NOTICE OF INTENT TO DRILL

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

Expected Spud Date: 12/08/2006

Operator: 8061 Oil Producers Inc. of Kansas
Address: 1710 Waterfront Parkway
City: Wichita
Contact Person: Lori Zebr
Phone: 316-881-0231
Contractor: 4050 Nairn, J. V., Inc.

Well Drilled For: Oil Gas Storage Disposal Other

Well Class: Enh Rec Infield Pool Ext. Disposal Wldcat Cable

Type Equipment: Mud Rotary Air Rotary Cable

Skid Rig from 15-007-23038-0000

Approval: Yes No

Spud Description: Skid Rig, last hole

Spot Description:

NE SE NW NW Sec 34 Twp 32 S R 14 E 1W

Is SECTION: Regular Irregular

(Notes: Locate well on the Section Plan on this side)

County: Barber
Lease Name: Hinz
Field Name: ELSEA
Is this a Promoted / Spaced Field? Yes No

Nearest Lease or Unit Boundary Line (In Feet): 350

Ground Surface Elevation: 1975

Waste water 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: 180

Surface Pipe by Alternate: Yes No

Length of Surface Pipe Planned to Be: 250

Length of Conductive Pipe (If any): 250

Projected Total Depth: 4500

Formation at Total Depth: Missouri Chert

Water Source for Drilling Operations: Well Farm Pond Other: Haul

DWR Permit #: 133,891-C

Will Cored be taken? Yes No

If Yes, proposed zone:

Received:

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DEC 8 2006

CONSERVATION DIVISION
WICHITA, KS

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 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: 12/08/2006

Signature of Operator or Agent: AGENT

For KCC Use Only

API #: 007-23021-0000

Condutor pipe required: 000 feet

Minimum surface pipe required: 000 feet per ALT:

Approved by:

This authorization expires: 12/08/2006

Spud date: 12/08/2006

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: 07-2306-0000
Operator: Oil Producers Inc. of Kansas
Lease: Hinz
Well Number: 1-34A
Field: ELSEA

Number of Acres attributable to well:
QTR/QTR/QTR/QTR of acreage: NE - SE - NW - NW

Location of Well: County: Barber
885 feet from N / S Line of Section
1,105 feet from E / W Line of Section
Sec 34 Twp 32 S. Ft 14 E X W

Is Section: X Regular or O Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: X NE O NW O SE O 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 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: (C0-7 for oil wells; CG-8 for gas wells).

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DEC 08 2006
CONSERVATION DIVISION
WICHITA, KS

EXAMPLE
**KANSAS CORPORATION COMMISSION**

**OIL & GAS CONSERVATION DIVISION**

**APPLICATION FOR SURFACE PIT**

Submit in Duplicate

| Operator Name: Oil Producers Inc. of Kansas | License Number: 8061 |
| Operator Address: 1710 Waterfront Parkway | Wichita KS 67206 |
| Contact Person: Lori Zehr | Phone Number: 316-681-0231 |
| Lease Name & Well No.: Hinz 1-34A | Pit Location (QQQQ): NE SE NW NW |
| Type of Pit: | Sec. 34 Twp 32 R 14 E X W |
| □ Emergency Pit □ Burn Pit | Feet from X North X South Line of Section |
| □ Setting Pit X Drilling Pit | Feet from X East X West Line of Section |
| □ Workover Pit □ Haul-Off Pit | Barber County |
| (If WP Supply API No. or Year Drilled) | Chloride concentration: mg/l |

Is the pit located in a Sensitive Ground Water Area? X Yes □ No

Is the bottom below ground level? X Yes □ No

Artificial Liner? □ Yes X No

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

Mud & shale well bore

Pit dimensions (all but working pits): 80 Length (feet) 8 Width (feet)

Depth from ground level to deepest point: 6 (feet)

N/A: Steel Pits No Pit:

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

N/A feet Depth of water well 0 feet

Drilling, Workover and Haul-Off Pits ONLY:

Emergency, Setting and Burn Pits ONLY:

Producing Formation:

Number of producing wells on leases:

Barrels of fluid produced daily:

Does the slope from the tank battery allow all spilled fluids to flow into the pit? X Yes □ No

I hereby certify that the above statements are true and correct to the best of my knowledge and belief.

12/15/06

[Signature of Applicant or Agent]

Date

[RECEIVED]

KANSAS CORPORATION COMMISSION

CONSERVATION DIVISION

WICHITA KS

DEC 18 2006

KCC OFFICE USE ONLY

Date Received: 12/8/06 Permit Number: Permit Date: 12/8/06 Lease Inspection: X Yes □ No

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
December 8, 2006

Ms. Lori Zehr
Oil Producers Inc. of Kansas
1710 Waterfront Parkway
Wichita, KS 67206

RE: Drilling Pit Application
Hinz Lease Well No. 1-34A
NW/4 Sec. 34-32S-14W
Barber County, Kansas

Dear Ms. Zehr:

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,

Kathy Haynes
Department of Environmental Protection and Remediation

cc: File