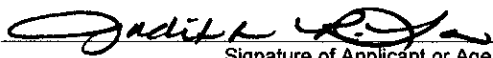
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Form CDP-1  
April 2004  
Form must be Typed

KCC WICHITA

Submit in Duplicate

Operator Name: <b>Piqua Petro., Inc.</b>		License Number: 30345	
Operator Address: <b>1331 Xylan Road</b>		<b>Piqua KS 66761</b>	
Contact Person: <b>Greg Lair</b>		Phone Number: <b>620-433-0099</b>	
Lease Name & Well No.: <b>Karmann 01-10</b>		Pit Location (QQQQ): <b>NE NE NW</b>	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit (If WP Supply API No. or Year Drilled)		Pit is: <input 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 (For Emergency Pits and Settling Pits only)	
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? clay soil			
Pit dimensions (all but working pits): <u>15</u> Length (feet) <u>8</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>3</u> (feet) <input type="checkbox"/> No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure. N/A		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. Watch that clay soil is holding water.	
Distance to nearest water well within one-mile of pit <u>1100</u> feet    Depth of water well <u>20</u> feet		Depth to shallowest fresh water <u>20</u> feet. Source of information: <input type="checkbox"/> measured <input checked="" 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: <u>shale and limestone</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: <u>back fill back in</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.			
6/16/10 Date		 Signature of Applicant or Agent	

15-207-27702-00-00

<b>KCC OFFICE USE ONLY</b>		Steel Pit <input type="checkbox"/>	RFAC <input type="checkbox"/>	RFAS <input type="checkbox"/>
Date Received: <u>8-26-10</u>	Permit Number: _____	Permit Date: <u>8-26-10</u>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

15-207-27702-00-00

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form KSONA-1

July 2010

Form Must Be Typed

Form must be Signed

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 # 30345  
Name: Piqua Petro Inc.  
Address 1: 1331 Xylan Rd  
Address 2: \_\_\_\_\_  
City: Piqua State: KS Zip: 66761 + \_\_\_\_\_  
Contact Person: Greg Lair  
Phone: ( 620 ) 433-2215 Fax: ( \_\_\_\_\_ ) \_\_\_\_\_  
Email Address: N/A

Well Location:  
NE NE NW Sec. 21 Twp. 24 S. R. 16  East  West  
County: Woodson  
Lease Name: Karmann Well #: 01-10

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

**Surface Owner Information:**

Name: Erik Karmann  
Address 1: 1752 180th Rd  
Address 2: \_\_\_\_\_  
City: Yates Center State: KS Zip: 66783 + \_\_\_\_\_

*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: August 24, 2010 Signature of Operator or Agent: [Signature] Title: Secretary/Treasurer

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

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