

For KCC Use: 3.13.05  
Effective Date: 1  
District #: \_\_\_\_\_  
SGA?  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 March 4, 2005  
month day year

OPERATOR: License# 5316 (6-30-05)  
Name: Falcon Exploration, Inc.  
Address: 155 N. Market, Suite 1020  
City/State/Zip: Wichita, KS 67202  
Contact Person: Ron Schraeder, Micheal Mitchell  
Phone: 316-262-1378

CONTRACTOR: License# KLN 5822 (6-30-05)  
Name: Val Energy, Inc.

Well Drilled For:  Oil  Enh Rec  Infield  Mud Rotary  
 Gas  Storage  Pool Ext.  Air Rotary  
 OWWO  Disposal  Wildcat  Cable  
 Seismic; # of Holes  Other  
 Other

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

Spot Ap 160' w of  
NW - NE - SW Sec. 7 Twp. 31 S. R. 21  
2310 feet from  N /  S Line of Section  
1490 feet from  E /  W Line of Section  
Is SECTION  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)  
County: Clark  
Lease Name: Shrauner Well #: 1-7  
Field Name: Granger Creek South  
Is this a Prorated / Spaced Field?  Yes  No  
Target Formation(s): Morrow, Miss, Viola  
Nearest Lease or unit boundary: 330'  
Ground Surface Elevation: 2135 est 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' 250'  
Depth to bottom of usable water: 200' 260'  
Surface Pipe by Alternate:  1  2  
Length of Surface Pipe Planned to be set: 831 (Anhydrite)  
Length of Conductor Pipe required: 20'  
Projected Total Depth: 6300'  
Formation at Total Depth: Viola  
Water Source for Drilling Operations: ?  
 Well  Farm Pond Other \_\_\_\_\_  
DWR Permit #: \_\_\_\_\_

(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:

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: 02/22/05 Signature of Operator or Agent: \_\_\_\_\_ Title: Engineer

For KCC Use ONLY  
API # 15 - 025-21283-0000  
Conductor pipe required NONE feet  
Minimum surface pipe required 280 feet per Alt. 1  
Approved by: RJP 3-8-05  
This authorization expires: 9-8-05  
(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: \_\_\_\_\_

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

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KCC WICHITA

7  
31  
2

**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 - \_\_\_\_\_

Operator: Falcon Exploration, Inc.

Lease: Shrauner

Well Number: 1-7

Field: Granger Creek South

Number of Acres attributable to well: 160

QTR / QTR / QTR of acreage: NW - NE - SW

Location of Well: County: Clark

2310 feet from  N /  S Line of Section

1490 feet from  E /  W Line of Section

Sec. 7 Twp. 31 S. R. 21  East  West

Is Section:  Regular or  Irregular

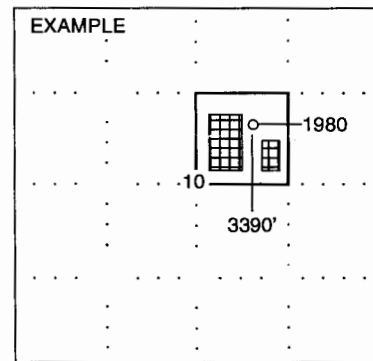
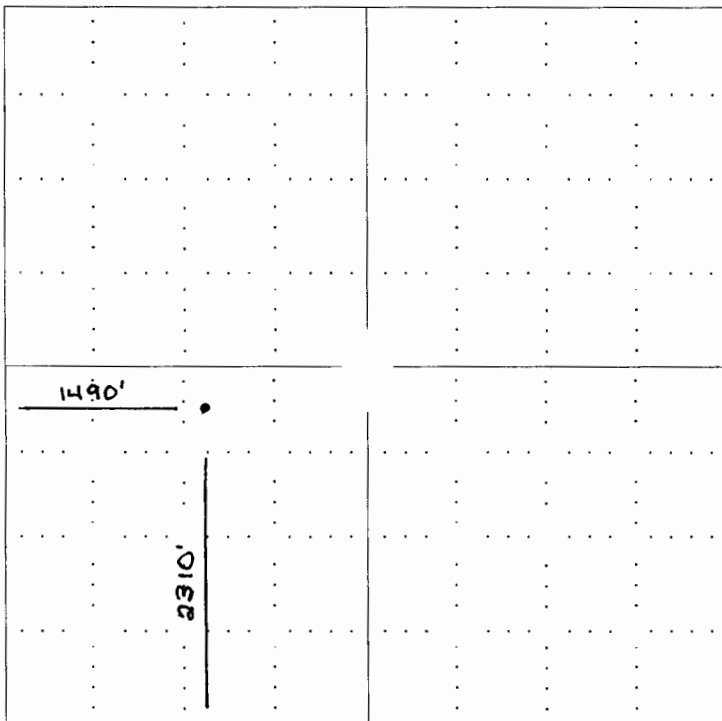
**If Section is Irregular, locate well from nearest corner boundary.**

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.)*



SEWARD CO.

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**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).

# KANSAS

CORPORATION COMMISSION

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

March 8, 2005

Mr. Ron Schraeder  
Falcon Exploration, Inc.  
155 N. Market Ste 1020  
Wichita, KS 67202

Re: Drilling Pit Application  
Shrauner Lease Well No. 1-7  
SW/4 Sec. 07-31S-21W  
Clark County, Kansas

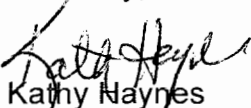
Dear Mr. Schraeder:

District staff has inspected the location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has instructed that no earthen pits are to be used at the location. Steel pits are to be used. Please inform the Commission in writing as to which disposal well you will utilize to dispose of the contents in the steel pits and the amount of fluid which will be disposed.

**Should a haul-off pit be necessary, please complete the enclosed CDP-1.** This location will have to be inspected prior to approval of the haul-off pit application.

Sincerely,



Kathy Haynes  
Environmental Protection and Remediation Department

Cc: S Durrant