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FEB 08 2012 FORM OGC-3



STATE OF MISSOURI  
GEOLOGICAL SURVEY PROGRAM  
APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

Mo Oil & Gas Council

APPLICATION TO DRILL     DEEPEN     PLUG BACK     FOR AN OIL WELL     OR GAS WELL

NAME OF COMPANY OR OPERATOR: Kansas Resource Exploration and Development, LLC    DATE: 12/01/2011

ADDRESS: 9393 West 110th St., Suite 500    CITY: Overland Park    STATE: KS    ZIP CODE: 66210

DESCRIPTION OF WELL AND LEASE

NAME OF LEASE: Belton Unit    WELL NUMBER: R-28    ELEVATION (GROUND): 1,056 feet

WELL LOCATION (GIVE FOOTAGE FROM SECTION LINES): 4,451 ft. from  North  South section line    3,814 ft. from  East  West section line

WELL LOCATION: Sec. 16 Township 46 North Range 33  East  West    LATITUDE: 38 48.88'    LONGITUDE: 94 34.82'    COUNTY: Cass

NEAREST DISTANCE FROM PROPOSED LOCATION TO PROPERTY OR LEASE LINE: 187 FEET

DISTANCE FROM PROPOSED LOCATION TO NEAREST DRILLING, COMPLETED OR APPLIED - FOR WELL ON THE SAME LEASE: 293 FEET

PROPOSED DEPTH: 650'    DRILLING CONTRACTOR, NAME AND ADDRESS: Utah Oil, LLC    ROTARY OR CABLE TOOLS: Rotary    APPROX. DATE WORK WILL START: 02/01/2012

NUMBER OF ACRES IN LEASE: 560    NUMBER OF WELLS ON LEASE INCLUDING THIS WELL, COMPLETED IN OR DRILLING TO THIS RESERVOIR: 87    NUMBER OF ABANDONED WELLS ON LEASE: 0

IF LEASE PURCHASED WITH ONE OR MORE WELLS DRILLED, FROM WHOM PURCHASED? NAME: DE Exploration    ADDRESS: 4595 Highway K33, Wellsville, KS 66092    NO. OF WELLS PRODUCING: 50    INJECTION: 28    INACTIVE: 8    ABANDONED: 0

STATUS OF BOND:  SINGLE WELL AMOUNT \$ \_\_\_\_\_     BLANKET BOND AMOUNT \$ 80,000     ON FILE     ATTACHED

REMARKS: (IF THIS IS AN APPLICATION TO DEEPEN OR PLUG BACK, BRIEFLY DESCRIBE WORK TO BE DONE, GIVING PRESENT PRODUCING/INJECTION ZONE AND EXPECTED NEW INJECTION ZONE; USE BACK OF FORM IF NEEDED)

PROPOSED CASING PROGRAM				APPROVED CASING - TO BE FILLED IN BY STATE GEOLOGIST			
AMOUNT	SIZE	WT/FT	CEMENT	AMOUNT	SIZE	WT/FT	CEMENT
20'	8 5/8"		6 sks	20'	8 5/8"	~15	Full
650'	4 1/2"		125 sks	650'	4 1/2"	~10	Length

OK/KR  
2/23/12

I, the Undersigned, state that I am the Agent of the K.R.E.D. (Company), and that I am authorized by said company to make this report, and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct, and complete to the best of my knowledge.

SIGNATURE: BK    DATE: 01/18/2012

PERMIT NUMBER: 037-20859    APPROVED DATE: 2-23-12    APPROVED BY: Joseph A. Millman  
 DRILLER'S LOG REQUIRED     E-LOGS REQUIRED IF RUN  
 CORE ANALYSIS REQUIRED IF RUN     DRILL SYSTEM TEST INFO REQUIRED IF RUN  
 SAMPLES REQUIRED     SAMPLES NOT REQUIRED  
 WATER SAMPLES REQUIRED AT

NOTE: THIS PERMIT NOT TRANSFERABLE TO ANY OTHER PERSON OR TO ANY OTHER LOCATION.

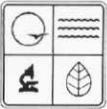
APPROVAL OF THIS PERMIT BY THE OIL AND GAS COUNCIL DOES NOT CONSTITUTE ENDORSEMENT OF THE GEOLOGIC MERITS OF THE PROPOSED WELL NOR ENDORSEMENT OF THE QUALIFICATIONS OF THE PERMITTEE

I, B. Leech of the Utah Oil (Company), confirm that an approved drilling permit has been obtained by the owner of this well. Council approval of this permit will be shown on this form by presence of a permit number and signature of authorized council representative.

