For KCC Use: Effective Date: District # SGA? Yes No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

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

NOTICE OF INTENT TO DRILL

| Form KS | SONA-1, Certification of C | Compliance with the Kansas S | (5) days prior to commencing well Surface Owner Notification Act, MUST be submitted with t | this form. |
|--|---|-------------------------------------|---|-------------------------|
| Expected Spud Date: | October 20, 20 | | Spot Description: | |
| | month da | y year | NW - SE - NW - NW Sec. 6 Twp. 34 | s. r. <u>14</u> |
| | 31885 | | | / S Line of Section |
| OPERATOR: License# | | | 935 feet from E | / X W Line of Section |
| Name: M & M Explorat | | | Is SECTION: Regular Irregular? | |
| Address 1: 60 Garden 0 | Jenter, Suite 102 | | <u> </u> | |
| Address 2: | | 00000 | (Note: Locate well on the Section Plat on r | everse side) |
| | | Zip: <u>80020</u> + | County: Barber | |
| Contact Person: Mike A | ustin | | Lease Name: Z Bar | Well #: 6-4 |
| Phone: 303-438-1991 | | | Field Name: Aetna Gas Area | |
| CONTRACTOR: Licensei | _# 33350 | <u></u> | Is this a Prorated / Spaced Field? | Yes XNo |
| Name: Southwind Drillin | g LLC | | Torget Formation(s): Mississippian | |
| 140(11)0. | | | Nearest Lease or unit boundary line (in footage): 935' | |
| Well Drilled For: | Well Class: | Type Equipment: | Ground Surface Elevation: 18/5 /8/5 | feet MSL |
| Xoil V DEnh | Rec XInfield | Mud Rotary | | |
| | — | Air Rotary | Water well within one-quarter mile: | Yes No. |
| | oosal Wildcat | Cable | Public water supply well within one mile: | Yes No |
| Seismic : # | | | Depth to bottom of fresh water: 100' | |
| Other: | | | Depth to bottom of usable water: 180' | |
| | | | Surface Pipe by Alternate: XI III | |
| If OWWO: old we | Il information as follows: | | Length of Surface Pipe Planned to be set: | |
| | | | Length of Conductor Pipe (if any): None | |
| • | | | Projected Total Depth: 5200' | |
| | | | Formation at Total Depth: Mississippian | |
| Original Completion I | Date: Origin | nal Total Depth: | | |
| Discovered Designation and | la siana da la sua Mara O | Yes No | Water Source for Drilling Operations: | |
| Directional, Deviated or H | | | Well Farm Fond Other: | |
| • | | | DWR Permit #: | |
| | | | (Note: Apply for Permit with DWR | |
| KCG DK1 #: | | | Will Cores be taken? | Yes XNo |
| | | | If Yes, proposed zone: | RECEIVED |
| | | ٨٥ | FIDAVIT | |
| The second secon | | | | OCT 0 8 2010 |
| - | | | ugging of this well will comply with K.S.A. 55 et. seq. | 001 00 2010 |
| It is agreed that the follo | owing minimum requiren | nents will be met: | | 1/00 141101 1171 |
| | riate district office prior | | | KCC WICHITA |
| 2. A copy of the app | proved notice of intent to | drill shall be posted on each | n drilling rig; | |
| The minimum am | ount 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 uncon | solidated materials plus | a minimum of 20 feet into th | e underlying formation. | |
| 4. If the well is dry h | ole, an agreement betw | een the operator and the dis | trict office on plug length and placement is necessary pr | ior to piugging; |
| 5. The appropriate of | district office will be notif | ied before well is eitner plugg | ged or production casing is cemented in; ad from below any usable water to surface within 120 DA | VS of sould date |
| 6. If an ALIERNAIE | : II COMPLETION, prod | uction pipe snall be cemente | 133,891-C, which applies to the KCC District 3 area, alte | rnate II cementing |
| Or pursuant to Ap | ppendix or - casiennina nd within 30 days of the | enud date or the well shall be | e plugged. In all cases, NOTIFY district office prior to a | any cementing. |
| | | | | , , |
| I hereby certify that the | statements made hereir | n are true and to the best of r | | |
| Data: October 6, 2 | 010 Signature of Op | erator or Agent: | emut Title: President | dent |
| Date: Ostober of E | Signature of Op | erator or Agent; | S | |
| For KCC Use ONLY | | | Remember to: | A Aleksian Matification |
| \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\ | -23607-0 | 00-00 | - File Certification of Compliance with the Kansas Surface | e Owner Notification |
| API # 15 - 00 / | 0000 | | Act (KSONA-1) with Intent to Drill; | 1. |
| Conductor pipe require | d None | feet | File Drill Pit Application (form CDP-1) with Intent to Dril File Completion Form ACO-1 within 120 days of spud of | |
| Minimum surface pipe i | 200 | feet per ALT. | File Completion Form ACO-1 within 120 days of spud c File acreage attribution plat according to field proration | date; |
| Approved by: Putt [| D-13-2 D/O | | Notify appropriate district office 48 hours prior to worker | |
| Approved by: | 10 11 10 | | Notity appropriate district office 46 flours prior to worke Submit plugging report (CP-4) after plugging is comple | |
| This authorization expi | res: 10-13-20 | | Obtain written approval before disposing or injecting sales. | |
| (This authorization void i | f drilling not started within 1 | 2 months of approval date.) | If well will not be drilled or permit has expired (See: aut) | |
| | | | please check the box below and return to the address | below. |
| Spud date: | Agent: | | Well will not be drilled or Permit Expired Date | <u>m</u> |
| · · · · · · · · · · · · · · · · · · · | · | | Signature of Operator or Agent: | |
| Mail t | o: KCC - Conservation | n Division, | organization of operation of regent. | 8 |

