

RECEIVED

For KCC Use: 11-23-03  
Effective Date: 4  
District # 4  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

NOV 14 2003

Form C-1  
September 1999  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

NOTICE OF INTENT TO DRILL **KCC WICHITA**

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

Ap 160' wof

Expected Spud Date November 28, 2003  
month day year

Spot W/2 SW Sec. 5 Twp. 15 S. R. 14W  
 East  West

OPERATOR: License# 9477 33269  
Name: Central Operating, Inc.  
Address: 1600 Broadway Suite #1050  
City/State/Zip: Denver, CO 80202  
Contact Person: P. A. Brew  
Phone: 303-894-9576

1300' feet from S (circle one) Line of Section  
500' feet from W (circle one) Line of Section  
Is SECTION  Regular  Irregular?

CONTRACTOR: License# 30606  
Name: Murfin Drilling Co. Inc.

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

Lease Name: Krug Well #: 1  
Field Name: Gorham

Is this a Prorated / Spaced Field?  Yes  No  
Target Formation(s): Arbuckle

Well Drilled For:  Oil  Gas  OWWO  Seismic; # of Holes  Other  
Well Class:  Enh Rec  Storage  Disposal  Other  
Type Equipment:  Mud Rotary  Air Rotary  Cable

Nearest Lease or unit boundary: 500'  
Ground Surface Elevation: 1830' feet MSL

Water well within one-quarter mile: \*See below  Yes  No  
Public water supply well within one mile:  Yes  No

Depth to bottom of fresh water: 100' 200'  
Depth to bottom of usable water: 450'

Surface Pipe by Alternate: X 1 .2 Per o.p  
Length of Surface Pipe Planned to be set: 800'

Length of Conductor Pipe required: None  
Projected Total Depth: 3350'

Formation at Total Depth: Arbuckle  
Water Source for Drilling Operations:  
Well  Farm Pond  Other

DWR Permit #: \_\_\_\_\_  
(Note: Apply for Permit with DWR )

Will Cores be taken?  Yes  No

If Yes, proposed zone: \_\_\_\_\_

**AFFIDAVIT** \*NENWNE Depth 37' -18' Water in hole - Const.  
October 1000 Domestic

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, 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 to surface within **120 days** of spud date. **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: Nov. 10<sup>th</sup> Signature of Operator or Agent: P.A. Brew Title: President

For KCC Use ONLY  
API # 15 - 167. 23241-00.00  
Conductor pipe required NONE feet  
Minimum surface pipe required 480 feet per Alt. 1  
Approved by: RJP 11-17-03  
This authorization expires: 5-17-04  
(This authorization void if drilling not started within 6 months of effective 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;
- Obtain written approval before disposing or injecting salt water.

5  
15  
143

**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

*Plat of acreage attributable to a well in a prorated or spaced field*

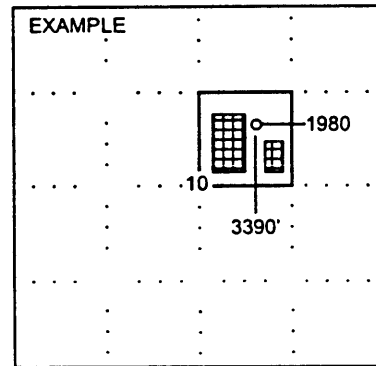
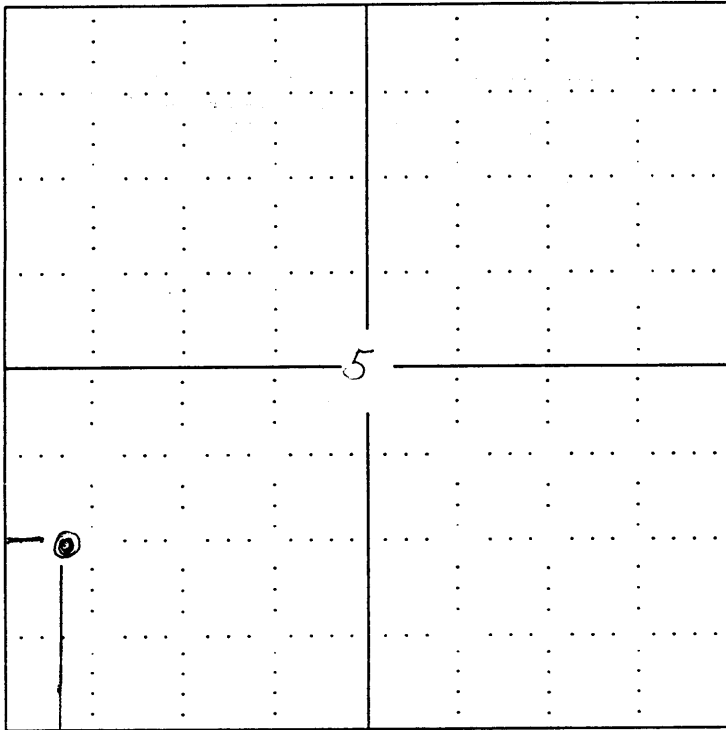
**If the intended well is in a prorated or spaced field, please fully complete this side of the form.** If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. 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 - \_\_\_\_\_  
Operator: \_\_\_\_\_  
Lease: \_\_\_\_\_  
Well Number: \_\_\_\_\_  
Field: \_\_\_\_\_  
Number of Acres attributable to well: \_\_\_\_\_  
QTR / QTR / QTR of acreage: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Location of Well: County: \_\_\_\_\_  
\_\_\_\_\_ feet from S / N (circle one) Line of Section  
\_\_\_\_\_ feet from E / W (circle one) Line of Section  
Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West  
Is Section \_\_\_\_\_ 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.)*



**NOTE:** In all cases locate the spot of the proposed drilling locaton.

1300' FSL

**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 section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
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

KATHLEEN SEBELIUS, GOVERNOR  
BRIAN J. MOLINE, CHAIR  
JOHN WINE, COMMISSIONER  
ROBERT E. KREHBIEL, COMMISSIONER

November 17, 2003

Mr. P.A. Brew  
Central Operating, Inc.  
1600 Broadway, Ste 1050  
Denver, CO 80202

RE: Drilling Pit Application  
Krug Lease Well No. 1  
SW/4 Sec. 05-15S-14W  
Russell County, Kansas

Dear Mr. Brew:

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 be lined with clay. 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 on a daily basis.**

The fluids should be taken to an authorized disposal well. Please call the District Office at (785) 625-0550 when the fluids have been removed. Also please file the enclosed CDP-5 form, Surface Pond Waste Transfer, within 30 days of fluid removal.

**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,



Kathleen Haynes  
Environmental Protection and Remediation Department

cc: H Deines