

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

KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION  
**NOTICE OF INTENT TO DRILL**

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

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

Expected Spud Date 9/14/04  
 month day year

Spot \_\_\_\_\_  East  
 SE - NE - NE Sec. 13 Twp. 31 S. R. 12  West  
990 feet from S / N (circle one) Line of Section  
330 feet from E (circle one) Line of Section  
 Is SECTION  Regular  Irregular?

OPERATOR: License# 3532  
 Name: CMX, Inc.  
 Address: 150 N. Main, Suite 1026  
 City/State/Zip: Wichita, KS 67202  
 Contact Person: Douglas H. McGinness II  
 Phone: 316-269-9052

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KCC WICHITA

CONTRACTOR: License# 5929  
 Name: Duke Drilling Co.

<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield	<input checked="" type="checkbox"/> Mud Rotary
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> OWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> Seismic; _____ # of Holes	<input type="checkbox"/> Other		
<input type="checkbox"/> Other			

(Note: Locate well on the Section Plat on reverse side)  
 County: Barber  
 Lease Name: Chain Ranch Well #: 2  
 Field Name: ILS west  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Mississippi  
 Nearest Lease or unit boundary: 330  
 Ground Surface Elevation: 1569 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: X 1 \_\_\_\_\_ 2  
 Length of Surface Pipe Planned to be set: 360  
 Length of Conductor Pipe required: none  
 Projected Total Depth: 4500  
 Formation at Total Depth: Kinderhook  
 Water Source for Drilling Operations:  
 Well \_\_\_\_\_ Farm Pond X Other \_\_\_\_\_  
 DWR Permit #: \_\_\_\_\_

If OWWO: old well information as follows:  
 Operator: \_\_\_\_\_  
 Well Name: \_\_\_\_\_  
 Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

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

(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 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: 7/21/04 Signature of Operator or Agent: \_\_\_\_\_ Title: President

**For KCC Use ONLY**  
 API # 15 - 007-22840-00-00  
 Conductor pipe required NONE feet  
 Minimum surface pipe required 200 feet per Alt. 1  
 Approved by: RJP 7-28-04  
 This authorization expires: 1-28-05  
 (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.

13  
31  
12W

**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 - 007, 22840 -00-00  
 Operator: CMX, Inc.  
 Lease: Chain Ranch  
 Well Number: 2  
 Field: ILS  
 Number of Acres attributable to well: \_\_\_\_\_  
 QTR / QTR / QTR of acreage: SE - NE - NE

Location of Well: County: Barber  
 \_\_\_\_\_ feet from S N (circle one) Line of Section  
990  
 \_\_\_\_\_ feet from E / W (circle one) Line of Section  
330  
 Sec. 13 Twp. 31 S. R. 12  East  West

Is Section  Regular or \_\_\_\_\_ Irregular

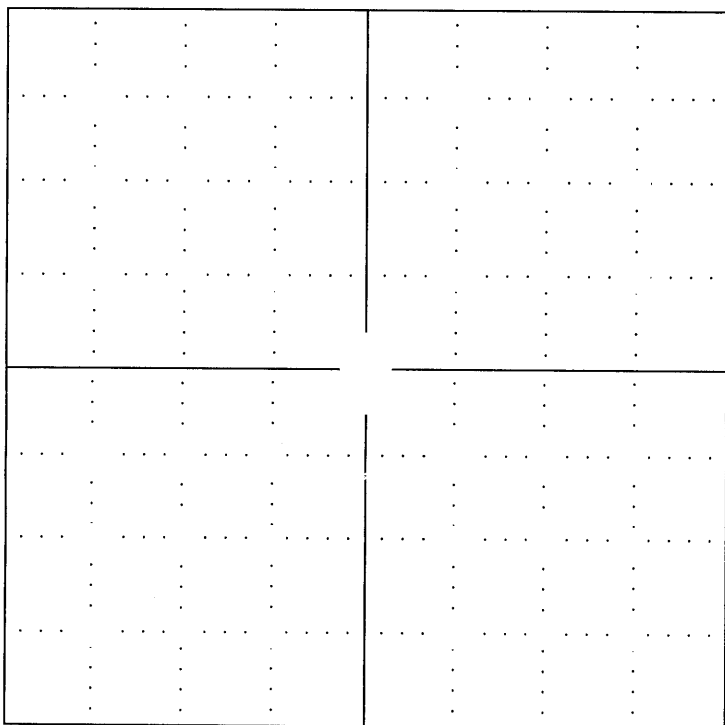
**If Section is Irregular, locate well from nearest corner boundary.**

Section corner used: \_\_\_NE \_\_\_NW \_\_\_SE \_\_\_SW

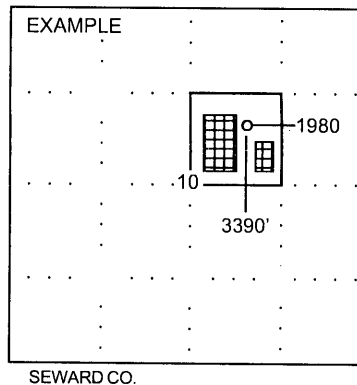
**PLAT**

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)*

*(Show footage to the nearest lease or unit boundary line.)*



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

**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  
ROBERT E. KREHBIEL, COMMISSIONER  
MICHAEL C. MOFFET, COMMISSIONER

July 27, 2004

Mr. Douglas H. McGinness II  
CMX, Inc.  
150 N. Main Ste 1026  
Wichita, KS 67202

Re: Drilling Pit Application  
Chain Ranch Lease Well No. 2  
NE/4 Sec. 13-31S-12W  
Barber County, Kansas

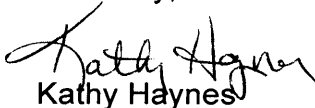
Dear Mr. McGinness:

District staff has inspected the location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has instructed that no earthen pits are to be used at the location. Steel pits are to be used. Please inform the Commission in writing as to which disposal well you will utilize to dispose of the contents in the steel pits and the amount of fluid which will be disposed.

**Should a haul-off pit be necessary, please complete the enclosed CDP-1.** This location will have to be inspected prior to approval of the haul-off pit application.

Sincerely,



Kathy Haynes  
Environmental Protection and Remediation Department

Cc: S Durrant