

APPLICATION TO DRILL, RECOMPLETE OR REENTER

FORM 1000
REV 2003

FILE ORIGINAL ONLY

PLEASE TYPE OR USE BLACK INK

OKLAHOMA CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
JIM THORPE BUILDING
P.O. BOX 52000
OKLAHOMA CITY, OK 73152-2000
(RULE 165:10-3-1)

BATCH NUMBER (OCC USE ONLY)

1. OTC/OCC OPERATOR NUMBER
0-15459

2. API NUMBER
133-24712

3. NOTICE OF INTENT TO: (CHECK ONLY ONE)
 DRILL RECOMPLETE REENTER DEEPEN AMEND - REASON _____
 NOTE: ATTACH COPY OF 1002-A IF RECOMPLETION OR RENTRY.

4. TYPE OF DRILLING OPERATION >>>>>>> (NOTE: If directional or horizontal, see reverse side for bottom hole location)
 A. STRAIGHT HOLE DIRECTIONAL HOLE HORIZONTAL HOLE
 B. OIL/GAS INJECTION DISPOSAL WATER SUPPLY

6. LOCATE WELL AND OUTLINE
LEASE OR SPACING UNIT IN INK.

5. WELL LOCATION:

SECTION	TOWNSHIP	RANGE	COUNTY
33	8N	8E	SEMINOLE
SPOT LOCATION:			FEET FROM QUARTER from SOUTH LINE from WEST LINE
C	E 1/2 SE 1/4	SE 1/4	1/4 SECTION LINES: 660' 2310'

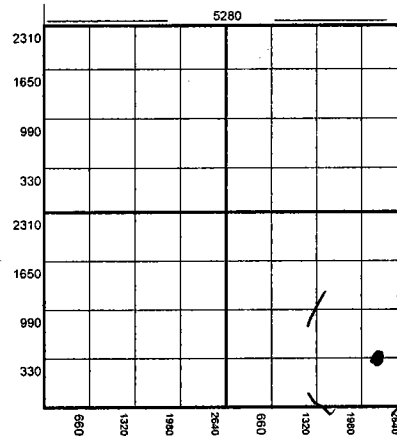
7. Well will be 330' feet from nearest unit or property boundary.

8. LEASE NAME: PHILLIPS WELL NUMBER: 2-33

9. NAME OF OPERATOR: LANCE RUFFEL OIL & GAS CORPORATION

ADDRESS: 210 PARK AVENUE, SUITE 2150 PHONE (AC/NUMBER): 405/239-7036

CITY: OKLAHOMA CITY STATE: OK ZIP CODE: 73102



10. SURFACE OWNER (ONE ONLY, ATTACH SHEET FOR ADDITIONAL OWNERS)
DENNIS R. PHILLIPS AND DEBRA L. PHILLIPS

ADDRESS: P.O. BOX 901 PHONE (AC/NUMBER): _____

CITY: WEWOKA STATE: OK ZIP CODE: 74884

11. Is well located on lands under federal jurisdiction? Y X N

12. Will a water well be drilled? Y X N
 Will surface water be used? X Y N

13. DATE OPERATION TO BEGIN: ASAP

14. LIST TARGET FORMATIONS AND DEPTHS OF EACH BELOW (LIMITED TO TEN)

1) BARTLESVILLE	3100'	6)
2)		7)
3)		8)
4)		9)
5)		10)

15. SPACING ORDER NUMBER(S) AND SIZE UNIT(S):
69856 / 40 ACRES

16. PENDING APPLICATION C.D. NO. _____ 17. LOCATION EXCEPTION ORDER NO. _____ 18. INCREASED DENSITY ORDER NO. _____

19. TOTAL DEPTH	20. GROUND ELEV.	21. BASE OF TREATABLE WATER	22. SURFACE CASING	23. ALT CASING PROG USED?
4200'	876'	860'	910'	<input type="checkbox"/> Y <input checked="" type="checkbox"/> X <input type="checkbox"/> N

24. ALTERNATIVE CASING PROCEDURE, check box and fill in blank (AFFIDAVIT REQUIRED, see reverse side, line 31.)
 A. Cement will be circulated from total depth to ground surface on the production casing string.
 B. Cement will be circulated from _____ depth to _____ depth by use of a two stage cementing tool.

