CORPORATION COMMISSION CORPORATION COMMISSION COMMISSIO

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1
September 1999
Form must be Typed
Form must be Signed
All blanks must be Filled

For KCC Use: 8.20.2002. Effective Date: 4

This authorization expires: 2.15.03

Spud date:

(This authorization void if drilling not started within 6 months of effective date.)

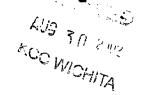
Agent:

| SIGAZ THE TAND | ve (5) days prior to commencing well |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| August 23, 2002 | - 7 I I P - 4 |
| Expected Spud Date August 23, 2002 month day year 💢 h | |
| ^ | 2550feet from \$ / (N) (clrcle one) Line of Section |
| OPERATOR: License# | feet from £ / W (circle one) Line of Section |
| Name: Imperial American Oil Corporation | is SECTION Regular Irregular? |
| Address: 303 N Carroll Blvd #214 Denton TX 76201 | (Note: Locate well on the Section Plat on reverse side) |
| City/State/Zip: Denton TX 76201 | County: Ellis |
| Contact Person: Hal Porter Phone: 940-483-9148 | Lease Name: Dorothy Well #: 33-1 |
| / | Field Name: Wildcat (per seismic) |
| CONTRACTOR: License# 30606 | ts this a Prorated / Spaced Field? |
| Name: Murfin Drilling Company, Inc. | Target Formation(s): Arbuckle |
| Well Drilled For: Well Class: Type Equipment: | Nearest Lease or unit boundary: 400' |
| | Ground Surface Elevation: 2262' approx feet MSL |
| | Water well within one-quarter mile: |
| Gas Storage Pool Ext. Air Rotary OWNO Disposal Wildcat Cable | Public water supply well within one mile: |
| Seismic; # of Holes Other | Depth to bottom of useble water: 940 (Fourier) |
| Other | Deput to bottom of asable water. |
| | Surface Pipe by Alternate:1 X_2 Length of Surface Pipe Planned to be set: 200 |
| If OWWO: old well information as follows: | Length of Conductor Pipe required: none |
| Operator: | Projected Total Depth: 3880 |
| Well Name: | Formation at Total Depth: Arbuckle |
| Original Completion Date:Original Total Depth: | Water Source for Drilling Operations: |
| Directional, Deviated or Horizontal wellbore? | Well Farm Pond Other X |
| If Yes, true vertical depth: | DWR Permit #: |
| Bottom Hole Location: | (Note: Apply for Permit with DWR) |
| KCC DKT #: | _ Will Cores be taken?Yes ☑ No |
| NAS: 400'FWL 35: 600' FWL | If Yes, proposed zone: |
| NAS: BO S/2 SESWNU ES: APSE. SESW. NW A | FFIDAVIT |
| The undersigned hereby affirms that the drilling, completion and eventua | al plugging of this well will comply with K.S.A. 55-101, et. seq. |
| tt is agreed that the following minimum requirements will be met: | |
| through all unconsolidated materials plus a minimum of 20 feet int 4. If the well is dry hole, an agreement between the operator and the 5. The appropriate district office will be notified before well is either p 6. If an ALTERNATE II COMPLETION, production pipe shall be cem date. In all cases, NOTIFY district office prior to any cementing | to set by circulating cement to the top; in all cases surface pipe shall be set to the underlying formation. The district office on plug length and placement is necessary prior to plugging; plugged or production casing is cemented in; sented from below any usable water to surface within 120 days of spud g. |
| I hereby certify that the statements made herein are true and to the bes | it or my knowledge and belief. |
| Date: August 14, 2002 Signature of Operator or Agent: | Content Title: President |
| | Remember to: |
| For KCC Use ONLY | City Dail Dit Application (form CDR-1) with Intent to Drill: |
| API # 15 · OSI · 25 [55 · 00 · 06 | File Completion Form ACO-1 within 120 days of soud date: |
| Conductor pipe required NONE; feet | - File acreage attribution plat according to field proration orders; |
| Minimum surface pipe required 200 feet per Alt. 2 | · • • · · · · · · · · · · · · · · · · · |
| 1. PRP 7 15,02/ PTP9,6,02 | re-entry; |

- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field



If the Intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

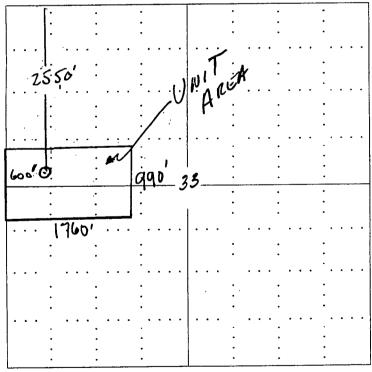
| API No. 15 | | | |
|-------------------------------------------------------------|----------|---------|-----------|
| Operator: Imperial American | Oil Corp | oration | |
| Lease: Dorothy | | | |
| Well Number: 33-1 | | | |
| Field: Wildcat (per seismic) | | | |
| Number of Acres attributable to QTR / QTR / QTR of acreage: | | | <u>NW</u> |

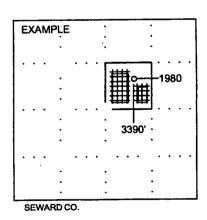
| 2550 | _ feet from S / N (circle one) Line of Sectio |
|---------------------|-----------------------------------------------|
| 455 600' | feet from E / W (circle one) Line of Section |
| Sec. 33 Twp. 13 | S. R. 19 East |
| ls Section Regular | orIrregular |

PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

(Show footage to the nearest lease or unit boundary 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 section's south / north and east / west.
- 3. The distance to the nearest lease or unit boundary line.
- 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).