DRILLER'S SIGNATURE: B. Leech    DATE: 2/4/12

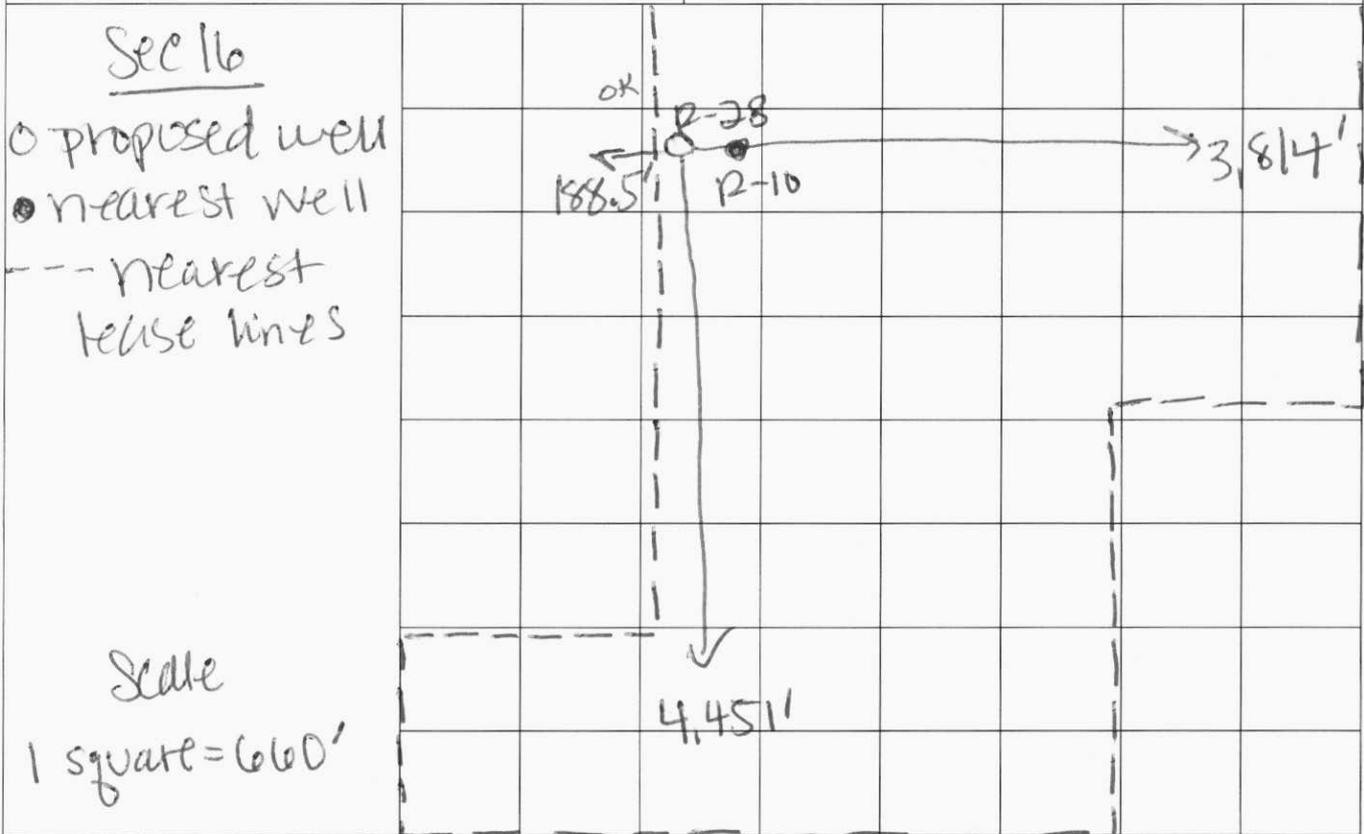
Belton 38.81 -94.58

FEB 08 2012  
FORM OGC-4



STATE OF MISSOURI  
MISSOURI DEPARTMENT OF NATURAL RESOURCES  
GEOLOGICAL SURVEY PROGRAM  
**WELL LOCATION PLAT**

OWNER'S NAME Kansas Resource Exploration & Development	
LEASE NAME Belton Unit	COUNTY Cass
WELL LOCATION (GIVE FOOTAGE FROM SECTION LINES) 4451 ft. from <input type="checkbox"/> North <input checked="" type="checkbox"/> South from section line 3814 ft. from <input checked="" type="checkbox"/> East <input type="checkbox"/> West from section line	
WELL LOCATION Sec. 16 Township 46 North Range 33 <input type="checkbox"/> East <input checked="" type="checkbox"/> West	
LATITUDE N38 48.88'	LONGITUDE W94 34.82'



REMARKS  
special project status  
section 16 is odd shaped - see attached map.

**INSTRUCTIONS**

On the above plat, show distance of the proposed well from the two nearest section lines, the nearest lease line, and from the nearest well on the same lease completed in or drilling to the same reservoir. Do not confuse survey lines with lease lines. See rule 10 CSR 50-2.030 for survey requirements. Lease lines must be marked.

This is to certify that I have executed a survey to accurately locate oil and gas wells in accordance with 10 CSR 50-2.030 and that the results are correctly shown on the above plat.

<p>REMIT TWO (2) COPIES TO: GEOLOGICAL SURVEY PROGRAM PO BOX 250, ROLLA, MO 65402-0250 (573) 368-2143 ONE (1) COPY WILL BE RETURNED</p>	REGISTERED LAND SURVEYOR	NUMBER
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