

For KCC Use:  
 Effective Date: 8-25-02  
 District #: 2  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION  
**NOTICE OF INTENT TO DRILL**

Form C-1  
 September 1999  
 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

Expected Spud Date 9 23 02  
month day year

OPERATOR: License# 5086  
 Name: Pintail Petroleum Ltd.  
 Address: 225 N. Market #300  
Wichita KS 67202  
 Contact Person: Flip Phillips  
 Phone: (316) 263-2243  
4958

CONTRACTOR: License#  
 Name: Mallard JV

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input checked="" type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Cable
<input type="checkbox"/> 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 #: \_\_\_\_\_

**X UNIT COVERS SW 1/4 & W 1/2 SE (240 ACRES)**

**AFFIDAVIT**

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, 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. *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: 8/16/02 Signature of Operator or Agent: Walter Phillips Title: Geologist

Spot S/2 S/2 Sec. 9 Twp. 33S S. R. 6W  East  West  
660 feet from (S) (circle one) Line of Section  
2640 feet from (E) (circle one) Line of Section  
 Is SECTION Regular Irregular?

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

County: Harper  
 Lease Name: Springer Farms Well #: 1  
 Field Name: \_\_\_\_\_  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Mississippian

\* Nearest Lease or unit boundary: 660'  
 Ground Surface Elevation: 1328 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: 110'  
 Depth to bottom of usable water: 180'  
 Surface Pipe by Alternate: X 1 2  
 Length of Surface Pipe Planned to be set: 250'  
 Length of Conductor Pipe required: None  
 Projected Total Depth: 4400'  
 Formation at Total Depth: Mississippian  
 Water Source for Drilling Operations:  
 Well \_\_\_\_\_ Farm Pond \_\_\_\_\_ Other Trucking  
 DWR Permit #: \_\_\_\_\_  
 (Note: Apply for Permit with DWR )  
 Will Cores be taken?  Yes  No  
 If Yes, proposed zone: \_\_\_\_\_

RECEIVED  
 AUG 19 2002  
 08-19-2002  
 KCC WICHITA

For KCC Use ONLY  
 API # 15: 077-21436-00-00  
 Conductor pipe required NONE feet  
 Minimum surface pipe required 200 feet per Alt. (1)  
 Approved by: RSP 8-20-02  
 This authorization expires: 2-20-03  
 (This authorization void if drilling not started within 6 months of effective date.)  
 Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

- Remember to:
- 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;
  - Obtain written approval before disposing or injecting salt water.

9  
33  
6W

### IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - \_\_\_\_\_  
Operator: Pintail Petroleum Ltd.  
Lease: Springer Farms  
Well Number: 1  
Field: \_\_\_\_\_

Location of Well: County: Harper  
660 feet from S / N (circle one) Line of Section  
2640 feet from E / W (circle one) Line of Section  
Sec. 9 Twp. 33S S. R. 6W  East  West

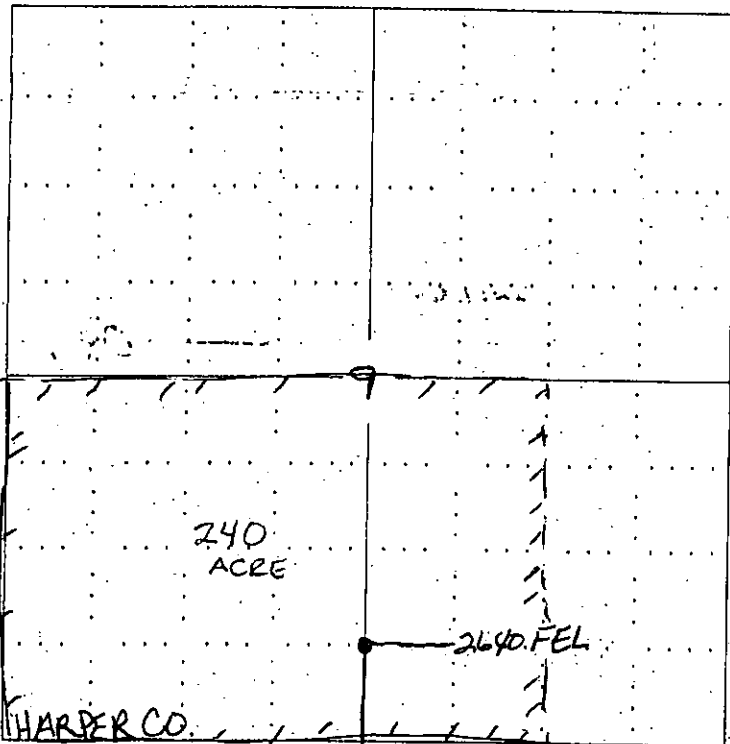
Number of Acres attributable to well: \_\_\_\_\_  
QTR / QTR / QTR of acreage: \_\_\_\_\_

