

For KCC Use: 3-20-2011
 Effective Date: 3
 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: 12/27/10
 month day year

OPERATOR: License# 30345
 Name: Piqua Petro, Inc.
 Address 1: 1331 Xylan Rd
 Address 2:
 City: Piqua State: KS Zip: 66761
 Contact Person: Greg Lair
 Phone: 620-433-0099

CONTRACTOR: License# 32079
 Name: Leis Oil Services LLC

Well Drilled For: Oil Gas
 Enh Rec Storage Disposal
 Seismic; # of Holes
 Other
 If OWVO: old well information as follows:

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:
 NE NE SW NE Sec. 14 Twp. 24 S. R. 15 E W
 (1/4/4/4) 1,440 feet from N / S Line of Section
1,580 feet from E / W Line of Section

Is SECTION: Regular Irregular?
 (Note: Locate well on the Section Plat on reverse side)

County: Woodson
 Lease Name: Conger Well # 02-10
 Field Name: Vernon

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Squirrel

Nearest Lease or unit boundary line (in footage): 1060
 Ground Surface Elevation: 1108 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: 125+
 Depth to bottom of usable water: 150

Surface Pipe by Alternate: I II
 Length of Surface Pipe Planned to be set: 40

Length of Conductor Pipe (if any): none
 Projected Total Depth: 1350

Formation at Total Depth: Squirrel
 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:

* Replaces 15-207-27768-00-00 (Filed in wrong Range.)
 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: 3/5/11 Signature of Operator or Agent: [Signature] Title: Agent

For KCC Use ONLY
 API # 15 - 207-27802-00-00
 Conductor pipe required None feet
 Minimum surface pipe required 40 feet per ALT. I II
 Approved by: [Signature] 3-15-2011
 This authorization expires: 3-15-2012
 (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;
- 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

RECEIVED
 MAR 11 2011
 KCC WICHITA

14
 24
 15
 E
 W

For KCC Use ONLY

API # 15 - 207-27802-0000

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: Piqua Petro, Inc.
Lease: Conger
Well Number: 02-10
Field: Vernon

Location of Well: County: Woodson
1,440 feet from N / S Line of Section
1,580 feet from E / W Line of Section
Sec. 14 Twp. 24 S. R. 15 E W

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

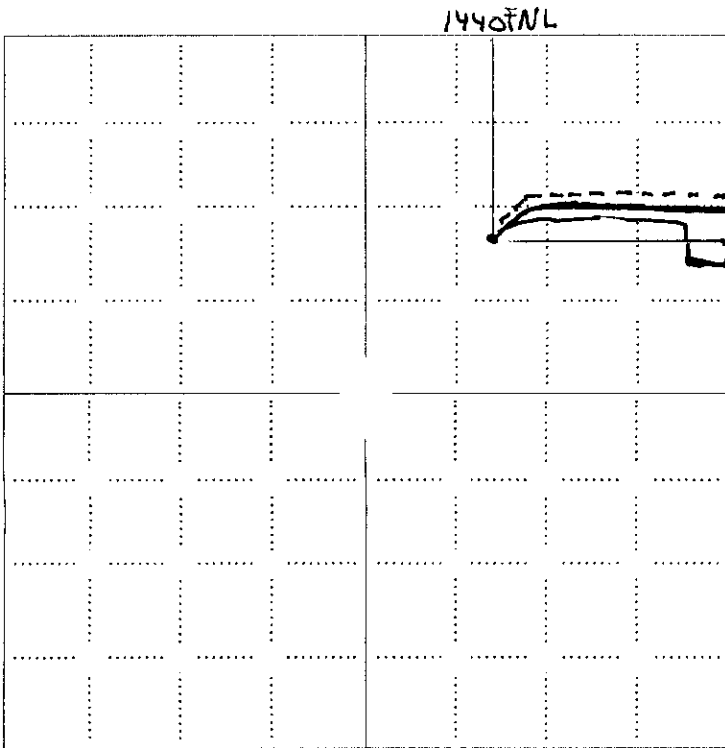
Is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

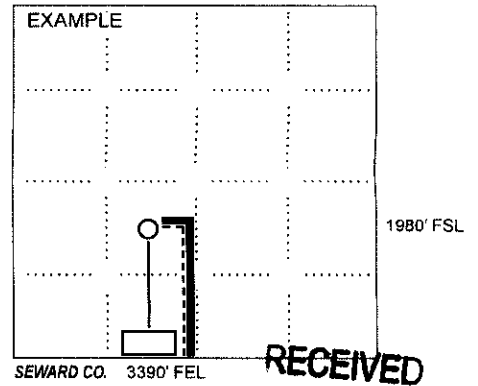
PLAT

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)



RECEIVED

MAR 11 2011

KCC WICHITA

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.

15-207-27802-00-00
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 # 30345
Name: Piqua Petro, Inc.
Address 1: 1331 Xylan Rd
Address 2: _____
City: Piqua State: KS Zip: 66761 + _____
Contact Person: GREG LAIR
Phone: (620) 433-0099 Fax: (_____) _____
Email Address: judylair@kans.com

Well Location:
NE NE SW NE Sec. 14 Twp. 24 S. R. 15 East West
County: Woodson
Lease Name: Conger Well #: 02-10

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

Surface Owner Information:

Name: Charles Baker
Address 1: 1435 Minnesota Road
Address 2: _____
City: Iola State: KS Zip: 66749 + _____

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: 3/8/11 Signature of Operator or Agent: _____

Title: Agent

RECEIVED

MAR 11 2011

KCC WICHITA

Conservation Division
Finney State Office Building
130 S. Market, Rm. 2078
Wichita, KS 67202-3802



phone: 316-337-6200
fax: 316-337-6211
<http://kcc.ks.gov/>

Thomas F. Wright, Chairman
Ward Loyd, Commissioner

Corporation Commission

Sam Brownback, Governor

March 1, 2011

Greg Lair
Piqua Petro, Inc.
1331 Xylan Road
Piqua, KS 66761

**RE: Notice of Intention to Drill – Correction
Conger 02-10, Correct RNG to R15E from R14E**

**Correction to Form ACO-1
Conger 01-05 Correct RNG to R15E from R14E**

Dear Mr. Lair:

Your Notice of Intention to Drill Form has not been approved and is being returned for the following reasons:

An intent location may be corrected only if the new location is in the same Section, Township, and Range as the original intent. A new intent must be filed with the KCC for the Conger 02-10. The new intent must then be approved and issued a new API # by the KCC. Cancel the previous API # by checking the "Well Not Drilled – Permit Expired" box in the lower right hand corner of the original intent (copy enclosed) and return with the new intent form C-1, surface pit application form CDP-1, KSONA-1, and KSONA-1 Plat.

To correct the ACO-1 form for the Conger 01-05, sign the enclosed corrected ACO-1 where indicated, have the signature notarized, and return to the KCC.

Please respond within the next 15 days. Please be advised that wells drilled on locations without an approved intent to drill may be subject to a \$1000 administrative penalty.

Sincerely,

Rick Hestermann
Production Department

cc: Steve Korf, District 3
encl. (3)

RECEIVED


MAR 1 1 2011

KCC WICHITA

**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: Piqua Petro, Inc.		License Number: 30345	
Operator Address: 1331 Xylan Rd		Piqua KS 66761	
Contact Person: Greg Lair		Phone Number: 620-433-0099	
Lease Name & Well No.: Conger 02-10		Pit Location (QQQQ): NE - NE - SW - NE	
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 <i>(If W/P Supply API No. or Year Drilled)</i>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
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?		Pit dimensions (all but working pits): <u>15</u> Length (feet) <u>8</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>3</u> (feet) <input type="checkbox"/> No Pit	
If the pit is lined give a brief description of the liner material, thickness and installation procedure. N/A		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. WATCH THAT CLAY SOIL IS HOLDING WATER	
Distance to nearest water well within one-mile of pit: <u>1100</u> feet Depth of water well <u>20</u> feet		Depth to shallowest fresh water <u>20</u> feet. <input checked="" type="checkbox"/> 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: <u>SHALE AND LIMESTONE</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: <u>BACK FILL BACK IN</u> 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.			
<u>3/8/11</u> Date		 Signature of Applicant or Agent	
RECEIVED MAR 11 2011 KCC WICHITA			
KCC OFFICE USE ONLY			
Date Received: <u>3/11/11</u> Permit Number: _____ Permit Date: <u>3/14/11</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		<input checked="" type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input checked="" type="checkbox"/> RFAC <input type="checkbox"/> RFAS	

15-207-27802-0020

Conservation Division
Finney State Office Building
130 S. Market, Rm. 2078
Wichita, KS 67202-3802



phone: 316-337-6200
fax: 316-337-6211
<http://kcc.ks.gov/>

Thomas E. Wright, Chairman
Ward Loyd, Commissioner

Corporation Commission

Sam Brownback, Governor

March 14, 2011

Greg Lair
Piqua Petrol, Inc.
1331 Xylan Rd
Piqua KS 66761

Re: Drilling Pit Application
Conger Lease Well No. 2-10
NE/4 14-24S-15E
Woodson County, Kansas

Dear Mr. Lair:

District staff has inspected the above referenced location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has recommended that the reserve pit be lined with bentonite or native clay, constructed **without slots**, 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 practical 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) 432-2300 when the fluids have been removed. Please file form CDP-5, 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: <http://kcc.ks.gov/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 Jonelle Rains at the above address.