

OCT 18 2012

FORM OGC-3



STATE OF MISSOURI
GEOLOGICAL SURVEY PROGRAM

APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

Mo Oil & Gas Council

R ~ 180' below TD

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: 10/10/2012

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

DESCRIPTION OF WELL AND LEASE

NAME OF LEASE: Clark-Berry WELL NUMBER: CB-18 ELEVATION (GROUND): 1052'

WELL LOCATION: 1858 ft. from North South section line 200 ft. from East West section line

WELL LOCATION: Sec. 16 Township 46 North Range 33 East West LATITUDE: N38 48' 24.66" LONGITUDE: W94 34' 5.20" COUNTY: Cass

NEAREST DISTANCE FROM PROPOSED LOCATION TO PROPERTY OR LEASE LINE: 200 FEET DISTANCE FROM PROPOSED LOCATION TO NEAREST DRILLING, COMPLETED OR APPLIED - FOR WELL ON THE SAME LEASE: 350 FEET

PROPOSED DEPTH: 700' elev. 352' DRILLING CONTRACTOR, NAME AND ADDRESS: Utah Oil, LLC ROTARY OR CABLE TOOLS: Rotary APPROX. DATE WORK WILL START: 11/01/2012

NUMBER OF ACRES IN LEASE: 370 NUMBER OF WELLS ON LEASE INCLUDING THIS WELL, COMPLETED IN OR DRILLING TO THIS RESERVOIR: 7 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: 4 INJECTION: 2 INACTIVE: 0 ABANDONED: 0

STATUS OF BOND: SINGLE WELL AMOUNT \$ _____ BLANKET BOND AMOUNT \$ 160,000 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"	20	8 sks	20'	8 5/8"	20	Full length
700'	4 1/2"	11.6	125 sks	700'	4 1/2"	11.6	

I, the Undersigned, state that I am the C.O.O 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: 10/15/12

PERMIT NUMBER: 037-21142 APPROVED DATE: 12-5-12 APPROVED BY: Joseph A. [Signature] 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.

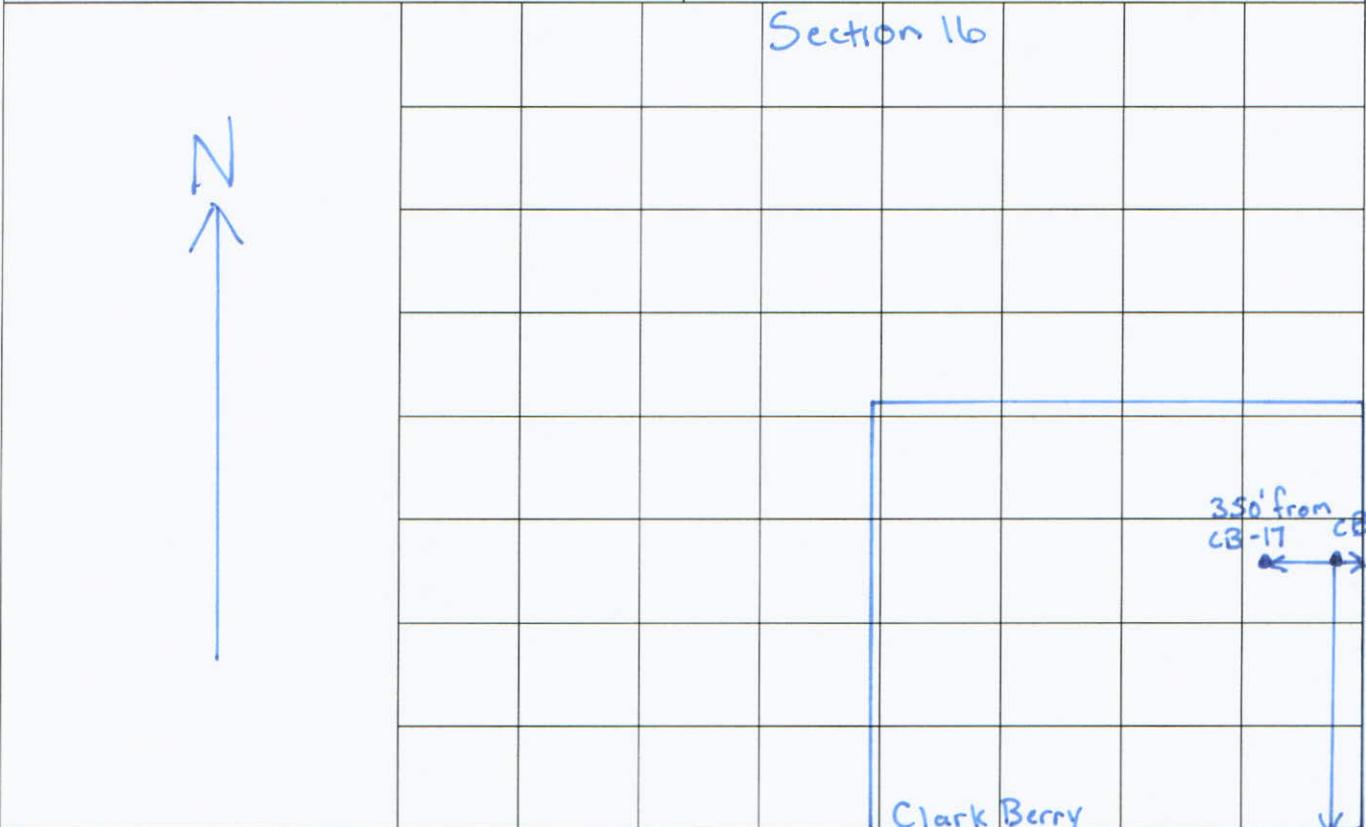
DRILLER'S SIGNATURE: B. Leech DATE: 10/16/12



