For-KCC Use: 5 - 26 - 04 KANSAS CORPORATION OIL & GAS CONTROL District # 2	RATION COMMISSION SERVATION DIVISION SERVATION DIVISION Form must be Typed Form must be Slaned
SGA? Tyes No NOTICE OF IN	NTENT TO DRILL PARTY Form must be Typed Form must be Signed
Must be approved by KCC five	e (5) days prior to commencing well C All blanks must be Filled
Expected Spud Date 5-25-2004	SERVATION DIVISION September 1999 Form must be Typed Form must be Signed All blanks must be Filled AP N/2 NE NE NE September 1999 Form must be Signed All blanks must be Filled
2000	Sec. 28 Two. 27 S. R. 4
OPERATOR: License# 32693 Name: Hawkins Oil, L.L.C.	feet from S / (C) (circle one) Line of Section 2310 feet from E / (C) (circle one) Line of Section
Address: 427 S. Boston Ave. Suite 915	Is SECTION Regular Irregular?
City/State/Zip: Tulsa, Oklahoma 74103-4114	
Contact Person: James F. Hawkins, Jr.	(Note: Locate well on the Section Plat on reverse side) County: Butler
Phone: 918-382-7743	Lease Name: Scully Well #: 7-A
32701	Field Name: North Augusta
CONTRACTOR: License# 32701 Name: C & G Drilling	Is this a Prorated Spaced Field?
Name	Target Information(s):Arbuckle
Well Drilled For: Well Class: Type Equic ment:	Nearest Lease or unit boundary: 330'
X Oil Enh Rec X Infield X Mud Rozary	Ground Surface Elevation: 1223 feet MSL
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile: Yes No
OWWO Disposal Wildcat Caple	Public water supply well within one mile:
Seismic:# of Holes Other	Depth to bottom of fresh water: 180'
Other	Depth to bottom of usable water: 180' Surface Pipe by Alternate: X 12
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set: 200'
Operator:	Length of Conductor Pipe required:NANONE
Well Name:	Projected Total Depth: 2340'
Original Completion Date:Original Total Deptr:	Producing Formation Target: Arbuckle
<u> </u>	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?	Well Farm Pond Other X
If Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location: KCC DKT #:	(Note: Apply for Permit with DWR)
	Will Cores be taken?
of bease agreement attached	If Yes, proposed zone:
·	FIDAVIT
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 <i>prior</i> to spudding of well;	
2. A copy of the approved notice of intent to drill shall be posted on a	ech drilling rig; 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 pl	ugged or production casing is cemented in;
 If an ALTERNATE II COMPLETION, production pipe shall be ceme date. In all cases, NOTIFY district office prior to any cementing 	interd from below any usable water to sufface within 120 days of spud.
I hereby certify that the statements made herein are true and to/the best	•
112.121	11/8/1-12
Date: 4/21/04 Signature of Operator or Agent X	Title:
77.	
For KCC Use ONLY	Remember to:

This authorization expires: 11-21-0 (This authorization void if drilling not started within 8 months of effective date.) Spud date: Agent:

- 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
- Submit plugging report (CP-4) after plugging is completed:
- Obtain written approval before disposing or injecting salt water.

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: Hawkins Oil, L.L.C. Lease: Scully Well Number: 7A Field: North Augusta Number of Acres attributable to well: QTR / QTR / QTR of acreage:	Location of Well: County: Butler 50 feet from S (N) (circle one) Line of Section 2310 feet from E /(W) (circle one) Line of Section Sec. 28 Twp. 27 S. R. 4 East West Is Section Regular or Irregular If Section is Irregular, locate well from nearest corner boundary.
	Section corner used:NE _X NWSESW PLAT butable acreage for prorated or spaced wells.)
(Show footage to the neare	est lease or unit boundary line.)
· • • • • • • • • • • • • • • • • • • •	:
	RECEIVED
	APR 2 2 2004
	: KCC WICHITA
: : : 28	EXAMPLE
	1980
	3390

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

- 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.

In plotting the proposed location of the well, you must show.

 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).

SEWAPID CO.



CORPORATION COMMISSION

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

May 21, 2004

Mr. James F. Hawkins, Jr. Hawkins Oil, LLC 427 S. Boston Ave. Ste 915 Tulsa, OK 74103-4114

RE:

Drilling Pit Application Scully Lease Well No. 7-A SE/4 Sec. 28-27S-04W Butler County, Kansas

Dear Mr. Hawkins:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, 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 within 72 hours of drilling completion.

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 (316) 337-6231 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: Doug Louis