For KCC Use:	5.2205
Effective Date:	
District #	
	•

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

Expected Sput Date	Must be approved by KCC five	(5) days prior to commencing well
Septiment Signature Sign	,	
OPERATOR: Licenses 30717 OPERATOR: Licenses 30717 Name: DOWNING-NELSON OIL CO., INC. Address: P. P. O. BOX 372 Contact Person: Ron Nel Son Prone: (785) 621-2610 CONTRACTOR: Licenses 1548 Name: Discovery Drilling CONTRACTOR: Licenses 21548 Name: Discovery Drilling Contract Person And Contract 2552 Counts Tregg COUNTRACTOR: Licenses 21548 Name: Discovery Drilling Name: Discovery Drilling Contract Person And Contract 2552 Counts Tregg Country Tregg Country Tregg Name: Discovery Drilling Name: Discovery Drilling Name: Discovery Drilling Name: Type Equipment. No Heart State of Field Tregg Name: Discovery Drilling Name: Drilling Name: Discovery	Expected Spud Date June 10/ 2005	100' N of Spot
1880		
Name	30717	1880feet from X N / S Line of Section
SECTION Regular Irregular?	DOMINITAIC NIET CONT OTT CO TNIC	
Contact Person. Roft Nelson	D.O. Poy 372	Is SECTION X RegularIrregular?
Contact Person. Rorn Nell son. Penne: (785) 621–2610 ContractOrs: Licenses 31548 Name: Discovery Drilling Well Drilled For: Well Class: Type Equipment:	H VG (7601	
Rect Speed Field Speed F	OK)/OKKO 215	Trocco
CONTRACTOR: Licenses 31548 Name: DISCOVERY D'TILLING Well D'Illed Cru Well D'Illed Cru Well D'Illed Cru Gas Storage Pool Ext. Av Rotlary Order Ground Strace Elevation: 2252 feet MSt. Water well within one-quarter mile. Seismer. 150 was for No. Dopt ator: 150 Wolf Cru Well Name. Order Order Order Order of Conductor Pipe required. No. Well Name. Orgenator: 150 was for No. Orginal Completion Date: Original Total Depth: Orig	(705) 631 3610 /	Lease Name: Herl Well # 1-7
Summer Discovery Drilling		Field Name: Wildcat Ogallah South
Target Information(s): LKC & APLICKLE	CONTRACTOR: License#	Is this a Prorated / Spaced Field?
Nearest Lease or unit boundary: 3.330 Selsmic: For Holes Infield Mud Rotary Gas Storage Pool Ext. Air Rotary Cable Selsmic: For Holes Other Other Other Other	Name: Discovery Drilling	Target Information(s): LKC & Arbuckle
Ground Surface Elevation:	Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary: 330'
Gas Storage Pool Ext Air Rotary Water well within one mile: 150 Ves & Ne Ne Ne Ne Ne Ne Ne Ne		Ground Surface Elevation: 2252 feet MSL
Seismic # of Holes Other		Water well within one-quarter mile:
Selsimic:		Public water supply well within one mile:
Depth to bottom of usable water: 1 X 2 200 +		Depin to pottom or fresh water:
Surface Pipe by Alternate:		Depth to bottom of usable water:
Operator: Well Name: Original Completion Date: Original Completion Date: Original Completion	Ottlei	Surface Pipe by Alternate: 1 X 2
Well Name. Original Completion Date:Original Total Depth:Arbuckle Directional, Deviated or Horizontal wellbore?VesNo If Yes, true vertical depth:	If OWWO: old well information as follows:	Length of Surface ripe rialined to be set.
Original Completion Date: Original Total Depth: Water Source for Drilling Operations: Water Source for Primal With DWF Water Remonsions with Remove for Primal With Mark Primal With DWF Water Remove for It Yes, proposed zone: RECEIVED AFFIDAVIT Water Source for Primal with DWF Water Remove for Primal With K.S.A. 55 et. seq MAY 1 6 2005 KCC WICHITA **KCC WICHITA* **KC WICHITA* **Kocp Young of the appropriate district Office with K.S.A. 55 et. seq MAY 1 6 2005 **KCC WICHITA* **Well A It water appropriate district Office with K.S.A. 55 et. seq MAY 1 6 2005 **Well A It water appropriate dis	Operator:	to conductor i pe required.
Water Source for Drilling Operations: Water Source for Drilling Approach Since season Orther Water Source for Drilling Approach Since season Orther Since at Approved by Approved	Well Name:	3 1 1 7
Well Sarm Pond Other Other	Original Completion Date:Original Total Depth:	
Source S	Directional Deviated or Horizontal wellbore?	
Bottom Hole Location: (Note: Apply for Permit with DWR) Will Cores be taken? If Yes, proposed zone: RECEIVED AFFIDAVIT The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq. MAY 1 6 2005 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 genemied from below any usable water to surface within 120 days of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing orde #13,891-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. It hereby certify that the statements made herein are true and to the bost of my knowledge and belief. Date: For KCC Use ONLY API # 15		
Will Cores be taken? If Yes, proposed zone: RECEIVED AFFIDAVIT The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq. MAY 1 6 2005 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 egmented from below any usable water to surface within 120 days of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing orde #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. Pate: For KCC Use ONLY		
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Agent Agen	 The minimum amount of surface pipe as specified below shall be set through all unconsolidated materials plus a minimum of 20 feet into the set. If the well is dry hole, an agreement between the operator and the description. The appropriate district office will be notified before well is either plughed. If an ALTERNATE II COMPLETION, production pipe shall be coment or pursuant to Appendix "B" - Eastern Kansas surface casing order. 	It by circulating cement to the top; in all cases surface pipe shall be set the underlying formation. In this is the underlying formation is the underlying formation. In this is the underlying formation is cased and placement is necessary prior to plugging; upged or production casing is cemented in; and form below any usable water to surface within 120 days of spud date. #133,891-C, which applies to the KCC District 3 area, alternate II cementing
Agent Signature of Operator or Agent: May 2005	I hereby certify that the statements made herein are true and to the best of	my knowledge and belief.
For KCC Use ONLY API # 15 - 195 · 22293 · OO · OO Conductor pipe required	13 May 2005	Agent
For KCC Use ONLY API # 15 - 195 · 22293 · OO · OO Conductor pipe required	Date: Signature of Operator or Agent: ////	Title:
API # 15 - 195 · 2295 · OO · OO Conductor pipe required		Remember to:
This authorization expires 1-17-05 (This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent: Agent: Signature of Operator or Agent: Signature of Operator or Agent: Agent: Signature of Operator or Agent:	API # 15 - 195 - 22293 - 00.00	 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;
Spud date: Agent: Signature of Operator or Agent:	Minimum surface pipe required 200 feet per Alt. + ②	
Spud date: Agent: Signature of Operator or Agent:	Minimum surface pipe required 200 feet per Alt. + ② Approved by: RSP5.17.05 This authorization expires 11-17.05	Obtain written approval before disposing or injecting salt water. If this permit has expired (See: authorized expiration date) please
	Minimum surface pipe required 200 feet per Alt. + ② Approved by: RJP5-17-05 This authorization expires 11-17-05	- 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.
	Minimum surface pipe required 200 feet per Alt. + ② Approved by: RJP5.17.05 This authorization expires 1-17.05 (This authorization void if drilling not started within 6 months of effective date.)	- 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
	Minimum surface pipe required 200 feet per Alt. † ② Approved by: RSP5·17·05 This authorization expires 11-17·05 (This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent:	- 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

