10-31.04 For KCC Use: Effective Date: _ District

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 December 2002 Form must be Typed

	TENT TO DRILL Form must be Signed All blanks must be Filled
Expected Spud Date NOVEMBER 10 2004 month day year	Spot 90'N &40'E of East SW _ NE _ NW _ Sec. 21 _ Twp. 21 _ S. R. 13 _ \varpsi West
OPERATOR: License# .6039 Name: L.D. DRILLING, INC. Address: 7 SW 26TH AVENUE City/State/Zip: GREAT BEND, KS. 67530 Contact Person: L.D. DAVIS Phone: 620 793-3051 CONTRACTOR: License# UNKNOWN Advise and Charles Name: RIG AVAILIBILITY Must be Lic. w ICCC	900
City/State/Zip: GREAT BEND, KS. 67530 Contact Person: L.D. DAVIS Phone: 620 793-3051	(Note: Locate well on the Section Plat on reverse side) County: STAFFORD
CONTRACTOR: License# UNKNOWN Advise WCLACO	Lease Name: SAMUEL Field Name: SHAEFFER-ROTHGARN Is this a Prorated / Spaced Field? Yes V No
Name: RIG AVAILIBILITY Must be Lic. w/ ICCC 1/A	Target Formation(s): LKC/ARBUCKLE
Well Drilled For: Well Class: Type Equipment: Oil Enh Rec Infield Mud Rotary Gas Storage Pool Ext. Air Rotary OWNO Disposal Wildcat Cable	Nearest Lease or unit boundary: 900° Ground Surface Elevation: 1895 feet MSL Water well within one-quarter mile: Yes No Public water supply well within one mile: Yes No
Seismic; # of Holes Other Other	Depth to bottom of fresh water: 210' Depth to bottom of usable water: 280' Surface Pipe by Alternate: 1 2
If OWWO: old well information as follows: Operator: Well Name: Original Completion Date: Directional, Deviated or Horizontal wellbore? If Yes, true vertical depth: Bottom Hole Location:	Length of Surface Pipe Planned to be set: Length of Conductor Pipe required: NONE Projected Total Depth: 3650' Formation at Total Depth: ARBUCKLE Water Source for Drilling Operations: Well Farm Pond Other DWR Permit #: (Note: Apply for Permit with DWR)
KCC DKT #:	Will Cores be taken? Yes ✓ No
	If Yes, proposed zone:
AFF The undersigned hereby affirms that the drilling, completion and eventual p It is agreed that the following minimum requirements will be met:	IDAVIT lugging of this well will comply with K.S.A. 55 et. seq.
through all unconsolidated materials plus a minimum of 20 feet into t 4. If the well is dry hole, an agreement between the operator and the c 5. The appropriate district office will be notified before well is either plug 6. If an ALTERNATE II COMPLETION, production pipe shall be cement Or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall	be the circulating cement to the top; in all cases surface pipe shall be set the underlying formation. Idistrict office on plug length and placement is necessary prior to plugging; aged or production casing is cemented in; ted from below any usable water to surface within 120 days of spud date. #133,891-C, which applies to the KCC District 3 area, alternate II cementing the plugged. In all cases, NOTIFY district office prior to any cementing.
Date: 20TH OCTOBER 2004 Signature of Operator of Agent:	Title: SEC/TREAS
Signature of Operator of Agent.	
For KCC Use ONLY API # 15 - 185 · 23282-00 00 Conductor pipe required NonE feet Minimum surface pipe required 300 feet per Alt 1 =	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.
Approved by 25 10.26.04 This authorization expires: 4-26-05 (This authorization void if drilling not started within 6 months of effective date.)	- 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.
Spud date: Agent:	Signature of Operator or Agent:
Mail to: KCC - Conservation Division 120	Date:

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

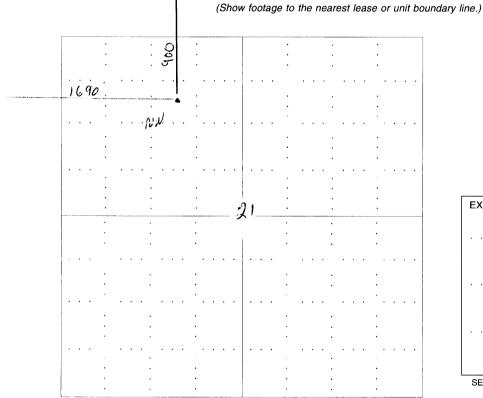
Plat of acreage attributable to a well in a prorated or spaced field

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.

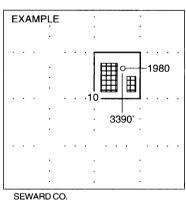
API No. 15	Location of Well: County: STAFFORD
Operator: L.D. DRILLING, INC.	900feet fromN / S Line of Section
Lease: SAMUEL	1690 feet from E / W Line of Section
Well Number: 1 Field: SHAEFFER-ROTHGARN	Sec. 21 Twp. 21 S. R. 13 East Wes
Number of Acres attributable to well: 10	Is Section: Regular or Irregular
QTR / QTR of acreage: SW - NE - NW	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.)







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).



CORPORATION COMMISSION

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

October 26, 2004

Mr. L.D. Davis L.D. Drilling, Inc. 7 SW 26th Ave. Great Bend, KS 67530

RE: Drilling Pit Application Samuel Lease Well No. 1 NW/4 Sec. 21-21S-13W Stafford County, Kansas

Dear Mr. Davis:

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 the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again 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,

Káthy Haynes

Environmental Protection and Remediation Department

cc: S Durrant