

For KCC Use: 9-22-03  
 Effective Date: 3  
 District #: 3  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION

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 KANSAS CORPORATION COMMISSION  
 Form C-1  
 December 2002  
 Form must be Typed  
 Form must be Signed  
 All blanks must be Filled  
 SEP 16 2003

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

CONSERVATION DIVISION  
 WICHITA, KS

Expected Spud Date September 21, 2003  
 month day year

Snot AP / SW - NW Sec. 27 Twp. 22 S. R. 16  
 East  West  
3290 feet from  N /  S Line of Section  
4640 feet from  E /  W Line of Section  
 Is SECTION  Regular  Irregular?

OPERATOR: License# 4567  
 Name: D.E. Exploration, Inc.  
 Address: P.O. Box 128  
Wellsville, KS 66092  
 Contact Person: Douglas G. Evans  
 Phone: (785) 883-4057

(Note: Locate well on the Section Plat on reverse side)  
 County: Coffey  
 Lease Name: L.E. Stroud A Well #: R-2  
 Field Name: Neosho Falls - Leroy

CONTRACTOR: License# 5989  
 Name: Kurt Finney dba Finney Drilling Company

Is this a Prorated / Spaced Field?  Yes  No

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

Target Information(s): Squirrel  
 Nearest Lease or unit boundary: 640'  
 Ground Surface Elevation: n/a 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: 100+  
 Depth to bottom of usable water: 200+  
 Surface Pipe by Alternate:  1  2  
 Length of Surface Pipe Planned to be set: 40'  
 Length of Conductor Pipe required: none  
 Projected Total Depth: 1,100'  
 Formation at Total Depth: Squirrel  
 Water Source for Drilling Operations:  
 Well  Farm Pond  Other X  
 DWR Permit #: \_\_\_\_\_

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

(Note: Apply for Permit with DWR )  
 Will Cores be taken?  Yes  No  
 If Yes, proposed zone: \_\_\_\_\_

**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:

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CONSERVATION DIVISION

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.  
 Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, 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: September 16, 2003 Signature of Operator or Agent: Donna Shanda 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 check the box below and return to the address below.  
 Well Not Drilled - Permit Expired  
 Signature of Operator or Agent: Douglas G. Evans  
 Date: 9-19-05

27  
22  
16  
E

**For KCC Use ONLY**  
 API # 15 - 031-21987-00-00  
 Conductor pipe required NONE feet  
 Minimum surface pipe required 40 feet per Alt. \* (2)  
 Approved by RJP 9-17-03  
 This authorization expires: 3-17-04  
 (This authorization void if drilling not started within 6 months of effective date.)  
 Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

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