

FIRST
CORRECTED

For KCC Use: 629-04
Effective Date: 2
District #: 2
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

PERMIT EXTENSION

Form C-1
September 1999
Form must be Typed
Form must be Signed
All blanks must be Filled

Expected Spud Date July 20, 2004
month day year

Spot Approx. 130' W of
S2 - SW - NW Sec. 02 Twp. 28 S. R. 5
 East
 West
2128 feet from 6 / N (circle one) Line of Section
530 feet from 2 / W (circle one) Line of Section
Is SECTION Regular Irregular?

OPERATOR: License# 5214
Name: Lario Oil & Gas Company
Address: 301 South Market
City/State/Zip: Wichita, KS 67202
Contact Person: Jay G. Schweikert
Phone: 316-265-5611

RECEIVED
JUN 23 2004

(Note: Locate well on the Section Plat on reverse side)
County: Kingman
Lease Name: Stringer Well #: 1-2

CONTRACTOR: License# 5929
Name: Duke Drilling Co., Inc.

KCC WICHITA
6/30/04

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

Well Drilled For: Oil Gas OWWO Seismic; # of Holes Other
Well Class: Infield Pool Ext. Wildcat Other
Type Equipment: Mud Rotary Air Rotary Cable

Nearest Lease or unit boundary: 330 ft
Ground Surface Elevation: 1417 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 ft
Depth to bottom of usable water: 180 ft

Surface Pipe by Alternate: X 1 2
Length of Surface Pipe Planned to be set: 280 ft

Length of Conductor Pipe required: None
Projected Total Depth: 4100 ft

Formation at Total Depth: Mississippian
Water Source for Drilling Operations:
Well Farm Pond Other

If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Original Completion Date: _____ Original Total Depth: _____

DWR Permit #: _____
(Note: Apply for Permit with DWR)

Directional, Deviated or Horizontal wellbore? Yes No

Will Cores be taken? Yes No
If Yes, proposed zone: _____

If Yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DKT #: _____

Permit Extension
Expires 12-21-04

AFFIDAVIT *1/2/05*
** EXTENSION/CORRECTION DATED*
6-22-04 (62904)
TS: 12-22-04

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: 6/22/04 Signature of Operator or Agent: Jay G. Schweikert Title: Operations Engineer

For KCC Use ONLY
API # 15 - 095-21895-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 200 feet per Alt. 1
Approved by: RJP 6-24-04 / RSP 12-24-04 / RSP 11-3-04
This authorization expires: 12-24-04 / 10-24-05
(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.

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

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SW