25.1. PIT INFORMATION: Using more than one pit or mud system? Y X N If yes, fill out line 25.2 on top reverse side.

A. TYPE OF MUD SYSTEM: WATER BASED OIL BASED GAS BASED (AIR DRILL)
 B. EXPECTED MUD CHLORIDE CONTENT: maximum: 5000 ppm; average: 2500 ppm.
 C. TYPE OF PIT SYSTEM: on-site; off-site closed; If off-site, specify location: _____
 D. IS DEPTH TO TOP OF GROUND WATER GREATER THAN 10 FT BELOW BASE OF PIT? X Y N
 E. WITHIN 1 MILE OF MUNICIPAL WATER WELL? Y X N
 F. WELLHEAD PROTECTION AREA? Y X N Off-Site Pit No. _____

26.1 OCC USE ONLY

A. CATEGORY 1A 1B 2 3 4 C

B. PIT LOCATION: Alluvial Plain/Terrace Deposit Bedrock Aquifer Other H.S.A. Non-H.S.A. Fm: _____

C. Special area or field rule? _____ D. DEEP SCA? Y N Yield >50 E. CBL required? Y N

F. SOIL or GEOMEMBRANE LINER REQUIRED? Y N 20 mil GEOMEMBRANE LINER REQUIRED? Y N

27. PROPOSED METHOD FOR DISPOSAL OF DRILLING FLUIDS (MUST BE COMPLETED)

A. Evaporation/dewater and backfilling of reserve pit.
 B. Solidification of pit contents.
 C. Annular Injection (REQUIRES PERMIT and surface casing set 200 feet below base of treatable water-bearing formation.)
 D. One time land application (REQUIRES PERMIT) PERMIT NO. _____
 E. Haul to Commercial pit facility; Specify site: _____
 F. Haul to Commercial soil farming facility; Specify site: _____
 G. Haul to recycling/re-use facility; Specify site: _____
 H. Other, Specify: _____

I hereby certify I am authorized to submit this two page application prepared by me or under my supervision.
 The facts and proposals made herein are true, correct and complete to the best of my knowledge and belief.

SIGNATURE: *J. Trepagnier* NAME (Print or Type): JIM TREPAGNIER PHONE (AC/NUMBER): 405/239-7036 DATE: 5/27/2010

NOTICE: Approval is void if operations have not commenced within six months of the date of approval. An approved permit must be posted at the location during drilling and completion operations.
 File the Form 1001A, Spud Report, within fourteen days of commencement of operations.
 CALL AND NOTIFY DISTRICT OFFICE AND SURFACE OWNER 24 HOURS PRIOR TO SPUD, REENTRY OR RECOMPLETION

33
8N
2-33
#

SEC TOWNSHIP RANGE

PHILLIPS

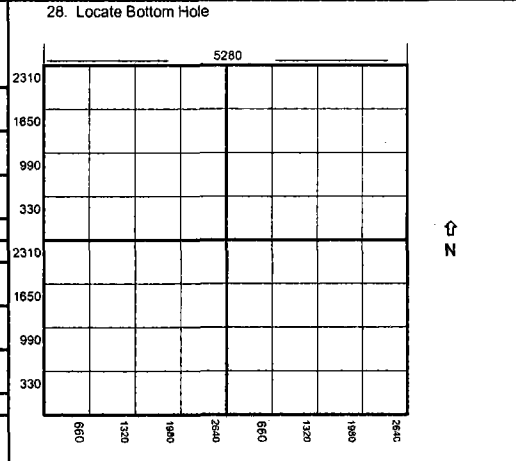
WELL NAME

25.2 PIT INFORMATION:

A. TYPE OF MUD SYSTEM: WATER BASED OIL BASED GAS BASED (AIR DRILL)
 B. EXPECTED MUD CHLORIDE CONTENT: maximum: _____ ppm; average: _____ ppm.
 PIT #2 C. TYPE OF PIT SYSTEM: on-site; off-site closed; If off-site, specify location: _____
 D. IS DEPTH TO TOP OF GROUND WATER GREATER THAN 10 FT BELOW BASE OF PIT? Y N
 E. WITHIN 1 MILE OF MUNICIPAL WATER WELL? Y N
 F. WELLHEAD PROTECTION AREA? Y N