Is Section \_\_\_\_\_ Regular or \_\_\_\_\_ Irregular

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

#### PLAT

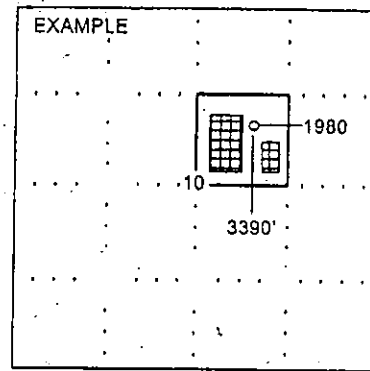
(Show location of the well and shade attributable acreage for prorated or spaced wells.)  
(Show footage to the nearest lease or unit boundary line.)



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

660 FSL

33 South - 6 West



RECEIVED

AUG 19 2009

KCC WICHITA

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 section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
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).

15-077-21436-00-00

FORM 69 - (PRODUCER'S SPECIAL) (PAID-UP)

Order No. 09-115

AMERICAN OIL FIELD SERVICE CO. INC. 316-264-2200 • P.O. Box 700 • Wichita, KS 67201-0700

63U (Rev. 1981)

OIL AND GAS LEASE

AGREEMENT Made and entered into the 1st day of February 2001 by and between Virginia S. Overlees, Trustee of the Virginia S. Overlees Trust dated 10/10/88

whose mailing address is 320 E. 22nd St., Costa Mesa, CA 92627 hereinafter called Lessor (whether one or more), and Pintail Petroleum, Ltd. 225 N. Market, #300, Wichita, KS 67202 hereinafter called Lessee:

Lessor, in consideration of One and other Dollars (\$1.00 & other), in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lease herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigation, exploring, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, move and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interests, therein situated in County of Harper State of Kansas described as follows, to-wit:

The Southwest Quarter and the West half of the Southeast Quarter (SW/4 and W/2 SE/4)

In Section 9 Township 33S Range 6W and containing 240 acres, more or less, and all accretions thereon.

Subject to the provisions herein contained, this lease shall remain in force for a term of three (3) years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or other respectively constituent products, or any of them, is produced from said land or land with which said land is pooled.

In consideration of the premises the said lessee covenants and agrees:

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay lessor for gas of whatever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/8) at the market price at the well, (but as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales) for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.

This lease may be maintained during the primary term hereof without further payment or drilling operations. If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed within the term of years first mentioned.

If said lessee owns a like interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the said lessee only in the proportion which lessee's interest bears to the whole and undivided fee.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operation thereon, except water from the wells of lessee.

When requested by lessee, lessor shall bury lessee's pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of lessor.

Lessee shall pay for damages caused by lessee's operations to growing crops on said land.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessor until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns this lease, in whole or in part, lessor shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

Lessee hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessor, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under said land may be produced from said premises, each pooling to be of tract contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of an oil well or into a unit or units not exceeding 640 acres each in the event of a gas well. Lessee shall execute in writing and record in the courthouse records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is pooled on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

Lessee or assigns agree to restore the surface to its original contours as nearly as practicable after any drilling and agrees to pay for any damages caused by operations on said land.

Lessee agrees to contact the tenant farmer before development of the said lands with reference to the direction and location of roadways for ingress and egress.

IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.

Witness: Virginia S. Overlees Virginia S. Overlees, Trustee of the Virginia S. Overlees Trust dated 10/10/88 Trust ID#