

For KCC Use: 10-19-11
 Effective Date: 4
 District # 4
 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

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: N/A
 month day year

OPERATOR: License# 30081
 Name: Anshutz Oil
 Address 1: Box 274
 Address 2: _____
 City: Ellsworth State: KS Zip: 67439 + _____
 Contact Person: Larry Dolechek
 Phone: 785-658-3528
 CONTRACTOR: License# N/A must be licensed by KCC
 Name: N/A

Spot Description: CN2 N2 SW
 c N2 N2 SW Sec. 23 Twp. 14 S. R. 11 E W
 (a/a/a/a) 2,310 feet from N / S Line of Section
1,600 1320 feet from E / W Line of Section
 Is SECTION: Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
 County: Russell
 Lease Name: Hines Well #: 1
 Field Name: Wilson Creek
 Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Tarkio
 Nearest Lease or unit boundary line (in footage): 330
 Ground Surface Elevation: 1678 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: unknown
 Depth to bottom of usable water: unknown
 Surface Pipe by Alternate: I II
 Length of Surface Pipe Planned to be set: N/A
 Length of Conductor Pipe (if any): N/A
 Projected Total Depth: 2906
 Formation at Total Depth: 2250
 Water Source for Drilling Operations:
 Well Farm Pond Other: N/A
 DWR Permit #: _____
 (Note: Apply for Permit with DWR)
 Will Cores be taken? Yes No
 If Yes, proposed zone: N/A

Well Drilled For: Oil Gas Seismic; # of Holes _____
 Enh Rec Storage Disposal Other: _____
 Infield Pool Ext. Wildcat Other: _____
 Type Equipment: Mud Rotary Air Rotary Cable
 If OWWO: old well information as follows:
 Operator: Unknown
 Well Name: Hines
 Original Completion Date: 1969 Original Total Depth: 2906

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

RECEIVED
 OCT 14 2010
 KCC WICHITA

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: 10-12-10 Signature of Operator or Agent: E.O. Anshutz Title: Operator

For KCC Use ONLY
 API # 15 - 167-20312-00-01
 Conductor pipe required None feet
 Minimum surface pipe required 289 feet per ALT. I II
 Approved by: SB 10-14-10
 This authorization expires: 10-14-11
 (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

23
 14
 11
 E
 W

For KCC Use ONLY

API # 15 _____

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: Anshutz Oil
 Lease: Hines
 Well Number: 1
 Field: Wilson Creek

Number of Acres attributable to well: 160
 QTR/QTR/QTR/QTR of acreage: 0 - N2 - N2 - SW

Location of Well: County: Russell
 2,310 feet from N / S Line of Section
~~1,850~~ 1320 feet from E / W Line of Section
 Sec. 23 Twp. 14 S. R. 11 E W

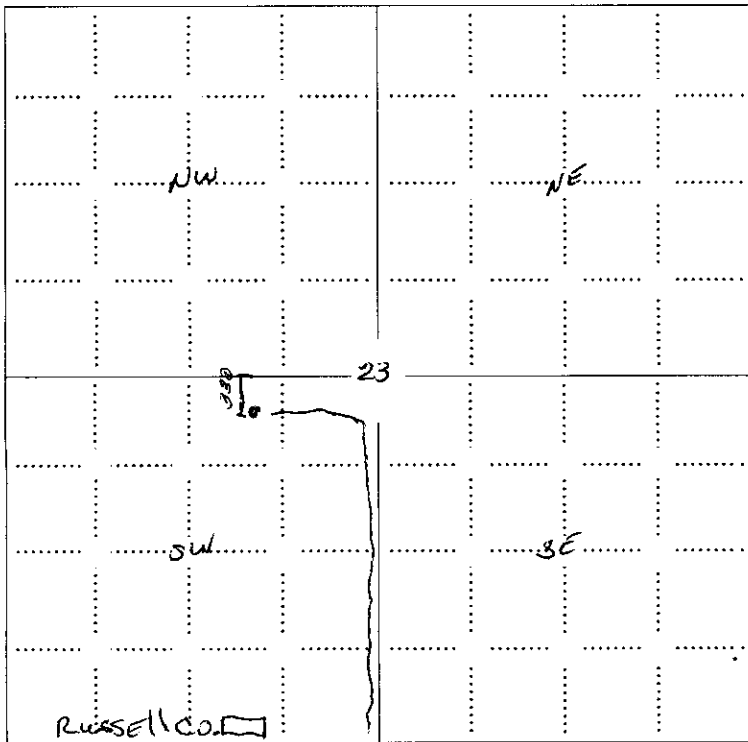
Is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

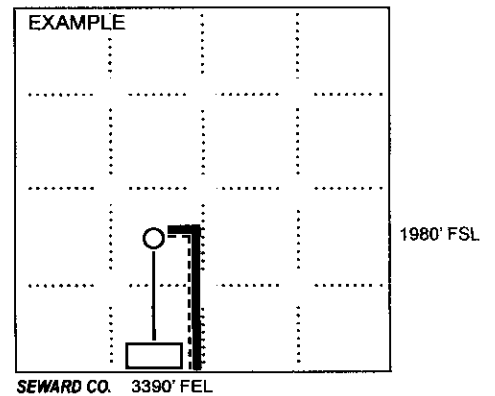
PLAT

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.

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 KCC WICHITA

October 7, 2010

Anshutz Oil
P. O. Box 274
Ellsworth, Kansas 67439

RE: Hines # 1
N/2N/2SW sec 23-14-11W
Russell County, Kansas
15-167-20312-00-01

Dear Mr. Dolechek,

A review of the subject well indicates this well bore was plugged by Trans Pacific Oil Corporation on May 15, 2009. A Well Completion Form (Form ACO-1) was filed by Anshutz Oil reporting that subject well was completed in the Tarkio formation during January of 2010.

KAR 82-3-103(a)(1)(B) requires an Intent to Drill (Form C-1) be filed with the Oil & Gas Conservation Division for permit approval before the commencement of drilling to reenter a previously plugged and abandoned well. The Oil & Gas Conservation Division does not have an Intent to Drill on file for the above mentioned well. If you have a copy of an approved Intent to Drill for subject well, please furnish or respond to this issue before October 29, 2010.

If you have any questions concerning the reentry of subject well, please contact me at the address listed below or 316-337-6218.

Sincerely,

Steve Bond
Production Department Supervisor
Oil & Gas Conservation Division
Kansas Corporation Commission

cc: Case Morris - District # 4