Declaration of Pooling and Unitization

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, Imperial American Oil Corporation, a Texas corporation, 303 North Carroll Blvd., #214, Denton TX 76201 is the owner of the oil and gas leases described in Exhibit "A", attached here to and made a part hereof, in Ellis County, Kansas,

and:

WHEREAS, each of the oil and gas leases described in Exhibit "A" contains a Pooling and Unitization clause which states as follows:

"Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas, or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well, or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved."

and;

WHEREAS, the undersigned Imperial American Oil Corporation desires to pool and unitize all of the oil and gas leases described in Exhibit "A", insofar and only insofar as the same cover the following described lands, to-wit:

A tract of land containing Forty Acres, more or less, described as follow:

Township 13 South, Range 19 West, 6th PM Section 33: A 40-acre tract described as follows:

"Beginning at the southwest corner of NW/4 (Point of Beginning), thence north a distance of 495feet, thence east a distance of 1760 feet, thence south a distance of 990 feet, thence west a distance of 1760 feet, thence north a distance of 495 feet to the Point of Beginning";

said lands containing Forty (40) acres, more or less, now being identified as the "Pooled and Unitized Area" for production of oil and/or gas and associated hydrocarbons from all zones, depths and formations.

NOW THEREFORE, the undersigned Imperial American Oil Corporation does hereby pool and unitize the above described lands into one pooled and unitized area containing forty (40) acres provided that said pooling and Unitization is limited to production of oil and/or gas and associated hydrocarbons from all zones and formations.

The royalties accruing to any well located on said unit shall be prorated and paid to lessors of the various tracts included in the **Pooled and Unitized Area** in the same proportion that each tract of said lessor bears to the total of the **Pool and Unitized Area**.

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CONSERVATION DIVISIUM WICHITA, KS

IN WITNESS WHEREOF, this Declaration of Pooling and Unitization was executed this 14th day of August, 2002.

IMPERIAL AMERICAN OIL CORPORATION

Hal C. Porter, President

State of Texas

County of Denton

The foregoing instrument was acknowledged before me, a Notary Public, this 14th day of August, 2002.

Appointment

KIMBERLY SPIVEY
Notary Public, State of Texas
My Commission Exp. 12-11-2004

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AUG 15 2002

CONSERVATION DIVISION WICHITA, KS

EXHIBIT "A"

Attached and made a part of that certain

Declaration of Pooling and Unitization

by

Imperial American Oil Corporation

dated August 14, 2002

The following described oil and gas leases covering lands located in Ellis County, Kansas:

Lease No. 1

Lessor: Amy I. Sticker and William J. Sticker, 367 Grace, Rochester MN 48307

Lessee: J. Fred Hambright, Inc.

Date: October 8 1999

Recorded: Book 477 at Page 449 of the Registrar of Deeds, Ellis County, Kansas

Lands Covered:

Township 13 South, Range 19 West

Section 33: NW/4

Lease No. 2

Lessor: Taylor G. Bemis and Sheryl A. Bemis, Hays, KS 67601

Lessee: J. Fred Hambright, Inc.

Date: October 8 1999

Recorded: Book 480 at Page 673 of the Registrar of Deeds, Ellis County, Kansas

Lands Covered:

Township 13 South, Range 19 West

Section 33: NW/4

Lease No. 3

Lessor: Faye D. Palmer and Scott V. Palmer, 1045 Acadia, Wichita KS 67212

Lessee: J. Fred Hambright, Inc.

Date: October 8 1999

Recorded: Book 480 at Page 681 of the Registrar of Deeds, Ellis County, Kansas

Lands Covered:

Township 13 South, Range 19 West

Section 33: NW/4

Lease No. 4

Lessor: Dorothy I. Bemis, Hays KS 67601

Lessee: J. Fred Hambright, Inc.

Date: October 8 1999

Recorded: Book 480 at Page 687 of the Registrar of Deeds, Ellis County, Kansas

Lands Covered:

Township 13 South, Range 19 West

Section 33: NW/4

Lease No. 5

Lessor: Amy I. Sticker and William J. Sticker, 367 Grace, Rochester MN 48307

Lessee: J. Fred Hambright, Inc.

Date: June 25, 2001

Recorded: Book 512 at Page 105 of the Registrar of Deeds, Ellis County, Kansas

Lands Covered:

Township 13 South, Range 19 West

Section 33: SW/4

Lease No. 6

Lessor: Dorothy I Bemis; Taylor G. Bemis and Sheryl A. Bemis, his wife

Lessee: J. Fred Hambright, Inc.

Date: June 25, 2001

Recorded: Book 510 at Page 309 of the Registrar of Deeds, Ellis County, Kansas

Lands Covered:

Township 13 South, Range 19 West

Section 33: SW/4

Lease No. 7

Lessor: Faye D. Palmer and Scott V. Palmer

Lessee: J. Fred Hambright, Inc.

Date: June 25, 2001

Recorded: Book 517 at Page 832 of the Registrar of Deeds, Ellis County, Kansas

Lands Covered:

Township 13 South, Range 19 West

Section 33: SW/4

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CONSERVATION DIVISION WICHITA, KS