

For KCC Use: 2-6-2011
 Effective Date: _____
 District # 3
 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: 3 month 20 day 2011 year

OPERATOR: License# 33970
 Name: Kerr Oil LLC.
 Address 1: 1651 2000 St.
 Address 2: _____
 City: Iola State: KS Zip: 66749 + _____
 Contact Person: Matt Kerr
 Phone: 620-365-0550

CONTRACTOR: License# _____ Will use Licenced contractor and advise on ACO-1
 Name: _____

Well Drilled For: Oil Gas Seismic; _____ # of Holes Other: _____
 Well Class: Infield Pool Ext. Wildcat Other _____
 Type Equipment: Mud Rotary Air Rotary Cable

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: _____
SW - NW - NW Sec. 8 Twp. 24 S. R. 19 E W
 (Q0000) 1,155 feet from N / S Line of Section:
495 feet from E / W Line of Section:

Is SECTION: Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Allen
 Lease Name: Kerr Well #: 16
 Field Name: Iola

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Tucker

Nearest Lease or unit boundary line (in footage): 165' minimum

Ground Surface Elevation: est 983 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: 50

Depth to bottom of usable water: 100

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 20-22'

Length of Conductor Pipe (if any): none

Projected Total Depth: 1000'

Formation at Total Depth: Tucker

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: _____

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with _____

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 of all casing 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: 1-7-2011 Signature of Operator or Agent: [Signature] Title: operator

For KCC Use ONLY
 API # 15 - 001-30142-0000
 Conductor pipe required None feet
 Minimum surface pipe required 20 feet per ALT. I II
 Approved by: [Signature] 2-1-2011
 This authorization expires: 2-1-2012
 (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; **8**
- File Drill Pit Application (form CDP-1) with Intent to Drill; **24**
- File Completion Form ACO-1 within 120 days of spud date; **19**
- 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

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API # 15 -

001-30142-0000

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: Kerr Oil LLC.
Lease: Kerr
Well Number: 16
Field: lola

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

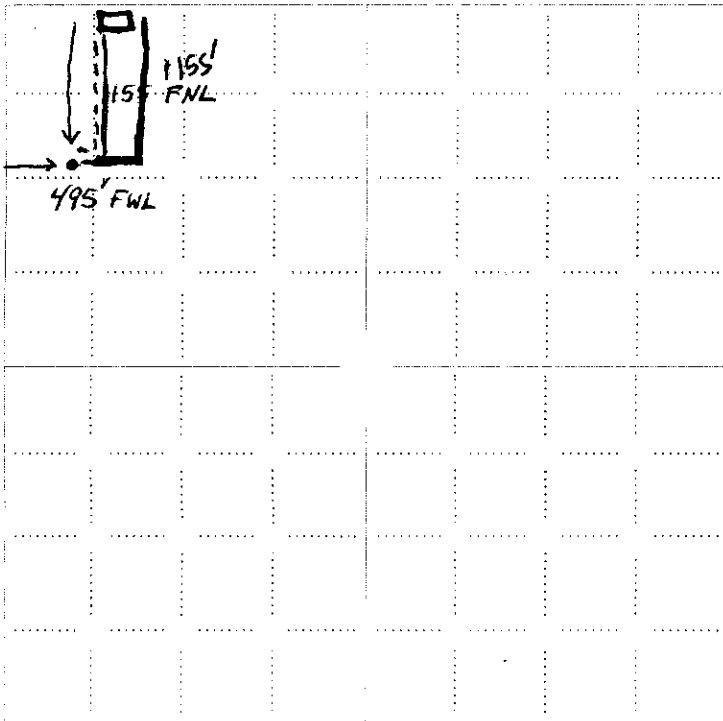
Location of Well: County: Allen
1,155 feet from N / S Line of Section
495 feet from E / W Line of Section
Sec. 8 Twp. 24 S. R. 19 E W

Is Section: Regular or Irregular

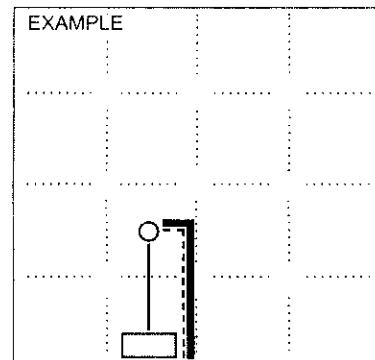
If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE NW SE SW

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 (circle)
Tank Battery Location (rectangle)
Pipeline Location (solid line)
Electric Line Location (dashed line)
Lease Road Location (thick solid line)



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

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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15-001-30142-0000
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.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License # 33970
Name: Kerr Oil LLC.
Address 1: 1651 2000 st
Address 2: _____
City: Iola State: KS Zip: 66749+
Contact Person: Matt Kerr
Phone: (620) 365-0550 Fax: (____) _____
Email Address: mkerr@gmail.com

Well Location:
SE
NW SW-NW-NW Sec. 8 Twp. 24 S. R. 19 East West
County: Allen
Lease Name: Kerr Well #: 16

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

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Surface Owner Information:

Name: Matt, Brock, Chad Kerr
Address 1: 1651 2000 st
Address 2: _____
City: Iola State: KS Zip: 66749+

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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: 1/18/11 Signature of Operator or Agent: Matt B Kerr Title: Owner/Operator

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JAN 31 2011

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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: Kerr Oil LLC.		License Number: 33970
Operator Address: 1651 2000 St.		Iola KS 66749
Contact Person: Matt Kerr		Phone Number: 620-365-0550
Lease Name & Well No.: Kerr 16		Pit Location (QQQQ): SW NW NW
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: _____ (bbls)	Sec. 8 Twp. 24 R. 19 <input checked="" type="checkbox"/> East <input type="checkbox"/> West 1,155 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 495 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Allen 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 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
Pit dimensions (all but working pits): 10 Length (feet) 5 Width (feet) Depth from ground level to deepest point: 4 (feet)		<input 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 determine liner integrity, including any special monitoring. RECEIVED JAN 31 2011 KCC WICHITA
Distance to nearest water well within one-mile of pit: none feet Depth of water well _____ feet	Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input checked="" type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
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	Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: mud pump Number of working pits to be utilized: 1 Abandonment procedure: Evaporate and Fill in Drill pits must be closed within 365 days of spud date.	RECEIVED JAN 13 2011 KCC WICHITA
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.		
1/7/2011 Date	RECEIVED JAN 21 2011	<i>Matt Kerr</i> Signature of Applicant or Agent
KCC WICHITA		
Date Received: 1-31-11 Permit Number: _____ Permit Date: 1-31-11 Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

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