

APR 24 2004

FORM CB-1 12/93

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED IN

FOR KCC USE:

EFFECTIVE DATE: 5-1-04

State of Kansas

CATHODIC PROTECTION BOREHOLE INTENT

CONSERVATION DIVISION

WICHITA, KS

Must be approved by the K.C.C. sixty (60) days prior to commencing well.

DISTRICT # 1

SGA? Yes No

Expected Spud (Starting) Date
33075 month 7 day 30 year

OPERATOR: License #

Pan Gas Storage, LLC
dba Southwest Gas Storage Co

Name: P.O. Box 4967

Address: Houston Texas 77210-4967

City/State/Zip:

Contact Person: David McQuilling

Phone: 713.989.7493

CONTRACTOR: License #: 32525

Name: CP Drilling

Type Drilling Equipment: Mud Rotary Cable
 Air Rotary Other

CONSTRUCTION FEATURES

Length of Cathodic Surface (Non-Metallic) Casing 200 ft. ✓

Planned to be set: N/A ft.

Length of Conductor pipe (if any?):

Size of the borehole (I.D.): 17 inches ✓

Cathodic surface casing size: 10 inches ✓

Cathodic surface casing centralizers set at depths of: 200;

160 ; 120 ; 80 ; 40 ; 5 ;

Cathodic surface casing will terminate at:

... Above surface ... Surface Vault ... Below Surface Vault

Pitless casing adaptor will be used: ... Yes/No at Depthft.

Anode installation depths are: 325 ; 339 ; 353 ; 367 ;

381 ; 395 ;

MDX TD = 400'

Spot (Location) 9/0/0

315 Sec 23 Twp 32 S Rg 33 East

250 feet from South / North line of Section

250 feet from East / West line of Section

(Circle directions from nearest outside corner boundaries)

IS SECTION REGULAR IRREGULAR?

(Spot well on the Section Plat on Reverse Side)

County: Seward

Lease Name: Panhandle Well #: CP4

Facility Name: Seward Compressor Station

Ground Surface Elevation: 2585 MSL.

Cathodic Borehole Total Depth: 400 ft.

Depth to Bedrock: Unknown exceeds 400 ft.

WATER INFORMATION:

Aquifer Penetration: None Single Multiple

Depth to bottom of fresh water: 44 - 420 ft.

Depth to bottom of usable water: 44 - 520 ft.

Water well within one-quarter mile: yes no

Public water supply well within one mile: yes no

Water Source for Drilling Operations:

... well ... farm pond ... stream other ✓

Water Well Location: Latitude 37.157495

Longitude 100.761049

DWR Permit #:

Standard Dimension Ratio (SDR) is = 18 / 128

(cathodic surface OD csg. in inches / MWT in inches = SDR)

Annular space between borehole and casing will be grouted

with: Concrete Bentonite Cement

Neat cement Bentonite clay

Anode vent pipe will be set at: 6 ft. above surface

Anode conductor (backfill) material TYPE: Loresio SL3

Depth to BASE of Backfill installation material: 400

Depth to TOP of Backfill installation material: 250

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 and again before plugging well;
2. A copy of the approved notice of intent to drill shall be posted on each drilling rig;
3. The minimum amount of cathodic surface casing as specified below shall be set by grouting to the top.
4. An agreement between the operator and the district office on plugs and placement is necessary prior to plugging;
5. The appropriate district office will be notified before well is either plugged or casing is grouted in;
6. 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: 4/21/04 Signature of Operator or Agent: [Signature] Title: Sr. Engineer

FOR KCC USE: 175-219340000 A1+3
 API # 15-
 Conductor pipe required NONE feet
 Minimum cathodic surface casing required 200 feet
 Approved by: [Signature]
 This authorization expires: 10-26-04
 (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 Install;
- File Completion Form CB-2 within 30 days of spud date;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CB-4) within 30 days after plugging is completed.

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202-1286.

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Show the relationship to other wells or facilities proposed to be serviced by the intended cathodic borehole. Please show all the wells, existing cathodic boreholes, pipelines or facilities within 1/2 mile of the proposed borehole.

API NO. 15- _____
 OPERATOR Pan Gas Storage LLC dba SW Gas Sto LOCATION OF WELL: COUNTY Seward
 LEASE Panhandle _____ 315 feet from south/north line of section
 WELL NUMBER CP4 _____ 250 feet from east/west line of section
 FACILITY NAME Seward Compressor Station SECTION 23 TWP 33 RG 32W

SPOT: QTR/QTR/QTR/QTR OF ACREAGE
 _____ - _____ - _____ - _____

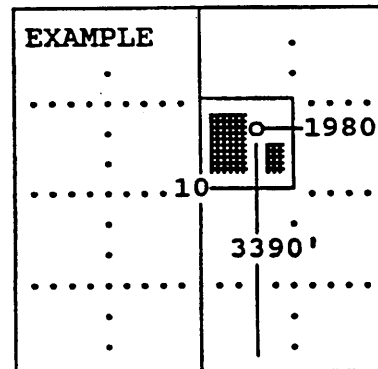
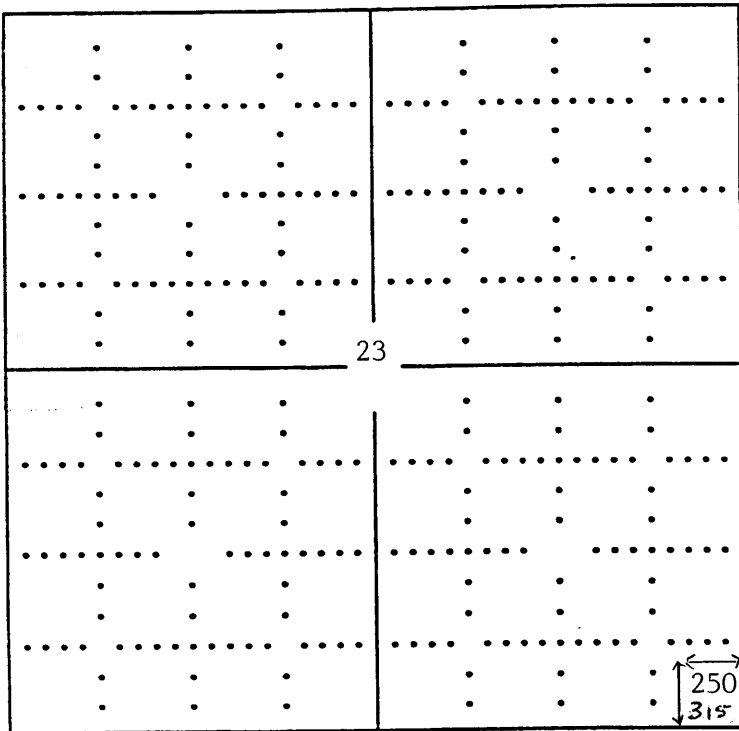
IS SECTION X REGULAR or _____ IRREGULAR
IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.

Section corner used: _____ NE _____ NW _____ SE _____ SW

PLAT

(Show location of intended cathodic borehole.)

(Show footage from nearest lease, unit or outside section boundary line.)



SEWARD CO.

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; and
- 3) the distance to the nearest lease, unit or outside section boundary line.