

For KCC Use: JUN 22 2011
Effective Date: 6-27-2011
District # 1
SGA? ☐ Yes ☒ No
WICHITA, KS
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

Form C-1
March 2010
Form must be Typed
Form must be Signed
All blanks must be Filled

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: July 15, 2011
month day year

OPERATOR: License# 34392 ✓
Name: TexKan Exploration, LLC
Address 1: P.O. Box 191643
Address 2:
City: Dallas State: TX Zip: 75219 +
Contact Person: Bill Robinson
Phone: 785-688-4040
CONTRACTOR: License# 33350 ✓
Name: Southwind Drilling

Well Drilled For: ☒ Oil ☒ Gas ☐ Enh Rec ☐ Storage ☐ Disposal ☐ Seismic; # of Holes ☐ Other:
Well Class: ☐ Infield ☐ Pool Ext. ☒ Wildcat ☐ Other
Type Equipment: ☒ Mud Rotary ☐ Air Rotary ☐ Cable
☐ If OWWO: old well information as follows:

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:
s/2 - se - ne - nw Sec. 25 Twp. 30 S. R. 18 ☐ E ☒ W
(a/a/a/a)
1,280 feet from ☒ N / ☐ S Line of Section
2,310 feet from ☐ E / ☒ W Line of Section

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

County: Kiowa
Lease Name: Sealy Well #: 1
Field Name: Wildcat

Is this a Prorated / Spaced Field? ☐ Yes ☒ No

Target Formation(s): Viola Viola

Nearest Lease or unit boundary line (in footage): 330 ✓

Ground Surface Elevation: 2172 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: 180 100

Depth to bottom of usable water: 300 280

Surface Pipe by Alternate: ☒ I ☐ II

Length of Surface Pipe Planned to be set: 500 ✓

Length of Conductor Pipe (if any): none

Projected Total Depth: 5600 ✓

Formation at Total Depth: Viola ✓

Water Source for Drilling Operations:

☐ Well ☐ Farm Pond ☒ Other: truck ✓

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 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: 6-15-11 Signature of Operator or Agent: [Signature] Title: agent

For KCC Use ONLY
API # 15 - 097-21696-00-00
Conductor pipe required None feet
Minimum surface pipe required 3.00 feet per ALT. ☒ I ☐ II
Approved by: [Signature] 6-22-2011
This authorization expires: 6-22-2012
(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

25 30 18 ☐ E ☒ W

For KCC Use ONLY

API # 15 -

097-21696-0000

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: TexKan Exploration, LLCLease: SealyWell Number: 1Field: Wildcat

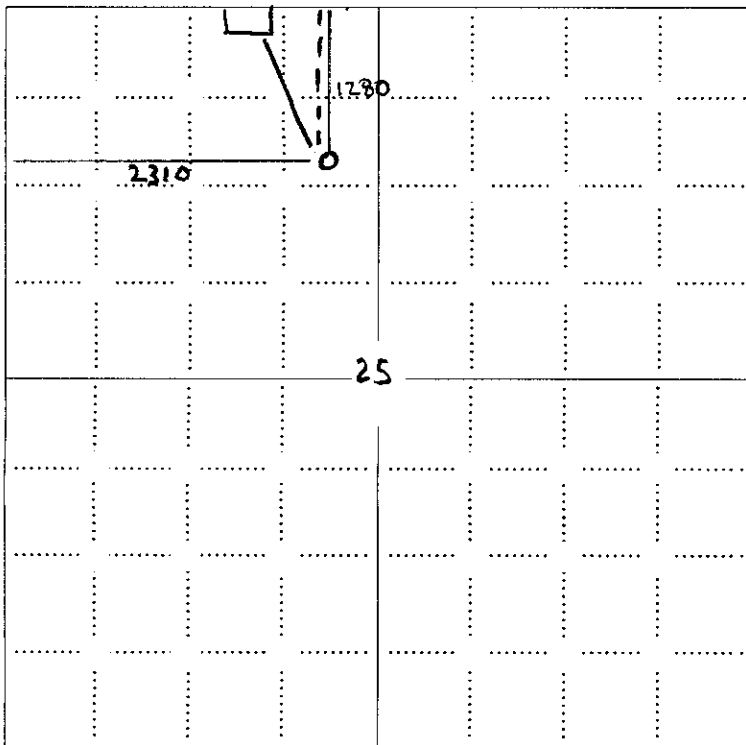
Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: s/2 - se - ne - nwRECEIVED
KANSAS CORPORATION COMMISSION

