

OWWO

For KCC Use: 8.22.04
Effective Date:
District # 1
SGA? [X] Yes [] No

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

Form C-1
December 2002
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 SEPTEMBER 2004
month day year

Spot SE SW NW Sec. 25 Twp. 18 S. R. 16
2310 feet from [X] N / [] S Line of Section
990 feet from [] E / [X] W Line of Section

OPERATOR: License# 30525
Name: D.S. LANGSTON
Address: 310 W. CENTRAL, STE.# 202
City/State/Zip: WICHITA, KS 67202-1004
Contact Person: D.S. LANGSTON
Phone: 316-265-4411 (OFFICE) OR 620-786-0874 (CELL)

Is SECTION [X] Regular [] Irregular?
County: RUSH
Lease Name: MOORE Well #: 1
Field Name: OTIS-ALBERT

CONTRACTOR: License# 6123
Name: CHASE WELL SERVICE

Is this a Prorated / Spaced Field? [] Yes [X] No
Target Formation(s): REAGAN

Well Drilled For: Well Class: Type Equipment:
[] Oil [] Enh Rec [X] Infield [] Mud Rotary
[X] Gas [] Storage [] Pool Ext. [] Air Rotary
[X] OWWO [] Disposal [] Wildcat [X] Cable
[] Seismic; # of Holes [] Other
DRILL W/ WORKOVER UNIT

Nearest Lease or unit boundary: 330
Ground Surface Elevation: 1931 feet MSL
Water well within one-quarter mile: [X] Yes [] No
Public water supply well within one mile: [] Yes [X] No

If OWWO: old well information as follows:
Operator: GRADY BOLDING CORP.
Well Name: MOORE #1
Original Completion Date: D&A 4/12/86 Original Total Depth: 3568

Depth to bottom of fresh water: 200
Depth to bottom of usable water: 300
Surface Pipe by Alternate: [] 1 [] 2
Length of Surface Pipe Planned to be set: 977' OF 8 5/8 ALREADY SET 960 Per CP 213
Length of Conductor Pipe required: NONE
Projected Total Depth: 3548'
Formation at Total Depth: REAGAN

Directional, Deviated or Horizontal wellbore? [] Yes [X] No

Water Source for Drilling Operations: [] Well [] Farm Pond Other: TANK TRUCK

If Yes, true vertical depth:
Bottom Hole Location:

DWR Permit #:
(Note: Apply for Permit with DWR [])

KCC DKT #: RECEIVED
KANSAS CORPORATION COMMISSION

Will Cores be taken? [] Yes [X] No
If Yes, proposed zone:

AUG 11 2004 AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.
It is agreed that the following minimum requirements will be met:

- 1. Notify the appropriate district office of the 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. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-0, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. 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: 8/2/04 Signature of Operator or Agent:

D.S. Langston

Title: INDP. O. & G. OPER.

For KCC Use ONLY
API # 15 - 165-21357.00.01
Conductor pipe required NONE feet
Minimum surface pipe required 960 feet per Alt. 1
Approved by: RJP 8.17.04
This authorization expires: 2-17-05
(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.
- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.

[] Well Not Drilled - Permit Expired

Signature of Operator or Agent:
Date:

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

25 18 16W

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 - 165-21,357
 Operator: D.S. LANGSTON
 Lease: MOORE
 Well Number: 1
 Field: OTIS-ALBERT
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: SE - SW - NW

Location of Well: County: RUSH
2310 feet from N / S Line of Section
990 feet from E / W Line of Section
 Sec. 25 Twp. 18 S. R. 16 East West

Is Section: Regular or Irregular

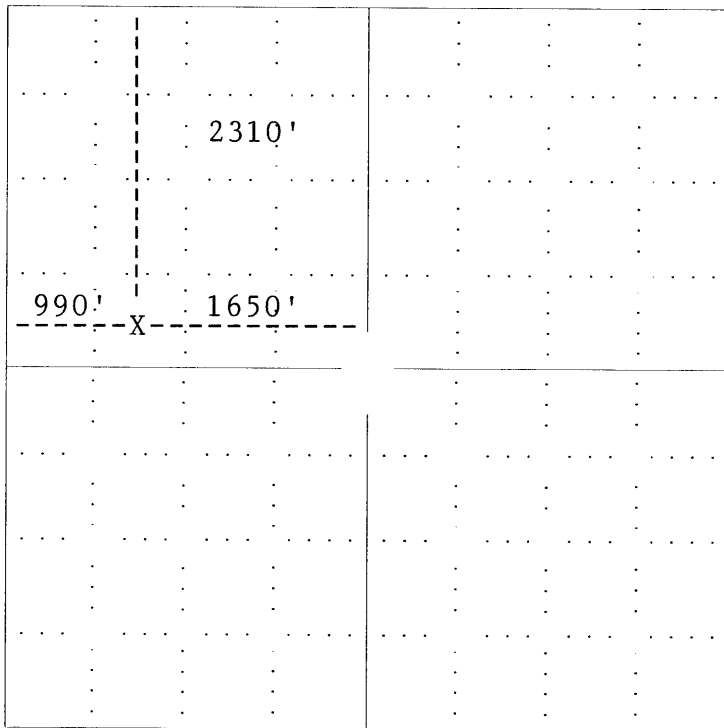
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

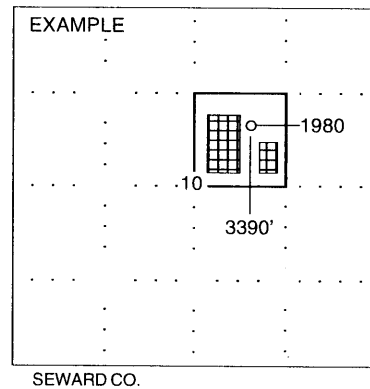
PLAT

(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
 KANSAS CORPORATION COMMISSION
 AUG 11 2004
 CONSERVATION DIVISION
 WICHITA, KS



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

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

August 16, 2004

D.S. Langston
310 W. Central Ste 202
Wichita, KS 67202-1004

RE: Drilling Pit Application
Moore Lease Well No. 1
NW/4 Sec. 25-18S-16W
Rush County, Kansas

Dear Mr. Langston:

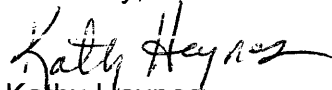
District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as practical after drilling 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