

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 S | urface Owner Notification Act, MUST be submitted with this form. |
|--|---|
| Expected Spud Date: JANUARY 17, 2010 | Spot Description: |
| month day year | TW . NE NW NW Sec. 8 Twp. 21 S. R. 9 TE XW |
| 32204 | |
| OPERATOR: License# | feet from S Line of Section feet from E / W Line of Section |
| Address 1: 6001 NW 23RD STREET | Is SECTION: Regular Irregular? |
| Address 2: | |
| City: OKLAHOMA CITY State: OK Zip: 73127 + | (Note: Locate well on the Section Plat on reverse side) |
| Contact Person: ALAN THROWER | County: RICE |
| Phone: (405)789-7104 | Lease Name: FREDERICK Well #: 8-3 |
| CONTRACTOR: License# 5929 | Field Name: ALDEN VW |
| Name: DUKE DRILLING | is this a Prorated / Spaced Field? Target Formation(s): LANSING/KANSAS CITY Target Formation(s): LANSING/KANSAS CITY |
| | Nearest Lease or unit boundary line (in footage): 360' |
| Well Drilled For: Well Class: Type Equipment: | |
| XOII Enh Rec Infield X Mud Rotary | |
| Gas Storage Pool Ext. Air Rotary | |
| Disposal Wildcat Cable | Public water supply well within one mile: 70 ' Yes XNo Depth to bottom of fresh water: |
| Seismic : # of Holes Other Other: | Depth to bottom of usable water: |
| Dottier. | |
| Mr OWWO: old well information as follows: | Length of Surface Pipe Planned to be set: |
| Operator: | |
| Operator: | Length of Conductor Pipe (if any): DEC 2 2 2010 Projected Total Depth: 3100' |
| Original Completion Date: Original Total Depth: | Formation at Total Depth: LANSING/KANSAS CITY |
| | Water Source for Drilling Operations: KCC WICHITA |
| Directional, Deviated or Horizontal wellbore? | Well Farm Pond Other: |
| If Yes, true vertical depth: | DWR Permit #: |
| Bottom Hole Location: | (Note: Apply for Permit with DWR |
| KCC DKT #: | Will Cores be taken? |
| | If Yes, proposed zone: |
| ΔFFI | DAVIT |
| The undersigned hereby affirms that the drilling, completion and eventual plug | |
| It is agreed that the following minimum requirements will be met: | ging of the view viii ostriply vita record to oct ood. |
| • | |
| Notify the appropriate district office <i>prior</i> to spudding of well; A copy of the approved notice of intent to drill <i>shall be</i> posted on each of | strilling rig: |
| The minimum amount of surface pipe as specified below shall be set by | v circulating cement to the top: in all cases surface nine shall be set |
| through all unconsolidated materials plus a minimum of 20 feet into the | |
| 4. If the well is dry hole, an agreement between the operator and the distri | |
| The appropriate district office will be notified before well is either plugge | d 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 #13 | 3.891-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 p | |
| I hereby certify that the statements made herein are true and to the best of my | knowledge and belief. |
| Date: 12/22/10 Signature of Operator or Agent Sall | The Agent |
| | 4. |
| For KCC Use ONLY | Remember to: Y |
| API# 15- 159-22634-00-00 | File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill; |
| None | - File Drill Pit Application (form CDP-1) with Intent to Drill; |
| Conductor pipe requiredfeet | - File Completion Form ACO-1 within 120 days of spud date; |
| Minimum surface pipe required | - File acreage attribution plat according to field proration orders; |
| Approved by: [44] 12-23-2010 | Notify appropriate district office 48 hours prior to workover or re-entry; |
| This authorization expires: 12-23-2011 | - Submit plugging report (CP-4) after plugging is completed (within 60 days); |
| (This authorization void if drilling not started within 12 months of approval date.) | - Obtain written approval before disposing or injecting salt water. |
| | - If well will not be drilled or permit has expired (See: authorized expiration date) |
| Spud date: Agent: | please check the box below and return to the address below. |
| | Well will not be drilled or Permit Expired Date: |
| Mail to: KCC - Conservation Division, | Signature of Operator or Agent: |
| 130 S. Market - Room 2078, Wichita, Kansas 67202 | |

For KCC Use ONLY API# 15 - 159-22634-00-00

Operator: REDLAND RESOURCES, INC.