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

FORM OGC-4

OWNER'S NAME Kansas Resource Exploration & Development	
LEASE NAME Clark-Berry CB-18	COUNTY Cass
WELL LOCATION (GIVE FOOTAGE FROM SECTION LINES) 1858 ft. from <input type="checkbox"/> North <input checked="" type="checkbox"/> South from section line 200 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' 24.66"	LONGITUDE W94° 34' 5.20"



REMARKS

Section 16 is larger than 1 square mile. One square equals 682.25 feet, which accounts for the larger dimensions of this section.

<p style="text-align: center;">INSTRUCTIONS</p> <p>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.</p>	<p>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>				
<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>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">REGISTERED LAND SURVEYOR</td> <td style="width: 30%;">NUMBER</td> </tr> <tr> <td style="height: 40px;"></td> <td></td> </tr> </table>	REGISTERED LAND SURVEYOR	NUMBER		
REGISTERED LAND SURVEYOR	NUMBER				



Check Location

Select a coordinate format, enter a pair of coordinates in the boxes below it, and then press the SUBMIT button. Please be patient while your information is retrieved. Your coordinates will be converted to the other formats, the information on the right-hand side of the page will be filled in based on your coordinates, and a map will be generated. NOTE: All coordinates must use the North American Datum of 1983 (NAD83).

Universal Transverse Mercator [Zone 15 North]

Easting
 meters

Northing
 meters

Decimal Degrees

Latitude
 °

Longitude
 °

Degrees, Minutes and Seconds

Latitude Degrees
 °

Latitude Minutes
 '

Latitude Seconds
 "

Longitude Degrees
 °

Longitude Minutes
 '

Longitude Seconds
 "

UTM Zone 15N [Easting, Northing]	[363842.4, 4296510.7] meters
Decimal Degrees [Lat, Lon]	[38.80685°, -94.568112°]
Deg, Min, Sec [Lat, Lon]	[38° 48' 24.6", -94° 34' 5.2"]
County Name	Cass
County FIPS Code	037
Legal Description	Section 16 T46N R33W
Municipality	NO VALUE
House District	123
Senate District	31
Congressional District	5
MoDNR Region	Kansas City Regional Office
USGS 1:24,000 Quadrangle	Belton [38094-G5]
8 Digit Watershed	10290108 [South Grand]
10 Digit Watershed	1029010801 [Headwaters South Grand River]
12 Digit Watershed	102901080101 [East Creek]
Special Well Drilling Area	Area 2
Ecological Drainage Unit	Central Plains/Osage/South Grand
Level III Ecoregion	Central Irregular Plains
Query Time	9.453 s

Rows with red text indicate that the input location is too close to a boundary to produce reliable results.

