

For KCC Use: 9-30-2012
Effective Date: _____
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: September 28 2012
month day year

OPERATOR: License# 9267
Name: JRC Oil Company, Inc.
Address 1: P. O. Box 426
Address 2: 24110 NE Vermont Road
City: Garnett State: Kansas Zip: 66032 + 0426
Contact Person: Mike Colvin
Phone: 785-448-8112

CONTRACTOR: License# 32079
Name: John E. Leis

Well Drilled For: Oil Gas
 Seismic; # of Holes _____
 Other: _____

Well Class: Enh Rec Storage Disposal
 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: CWL
NW - SW - NE - NW Sec. 33 Twp. 20 S. R. 21 E W
(Q/Q/Q/Q) 4,435 feet from N / S Line of Section
3,950 feet from E / W Line of Section

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

County: Anderson
Lease Name: Cleveland Well #: CZ-44R
Field Name: Bush City Shoestring

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

Nearest Lease or unit boundary line (in footage): 475
Ground Surface Elevation: 999 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: 50'
Depth to bottom of usable water: 125'

Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set: 20'
Length of Conductor Pipe (if any): 0'

Projected Total Depth: 720'
Formation at Total Depth: Cherokee

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: _____

Replacement well for 15-003-25492-00-00 (lost hole) 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: September 15, 2012 Signature of Operator or Agent: Michael S. Colvin Title: Vice President

For KCC Use ONLY
API # 15 - 003-25587-0000
Conductor pipe required _____ None _____ feet
Minimum surface pipe required 20 feet per ALT. I II
Approved by: KCC 9-25-2012
This authorization expires: 9-25-2013
(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 24 2012
KCC WICHITA

33
20
21
 E
 W

For KCC Use ONLY

API # 15 - 003-25587-0000

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: JRC Oil Company, Inc.
 Lease: Cleveland
 Well Number: CZ-44R
 Field: Bush City Shoestring
 Number of Acres attributable to well: 2.5
 QTR/QTR/QTR/QTR of acreage: NW - SW - NE - NW

Location of Well: County: Anderson
4,435 feet from N / S Line of Section
3,950 feet from E / W Line of Section
 Sec. 33 Twp. 20 S. R. 21 E W

Is Section: Regular or Irregular

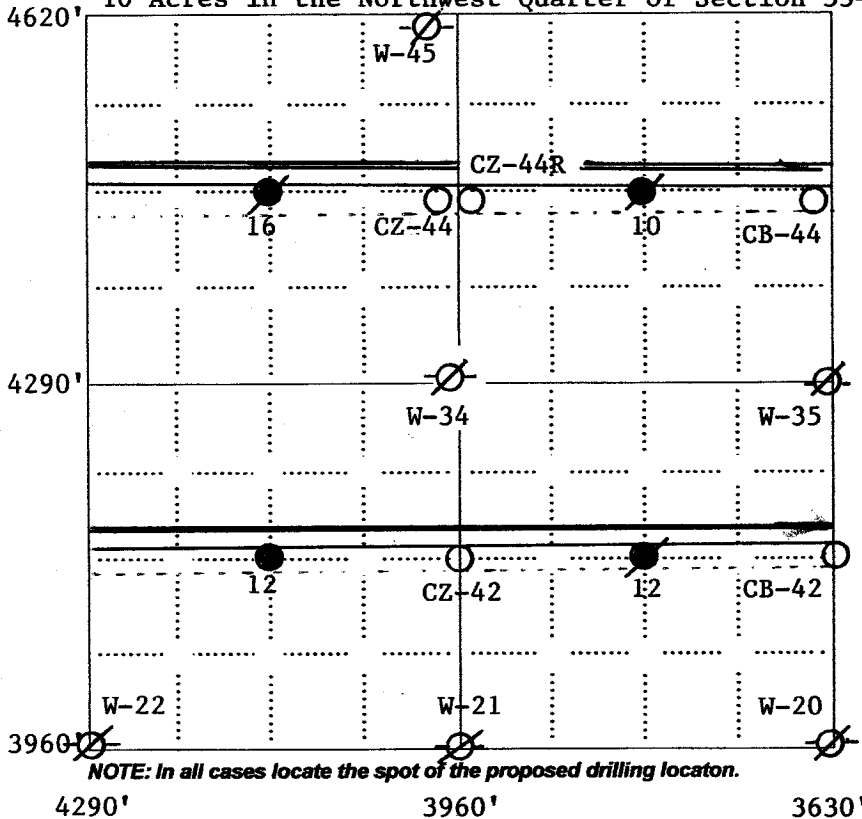
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

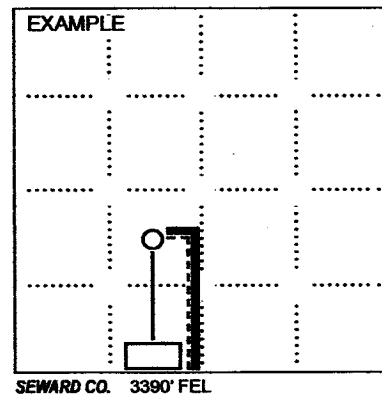
Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired.

10 Acres in the Northwest Quarter of Section 33-T20S-R21E



LEGEND

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



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

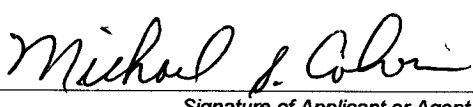
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease 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.

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form CDP-1
May 2010
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: JRC Oil Company, Inc.		License Number: 9267	
Operator Address: P. O. Box 426		24110 NE Vermont Road Garnett Kansas 66032	
Contact Person: Mike Colvin		Phone Number: 785-448-8112	
Lease Name & Well No.: Cleveland CZ-44R		Pit Location (QQQQ): NW - SW - NE - NW Sec. 33 Twp. 20 R. 21 <input checked="" type="checkbox"/> East <input type="checkbox"/> West 4,435 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 3,950 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Anderson 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 (If WP Supply API No. or Year Drilled)		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: Pit capacity: 143 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l (For Emergency Pits and Settling Pits only)	
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? Surface clay			
Pit dimensions (all but working pits): 20 Length (feet) 10 Width (feet)		<input type="checkbox"/> N/A: Steel Pits	
Depth from ground level to deepest point: 4 (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. None	
		RECEIVED SEP 24 2012 KCC WICHITA	
Distance to nearest water well within one-mile of pit: None feet Depth of water well _____ feet		Depth to shallowest fresh water 50 feet. Source of information: <input checked="" type="checkbox"/> measured <input 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: Fresh H2O Number of working pits to be utilized: 2 Abandonment procedure: Backfill with backhoe. 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.			
September 15, 2012 Date		 Signature of Applicant or Agent	

15-003-25587-0000

KCC OFFICE USE ONLY

Liner Steel Pit RFAC RFAS
 Date Received: 9-25-12 Permit Number: _____ Permit Date: 9-25-12 Lease Inspection: Yes No

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

15-003-25587-0000

I N H Y P E R T E N S I O N

Once-a-Day
Procardia XL
(nifedipine) Extended Release
Tablets 30 mg, 60 mg and 90 mg GITS

MEASURED RESPONSE: BLOOD PRESSURE RESPONSE
PROPORTIONAL TO BLOOD PRESSURE ELEVATION^{1,2}

Hello,

15-003-25492-0000 We would like to re-drill
→ C2-44. The seating nipple
allowed some cement to
come back into the 2 7/8"
casing. Rather than mess around
drilling out and chancing a bad
primary cement job, we would
prefer to move 20' east
and drill a complete new
well. C2-44 is essentially
plugged. At some point we
would like to fill the 2 7/8"
with cement and cut off
below ground level.

Mark Calhoun
RECEIVED

SEP 24 2012

KCC WICHITA

Please see full prescribing information on last pages.

September 25, 2012

JRC OIL Company, Inc.
PO Box 426
24110 NE Vermont Rd
Garnett, KS 66032-0426

RE: Drilling Pit Application
Cleveland Lease Well No. CZ-44R
NW/4 Sec. 33-20S-21E
Anderson 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 immediately after drilling operations have ceased.

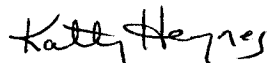
If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

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 (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.

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
Environmental Protection and Remediation Department

cc: File