

Oww

For KCC Use: 10-18-2010
Effective Date: 4
District #
SGA? Yes No

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

Form C-1
March 2010
Form must be Typed
Form must be Signed
All blanks must be Filled

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: October 11, 2010
month day year

Spot Description:
SE SW SW Sec. 7 Twp. 10 S. R. 20 E W
330 feet from N / S Line of Section
4,290 feet from E / W Line of Section

OPERATOR: License# 3273
Name: Herman L. Loeb LLC
Address 1: P O Box 838
Address 2:
City: Lawrenceville State: IL Zip: 62439
Contact Person: George A. Payne
Phone: (812) 853-3813
CONTRACTOR: License# 33,493
Name: American Eagle Drilling

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

County: Rooks
Lease Name: Temple B Well #: 4
Field Name: Cooper

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

Nearest Lease or unit boundary line (in footage): 330
Ground Surface Elevation: 2,165 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: 220' 180'
Depth to bottom of usable water: 1000'

Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set: 244 ft
Length of Conductor Pipe (if any): None

Projected Total Depth: 3,975 ft
Formation at Total Depth: Arbuckle
Water Source for Drilling Operations:
 Well Farm Pond Other: Haul water

DWR Permit #: (Note: Apply for Permit with DWR)
Will Cores be taken? Yes No

If Yes, proposed zone:

Well Drilled For: Oil Gas Seismic Other
Enh Rec Storage Disposal
Well Class: Infield Pool Ext. Wildcat Other
Type Equipment: Mud Rotary Air Rotary Cable
of Holes
 If OWWO: old well information as follows:
Operator: Petroleum Inc.
Well Name: Temple B #4
Original Completion Date: 4/9/77 Original Total Depth: 3,975 ft

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

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:

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- 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: 10/9/10 Signature of Operator or Agent: George A. Payne Title: Petr. Engr.

For KCC Use ONLY
API # 15 - 163-20689-00-01
Conductor pipe required None feet
Minimum surface pipe required 244 feet per ALT. I II
Approved by: 10-13-2010
This authorization expires: 10-13-2011
(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:

7
10
20
 E
 W

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

For KCC Use ONLY

API # 15 - 163-20689-00-01

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: Herman L. Loeb LLC
Lease: Temple B
Well Number: 4
Field: Cooper

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

Location of Well: County: Rooks
330 feet from N / S Line of Section
4,290 feet from E / W Line of Section
Sec. 7 Twp. 10 S. R. 20 E W

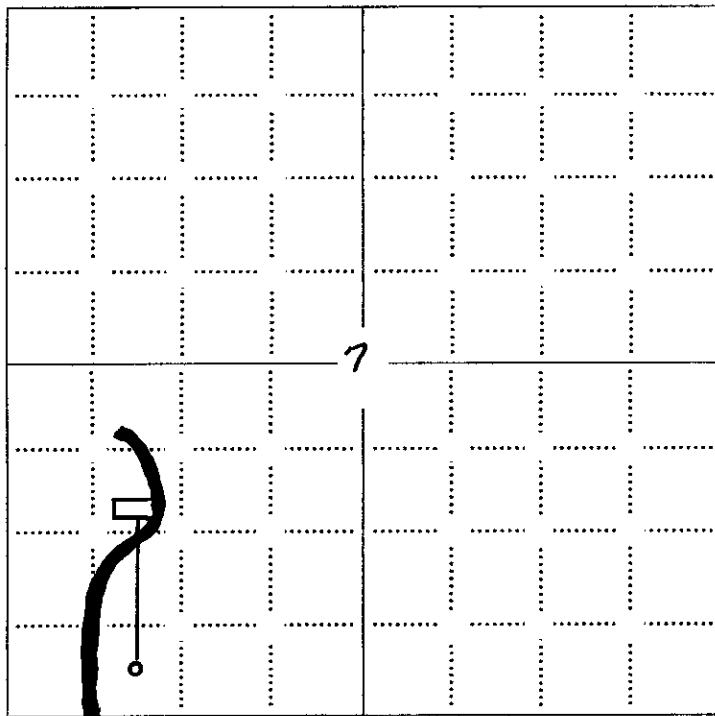
Is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

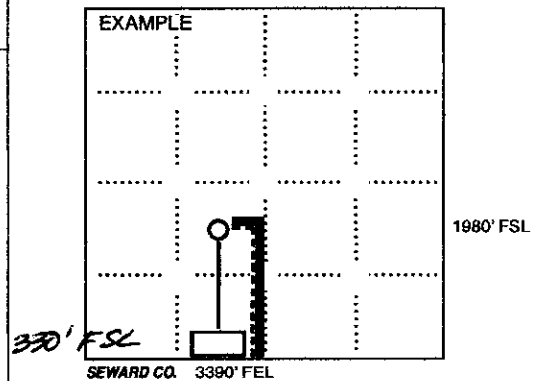
PLAT

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.
4290' FEL

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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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 # 3273
Name: Herman L. Loeb LLC
Address 1: P O Box 838
Address 2: _____
City: Lawrenceville State: IL Zip: 62439 + _____
Contact Person: George A. Payne
Phone: (812) 853-0385 Fax: (888) 268-2205
Email Address: gapayne@sigecom.net

Well Location: _____
SE SW SW Sec. 7 Twp. 10 S. R. 20 East West
County: Rooks
Lease Name: Temple B Well #: 4

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

Surface Owner Information:
Name: Corinne T. Jarvis
Address 1: 9342 Bent Tree Circle
Address 2: _____
City: Wichita State: KS Zip: 67226 + _____

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.

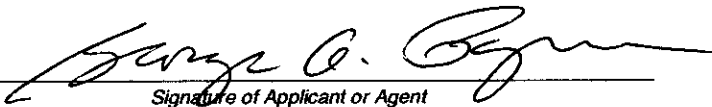
Date: 10/9/10 Signature of Operator or Agent: George A. Payne Title: Petr. Eng.

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**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
May 2010
Form must be Typed

Submit in Duplicate

Operator Name: Herman L. Loeb LLC		License Number: 3273
Operator Address: P O Box 838		Lawrenceville IL 62439
Contact Person: George A. Payne		Phone Number: (812) 853-3813
Lease Name & Well No.: Temple B 4		Pit Location (QQQQ): _____ SE - SW - SW
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 <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: 300 _____ (bbts)	Sec. 7 Twp. 10 R. 20 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 330 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 4,290 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Rooks _____ 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 Settling Pits only)</small>
Is the bottom below ground level? <input type="checkbox"/> Yes <input checked="" 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?
Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) Depth from ground level to deepest point: _____ (feet)		<input checked="" 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.	Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit: 5,026 feet Depth of water well 30 feet		RECEIVED OCT 12 2010 KCC WICHITA
Emergency, Settling 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 pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Depth to shallowest fresh water 30 feet. Source of information: <input type="checkbox"/> measured <input checked="" type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR
Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Bentonite gel Number of working pits to be utilized: 1 Abandonment procedure: Haul off Drill pits must be closed within 365 days of spud date.		15-163-20689-00-01
I hereby certify that the above statements are true and correct to the best of my knowledge and belief. 10/9/10 _____ Date		
Signature of Applicant or Agent 		

KCC OFFICE USE ONLY			
Date Received: 10-13-10	Permit Number: _____	Permit Date: 10-13-10	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Liner <input checked="" type="checkbox"/> Steel Pit <input checked="" type="checkbox"/> RFAC <input type="checkbox"/> RFAS			

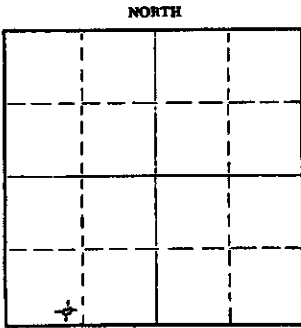
Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

STATE OF KANSAS
STATE CORPORATION COMMISSION

15-163-20689-0000

Give All Information Completely
Make Required Affidavit
Mail or Deliver Report to:
Conservation Division
State Corporation Commission
312 North Market, Insurance Bldg.
Wichita, Kansas

WELL PLUGGING RECORD



Locate well correctly on above
Section Plat

Rocks _____ County, Sec. 7 Twp. 10S Rgn. 20W (E) _____ (W) _____
Location as "NE/CNWKSWK" or footage from lines _____ SE SW SW

Lease Owner Petroleum, Inc.
Lease Name TEMPLE "B" #4 Well No. 4
Office Address 800 R.H. Garvey Bldg, 300 W. Douglas, Wichita, Kansas 67202
Character of Well (completed as Oil, Gas or Dry Hole) Dry Hole
Date well completed 4-9-77 _____ 19____
Application for plugging filed Yes _____ 19____
Application for plugging approved _____ 19____
Plugging commenced _____ 19____
Plugging completed 2:30 A.M. 4-9-77 _____ 19____
Reason for abandonment of well or producing formation _____

If a producing well is abandoned, date of last production _____ 19____
Was permission obtained from the Conservation Division or its agents before plugging was commenced? Yes

Name of Conservation Agent who supervised plugging of this well Leo Massey
Producing formation _____ Depth to top _____ Bottom _____ Total Depth of Well _____ Feet
Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS

CASING RECORD

FORMATION	CONTENT	FROM	TO	SIZE	PUT IN	PULLED OUT

Describe in detail the manner in which the well was 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 and depth placed, from _____ feet to _____ feet for each plug set.

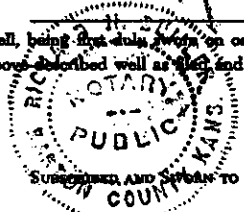
Plug #1	660'	70 SX.
Plug #2	240'	20 SX.
Plug #3	40'	10 SX.

4-18-77
A.W. O'NEIL

(If additional description is necessary, use BACK of this sheet)
Name of Plugging Contractor John O. Farmer, Inc.
Address Box 352, Russell, Kansas 67665

STATE OF KANSAS COUNTY OF SEDGWICK, ss.

(employee of owner) or (owner or operator) of the 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 as filed and that the same are true and correct. So help me God.



(Signature) Monte Chadd MONTE CHADD, DIST. PROD. SUPT.
800 R.H. Garvey Bldg.,
300 W. Douglas, Wichita, Ks. 67202
(Address)

Subscribed and sworn to before me this 15 day of APRIL, 19 77

My commission expires MAY 28, 1977 _____ Notary Public.

October 13, 2010

Herman L. Loeb LLC
PO Box 838
Lawrenceville, IL 62439

RE: Drilling Pit Application
Temple B Lease Well No. 4
SW/4 Sec. 07-10S-20W
Rooks County, Kansas

According to the drilling pit application referenced above, no earthen pits will be used at this location. Steel pits will be used. Please inform the Commission in writing as to which disposal well you utilized to dispose of the contents in the steel pits and the amount of fluid that was disposed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal.

Should a haul-off pit be necessary please file form CDP-1 (April 2004), Application for Surface Pit, This location will have to be inspected prior to approval of the haul-off pit application.

Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the District Office at (785) 625-0550.

CONSERVATION DIVISION

Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802
(316) 337-6200 • Fax: (316) 337-6211 • <http://kcc.ks.gov/>

Kansas Corporation Commission Oil & Gas Conservation Division

HAUL-OFF PIT APPLICATION FILING REQUIREMENTS

82-3-607. DISPOSAL OF DIKE AND PIT CONTENTS.

- (a) Each operator shall perform one of the following when disposing of dike or pit contents:
- (1) Remove the liquid contents to a disposal well or other oil and gas operation approved by the commission or to road maintenance or construction locations approved by the department;
 - (2) dispose of reserve pit waste down the annular space of a well completed according to the alternate requirements of K.A.R. 82-3-106, if the waste to be disposed of was generated during the drilling and completion of the well; or
 - (3) dispose of the remaining solid contents in any manner required by the commission. The requirements may include any of the following:
 - (A) Burial in place, in accordance with the grading and restoration requirements in K.A.R. 82-3-602 (f);
 - (B) removal and placement of the contents in an on-site disposal area approved by the commission;
 - (C) removal and placement of the contents in an off-site disposal area on acreage owned by the same landowner or to another producing lease or unit operated by the same operator, if prior written permission from the landowner has been obtained; or
 - (D) removal of the contents to a permitted off-site disposal area approved by the department.
- (b) Each violation of this regulation shall be punishable by the following:
- (1) A \$1,000 penalty for the first violation;
 - (2) a \$2,500 penalty for the second violation; and
 - (3) a \$5,000 penalty and an operator license review for the third violation.

Complete and return with Haul-Off Pit Application, Form CDP1(2004)

Haul-off pit will be located in an on-site disposal area: Yes No

Haul-off pit is located in an off-site disposal area on acreage owned by the same landowner:
 Yes No If yes, written permission from the land owner must be obtained. Attach written permission to haul-off pit application.

Haul-off pit is located in an off-site disposal area on another **producing** lease or unit operated by the same operator: Yes No If yes, written permission from the land owner must be obtained. Attach permission and a copy of the lease assignment that covers the acreage where the haul-off pit is to be located, to the haul-off pit application.