

First CORRECTED

For KCC Use: Effective Date: 10-6-04 District # 1 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 10 20 2004 month day year

Spot SW1/4 NE/4 Sec. 35 Twp. 19 S. R. 40 1980 feet from N/S Line of Section 1980 feet from E/W Line of Section

OPERATOR: License# 4894 Name: HORSESHOE OPERATING, INC. Address: 500 W. TEXAS, SUITE 1190 City/State/Zip: MIDLAND, TX 79701 Contact Person: S. L. BURNS Phone: (432) 683-1448

RECEIVED SEP 30 2004 KCC WICHITA

Is SECTION Regular Irregular? County: GREELEY Lease Name: WINEINGER Well #: 2-95-3-35 (RJP) Field Name: BRADSHAW

CONTRACTOR: License# ADVISE ON ACO-1, MUST BE LICENSED WITH KCC Name:

- Well Drilled For: Oil, Gas, OWWO, Seismic, Other Well Class: Enh Rec, Storage, Disposal, Other Well Type Equipment: Infield, Pool Ext, Wildcat, Other Mud Rotary, Air Rotary, Cable

Is this a Prorated / Spaced Field? Target Formation(s): WINFIELD Nearest Lease or unit boundary: 1980 Ground Surface Elevation: 3573 feet MSL

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

Water well within one-quarter mile: Public water supply well within one mile: Depth to bottom of fresh water: 200 Depth to bottom of usable water: 1200-1440' Surface Pipe by Alternate: 1 2

Directional, Deviated or Horizontal wellbore? If Yes, true vertical depth: Bottom Hole Location: KCC DKT #:

* Length of Surface Pipe Planned to be set: 200 220' Length of Conductor Pipe required: Projected Total Depth: 3070 Formation at Total Depth: WINFIELD

Water Source for Drilling Operations: Well Farm Pond Other DWR Permit #:

* NOTE: 220' minimum Required!

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:

Corrected per ACO-1 dated 2-25-05 WAS. WINEINGER 2-35 IS: WINEINGER 3-35

- 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: 9-28-04 Signature of Operator or Agent: S. L. Burns Title: VP

For KCC Use ONLY AP# 15 - 071-20802-03-00 Conductor pipe required NONE feet Minimum surface pipe required 220 feet per Alt. X(2) Approved by: DPW 10-1-04/RSP 3-8-05 This authorization expires: 4-1-05 (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:

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

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