For KCC Use: 9-13-04 Effective Date: 4

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 Septmber 13 2004	Spot 150'N & 196'E of
month day year	N/2 S/2 NE Sec. 7 Twp. 8 S. R. 21W X West
OPERATOR: License# 4058	1500 feet from XN / S Line of Section
AMERICAN WARRIOD THE	1124 feet from XE / W Line of Section
D.O. Box 200	Is SECTION X Regular Irregular?
Condon City VC 67046	(Note: Locate well on the Section Plat on reverse side)
Contact Person: Cecil O'Brate	County: Graham
Phone: (620) 275–9231	Lease Name: Kenyon Well #: 4-7
1110110.	Field Name: Luck NE
CONTRACTOR: License# 31548	Is this a Prorated / Spaced Field?
Name: Discovery Drilling	Target Information(s): LKC & Arbuckle
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary: 1140'
	Ground Surface Elevation: 2026 feet MSL
X Oil Enh Rec X Infield X Mud Rotary	Water well within one-quarter mile:
Gas Storage Pool Ext. Air Rotary	Public water supply well within one mile: X Yes No
OWWO Disposal Wildcat Cable	Depth to bottom of fresh water: 150
Seismic; # of Holes Other	Depth to bottom of usable water: 850'
Other	Surface Pipe by Alternate: 1 X 2
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set: 200 +
Operator:	Length of Conductor Pipe required: None
Well Name:	Projected Total Depth: 3600 1
Original Completion Date:Original Total Depth:	Formation at Total Depth: Arbuckle
/	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?	Well X Farm Pond Other
If Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	(Note: Apply for Permit with DWR 📗)
KCC DKT #:	Will Cores be taken? Yes X No
* CONDUCTOR PIPE REQUIRE IF	If Yes, proposed zone:
ELEVATION IS LESSTHAN 2000'MSL AFF	DAVIT RECEIVED
The undersigned hereby affirms that the drilling, completion and eventual pl	ugging of this well will comply with K.S.A. 55 et. seq.
It is agreed that the following minimum requirements will be met:	SEP 0 7 2004
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 each	ch drilling rig; KCC WICHITA
3. The minimum amount of surface pipe as specified below shall be se	t 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	ne underlying formation. istrict office on plug length and placement is necessary <i>prior to plugging</i> ;
the well is dry noie, an agreement between the operator and the opera	need or production casing is cemented in:
6 If an ALTERNATE II COMPLETION, production pine shall be cement	ed from below any usable water to surface within 120 days of spud date.
Or pursuant to Appendix "B" - Eastern Kansas surface casind order	#133,891-C, which applies to the KCC District 3 area, alternate II cementing
	be plugged. In all cases, NOTIFY district office prior to any cementing.
the best of	1 .1 /
I hereby certify that the statements made herein are true and to the best o	fmy knowledge and belief.
/ I have	GA / \ \ Acont
Date: 3 September 04 Signature of Operator or Agents / Mm	1 / N /
/ I have	GA / \ \ Acont
Date: 3 September 04 Signature of Operator or Agents / Manual Control of Operator or Agents / Ma	Ø+. ∆L
Date: 3 September 04 Signature of Operator or Agents / Manual Control of Operator or Agents / Ma	Title: 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;
For KCC Use ONLY API # 15 - OGS - 23003 - 0000	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;
For KCC Use ONLY API # 15 - OGS - 23003 - 0000 Conductor pipe required NONE feet	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;
For KCC Use ONLY API # 15 - OC 5 - 23003 - 0000 Conductor pipe required NONE feet Minimum surface pipe required 200, feet per Alt. 72	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;
For KCC Use ONLY API # 15 - OCS - 23003 - 0000 Conductor pipe required NONE feet Minimum surface pipe required 200 feet per Alt. 7 (2) Approved by: 1998 - 1998	Title: 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.
For KCC Use ONLY API # 15 - OCS - 23003 - 0000 Conductor pipe required NONE feet Minimum surface pipe required 200 feet per Alt. 72 Approved by: This authorization expires 3-8-05	Title: 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
For KCC Use ONLY API # 15 - OCS - 23003 - 0000 Conductor pipe required NONE feet Minimum surface pipe required 200 feet per Alt. 7 (2)	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.
For KCC Use ONLY API # 15 - OC 5 - 23003 - 0000 Conductor pipe required NONE feet Minimum surface pipe required 200 feet per Alt. 72 Approved by: 79 - 6 - 05 (This authorization void if drilling not started within 6 months of effective date.)	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
For KCC Use ONLY API # 15 - OCS - 23003 - 0000 Conductor pipe required NONE feet Minimum surface pipe required 200 feet per Alt. 72 Approved by: This authorization expires 3-8-05	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.

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.

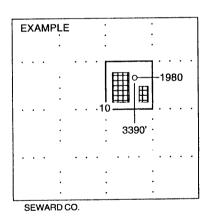
ADI No. 15 -		Location of Well: County: Graham	
	AMERICAN WARRIOR, INC.	4500	
Lease:	Kenyon	1124	feet from X E / W Line of Section
	4-7	Sec. 7 Twp. 8	S. R. 21W East X Wes
Field:			
	s attributable to well:	Is Section: X Regular or	Irregular
QTR / QTR / QTR of acreage:		If Section is Irregular, local Section corner used: NE	te well from nearest corner boundary. 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.)

	1500'
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NOTE: In all cases locate the spot of the proposed drilling locaton.

Graham Co., KS

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).



CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR BRIAN J. MOLINE, CHAIR ROBERT E. KREHBIEL, COMMISSIONER MICHAEL C. MOFFET, COMMISSIONER

September 7, 2004

Mr. Cecil O'Brate American Warrior, Inc. PO Box 399 Garden City, KS 67846

RE: Drilling Pit Application

Kenyon Lease Well No. 4-7 NE/4 Sec. 07-08S-21W Graham County, Kansas

Dear Mr. O'Brate:

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 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 (785) 625-0550 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: H Deines