JUN 22 2011

CONSERVATION DIVISION
WICHITA, KS**PLAT**

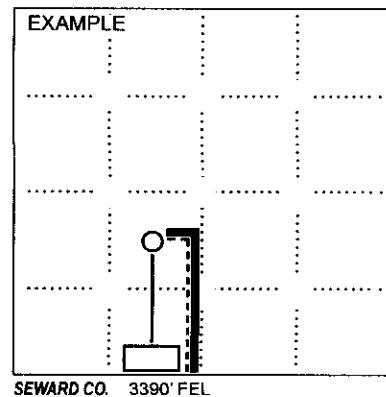
Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired.

**NOTE: In all cases locate the spot of the proposed drilling location.**Location of Well: County: Kiowa1,280 feet from ☒ N / ☐ S Line of Section2,310 feet from ☐ E / ☒ W Line of SectionSec. 25 Twp. 30 S. R. 18 ☐ E ☒ WIs Section: ☒ Regular or ☐ Irregular

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

Section corner used: ☐ NE ☐ NW ☐ SE ☐ SW**LEGEND**

- ☐ Well Location
- ☐ Tank Battery Location
- ☐ Pipeline Location
- ☐ Electric Line Location
- ☐ Lease Road Location



1980' FSL

In plotting the proposed location of the well, you must show:

- 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.
- The distance of the proposed drilling location from the south / north and east / west outside section lines.
- The distance to the nearest lease or unit boundary line (in footage).
- 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).
- The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.