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

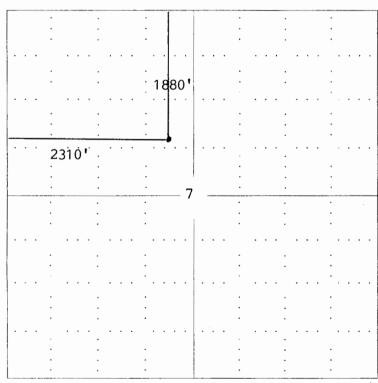
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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.

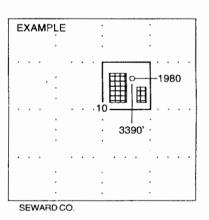
API No. 15		Location of Well: County:	Trego
Operator:	DOWNING-NELSON OIL CO., INC.		
Lease:	Herl	2310 fe	eet from X N / S Line of Section eet from E / X W Line of Section
Well Number:_	1–7	Sec. 7 Twp. 13	S. R. 21W East Xwes
Field:	Wildcat		Name and American
Number of Acre	es attributable to well:	Is Section: X Regular or	Irregular
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.)





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

Trego Co., KS

In plotting the proposed location of the well, you must show:

- 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).



CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

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

May 17, 2005

Mr. Ron Nelson Downing-Nelson Oil Co., Inc. PO Box 372 Hays, KS 67601

RE: Drilling Pit Application

Herl Lease Well No. 1-7 NW/4 Sec. 07-13S-21W Trego County, Kansas

Dear Mr. Nelson:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, 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. **Please keep all pits away from any draws**.

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 (785) 625-0550 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,

Káthy Havnes

Environmental Protection and Remediation Department

cc: H Deines