

For KCC Use: 7-18-04  
Effective Date: 7-18-04  
District #: 4  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form C-1  
September 1999

NOTICE OF INTENT TO DRILL

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 Aug 17, 2004  
month day year

Spot  East  
SE - SW - SW Sec. 24 Twp. 11 S. R. 18  West

330 feet from (S) / N (circle one) Line of Section  
990 feet from E / (W) (circle one) Line of Section  
Is SECTION  Regular  Irregular?

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

County: Ellis

Lease Name: Marshall E Well #: 24

Field Name: Bemis-Shutts

Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): Topeka, Lansing, KC, Arbuckle

Nearest Lease or unit boundary: 330 ft

Ground Surface Elevation: 1960 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: 180 ft

Depth to bottom of usable water: 750 ft

Surface Pipe by Alternate: 1  2

Length of Surface Pipe Planned to be set: 250 ft

Length of Conductor Pipe required: none

Projected Total Depth: 3700 ft

Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:

Well  Farm Pond  Other

DWR Permit #: \_\_\_\_\_

(Note: Apply for Permit with DWR )

Will Cores be taken?  Yes  No

If Yes, proposed zone: \_\_\_\_\_

OPERATOR: License# 5214   
Name: Lario Oil & Gas Company **RECEIVED**  
Address: 301 South Market  
City/State/Zip: Wichita, KS 67202 **JUL 13 2004**  
Contact Person: Jay G. Schweikert  
Phone: 316-265-5611 **KCC WICHITA**  
CONTRACTOR: License# 30606   
Name: Murfin Drilling Co., Inc.

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

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 #: \_\_\_\_\_

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: 7/12/04 Signature of Operator or Agent: Jay G. Schweikert Title: Operations Engineer  
Jay G. Schweikert

<b>For KCC Use ONLY</b>	
API # 15 - <u>051-25334-00-00</u>	
Conductor pipe required <u>NONE</u> feet	
Minimum surface pipe required <u>240'</u> feet per Alt. <b>X(2)</b>	
Approved by: <u>DPW 7-13-04</u>	
This authorization expires: <u>1-13-05</u>	
(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

24  
11  
18w

**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

*Plat of acreage attributable to a well in a prorated or spaced field*

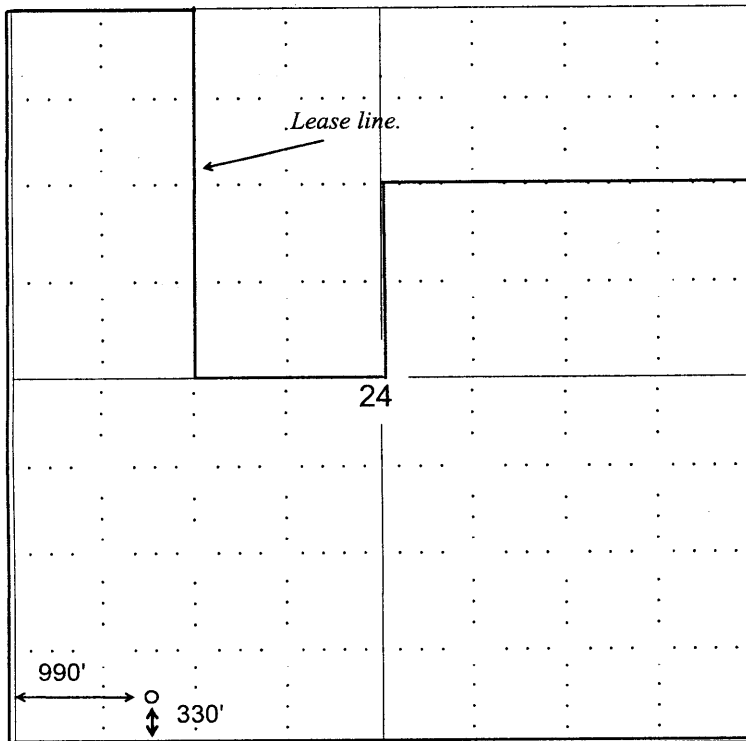
*If the intended well is in a prorated or spaced field, please fully complete this side of the form.* If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. 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: Lario Oil & Gas Company  
 Lease: Marshall E  
 Well Number: 24  
 Field: Bemis-Shutts  
 Number of Acres attributable to well: 20  
 QTR / QTR / QTR of acreage: SE - SW - SW

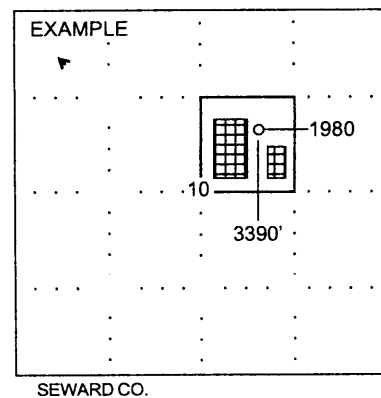
Location of Well: County: Ellis  
 \_\_\_\_\_ 330 \_\_\_\_\_ feet from (S) / N (circle one) Line of Section  
 \_\_\_\_\_ 990 \_\_\_\_\_ feet from E / (W) (circle one) Line of Section  
 Sec. 24 Twp. 11 S. R. 18  East  West  
 Is Section  Regular or \_\_\_\_\_ Irregular  
**If Section is Irregular, locate 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 13 2004  
 KCC WICHITA



**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).