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: REDLAND RESOURCES, INC. | Location of Well: County: RICE |
|---|---|
| Lease: FREDERICK | |
| Well Number: 8-3 | 760 feet from E / X W Line of Section |
| Field: | Sec. 8 Twp. 21 S. R. 9 E X W |
| Number of Acres attributable to well: | is Section: Regular or Inregular |
| | If Section is Irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW |
| Show location of the well. Show footage to the nearest to lease roads, tank batteries, pipelines and electrical lines, as req | LAT ease or unit boundary line. Show the predicted locations of nuired by the Kansas Surface Owner Notice Act (House Bill 2032). eparate plat if desired. RECEIVED |
| | |
| 360' | LEGEND DEC 2 2 2010 |
| 760' | O Well Location KCC WICHITA Tank Battery Location Pipeline Location |
| | Electric Line Location Lease Road Location |
| | EXAMPLE |
| | |
| | 1980'FSL |
| | |

SEWARD CO. 3390' 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.

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

- 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.

15-159-22634-0000 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.

| OPERATOR: License # 32204 | Well Location: |
|--|--|
| OPERATOR: License # 32204 Name: REDLAND RESOURCES, INC. Address 1: 6001 NW 23RD STREET | NW SW NE NW Sec. 8 Twp. 21 S. R. 9 Eas West |
| Address 1: 6001 NW 23RD STREET | County: RICE |
| Address 2 | FREDERICK Wall # 8-3 |
| City: OKLAHOMA CITY State: OK Zip: 73127 + | If filing a Form T-1 for multiple wells on a lease, enter the lease below. |
| Contact Person: ALAN THROWER | the lease below: |
| Phone: (405) 789-7104 Fax: (405) 789-7116 | DEC 2 2 2010 |
| City: OKLAHOMA CITY State: OK Zip: 73127 + Contact Person: ALAN THROWER Phone: (405) 789-7104 Fax: (405) 789-7116 Email Address: at.redland@gmail.com | KCC WICHITA |
| Surface Owner Information: Name: DREW AND CONNIE FREDERICK Address 1: 830 AVENUE T Address 2: | and the state of the state of the state of the stage of t |
| the KCC with a plat showing the predicted locations of lease roads, ta are preliminary non-binding estimates. The locations may be entered | nodic Protection Borehole Intent), you must supply the surface owners and nk batteries, pipelines, and electrical lines. The locations shown on the plat on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. |
| Select one of the following: | |
| owner(s) of the land upon which the subject well is or will be | Act (House Bill 2032), I have provided the following to the surface located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form 1 being filed is a Form C-1 or Form CB-1, the plat(s) required by this and small address |
| I have not provided this information to the surface owner(s). | |
| I have not provided this information to the surface owner(s). I KCC will be required to send this information to the surface task, I acknowledge that I am being charged a \$30.00 handling. | acknowledge that, because I have not provided this information, the owner(s). To mitigate the additional cost of the KCC performing this |
| KCC will be required to send this information to the surface of task, I acknowledge that I am being charged a \$30.00 handling | acknowledge that, because I have not provided this information, the owner(s). To mitigate the additional cost of the KCC performing this ag fee, payable to the KCC, which is enclosed with this form. |
| KCC will be required to send this information to the surface of task, I acknowledge that I am being charged a \$30.00 handling the second option, submit payment of the \$30.00 handling. | acknowledge that, because I have not provided this information, the owner(s). To mitigate the additional cost of the KCC performing this ag fee, payable to the KCC, which is enclosed with this form. If the fee is not received with this form, the KSONA-1 will be returned. |

TOPOGRAPHIC LAND SURVEYORS
6709 NORTH CLASSEN BLVD., DKIA. CITY, DKIA. 73116 * LOCAL (405) 843-4847 * QUI
Cortificate of Authorization No. LS-99, Exp. Dec 31, 2010
RICE
RICE OUT OF STATE (800) 654-3219 ... County, Kansas 360'FNL-760'FWL Range 9W P.M. | 15-159-22634-000 Section _ Township Tank 360 (1880') 780' Lease Road (2280') 8 GRID Scale: 1"= 1000" RECEIVED DEC 2 2 2010 Distances shown in (parenthesis) are colculated Callice Collection being 2640 feet, and have This location has been very carefully staked on the ground according to the best official survey records, maps, and photographs available to us, but its occuracy is not guaranteed. not been measured. Review this plot and notify us immediately of any possible discrepancy. Operator: REDLAND RESOURCES, INC. **ELEVATION:** Lease Name: FREDERICK 1687' Gr. at Stake Well No.: 8-3 Topography & Vegetation Loc. fell in wheat field Reference Stakes or Alternate Location Good Drill Site? _____Yes None Stokes Set Best Accessibility to Location From North Sec. Line Road Distance & Direction From Alden, Ks., go ±1.8 miles West on county road to the NW from Hwy Jet or Town_ Cor. of Sec. 8-T215-RBW The following information was gothered using a GPS receiver Acouracy ±2-3 Meters. Date of Drawing: <u>Dec. 13, 2010</u> Invoice # 162480 Date Staked: Dec. 7, 2010 LC CERTIFICATE: DATUM: NAD-27 1. T. Wayne Fisch a Registered Land Surveyor and an authorized agent of Topographic Land Surveyors, LAT: 38'14'43.3"N LONG: 98'20'28.7"W do hereby certify that the above described well location STATE PLANE was surveyed and staked on the ground as shown herein. **COORDINATES:** ZONE: KS SOUTH 1213 X: 2045579 Kansas Reg. No. Y: 574871