Off-Site Pit No. _____

26.2 OCC USE ONLY A. CATEGORY 1A 1B 2 3 4 C Fm: _____
 B. PIT LOCATION: Alluvial Plain/Terrace Deposit Bedrock Aquifer Other H.S.A. Non-H.S.A.
 C. Special area or field rule? _____ D DEEP SCA? Y N Yield >50
 E. SOIL or GEOMEMBRANE LINER REQUIRED? Y N 20 mil GEOMEMBRANE LINER REQUIRED? Y N
 29. Bottom Hole Location SEC _____ TWP _____ RGE _____ COUNTY _____
 for Directional Hole:
 SPOT LOCATION: _____ FEET FROM QUARTER from SOUTH LINE from WEST LINE
 1/4 1/4 1/4 1/4 SECTION LINES:
 Measured Total Depth _____ True Vertical Depth _____ BHL from Lease, Unit, Or Property Line: _____
 30. Bottom Hole Location for Horizontal Hole: (DRAINHOLES)
 DRAIN HOLE #1: SEC _____ TWP _____ RGE _____ COUNTY _____
 SPOT LOCATION: _____ FEET FROM QUARTER from SOUTH LINE from WEST LINE
 1/4 1/4 1/4 1/4 SECTION LINES:
 Depth of Deviation _____ Radius of Turn _____ Direction _____ Total Length _____
 Measured Total Depth _____ True Vertical Depth _____ End Point location from lease, unit or property line: _____
 DRAIN HOLE #2: SEC _____ TWP _____ RGE _____ COUNTY _____
 SPOT LOCATION: _____ FEET FROM QUARTER from SOUTH LINE from WEST LINE
 1/4 1/4 1/4 1/4 SECTION LINES:
 Depth of Deviation _____ Radius of Turn _____ Direction _____ Total Length _____
 Measured Total Depth _____ True Vertical Depth _____ End Point location from lease, unit or property line: _____



1. If more than two drainholes are proposed, attach separate sheet indicating the necessary information.
2. Direction must be stated in degrees azimuth.
3. Please note the horizontal drainhole and its end point must be located within the legal boundaries of the lease or spacing unit. Directional surveys are required for all drainholes and directional wells.

31. AFFIDAVIT FOR ALTERNATIVE CASING PROGRAM (Signature on front of this form attests to this affidavit)
 1. This well _____ WILL _____ WILL NOT penetrate any known lost circulation zones.
 2. During the drilling of this well, withdrawals from any water well within 1/4 mile _____ WILL _____ WILL NOT exceed 50 gallons per minute.
 3. The projected depth of the well _____ IS _____ IS NOT less than 100 feet from the top of any enhanced recovery project or gas storage facility.
 4. List the following for all water wells within 1/4 mile of this well. (Information concerning some water wells may be obtained from the OKLAHOMA WATER RESOURCES BOARD, 2800 N. Classen Blvd., Oklahoma City, OK 73118). IF NO WATER WELLS FOUND SO STATE: _____ (ATTACH ADDITIONAL SHEET IF NECESSARY)

Name of Owner/Operator	Address of Owner/Operator	Location (Nearest 1/4 1/4 1/4)	Deepest producing Interval

5. A cement bond log is required to be run and submitted from not less than 100 feet below the base of the treatable water-bearing formation to the surface.
6. If casing depth is more than 250 feet deeper than base of the treatable water-bearing formation, operator must submit a letter of request listing reasons and precautions to be taken.

INTENT TO DRILL CHECKLIST	OCC USE ONLY	OCC USE ONLY	OCC USE ONLY
APPROVED <u>[Signature]</u>	REJECTED _____	1. SURETY A. NONE filed. <u>3/2/11</u> B. EXPIRED: Date _____ C. OUTSTANDING CONTEMPT ORDER. _____	
_____	_____	2. INTENTS _____ _____	
_____	_____	3. SPACING _____	
_____	_____	4. GEOLOGY A. SURFACE CASING 1. Insufficient amount, Requires _____ feet. 2. Insufficient Alternate Casing Program. 3. No Affidavit Submitted for Alternative Casing Program. 4. Reentry requires _____ feet, only _____ current. B. UNSPACED: Less than 2500 ft (165')/More than 2500 ft (330') Only _____ ft from N/S and _____ from E/W line. C. SPACED SPACING ORDER No. _____ 1. Square pattern: 2.5, 10, 40, 160, 640 2. Rectangular pattern: 5, 20, 80, 320 NW/SE OR NE/SW 3. Rectangular slot pattern: 5, 20, 80, 320 Prior to 1971 (Y, N) SULD D. LOCATION EXCEPTION: 1. Surface hole location different 2. Bottom hole location different E. PENDING APPLICATION: Spacing/Location Exception C.D. No.: _____ H.O.M. DATE: _____ F. OPERATOR NAME DIFFERENT in order No. _____ Name on order: _____ Location Exception/Increased Density/Pooling Increased Density/Location Exception EXPIRED Date Order Expired: _____ H. Outline Lease or Property Boundary	

DO NOT WRITE INSIDE THIS BOX

Check: 63080
 No Intent to Drill
 \$175.00

OKLA CORP COMM RECEIPT 1007940039
 Date: 06/02/2010 Time: 10:11
 Case: 00000000
 Cashier: YMS
 PAYOR: LANCE RUEFFEL OIL & GAS CORP