KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

For KCC Use
Effective Date: 9-19-06
District # 1
SGA? Yes No

Expected Spud Date: 8-28-2006

OPERATOR: Licensee: 6170
Name: Globe Operating, Inc.
Address: P.O. Box 12
City/State/Zip: Great Bend, KS 67530
Contact Person: Richard Stalcup
Phone: 620-792-7607 Cell 620793-2891

CONTRACTOR: Licensee: 33350
Name: Southwind Drilling, Inc. Rig # 2

Well Drilled For: Gas
Well Class: Storage
Type Equipment: X Mud Rotary
X Gas Storage
X Disposal
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 #

Approx. 160' S

Spot
SW
SW
Sec 15
Tmp 31
S, R 11

East
North
West

X Regular

X

Is SECTION

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

County: Barber
Lease Name: Ralph
Field Name: ILS
Is this a Poroled / Spaced Field? Yes No
Target Information(s): Arbuckle

Nearest Lease or unit boundary: 330' per operator

Ground Surface Elevation: 1740

Water well within one-quarter mile:

Public water supply well within one mile:

Depth to bottom of fresh water:

Surface Pipe by Alternate: K 1

Length of Surface Pipe Planned to be set:

Length of Conductor Pipe required:

Projected Total Depth:

Formation at Total Depth:

Water Source for Drilling Operations:

DWR Permit #

Will Cores be taken? Yes No

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: 8-17-06 Signature of Operator or Agent: Richard Stalcup

Title: Prod. Superintendent

Remember to:
- File Drill Pit Application (form CDP-I) 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
- If this permit has expired (See authorized expiration date) please check the box below and return to the address below.

Well Not Drilled - Permit Expired
Signature of Operator or Agent:

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

RECEIVED
AUG 3 1 2006
KCC WICHITA
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 - 007-23087-0000
Operator: Globe Operating, Inc.
Lease: Ralph
Well Number: 1
Field: ILS
Number of Acres attributable to well: 160

Location of Well: County: Barber

330 feet from N / S Line of Section
830 feet from E / W Line of Section

Sec. 15 Twp. 31 S. R. 11

Is Section: X 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: (CG-7 for oil wells; CG-8 for gas wells).
**KANSAS CORPORATION COMMISSION**

**OIL & GAS CONSERVATION DIVISION**

**APPLICATION FOR SURFACE PIT**

Submit in Duplicate

<table>
<thead>
<tr>
<th>Operator Name: Globe Operating, Inc.</th>
<th>License Number: 6170</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operator Address: P.O.Box 12 Great Bend, KS</td>
<td>Phone Number: (620) 792 7607</td>
</tr>
<tr>
<td>Contact Person: Richard Stalcup</td>
<td>Pit Location (QQQQ):</td>
</tr>
<tr>
<td>Lease Name &amp; Well No: Ralph #1</td>
<td>Sec. 15 Twp. 31 R. 11</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Type of Pit:</th>
<th>Pit is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency Pit</td>
<td>Proposed</td>
</tr>
<tr>
<td>Burn Pit</td>
<td>Existing</td>
</tr>
<tr>
<td>Settling Pit</td>
<td></td>
</tr>
<tr>
<td>Drilling Pit</td>
<td></td>
</tr>
<tr>
<td>Workover Pit</td>
<td></td>
</tr>
<tr>
<td>Haul-Off Pit</td>
<td></td>
</tr>
<tr>
<td>(If WPSupply API No. or Year Drilled)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Pit capacity:</th>
<th>(lbs)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Is the pit located in a Sensitive Ground Water Area?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is the bottom below ground level?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Artificial Liner?</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>How is the pit lined if a plastic liner is not used?</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Pit dimensions (all but working pits):</th>
<th>80</th>
<th>Length (feet)</th>
<th>80</th>
<th>Width (feet)</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A: Steel Pits</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depth from ground level to deepest point:</td>
<td>6</td>
<td>(feet)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>If the pit is lined give a brief description of the liner material, thickness and installation procedure.</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Distance to nearest water well within one-mile of pit</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>25 feet</td>
<td>Depth of water well</td>
</tr>
</tbody>
</table>

**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 | N/A | 75 feet |
| Source of information: | KCC | KDWR |
| measured | well owner | electric log |

**Drilling, Workover and Haul-Off Pits ONLY:**

| Type of material utilized in drilling/workover: | Mud, Drilling fluid |
| Number of working pits to be utilized: | 3 |
| Abandonment procedure: | Haul off free fluids let dry and back fill |
| 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 | 9-6-06 |

| Signature of Applicant or Agent | |

**KCC OFFICE USE ONLY**

| Date Received: | 9/8/06 |
| Permit Number: | |
| Permit Date: | 9/14/04 |
| Lease Inspection: | Yes | No |

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
September 14, 2006

Mr. Richard Stalcup
Globe Operating, Inc.
PO Box 12
Great Bend, KS 67530

RE: Drilling Pit Application
Ralph Lease Well No. 1
SW/4 Sec. 15-31S-11W
Barber County, Kansas

Dear Mr. Stalcup:

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. The pit must be kept on the hillside to the east of the stake. The pit sides and bottom must be lined with native clay or red dirt. 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,

Kathy Haynes
Environmental Protection and Remediation Department

cc: S Durrant