TOPOGRAPHIC LAND SURVEYORS

Surveying and Mapping for the Energy Industry
6709 North Classen Bivd. Oklahoma City, OK. 73116 www.topographic.com
Telephone Numbers: Local (405) 843-4847 Toll Free (800) 654-3219

| | LOCATION & | ELEVATION VER | UFICATION MAP | 15-159-22639 | 4000 |
|--------------------------|--|---------------|---|---|--|
| | 200 | | | V A O | |
| 1690 | /ssc Carried | Oil Wel | 602 | | 0 RA 8 7 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 |
| 1/697- | | | Sizepet Airileid | | |
| 18 | 1683 | -,680 | | 16 576 | RECEIVED DEC 2 2 2010 KCC WICHITA |
| | Twp. 21S RICE St | Rng. 9W | U.S.G.S. | ckground Data fron Topographic Map cale: 1"=2000' | 1 |
| Description 36 Lease FR | DLAND RESOURCE O'FNL-760'FWL EDERICK 8-3 | | This loostion has been very out the best official survey reacrds but its accuracy is not guarante the ground elevation of the look. Review this place and inform us | immediately of any possible discrepancy | |
| Elevation 16 | 87' Gr. at Stak | e | 16015 | CERVETIC | |

U.S.G.S. Topographic

Quadrangle Map

ALDEN NE, KS

Sumerina • Murrina • 0/8 • GPS

Dec. 7, 2010

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: REDLAND RESOURCES, INC. | | | License Number: 32204 | | |
|---|---|-----------------------------------|--|----------------------------|--|
| Operator Address: 6001 NW 23RD STREET OKL | | | AHOMA CITY OK | 73127 | |
| Contact Person: ALAN THROWER | | | Phone Number: (405)789-7104 | | |
| Lease Name & Well No.: FREDERICK #8-3 | | Pit Location (QQQQ): | | | |
| Type of Pit: | Pit is: | | NA SM NE NM | | |
| Emergency Pit Burn Pit | Proposed Existing | | Sec. 8 Twp. 21 R. 9 | East X West | |
| Settling Pit | If Existing, date constructed: | | 360 Feet from X Nor | th / South Line of Section | |
| Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) | Pit capacity: | | <u> </u> | t / X West Line of Section | |
| | | (bbls) | RICE | County | |
| Is the pit located in a Sensitive Ground Water A | r Area? 🔀 Yes 🗌 No | | Chloride concentration: mg/l (For Emergency Pils and Settling Pils only) | | |
| Is the bottom below ground level? | Artificial Liner? | | How is the pit lined if a plastic liner is not used? | | |
| Pit dimensions (all but working pits): | Length (feet) | | Width (feet) | N/A: Steel Pits | |
| Depth fro | m ground level to dea | epest point: | (feet) | No Pit | |
| | | | cluding any special monitoring. | | |
| Distance to nearest water well within one-mile of pit; Depth to shallo Source of infor | | owest fresh waterfeet. | | | |
| feet Depth of water well | | | well owner elect | tric log KDWR | |
| Emergency, Settling and Burn Pits ONLY: | | Drilling, Works | ver and Haul-Off Pits ONLY: | • | |
| Producing Formation: Type of material | | al utilized in drilling/workover: | | | |
| Number of producing wells on lease: Number of work | | rking pits to be utilized: | | | |
| Barrels of fluid produced daily: Abandonment p | | procedure: | | | |
| Does the slope from the tank battery allow all sp flow into the pit? Yes No | oes the slope from the tank battery allow all spilled fluids to ow into the pit? Yes No Drill pits must b | | 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. | | | | | |
| 12/23/10 Date | | | Mature of Applicant or Agent | | |
| | KCC | OFFICE USE O | NLY Steel Pi | RFAC RFAS | |
| Date Received: 12-8-10 Permit Numb | er: | Permil | | | |



December 23, 2010

Redland Resources, Inc. 6001 NW 23rd Street Oklahoma City, OK 73127

RE: Drilling Pit Application

Frederick Lease Well No. 8-3 NW/4 Sec. 08-21S-09W Rice 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 (316) 630-4000.

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 I 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;
 - 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)

| faul-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 ocated, to the haul-off pit application. |