

For KCC Use: 4-11-05
Effective Date: 4-11-05
District #: 2
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 the K.C.C. five (5) days prior to commencing well

Expected Spud Date APRIL 25 2005
month day year

CENTER
SW - SE - NE Sec. 17 Twp. 18 S. R. 9
2310 feet from N / S Line of Section
990 feet from E / W Line of Section

OPERATOR: License # 3882
Name: SAMUEL GARY JR. & ASSOCIATES, INC.
Address: 1670 BROADWAY, SUITE 3300
City/State/Zip: DENVER, CO 80202
Contact Person: TOM FERTAL
Phone: (303) 831-4673

Is SECTION X Regular Irregular?
(Note: Locate well on the Section Plat on Reverse Side)

CONTRACTOR: License 33323
Name: PETROMARK DRILLING

County: RICE
Lease Name: SCHROEDER-HARTS Well #: 1-17 SWD
Field Name: WILDCAT

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

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): ARBUCKLE
Nearest Lease or unit boundary: 330'
Ground Surface Elevation: EST 1740 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: 180
Depth to bottom of usable water: 210 KIOWA
Surface Pipe by Alternate: 1 2

If OWWO: old well information as follows:
Operator: ABERCROMBIE DRILLING
Well Name: SCHROEDER #1
Original Completion Date: 7-3-1963 Original Total Depth: 3270

Length of Surface Pipe Planned to be set: 234' Set in June 1963
Length of Conductor pipe required: NONE
Projected Total Depth: 3600'
Formation at Total Depth: ARBUCKLE

Directional, Deviated or Horizontal wellbore? Yes No
If yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DKT#: APPLICATION # D-28483

Water Source for Drilling Operations:
 Well Farm Pond Other X
DWR Permit #: _____
(Note: Apply for Permit with DWR)
Will Cores Be Taken? Yes No
If yes, proposed zone: _____

3 cc Attached UIC Letter

AFFIDAVIT

RECEIVED
KANSAS CORPORATION COMMISSION
APR 25 2005 plz

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 a 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 spud date or the well shall be plugged. **In all cases, NOTIFY district office** prior to any cementing.

CONSERVATION DIVISION
WICHITA, KS

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.
Date: April 5, 2005 Signature of Operator or Agent: Thomas J Fertal Title: SR. GEOLOGIST

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: _____

For KCC use ONLY
API # 15 - 159-03770-00-01
Conductor pipe required NONE feet
Minimum surface pipe required 234 feet per Alt. 1
Approved by: RJP 4-6-05
This authorization expires 10-6-05
(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

17
18
9w
mb

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: SAMUEL GARY JR & ASSOCIATES, INC.
 Lease: SCHROEDER-HARTS
 Well Number: 1-17 SWD
 Field: WILDCAT

Location of Well: County: RICE

 _____ 2310 feet from N / S Line of Section
 _____ 990 feet from E / W Line of Section
 Sec. 17 Twp. 18 S. R. 9 East West

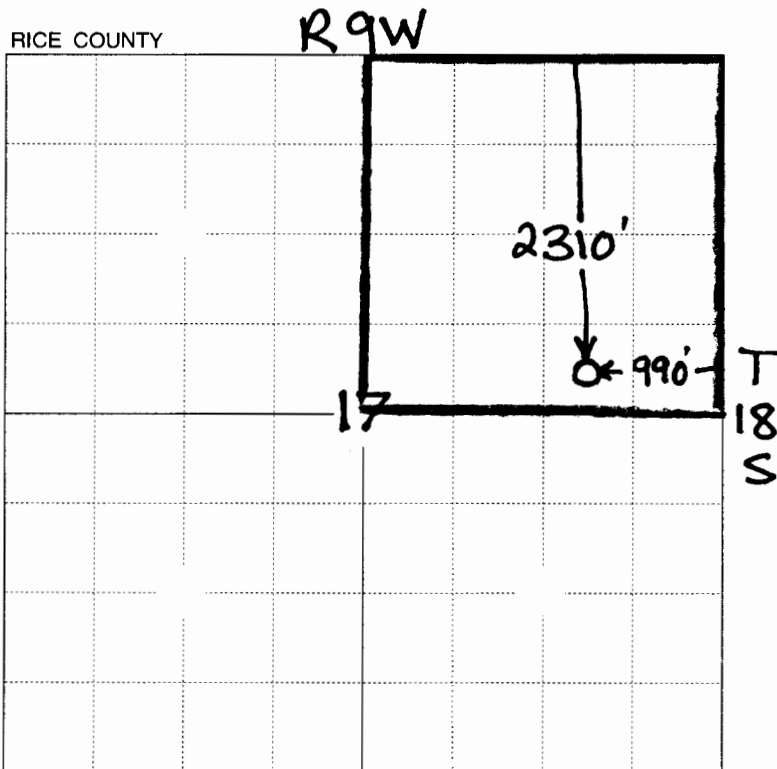
Is Section: Regular or Irregular

Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: _____ - _____ - _____

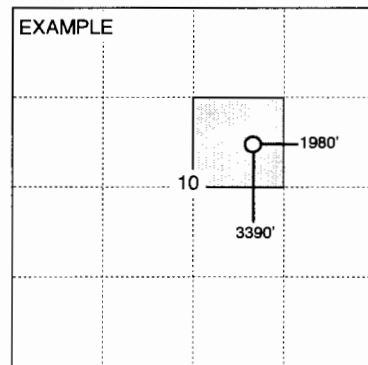
If Section is Irregular, locate well from nearest corner boundary.
 Section corner used: NE NW SE SW

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.)*



330' from nearest lease boundary



NOTE: In all cases locate the spot of the proposed drilling location.

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: (CO-7 for oil wells; CG-8 for gas wells).

RECEIVED
 KANSAS CORPORATION COMMISSION

APR 06 2005

CONSERVATION DIVISION
 WICHITA KS



KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREHBIEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

NOTICE TO OPERATORS FILING INTENT TO DRILL FOR DISPOSAL OR ENHANCED RECOVERY INJECTION WELLS, (CLASS II INJECTION WELL)

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved "Intent to Drill" does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in **K.A.R. 82-3-400 et seq** of our regulations. Associated regulations governing drilling, completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sandstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a "Design Approval" before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.