KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

Expected Spud Date: August 1, 2006

OSPOT 50'N 165'E of
E/2, E/2
1370 feet from N
165 feet from E

Is SECTION Regular? Yes No
(Note: Locate well on the Section Plat on reverse side)

County: Osage
Lease Name: Sipper-Johnson
Well #: 1
Field Name: Wildcat
Is this a Prorated: Spaced Field? Yes No
Target Formation(s): Mississippian

Nearest Lease or unit boundary: 495' N
Ground Surface Elevation: 2565'

Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No
Depth to bottom of fresh water: 180'

Depth to bottom of usable water: 350'
Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 370 minimum Alt.
Length of Conductor Pipe required: None
Projected Total Depth: 8550'
Formation at Total Depth: Arbuckle
Water Source for Drilling Operations: Well Farm Pond Other X

DWR Permit #: 10
Will Cores be Taken? Yes No
(Note: Apply for Permit with DWR)

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 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 #133,801-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date of 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: July 24, 2006
Signature of Operator or Agent: [Signature]

Title: GIS Specialist

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JUL 24 2006
CONSERVATION DIVISION

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, 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 - 025-21373-0000
Operator: Ritchie Exploration, Inc.
Lease: sipper-Johnson
Well Number: 1
Field: Wildcat
Number of Acres attributable to well:
QTR / QTR / QTR of acreage: E/2 - E/2 - SE

Location of Well: County: Clark
.1370 feet from N / S Line of Section
.165 feet from E / W Line of Section
Sec. 18 Twp. 30 S. R. 25
Is Section: ✓ Regular or □ Irregular

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

(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; (C0-7 for oil wells; CG-8 for gas wells).
KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT

Operator Name: Ritchie Exploration, Inc.  License Number: KLN 4767
Operator Address: PO 783188 Wichita, KS 67278-3188
Contact Person: Craig Caulk  Phone Number: (316) 691 - 9500
Lease Name & Well No.: #1 Sipper-Johnson

Type of Pit:
☐ Emergency Pit  ☐ Burn Pit
☐ Settling Pit  ☑ Drilling Pit
☐ Workover Pit  ☐ Haul-Off Pit

(If WP Supply API No. or Year Dilled)

Pit is:
☑ Proposed  ☐ Existing

If Existing, date constructed:

Pit capacity: 20,517 (bbls)

Sec. 18 Twp. 30S R. 25 E/2 E/2 SE

Feet from North: 1370  South Line of Section 165 East

Feet from East: West Line of Section

Clark 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

How is the pit lined if a plastic liner is not used?

Cottonseed Hulls / AquaGel

Pit dimensions (all but working pits): 120 Length (feet) 120 Width (feet) N/A: Steel Pits

Depth from ground level to deepest point: 8 (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.

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CONSERVATION DIVISION
WICHITA, KS

Distance to nearest water well within one-mile of pit

2384 feet  Depth of water well 118 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

Depth to shallowest fresh water 98 feet.
Source of information: measured well owner electric log KOWR

Drilling, Workover and Haul-Off Pits ONLY:

Type of material utilized in drilling/workover: Fresh / Chemical Mud

Number of working pits to be utilized: 3

Abandonment procedure: 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.

Date: July 24, 2006

Signature of Applicant or Agent

KCC OFFICE USE ONLY

Date Received: 7/24/06  Permit Number:  Permit Date: 7/26/06  Lease Inspection: ☑ Yes  ☐ No

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
July 26, 2006

CRAIG CAULK
RITCHIE EXPLORATION INC
P O 783188
WICHITA KS 67278-3188

Re: Drilling Pit Application
Sipper-Johnson Lease Well No.1
1370’FSL-165’FE1 18-30S-25W
Clark County, Kansas

Dear Mr. Caulk:

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 as soon as practical 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/

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,

[Signature]

Sammy K. Flaharty, Management Systems Analyst
Department of Environmental Protection and Remediation

cc: Steve Durrant
File

Conservation Division, Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802 Voice 316.337.6200 Fax 316.337.6211 www.kcc.state.ks.us