For KCC Use ONLY
API # 15 - 007-23607-000

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: M & M Exploration, Inc. | Location of Well: County: Barber | | |
|--|--|--|--|
| Lease: Z Bar | 765 | feet from N / S Line of Section | |
| Well Number: 6-4 | 935 | feet from E / X W Line of Section | |
| Field: Aetna Gas Area | Sec. 6 Twp. 34 | S. R. 14 E W | |
| Number of Acres attributable to well: QTR/QTR/QTR/QTR of acreage: NW - SE - NW - NW | Is Section: Regular or | Irregular | |
| | If Section is Irregular, locate Section corner used: NE | well from nearest corner boundary. 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 | u may attach a separat | e plat if desired. | | | |
|--------------|----------------|---------------------|------------------------|------------------------|--------------|--|---------------|
| : | ! | | \$ | | | LEGEND | |
| | | | | 114 1119 28ar 31-14 | | Well Location Tank Battery Lo Pipeline Location Electric Line Lo Lease Road Lo | on ocation |
| | | | | | EXAMPLE | Lease Hoad Ec | Deallon |
| | | 7.0 | · 43510 | | | | |
| | | | | | | 7 | 1980' F |
| 1 | | | | | SEWARD CO. 3 | 390' FEL | RECE |
| NOTE: In all | l cases locate | the spot of the pro | oposed drilling locate | on. | | | OCT 0 |

In plotting the proposed location of the well, you must show:

KCC WICHITA

- 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: (C0-7 for oil wells; CG-8 for gas wells).
- 5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

15-007-23607-00-00

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form KSONA-1
July 2010
Form Must Be Typed
Form must be Signed
All bianks 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.