NOTE: A result of 'NO VALUE' is usually an indication that no data was found for the location. For example, not every point in Missouri will lie within a municipal boundary, so some will result in a 'NO VALUE'. If 'County Name' results in 'NO VALUE', your point probably lies outside the state.

Well ID: #005390
 Elev. 1069
 $\frac{P}{M}$: 229' elev. $P_c - M$: 345'

Well ID: #026255
 $P_c = 535'$ TD

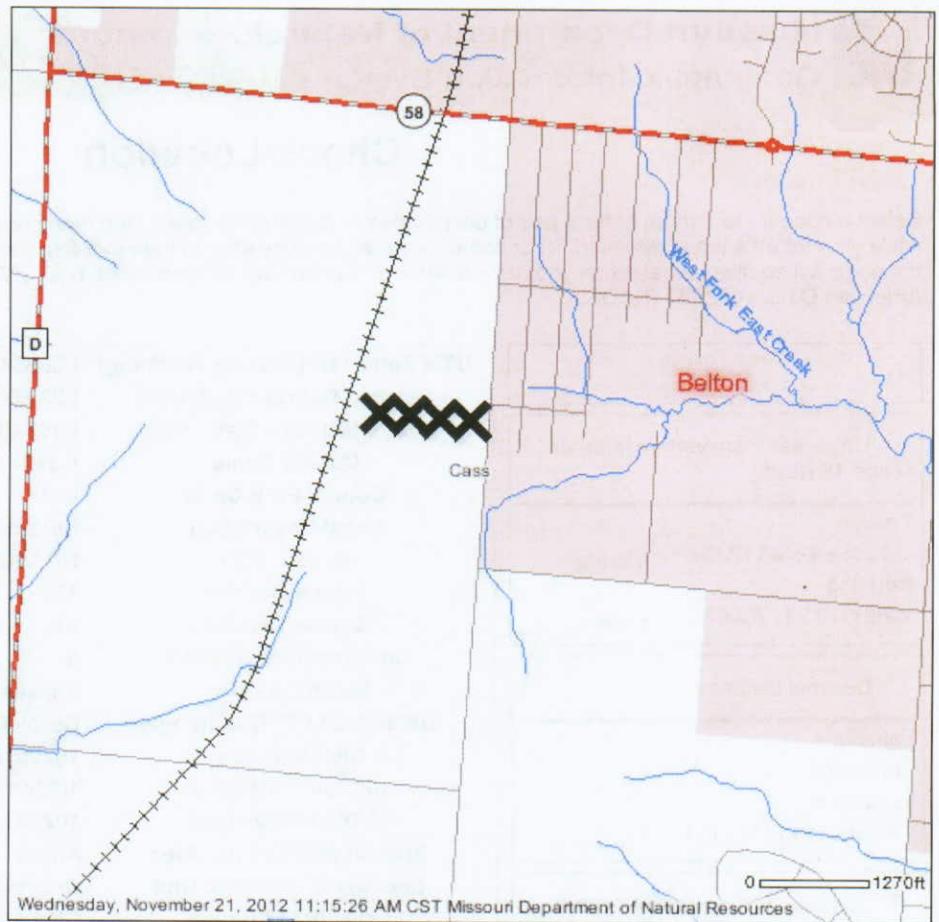
1052-535-345

$\Rightarrow \frac{P}{M} \sim 172'$ elev.

Metadata

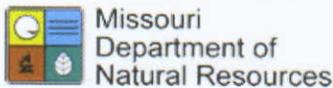
- Interstate Highways
- US Highways
- State Highways
- Railroad
- Major and Minor Roads
- County Boundary
- Lakes
- Major Rivers
- Rivers and Streams
- Missouri River
- Mississippi River
- Municipal

- Legend**
- Interstate Highways
- US Highways
- State Highways
- Railroad
- Major and Minor Roads
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- Rivers and Streams
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- Mississippi River
- Municipal



View Scale 1:24,000

DISCLAIMER: Although this map has been compiled by the Missouri Department of Natural Resources, no warranty, expressed or implied, is made by the department as to the data and related materials. The act of distribution shall not constitute any such warranty, and no responsibility is assumed by the department in the use of these data or related materials.



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