

For KCC Use: 9-18-2011  
 Effective Date: \_\_\_\_\_  
 District # \_\_\_\_\_  
 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: October 14 2011  
month day year

OPERATOR: License# 32432  
 Name: LaVeta Oil & Gas, LLC  
 Address 1: P.O. Box 780  
 Address 2: \_\_\_\_\_  
 City: Middleburg State: VA Zip: 20118 + 0780  
 Contact Person: Martin Ziegler  
 Phone: 620-546-4559

CONTRACTOR: License# 33323  
 Name: Petromark Drilling, LLC

Well Drilled For:  Oil  Enh Rec  Gas  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: 420 West of  
62 SW - NW Sec. 29 Twp. 22 S. R. 11  E  W  
 (Q/Q/Q) 1,980 feet from  N /  S Line of Section  
330 feet from  E /  W Line of Section  
 Is SECTION:  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)  
 County: Stafford  
 Lease Name: Vinita Gatton Well #: 1  
 Field Name: Richardson  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Arbuckle  
 Nearest Lease or unit boundary line (in footage): 330 Feet West  
 Ground Surface Elevation: 1828 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: 160 ft  
 Depth to bottom of usable water: 180 ft  
 Surface Pipe by Alternate:  I  II  
 Length of Surface Pipe Planned to be set: 240 ft  
 Length of Conductor Pipe (if any): None  
 Projected Total Depth: 3700 ft  
 Formation at Total Depth: Arbuckle  
 Water Source for Drilling Operations:  
 Well  Farm Pond  Other: Pump from existing water well  
 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: Sept. 2, 2011 Signature of Operator or Agent: [Signature] Title: Agent

**For KCC Use ONLY**  
 API # 15 - 185-23708-00-00  
 Conductor pipe required None feet  
 Minimum surface pipe required 200 feet per ALT.  I  II  
 Approved by: [Signature] 9-13-2011  
 This authorization expires: 9-13-2012  
 (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

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SEP 02 2011

KCC WICHITA

29  
22  
11  
 M  
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KCC WICHITA

Side Two

For KCC Use ONLY  
API # 15 - 185-23708-0000

**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: LaVeta Oil & Gas, LLC  
Lease: Vinita Gatton  
Well Number: 1  
Field: \_\_\_\_\_

Location of Well: County: Stafford  
1,980 feet from  N /  S Line of Section  
330 feet from  E /  W Line of Section  
Sec. 29 Twp. 22 S. R. 11  E  W

Number of Acres attributable to well: \_\_\_\_\_  
QTR/QTR/QTR/QTR of acreage: \_\_\_\_\_

Is Section:  Regular or  Irregular

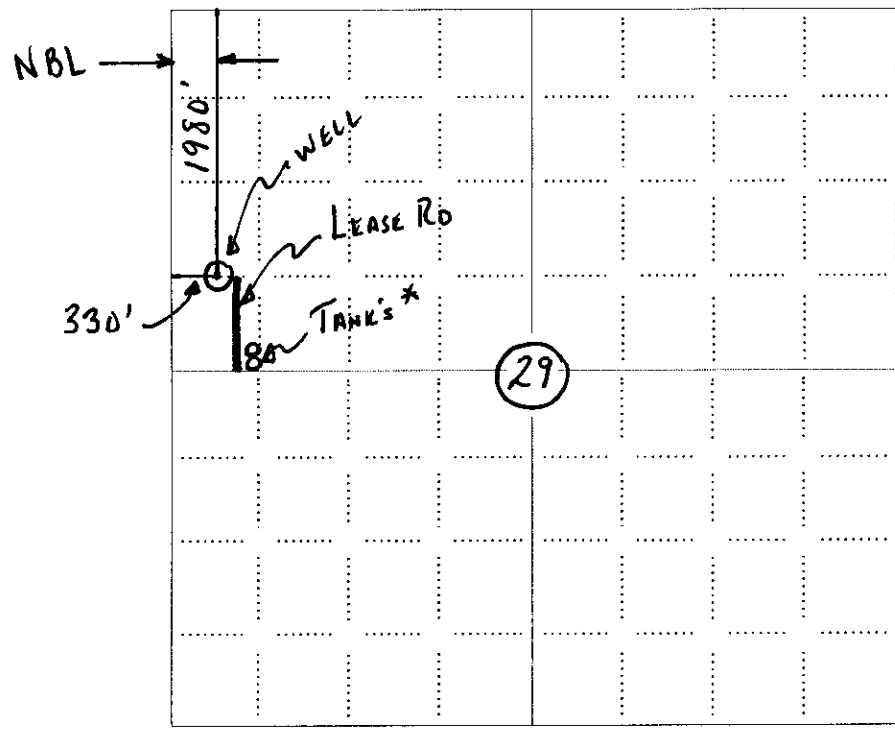
If Section is Irregular, locate well from nearest corner boundary.

