KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Effective Date: 5-23-06
District #: 4
SGA?: No

Expected Spud Date: 05-30-06

OPERATOR: License# 5259
Name: Mai Oil Operations, Inc.
Address: P.O. Box 33
City/State/Zip: Russell, Ks. 67665
Phone: 785-483-2169

CONTRACTOR: License# 30606
Name: Martin Drilling Co., Inc.

Well Drilled For: Gas
Well Class: Storage
Type Equipment: Mud Rotary

If OWMO: old well information as follows:
Operator:
Original Completion Date:
Original Total Depth:
Directional, Deviated or Horizontal wellbore? Yes
Bottom Hole Location:
KCC DKT #:

Spd E2 - SW - SE
Section 33
Twp. 15
N. R. 14
East

feet from N
feet from E

Is SECTION Regular or Irregular?

County: Russell
Field Name: Wildcat
Lease Name: Nuss
Well #: 1

Target Formation(s): Arbuckle

Nearest Lease or unit boundary: 670'
Ground Surface Elevation: 1900'
Water well within one-quarter mile: Yes
Public water supply well within one mile: Yes
Depth to bottom of fresh water: 220'
Depth to bottom of usable water: 360'
Surface Pipe by Alternate: Yes
Length of Surface Pipe Planned to be set: 380'
Length of Conductor Pipe required: None
Projected Total Depth: 3450'
Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:

Will Cores be taken? Yes

DWR Permit #:

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

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 #133,991-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 will 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: 05-16-06
Signature of Operator or Agent: Allen Bangert
Title: Prod. Supt.

For KCC Use ONLY

API #: 167-23359-0000
Conductor pipe required: None
Minimum surface pipe required: 380 feet per Acre
Approved by: 18-08
This authorization expires: 11-18-06

Mail to: KCC - Conservation Division, 130 S. Market - Room 2978, Wichita, Kansas 67202
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 - 167-23359-0000
Operator: Mali Oil Operations, Inc.
Lease: Nues
Well Number: 1
Field: Wildcat

Number of Acres attributable to well: QTR / QTR / QTR of acreage: E2 - SW - SE

Location of Well: County: Russell
670 feet from W of line of section
1550 feet from E of line of section
Sec. 33 Twp. 15 S. R. 14 East

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.

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

Submit in Duplicate

Operator Name: Mai Oil Operations, Inc. License Number: 5259
Operator Address: P.O. Box 33, Russell, Ks. 67665
Contact Person: Allen Bangert Phone Number: (785) 483-2169

Lease Name & Well No.: Nuss #1
Pit Location (QQQQ):
- E2 SW SE
- Sec. 33 Twp. 15 R 14
- 670 feet from North / South Line of Section
- 1550 feet from East / West Line of Section
- Russell County

Is the pit located in a Sensitive Ground Water Area? ☑ Yes ☐ No
Is the bottom below ground level? ☑ Yes ☐ No
Artificial Liner? ☑ Yes ☐ No
Chloride concentration: _________ mg/l (For Emergency Pits and Settling Pits only)
How is the pit lined if a plastic liner is not used?
Drilling Mud

Pit dimensions (all but working pits): 75 (Length feet) 75 (Width feet) N/A: Steel Pits
Depth from ground level to deepest point: __________ (feet)

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.

Distance to nearest water well within one-mile of pit
☐ A __________ feet Depth of water well __________ feet

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? ☑ Yes ☐ No

Drilling, Workover and Haul-Off Pits ONLY:
Type of material utilized in drilling/workover: Drilling Mud
Number of working pits to be utilized: 3
Abandonment procedure: Let dry and backfill
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.

5-16-06
Date

Signature of Applicant or Agent

KCC OFFICE USE ONLY

Date Received: 5/18/06 Permit Number: __________ Permit Date: 5/18/06 Lease Inspection: ☑ Yes ☐ No

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