NOTICE OF INTENT TO DRILL

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

For KCC Use: Yes No

Effective Date: 8-10-08

District # 001

SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

OPERATOR:
License#: 9228
Name: Marlin Oil Corporation
Address 1: P.O. Box 14630
Address 2:
City: Oklahoma City State: OK Zip: 73113 +
Contact Person: W.R. (Dick) Lynn
Phone: 405/818-8738

CONTRACTOR:
License#: 5929
Name: Duke Drilling Co., Inc.

Expected Spud Date: September 2, 2008

Spot Description:

Well Drilled For:

[ ] Oil [ ] Gas [ ] Enh Rec [ ] Infield
[ ] Storage [ ] Pool Ext. [ ] Disposal [ ] Wildcat
[ ] Seismic: [ ] # of Holes [ ] Other
[ ] 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 #:

Is SECTION: Regular Irregular?

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

County: Stevens

Lease Name: Don Hall

Well #: 1

Field Name: Wide Awake

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Morrow, Chester, and St. Louis

Nearest Lease or unit boundary line (in footage): 660'

Ground Surface Elevation: 2963'

Water well within one-quarter mile:
Public water supply well within one mile:
Depth to bottom of fresh water:

Depth to bottom of usable water:
Surface Pipe by Alternate: [ ] [ ]
Length of Surface Pipe Planned to be set:
Length of Conductor Pipe (if any): 40'

Projected Total Depth: 7000'

Formation at Total Depth: St. Louis

Water Source for Drilling Operations:
[ ] Well [ ] Farm Pond [ ] Other: existing water well

DWR Permit #:

Will Cores be taken? Yes No
If Yes, proposed zone:

PRORATED : HUBERT

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 surface below 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 shall be plugged. In all cases, NOTIFY district office prior to any cementing.

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

Date: 7/25/08
Signature of Operator or Agent:

Engineer

Title:

For KCC Use ONLY

API #: 15-189-2266

Conductor pipe required: None

Minimum surface pipe required: 660 feet per ALT [ ] [ ]

Approved by:

This authorization expires: 8-11-09

(Not valid if drilling not started within 12 months of approval 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 (within 60 days);
- 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

Date:

Signature of Operator or Agent:

Mall to: KCC - Conservation Division, 130 S. Market - Room 2678, 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 - 189-22663-0000
Operator: Martin Oil Corporation
Lease: Don Hall
Well Number: 1
Field: Wide Awake

Number of Acres attributable to well: ____________________________
QTR/QTR/QTR/QTR of acreage: ____________________________ N/2 NW

Location of Well: County: Stevens
660 feet from N N S Line of Section
1,320 feet from E X W Line of Section
Sec. 11 Twp. 35 S. R. 35 E X W

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.)

RECEIVED
KANSAS CORPORATION COMMISSION
JUL 28 2008

EXAMPLE
CONSERVATION DIVISION
WICHITA, KS

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).
# Kansas Corporation Commission

## Oil & Gas Conservation Division

### Application for Surface Pit

**Submit in Duplicate**

<table>
<thead>
<tr>
<th>Operator Name:</th>
<th>Martin Oil Corporation</th>
<th>License Number:</th>
<th>9228</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operator Address:</td>
<td>P. O. Box 14630</td>
<td>Oklahoma City</td>
<td>OK</td>
</tr>
<tr>
<td>Contact Person:</td>
<td>W.R. (Dick) Lynn</td>
<td>Phone Number:</td>
<td>405/818-8738</td>
</tr>
</tbody>
</table>

#### Lease Name & Well No.:

| Don Hall | 1 |

#### Type of Pit:

- Emergency Pit
- Burn Pit
- Setting Pit
- Workover Pit
- Drilling Pit
- Haul-Off Pit

#### Pit is:

- Proposed
- Existing

If Existing, date constructed:

#### Pit Location (QQQQ):

- Sec. 11 Twp. 35 R. 35
- N2/2 W1/2 N/W4
- East
- West
- 660 Feet from North
- South Line of Section
- 1,320 Feet from East
- West Line of Section

#### Stevens County

#### Is the pit located in a Sensitive Ground Water Area? [ ] Yes [ ] No

#### Chloride concentration: [ ] mg/l

(For Emergency Pits and Setting Pits only)

#### Is the bottom below ground level? [ ] Yes [ ] No

#### Artificial Liner? [ ] Yes [ ] No

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

- re-compacted natural clay

#### Pit dimensions (all but working pits):

- Length (feet) 150
- Width (feet) 150

#### Depth from ground level to deepest point: 5 feet

#### If the pit is lined give a brief description of the liner material, thickness and installation procedure.

Describe procedures for periodic maintenance and determine liner integrity, including any special monitoring.

#### RECEIVED

<table>
<thead>
<tr>
<th>KANSAS CORPORATION COMMISSION</th>
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<tbody>
<tr>
<td>JUL 28 2008</td>
</tr>
<tr>
<td>CONSERVATION DIVISION</td>
</tr>
<tr>
<td>WICHITA, KS</td>
</tr>
</tbody>
</table>

#### Distance to nearest water well within one-mile of pit:

- 165 feet

#### Depth of water well:

- 513 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: 100 feet

#### Source of information:

- measured
- well owner
- electric log
- KDWR

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

- Type of material utilized in drilling/workover: Drilling mud
- Number of working pits to be utilized: 1
- Abandonment procedure: Evaporation until dry then backfill and level
- 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.

7/25/08

[Signature of Applicant or Agent]

#### KCC Office Use Only

| Steel Pit [ ] | RFAC [X] | RFAS [ ] |

Date Received: 7/08/08

Permit Number: Permit Date: 8/1/08

Lease Inspection: [ ] Yes [ ] No

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

15-789-20043-000
August 8, 2008

Mr. WR Lynn
Martin Oil Corporation
PO Box 14630
Oklahoma City, OK 73113

Re: Drilling Pit Application
Don Hall Lease Well No. 1
NW/4 Sec. 11-35S-35W
Stevens County, Kansas

Dear Mr. Lynn:

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 within 96 hours of drilling completion.

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: File