Fall & Associates

State and Elevation Service

719 W. 5th Street

P.O. Box 484

Concordia, KS. 66901

1-800-536-2821

RECEIVED
KANSAS CORPORATION COMMISSION

JUN 22 2011

CONSERVATION DIVISION
WICHITA, KS

15-097-21696-0000

Date 5-24-11

Invoice Number 0520111

TexKan Exploration

Operator

1

Number

Sealy

Farm Name

KIOWA KS

County-State

25

S

30s

T

18w

R

1280' FNL 2310' FWL

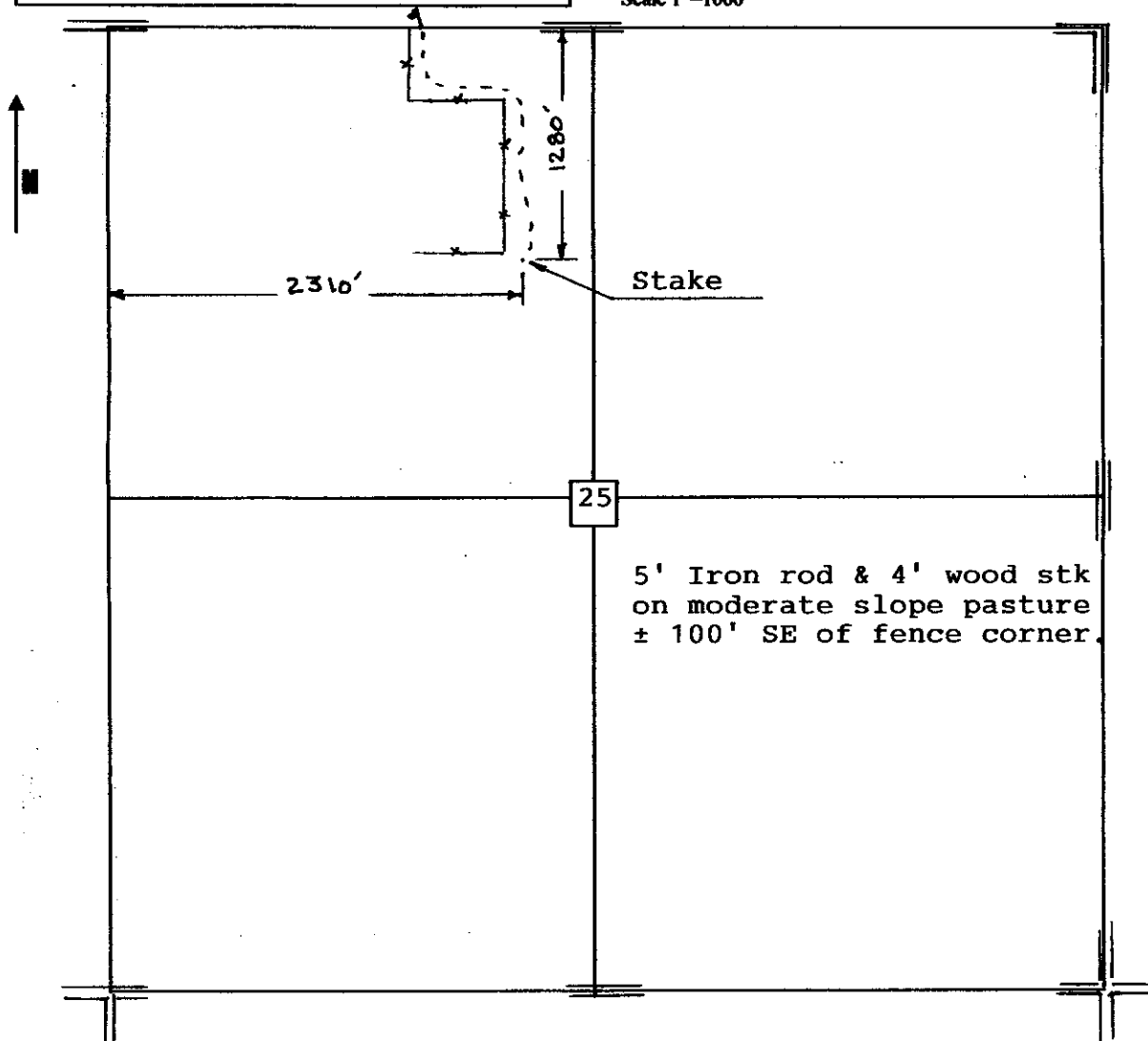
Location

TexKan Exploration LLC
P.O. Box 191643
Dallas, TX 75219

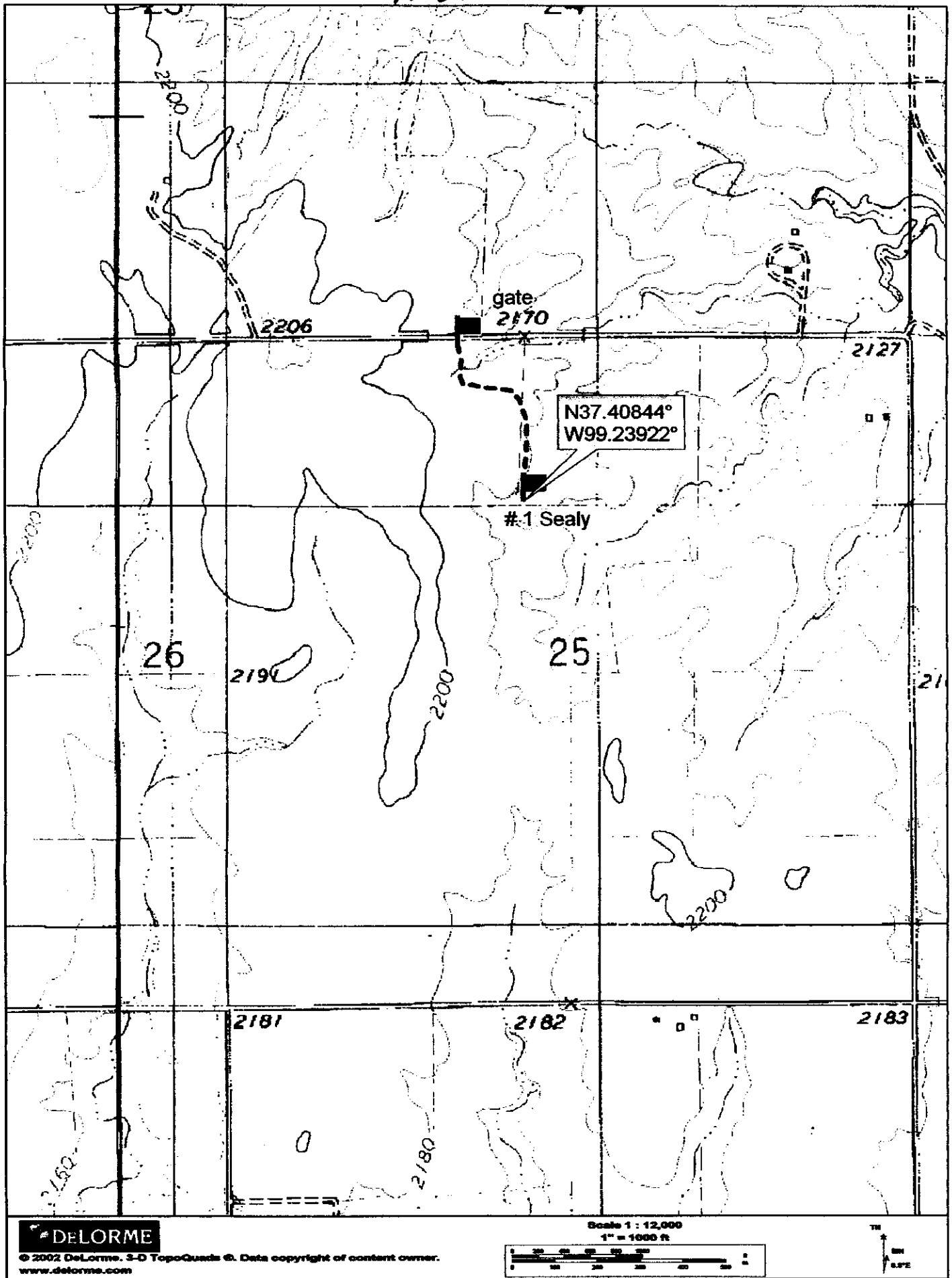
Elevation 2172 Gr.

Ordered By: Bill

Scale 1"=1000'



15-097-21696-00-00



15-097-21696-0000
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 # 34392
Name: TexKan Exploration, LLC
Address 1: P.O. Box 191643
Address 2: _____
City: Dallas State: TX Zip: 75219 + _____
Contact Person: Bill Robinson
Phone: (785) 688-4040 Fax: (785) 688-4060
Email Address: _____

Well Location:
s/2 se ne nw Sec. 25 Twp. 30 S. R. 18 ☐ East ☒ West
County: Kiowa
Lease Name: Sealy Well #: 1

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

Surface Owner Information:

Name: James Sealy
Address 1: 835 S. 59th St.
Address 2: _____
City: Omaha State: NE Zip: 68106 + _____

JUN 22 2011

CONSERVATION DIVISION
WICHITA, KS

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: 6-15-11 Signature of Operator or Agent: [Signature] Title: agent

JUN 22 2011


KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form CDP-1
May 2010
Form must be Typed

CONSERVATION DIVISION
WICHITA, KS

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: TexKan Exploration, LLC		License Number: 34392
Operator Address: P.O. Box 191643		Dallas TX 75219
Contact Person: Bill Robinson		Phone Number: 785-688-4040
Lease Name & Well No.: Sealy 1		Pit Location (QQQQ): s/2 - se - ne - nw Sec. 25 Twp. 30 R. 18 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1,280 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 2,310 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Kiowa County
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)	
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 checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? Drly mud
Pit dimensions (all but working pits): 100 Length (feet) 100 Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: 5 (feet) <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 determining liner integrity, including any special monitoring.
Distance to nearest water well within one-mile of pit: 2510 feet Depth of water well 180 feet		Depth to shallowest fresh water 46180 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input checked="" 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: chemical mud Number of working pits to be utilized: 3 Abandonment procedure: pits allowed to dry by evaporation then backfilled by dozer 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.		
6-15-11 Date		 Signature of Applicant or Agent

15-097-21696-00-00

KCC OFFICE USE ONLY			
Date Received: 6-22-11	Permit Number: _____	Permit Date: 6-22-11	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS			