

DWVO

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OCT 30 2012

Form C-1
March 2010
Form must be Typed
Form must be Signed
Blanks must be Filled

For KCC Use: 1-5-2012
Effective Date: 4
District #: _____
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

KCC WICHITA

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: 11 15 2012
month day year

OPERATOR: License# 34746
Name: Spiral Energy Corp.
Address 1: 300 N. Marlenfeld Ste 830
Address 2: _____
City: Midland State: TX Zip: 79701
Contact Person: Ron Armini
Phone: 432-886-2883

CONTRACTOR: License# will be reported on ACO-1
Name: unknown Must be licensed by KCC

Well Drilled For: Oil Gas Seismic; # of Holes _____
 Enh Rec Storage Disposal Other: _____
Well Class: Infield Pool Ext. Wildcat Other
Type Equipment: Mud Rotary Air Rotary Cable

If OWWO: old well information as follows:
Operator: Bowman Oil Company
Well Name: Desair
Original Completion Date: 12-10-51 Original Total Depth: 3871

Directional, Deviated or Horizontal wellbore? Yes No
If Yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DKT #: _____

Spot Description: _____
SW - SW - SE Sec. 34 Twp. 9 S. R. 21 E W
330 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: Graham
Lease Name: Desair Well #: 3
Field Name: Cooper
Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Cedar Hill
Nearest Lease or unit boundary line (in footage): 330
Ground Surface Elevation: 2308 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: 150
Depth to bottom of usable water: 1000
Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set: surface previously set @ 298'
Length of Conductor Pipe (if any): na
Projected Total Depth: 1800
Formation at Total Depth: Anhydrite
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: 10-29-12 Signature of Operator or Agent: [Signature] Title: President

For KCC Use ONLY
API # 15 - 065-034 30-00-02
Conductor pipe required None feet
Minimum surface pipe required 298 feet per ALT. I II
Approved by: [Signature] 10-31-2012
This authorization expires: 10-31-2013
(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

34
9
21
 E
 W

For KCC Use ONLY

API # 15 - 065-03430-00-02

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KCC WICHITA

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: Spiral Energy Corp.
Lease: Desair
Well Number: 3
Field: Cooper

Location of Well: County: Graham
330 feet from N / S Line of Section
2,310 feet from E / W Line of Section
Sec. 34 Twp. 9 S. R. 21 E W

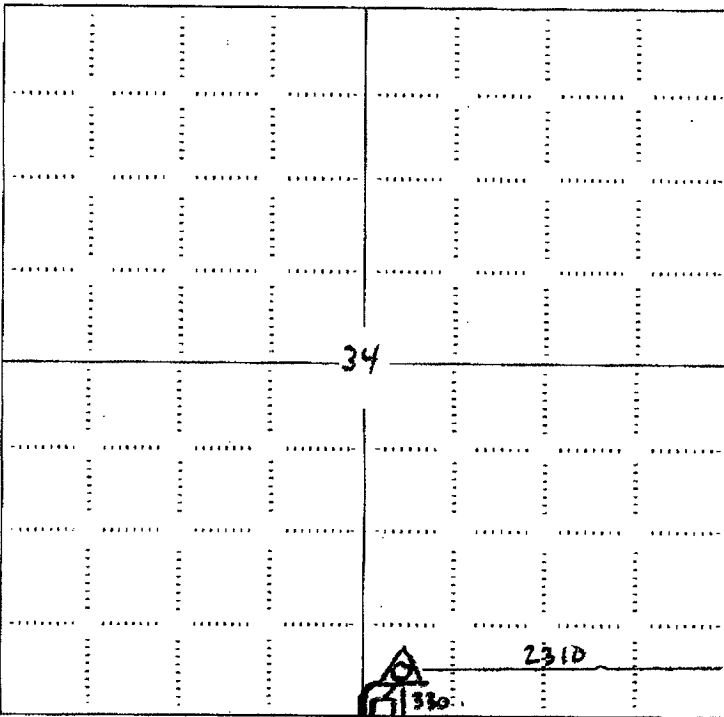
Number of Acres attributable to well: _____
QTR/QTR/QTR/QTR of acreage: _____ - sw - sw - se

Is Section: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE NW SE SW

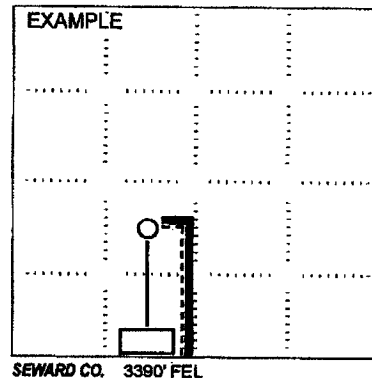
PLAT

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
- 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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KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

KCC WICHITA

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**

15-065-03430-00-02

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 # 34746
Name: Spiral Energy Corp.
Address 1: 300 N. Marienfeld Ste 830
Address 2: _____
City: Midland State: TX Zip: 79701 + _____
Contact Person: Ron Amini
Phone: (432) 686-2883 Fax: (_____) _____
Email Address: _____

Well Location:
SW SW se Sec. 34 Twp. 9 S. R. 21 East West
County: Graham
Lease Name: Desair Well #: 3

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

Surface Owner Information:

Name: Henry Desair
Address 1: 109 E. Olive
Address 2: _____
City: Canton State: KS Zip: 67428 + _____

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: 10-29-12 Signature of Operator or Agent: Ron Amini Title: President

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT

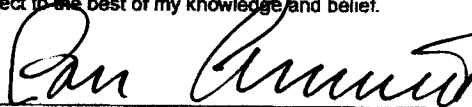
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May 2010
Form must be Typed

KCC WICHITA

Submit In Duplicate

Operator Name: Spiral Energy Corp.		License Number: 34746	
Operator Address: 300 N. Marienfeld Ste 830		Midland TX 79701	
Contact Person: Ron Amini		Phone Number: 432-686-2883	
Lease Name & Well No.: Desair 3		Pit Location (QQQQ): _____ SW _____ SW _____ SE Sec. 34 Twp. 9 R. 21 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 330 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 2,310 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Graham 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 checked="" 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: 50 (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 type="checkbox"/> No	How is the pit lined if a plastic liner is not used? plastic used	
Pit dimensions (all but working pits): 8 Length (feet) 10 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. installed by licensed contractor, plastic 10 ml. thick		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. monitored daily	
Distance to nearest water well within one-mile of pit: 3048 feet na Depth of water well 80 feet		Depth to shallowest fresh water 150 50 feet Source of information: JR-KGS <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" 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: plastic Number of working pits to be utilized: 1 Abandonment procedure: will remove fluids at end of recompletion then 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. 10-29-12 Date  Signature of Applicant or Agent			
KCC OFFICE USE ONLY			
Date Received: 10/30/12 Permit Number: _____		Permit Date: 10/30/12 Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

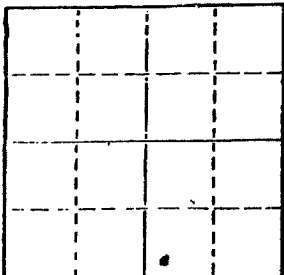
15-065-03430-00-02

STATE OF KANSAS
STATE CORPORATION COMMISSION

WELL PLUGGING RECORD

Give All Information Completely
Make Required Affidavit
Mail or Deliver Report to
Conservation Division
State Corporation Comm.
245 North Water
Wichita, KS 67202

Graham County, Sec. 34 Twp. 9S Rge. 21 K/W
Location as "NE/CNW $\frac{1}{2}$ SW $\frac{1}{2}$ " or footage from lines _____
SW SW SE
Lease Owner Bowman Oil Company
Lease Name Desaire Well No. 3
Office Address Codell, Kansas 67630-0037
Character of Well (Completed as Oil, Gas or Dry Hole) _____
Oil Well
Date Well completed 12/8/77 19
Application for plugging filed 2/6/86 19
Application for plugging approved 2/6/86 19
Plugging commenced 2/6/86 19
Plugging completed 2/6/86 19
Reason for abandonment of well or producing formation _____
Oil depleted
If a producing well is abandoned, date of last production _____
7/1/85 19



Locate well correctly on above Section Plot

Was permission obtained from the Conservation Division or its agents before plugging was commenced? YES

Name of Conservation Agent who supervised plugging of this well Dennis Hamel
Producing formation Arbuckle Depth to top 3862 Bottom 3871 Total Depth of Well 3871
Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS

CASING RECORD

FORMATION	CONTENT	FROM	TO	SIZE	PUT IN	PULLED OUT
				8 5/8	298'	None
				5 1/2	3888	None

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hold. If cement or other plugs were used, state the character of same and depth placed, from _____ feet to _____ feet for each plug set.

Down 5 1/2" casing at 1000# max pressure, mixed: 25 sks cement w/1 sx hulls, 2 1/2 sks gel w/2 sx hulls, released plug, then 100 sx cement w/1 sx hulls and shut in. Annulus was full, pressured to 1500#.

(If additional description is necessary, use BACK of this sheet)

Name of Plugging Contractor Allied Cementing Company, Inc.

STATE OF Kansas COUNTY OF Rooks, ss.
Louis D. Bowman (employee of owner) or (owner or operator)
of the above-described well, being first duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the log of the above-described well as filed and that the same are true and correct. So help me God.

(Signature) Louis D. Bowman
101 Petroleum Codell, Ks 67630
(Address)

SUBSCRIBED AND SWORN TO before me this 26th day of March, 1986

My commission expires July 17, 1988

Vesta J. Russell
Notary Public.



STATE CORPORATION COMMISSION

MAR 27 1986

3-27-86
CONSERVATION DIVISION
Wichita, Kansas

**NOTICE TO OPERATORS FILING INTENT TO DRILL
FOR DISPOSAL OR ENHANCED RECOVERY
INJECTION WELLS, (CLASS II INJECTION WELL)**

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved "Intent to Drill" does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in **K.A.R. 82-3-400 et seq** of our regulations. Associated regulations governing drilling, completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sandstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a "Design Approval" before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.