

OWWO

For KCC Use: 8-1-04
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 August 20, 2004
month day year **AP**

Spot East
E/2 - SE - NE Sec. 13 Twp. 35 S. R. 14 West

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

1880 feet from 8 / N (circle one) Line of Section
330 feet from E / W (circle one) Line of Section
Is SECTION Regular Irregular? **- STATE LINE**

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

CONTRACTOR: License# 5929
Name: Duke Drilling Co.

County: Barber
Lease Name: Bruce OWWO Well #: 1
Field Name: Aetna Gas Area

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

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
<input checked="" type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic; _____ # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Mud Rotary
<input type="checkbox"/> Other _____		<input type="checkbox"/> Air Rotary
		<input type="checkbox"/> Cable

Nearest Lease or unit boundary: 300
Ground Surface Elevation: 1517 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: 435 was set 453'

Length of Conductor Pipe required: none
Projected Total Depth: 5100

Formation at Total Depth: Mississippi

Water Source for Drilling Operations:
Well _____ Farm Pond X Other _____

DWR Permit #: _____
(Note: Apply for Permit with DWR)
Will Cores be taken? Yes No

If Yes, proposed zone: _____

If OWWO: old well information as follows:
Operator: OXY USA
Well Name: Sternberger G #1
Original Completion Date: 5/3/96 Original Total Depth: 5100

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

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 - 067-22499-00-01

Conductor pipe required NONE feet

Minimum surface pipe required 453 feet per Alt.

Approved by RJP 7-27-04

This authorization expires: 1-27-04
(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.

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

13
35
14W

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: CMX, Inc.
 Lease: Bruce OWWO
 Well Number: 1
 Field: Aetna

Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: E/2 - SE - NE

Location of Well: County: Barber
 1880 _____ feet from S N (circle one) Line of Section
 330 _____ feet from E W (circle one) Line of Section
 Sec. 13 Twp. 35 S. R. 14 East West

Is Section Regular or _____ Irregular

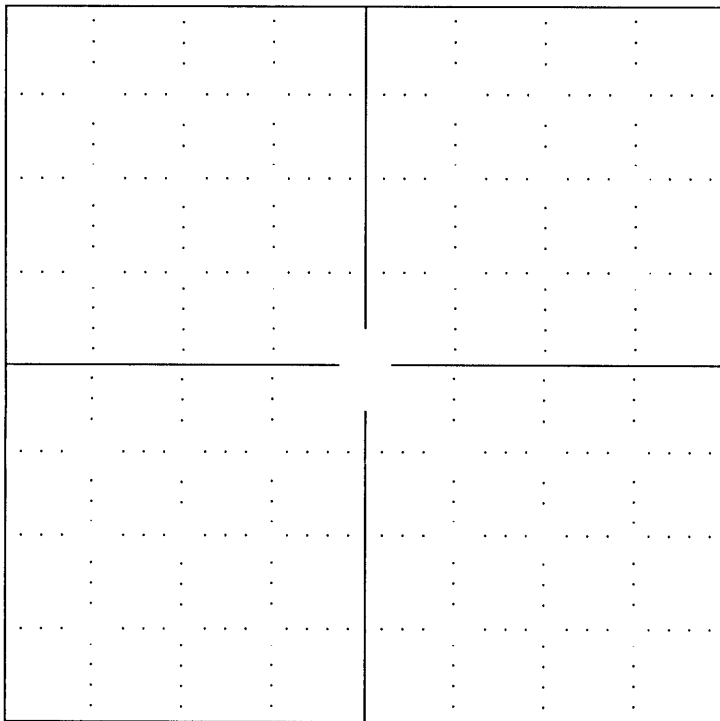
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: ___NE ___NW ___SE ___SW

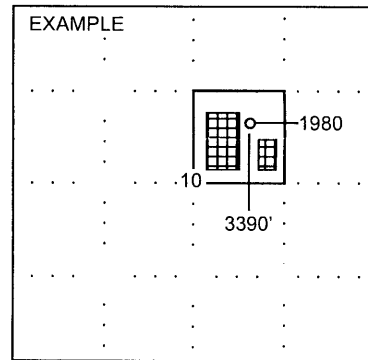
PLAT

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

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



RECEIVED
 JUL 26 2004
 KCC WICHITA



SEWARD CO.

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
Bruce OWWO Lease Well No. 1
NE/4 Sec. 13-35S-14W
Barber County, Kansas

Dear Mr. McGinness:

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.

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 Drill. If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,



Kathy Haynes
Environmental Protection and Remediation Department

cc: S Durrant