Section corner used:  NE  NW  SE  SW

\* TANKS TO BE 150'E + 660'S OF WELL.

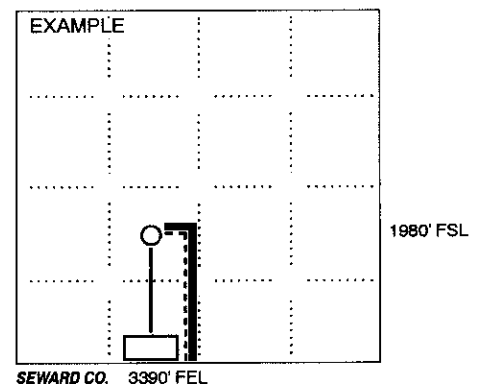
**PLAT**

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



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

**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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LAVETA OIL & GAS  
VINITA GATTON LEASE  
NW. 1/4, SECTION 29, T22S, R11W  
STAFFORD COUNTY, KANSAS

15-185-23708-0000

KCC WICHITA

NO

ROAD

Drillsite Location

Vinita Gatton #1

1980'FNL 330'FWL

Ground Elevation = 1828

Y = 525209 X = 1981850

State Plane-NAD 27-Kansas South  
(Mapping Grade GPS Used)

N-S O'H.D. ELECTRIC  
SERVICE LINE APPROX.  
110' N. OF LOCATION

FSED

FLAGGED ROAD  
OPPOSITE LOC.

ROAD

(NE. 100TH AVE.)

ROAD

SCALE 1" = 1000'

GRAVEL ROAD

29

Notes:

1. Set wood stake at location site.
2. All flagging Red & Yellow.
3. Overhead power available at W. line, N. 1/2 of E. line and N. line of S. 1/2, Sec. 29.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec. 29.
6. Contact landowner for best access and as to location of wood stakes in feed.

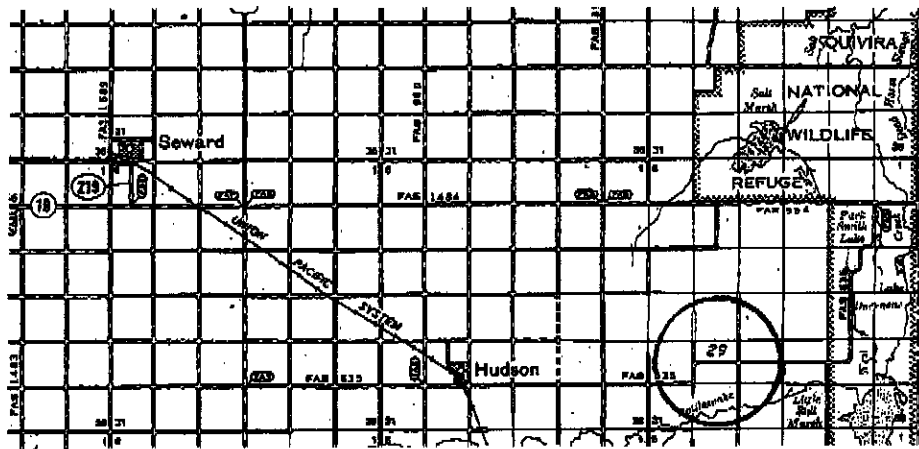
GRAVEL (NE. 100TH AVE.)

