

For KCC Use: 5205
 Effective Date: 1
 District # 1
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

OWWO

Form C-1
 December 2002
 Form must be Typed
 Form must be Signed
 All blanks must be Filled

NOTICE OF INTENT TO DRILL
 Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date May 1, 2005
 month 5 day 1 year 2005

Spot 990 feet from N / S Line of Section
2310 feet from E / W Line of Section
 Sec. 2 Twp. 27 S. R. 13
 East West

OPERATOR: License# 5403
 Name: Wayne Walcher
 Address: 150 N. Main, Suite 909
 City/State/Zip: Wichita, KS 67202
 Contact Person: Wayne Walcher
 Phone: (316) 267-1611

RECEIVED
 KANSAS CORPORATION COMMISSION
 APR 25 2005
 CONSERVATION DIVISION
 WICHITA, KS

CONTRACTOR: License# 5893
 Name: Pratt Well Service, Inc.

Is SECTION Regular Irregular?
 (Note: Locate well on the Section Plat on reverse side)

County: Pratt
 Lease Name: S & S Unit Well #: 1
 Field Name: Iuka - Carmi

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Lansing Kansas City

Nearest Lease or unit boundary: 330'
 Ground Surface Elevation: 1914 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: 450' 240'
 Depth to bottom of usable water: 200' 280'

Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 421'

Length of Conductor Pipe required: none
 Projected Total Depth: 4,200'

Formation at Total Depth: Simpson
 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: _____

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

If OWWO: old well information as follows:
 Operator: Bowers Drilling Co., Inc.
 Well Name: #2 Sheegog
 Original Completion Date: 6-9-69 Original Total Depth: 4440'

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

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: April 25, 2005 Signature of Operator or Agent: Wanna Shanda Title: Agent

For KCC Use ONLY
 API # 15 - 151-20124-00-01
 Conductor pipe required NONE feet
 Minimum surface pipe required 421' set feet per Alt. 1
 Approved by: RJP 4.27.05
 This authorization expires: 10-27-05
 (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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27
132

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

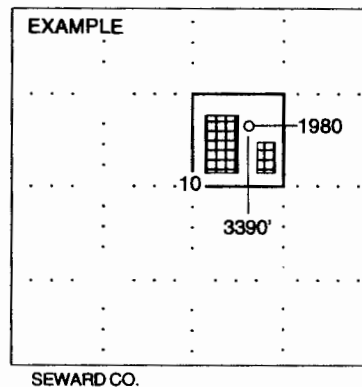
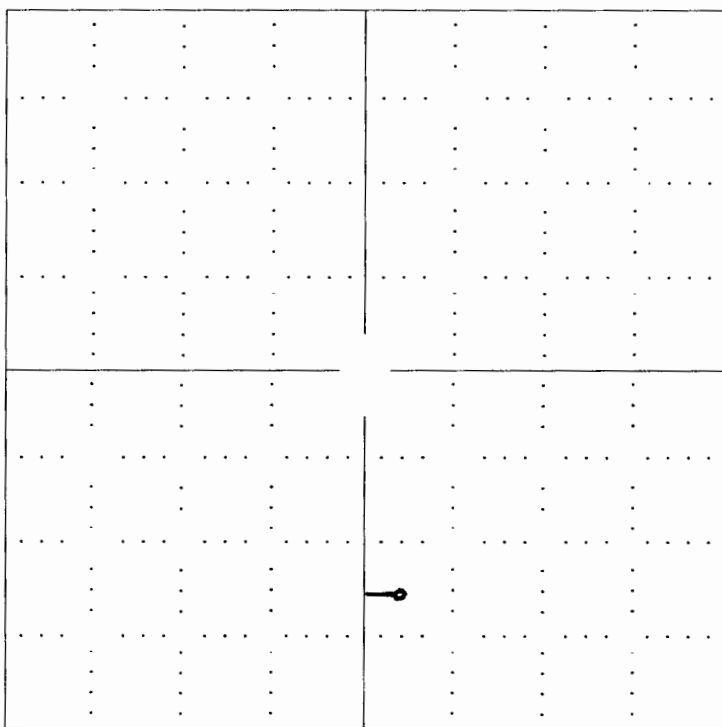
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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: Wayne Walcher
 Lease: S & S Unit
 Well Number: 1
 Field: Iuka - Carmi
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: NW - SW - SE

Location of Well: County: Pratt
990 feet from N / S Line of Section
2310 feet from E / W Line of Section
 Sec. 2 Twp. 27 S. R. 13 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.)*



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

April 26, 2005

Mr. Wayne Walcher
150 N. Main Ste 909
Wichita, KS 67202

RE: Drilling Pit Application
S & S Unit Lease Well No. 1
SE/4 Sec. 02-27S-13W
Pratt County, Kansas

Dear Mr. Walcher:

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 practical after drilling operations have ceased. **The pits should be kept to the north side of the stake.**

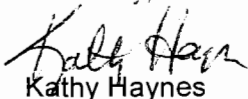
If production casing is set all completion fluids shall be removed on a daily basis.

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,



Kathy Haynes
Environmental Protection and Remediation Department

cc: S Durrant