

For KCC Use:

Effective Date: 05/15/2011

District # 2

SGA? ☒ Yes ☐ NoKANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

1053963

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: 05/18/2011
month day year

OPERATOR: Licensed# 34162

Name: New Gulf Operating LLC

Address 1: 6310 E. 102nd St.

Address 2:

City: Tulsa State: OK Zip: 74137

Contact Person: Wink Kopczynski

Phone: 918-728-3020

CONTRACTOR: Licensed#

Name: Advise on ACO-1 - Must be licensed by KCC

Well Drilled For:

☒ Oil
☒ Gas☐ Enh Rec
☐ Storage
☐ Disposal

Well Class:

☐ Infield
☐ Pool Ext.
☒ Wildcat

Type Equipment:

☒ Mud Rotary
☐ Air Rotary
☐ Cable☐ Seismic: # of Holes☐ Other:☐ 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:

NE - NW - SE - NE Sec. 1 Twp. 24 S. R. 10 ☐ E ☒ W
(or area) 1807 feet from ☒ N / ☐ S Line of Section
550 feet from ☒ E / ☐ W Line of SectionIs SECTION: ☒ Regular ☐ Irregular?

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

County: Reno

Lease Name: Res

Well #: 1

Field Name: N/A

Is this a Prorated / Spaced Field?

☐ Yes ☒ No

Target Formation(s): Arbuckle

Nearest Lease or unit boundary line (in footage): 400

Ground Surface Elevation: 1738 Estimated Estimated 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: 130

Depth to bottom of usable water: 130

Surface Pipe by Alternate: ☒ I ☐ II

Length of Surface Pipe Planned to be set: 250

Length of Conductor Pipe (if any):

Projected Total Depth: 4800

Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:

☐ Well ☐ Farm Pond ☒ Other: Unknown

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.

Submitted Electronically

For KCC Use ONLY

API # 15 - 15-155-21572-00-00

Conductor pipe required 0 feet

Minimum surface pipe required 150 feet per ALT. ☒ I ☐ II

Approved by: Rick Hestermann 05/10/2011

This authorization expires: 05/10/2012

(This authorization is void if drilling not started within 12 months of approval date.)

Spud date:

Agent:

Mail to: KCC - Conservation Division,
130 S. Market - Room 2078, Wichita, Kansas 67202

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 production orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed (within 80 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: 6-1-2011

Signature of Operator or Agent:

[Signature]

RECEIVED

JUN 10 2011

KCC WICHITA

1 24 10 ☐ E ☒ W