GRAVEL

(NE. 100TH ST.) NO

ROAD

Access and egress to location as shown on this plot is for usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.



\* Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.

\* Approximate section lines were determined using the normal standards of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drillsite location in the section is not guaranteed. Therefore, the operator, accepting this service and accepting this plot and all other services relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and said services released from any liability from incidental or consequential damages.

\* Elevations derived from National Geodetic Vertical Datum.

Date August 3, 2011

CENTRAL KANSAS OILFIELD SERVICES, INC. (620)792-1977

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15-185-23708-0000

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

CERTIFICATION OF COMPLIANCE WITH THE  
KANSAS SURFACE OWNER NOTIFICATION ACT

Form KSONA-1  
July 2010  
Form Must Be Typed  
Form must be Signed  
All blanks must be Filled

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 # 32432  
Name: LaVeta Oil & Gas, LLC  
Address 1: P.O. Box 780  
Address 2: \_\_\_\_\_  
City: Middleburg State: VA Zip: 20118 + 0780  
Contact Person: Martin Ziegler  
Phone: ( 620 ) 546-4559 Fax: ( \_\_\_\_\_ ) \_\_\_\_\_  
Email Address: ziegleredna@sbcglobal.net

Well Location:  
W2-0 SW NW Sec. 29 Twp. 22 S. R. 11  East  West  
County: Stafford  
Lease Name: Vinita Gatton 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: Virgil Gatton  
Address 1: 1105 NE 110 Ave.  
Address 2: \_\_\_\_\_  
City: Stafford State: KS Zip: 67578 + \_\_\_\_\_

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: Sept. 2, 2011 Signature of Operator or Agent: [Signature] Title: Agent

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 SEP 02 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: LaVeta Oil & Gas, LLC		License Number: 32432	
Operator Address: P.O. Box 780		Middleburg VA 20118	
Contact Person: Martin Ziegler		Phone Number: 620-546-4559	
Lease Name & Well No.: Vinita Gatton 1		Pit Location (QQQQ): <u>W2</u> SW - NW Sec. 29 Twp. 22 R. 11 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1,980 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 330 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Stafford 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 <i>(If WP 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 checked="" type="checkbox"/> Yes <input 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): 70 Length (feet) 70 Width (feet) Depth from ground level to deepest point: 5 (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. n/a		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. n/a	
Distance to nearest water well within one-mile of pit: _____ feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: Bentonite Gel, Chemical Mud Number of working pits to be utilized: 3 Abandonment procedure: Jet fluids from working pit into reserve and allow to evaporate, backfill pits via 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.			
Sept. 2, 2011 Date		 Signature of Applicant or Agent	
<b>KCC OFFICE USE ONLY</b>			
Date Received: _____		Permit Number: _____	
Permit Date: 9-13-11		Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

15-18523 708-00-00

September 13 2011

LaVeta Oil & Gas LLC  
PO Box 780  
Middleburg, VA 20118-0780

RE: Drilling Pit Application  
Vinita Gatton Lease Well No. 1  
NW/4 Sec. 29-22S-11W  
Stafford County, Kansas

Dear Sir or Madam:

District staff has inspected the above referenced location and has determined that the reserve pit shall be 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 the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again within 96 hours after drilling operations have ceased.

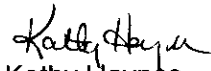
**If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.**

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Please file form CDP-5 (August 2004), 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: [www.kcc.state.ks.us/conservation/forms](http://www.kcc.state.ks.us/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 the undersigned at the above address.

Sincerely,



Kathy Haynes  
Department of Environmental Protection and Remediation

cc: File