| OPERATOR: License # 31885 | Well Location: NW SE NW NW Sec. 6 Twp. 34 S. R. 14 East West | | | |
|--|---|---|--|--|
| Name: M & M Exploration, Inc. Address 1: 60 Garden Center, Suite 102 | | | | |
| Address 1: 60 Garden Center, Suite 102 | County: Barber Lease Name: Z Bar | & / | | |
| Address 2: | Lease Name: Z Dal | Well #: 0-4 | | |
| Address 2: City: Broomfield State: CO Zip: 80020 + Contact Person: Mike Austin Phone: (303) 438-1991 Fax: (303) 466-6227 | If filing a Form T-1 for multiple wells on a lease, enter the legal description o the lease below: | | | |
| Phone: (303) 438-1991 Fax: (303) 466-6227 | _ | | | |
| Email Address: Austinoil@aol.com | | | | |
| Surface Owner Information: | | | | |
| Name: Z Bar, LLC | When filing a Form T-1 involving multiple surface owners, attach an add sheet listing all of the information to the left for each surface owner. So owner information can be found in the records of the register of deeds county, and in the real estate property tax records of the county treasure. | | | |
| Address 1: 14003 SW Aetna Road Address 2: | | | | |
| Address 2: KS 67071 | | | | |
| | | | | |
| If this form is being submitted with a Form C-1 (Intent) or CB-1 (Ca the KCC with a plat showing the predicted locations of lease roads, are preliminary non-binding estimates. The locations may be entere | thodic Protection Borehole Intent), you n | es. The locations shown on the plat | | |
| If this form is being submitted with a Form C-1 (Intent) or CB-1 (Ca the KCC with a plat showing the predicted locations of lease roads, | thodic Protection Borehole Intent), you n | es. The locations shown on the plat | | |
| If this form is being submitted with a Form C-1 (Intent) or CB-1 (Ca the KCC with a plat showing the predicted locations of lease roads, a are preliminary non-binding estimates. The locations may be entere | ethodic Protection Borehole Intent), you not tank batteries, pipelines, and electrical line of on the Form C-1 plat, Form CB-1 plat, of the Form CB-1 plat, of the Form C-1, Form being filed is a Form C-1 or Form CB-1 | es. The locations shown on the plater a separate plat may be submitted. If the following to the surface form CB-1, Form T-1, or Form | | |
| If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathe KCC with a plat showing the predicted locations of lease roads, are preliminary non-binding estimates. The locations may be entered. Select one of the following: I certify that, pursuant to the Kansas Surface Owner Notice owner(s) of the land upon which the subject well is or will the CP-1 that I am filing in connection with this form; 2) if the form | thodic Protection Borehole Intent), you netank batteries, pipelines, and electrical line on the Form C-1 plat, Form CB-1 plat, on the Form C-1 plat, form CB-1 plat, on the Form C-1 acopy of the Form C-1, Form being filed is a Form C-1 or Form CB-1, and email address. I acknowledge that, because I have not be owner(s). To mitigate the additional costs. | es. The locations shown on the plater a separate plat may be submitted. If the following to the surface form CB-1, Form T-1, or Form 1, the plat(s) required by this provided this information, the st of the KCC performing this | | |
| If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathe KCC with a plat showing the predicted locations of lease roads, are preliminary non-binding estimates. The locations may be entered. Select one of the following: I certify that, pursuant to the Kansas Surface Owner Notice owner(s) of the land upon which the subject well is or will be CP-1 that I am filling in connection with this form; 2) if the form; and 3) my operator name, address, phone number, father than the provided this information to the surface owner(s). KCC will be required to send this information to the surface. | thodic Protection Borehole Intent), you make the batteries, pipelines, and electrical line of on the Form C-1 plat, Form CB-1 plat, of the Act (House Bill 2032), I have provided be located: 1) a copy of the Form C-1, Form being filed is a Form C-1 or Form CB-1, and email address. I acknowledge that, because I have not be owner(s). To mitigate the additional cost ling fee, payable to the KCC, which is entiting fee with this form. If the fee is not residue. | es. The locations shown on the plat or a separate plat may be submitted. If the following to the surface orm CB-1, Form T-1, or Form 1, the plat(s) required by this provided this information, the st of the KCC performing this closed with this form. | | |
| If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathe KCC with a plat showing the predicted locations of lease roads, are preliminary non-binding estimates. The locations may be entered. Select one of the following: I certify that, pursuant to the Kansas Surface Owner Notice owner(s) of the land upon which the subject well is or will to CP-1 that I am filing in connection with this form; 2) if the form; and 3) my operator name, address, phone number, fall I have not provided this information to the surface owner(s). KCC will be required to send this information to the surface task, I acknowledge that I am being charged a \$30.00 hand. If choosing the second option, submit payment of the \$30.00 hand. | athodic Protection Borehole Intent), you make the batteries, pipelines, and electrical line of on the Form C-1 plat, Form CB-1 plat, of the Act (House Bill 2032), I have provided be located: 1) a copy of the Form C-1, Form being filed is a Form C-1 or Form CB-1, and email address. I acknowledge that, because I have not be owner(s). To mitigate the additional cost ling fee, payable to the KCC, which is entitling fee with this form. If the fee is not received. | es. The locations shown on the plat or a separate plat may be submitted. If the following to the surface orm CB-1, Form T-1, or Form 1, the plat(s) required by this provided this information, the st of the KCC performing this closed with this form. Ceived with this form, the KSONA-1 | | |

OCT 0 8 2010

KCC WICHITA

15-007-23607-00-00

Form KSONA-1 Page 2 of 2 Z Bar 6-4 Section 6-34S-14W Barber County, KS

Surface Owner Information:

Z Bar, LLC Attn: Russ Miller 1123 Research Drive Bozeman, MT 59718

Operator Information:
M&M Exploration, Inc.
60 Garden Center, Suite 102
Broomfield, CO 80020
303-438-1991 office
303-466-6227 fax
austinoil@aol.com

RECEIVED OCT 0 8 2010 KCC WICHITA

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

| Operator Name: M & M Exploration, Inc. | | | License Number: 31885 | | |
|--|--------------------------------|---|---|--|--|
| Operator Address: 60 Garden Ce | enter, Suite | Broomfield CO 80020 | | | |
| Contact Person: Mike Austin | | Phone Number: 303-438-1991 | | | |
| Lease Name & Well No.: Z Bar 6-4 | | | Pit Location (QQQQ): | | |
| Type of Pit: | Pit is: | | <u>NW</u> . <u>SE</u> . <u>NW</u> . <u>NW</u> | | |
| Emergency Pit Burn Pit | X Proposed Existing | | Sec. 6 Twp. 34 R. 14 East X West | | |
| Settling Pit X Drilling Pit | If Existing, date constructed: | | 765 Feet from X North / South Line of Section | | |
| Workover Pit Haul-Off Pit | Pit capacity: | | 935 Feet from East / X West Line of Section | | |
| (If WP Supply API No. or Year Drilled) | | | Barber | | |
| Is the pit located in a Sensitive Ground Water Area? Yes X No | | Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) | | | |
| Is the bottom below ground level? Artificial Liner? Yes No | | 0 | How is the pit lined if a plastic liner is not used? Native clay | | |
| Pit dimensions (all but working pits): | DO Length (fee | t) 100 | Width (feet)N/A: Steel Pits | | |
| Depth fro | om ground level to dee | pest point: | 4 (feet) 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: | Depth to shallo Source of infor | owest fresh water feet. mation: | | |
| N/A feet Depth of water well | feet | measured | well owner electric log KDWR | | |
| Emergency, Settling and Burn Pits ONLY: | | Drilling, Work | over and Haul-Off Pits ONLY: | | |
| Producing Formation: Type | | | Type of material utilized in drilling/workover: Fresh water mud | | |
| Number of producing wells on lease: Nu | | | Number of working pits to be utilized:3 | | |
| Barrels of fluid produced daily: | | Abandonment procedure: Evaporate then backfill | | | |
| Does the slope from the tank battery allow all s flow into the pit? Yes No | spilled fluids to | 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. RECEIVED | | | | | |
| October 6, 2010 Amc n | | | c lute OCT 0 8 2010 | | |
| Date Signature of Applicant or Agent | | | | | |
| KCC OFFICE USE ONLY | | | | | |
| | | | | | |
| Date Received: | | | | | |



Mark Parkinson, Governor Thomas E. Wright, Chairman Joseph F. Harkins, Commissioner Ward Loyd, Commissioner

October 12, 2010

M & M Exploration, Inc. 60 Garden Center Ste 102 Broomfield, CO 80020

RE: Drilling Pit Application
Z Bar Lease Well No. 6-4
NW/4 Sec. 06-34S-14W
Barber County, Kansas

Dear Sir or Madam:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, the bottom shall be flat and reasonably level and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. 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 undersigned at the above address.

Sincerely,

Kathy Havnes

Department of Environmental Protection and Remediation

cc: File