

For KCC Use: 2-8-04  
Effective Date: 2-8-04  
District # 1  
SGA?  Yes  No

**OWWO**  
KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

RECEIVED

JAN 31 2004

Form C-1  
December 2002  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

**NOTICE OF INTENT TO DRILL**

Must be approved by the K.C.C. five (5) days prior to commencing well

KCC WICHITA

Expected Spud Date 2 11 04  
month day year

Spot APPROXIMATELY  
C - NW - SW Sec. 9 Twp. 32 S. R. 15  East  West  
1940 feet from  N /  S Line of Section  
790 feet from  E /  W Line of Section

OPERATOR: License # 3842  
LARSON OPERATING COMPANY  
Name: A DIVISION OF LARSON ENGINEERING, INC.  
Address: 562 WEST HIGHWAY 4  
City/State/Zip: OLMITZ, KS 67564-8561  
Contact Person: TOM LARSON  
Phone: (620) 653-7368

Is SECTION X Regular        Irregular?  
(Note: Locate well on the Section Plat on Reverse Side)

CONTRACTOR: License # 5929  
Name: DUKE DRILLING CO., INC.

County: BARBER  
Lease Name: MARSH "A" Well #: 1

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

Field Name: PERRY RANCH  
Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): MISSISSIPPI  
Nearest Lease or unit boundary: 790'  
Ground Surface Elevation: 1981' feet MSL  
Water well within one-quarter mile:  Yes  No  
Public water supply well within one mile:  Yes  No  
Depth to bottom of fresh water: 150  
Depth to bottom of usable water: 180  
Surface Pipe by Alternate:  1  2

If OWWO: old well information as follows:  
Operator: AMERICAN ENERGIES CORPORATION  
Well Name: MARSH "A" #1  
Original Completion Date: 2-17-91 Original Total Depth: 4950'

Length of Surface Pipe ~~Planned to be set:~~ 247'  
Length of Conductor pipe required: NONE  
Projected Total Depth: 4950'  
Formation at Total Depth: MISSISSIPPI

Directional, Deviated or Horizontal wellbore?  Yes  No  
If yes, true vertical depth:         
Bottom Hole Location:         
KCC DKT#:       

Water Source for Drilling Operations:  
 Well  Farm Pond Other DRILLING CONTRACTOR

DWR Permit #:         
(Note: Apply for Permit with DWR )  
Will Cores Be Taken?  Yes  No  
If yes, proposed zone:       

**AFFIDAVIT**

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 a 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.  
Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of 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 to the best of my knowledge and belief.

Date: 01/29/2004 Signature of Operator or Agent: Thomas Larson Title: PRESIDENT

For KCC use ONLY  
API # 15 - 007-22354.00.01  
Conductor pipe required NONE feet  
Minimum surface pipe required 247' feet per Alt. 1  
Approved by: RSP 2-3-04  
This authorization expires: 8-3-04  
(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.
- 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  
Signature of Operator or Agent:         
Date:

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

9  
32  
15W

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

JAN 30 2004

Plat of Acreage attributable to a well in a prorated or spaced field

KCC WICHITA

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 - 007-22354-0001
LARSON OPERATING COMPANY
Operator: A DIVISION OF LARSON ENGINEERING, INC.
Lease: MARSH "A"
Well Number: 1
Field: PERRY RANCH

Location of Well: County: BARBER
1940 feet from S Line of Section
790 feet from W Line of Section
Sec. 9 Twp. 32 S. R. 15 East West

Is Section: Regular or Irregular

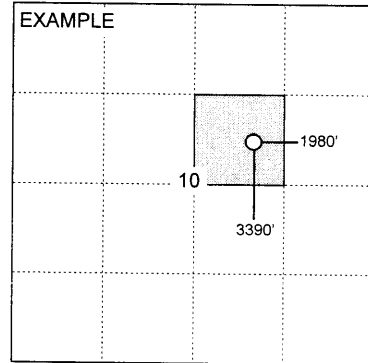
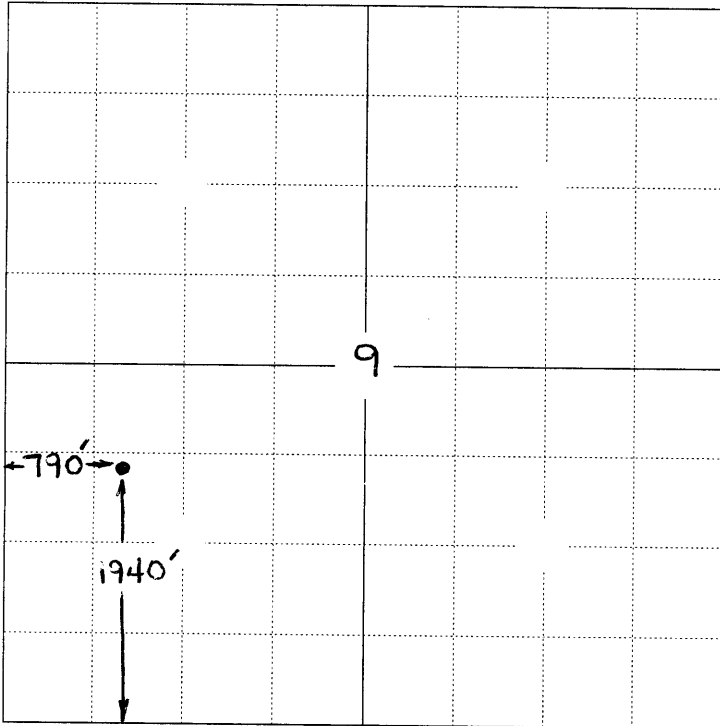
Number of Acres attributable to well: 320
QTR / QTR / QTR of acreage: - - W/2

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.)

BARBER CO.



SEWARD CO.

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 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: (CO-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

February 3, 2004

Mr. Tom Larson  
Larson Operating Company  
562 West Highway 4  
Olmitz, KS 67564-8561

RE: Drilling Pit Application  
Marsh A Lease Well No. 1  
SW/4 Sec. 09-32S-15W  
Barber County, Kansas

Dear Mr. Larson:

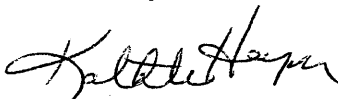
District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as practical after drilling operations have ceased. **The pits should be located outside of the draws.**

**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 (620) 225-8888 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 Driii.**  
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: S Durrant