

For KCC Use: Effective Date: 6.14.05  
District # 1  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

RECEIVED

Form C-1  
December 2002

NOTICE OF INTENT TO DRILL JUN 09 2005

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

CONSERVATION DIVISION  
WICHITA, KS

Expected Spud Date 06 15 2005  
month day year

Spot C-5W/4 Sec. 35 Twp. 19 S. R. 40  
 East  
 West  
1320 feet from  N /  S Line of Section  
1320 feet from  E /  W Line of Section

OPERATOR: License# 4894 (3-30-06)  
Name: Horseshoe Operating, Inc.  
Address: 110 W. Louisiana, Suite 200  
City/State/Zip: Midland, Texas 79701  
Contact Person: S. L. Burns / Debbie Franklin  
Phone: 432 683-1448

Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Greeley  
Lease Name: Fertig Well #: 1-35  
Field Name: Bradshaw

CONTRACTOR: License# ADVISE ON ACO-1  
Name: MUST BE LICENSED BY KCC (RSP/KCC)

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

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Cable
<input type="checkbox"/> Other		

Nearest Lease or unit boundary: 1320  
Ground Surface Elevation: 3579.2 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: 200  
Depth to bottom of usable water: 4200 - 1400

Surface Pipe by Alternate:  1  2  
Length of Surface Pipe Planned to be set: 220

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

Length of Conductor Pipe required: NONE  
Projected Total Depth: 2900

Formation at Total Depth: \_\_\_\_\_  
Water Source for Drilling Operations:  
 Well  Farm Pond Other

Directional, Deviated or Horizontal wellbore?  Yes  No

DWR Permit #: \_\_\_\_\_

If Yes, true vertical depth: \_\_\_\_\_

Bottom Hole Location: \_\_\_\_\_

KCC DKT #: \_\_\_\_\_

(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: 6/8/05 Signature of Operator or Agent: [Signature] Title: Vice-President

For KCC Use ONLY  
API # 15 - 071-20827-0000  
Conductor pipe required NONE feet  
Minimum surface pipe required 220 feet per Alt. + (2)  
Approved by: RJPC-9.05  
This authorization expires: 12-9-05  
(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

35  
19  
40W

**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: Horseshoe Operating, Inc.  
 Lease: Fertig  
 Well Number: 1-35  
 Field: Bradshaw

Location of Well: County: Greeley  
1320 feet from  N /  S Line of Section  
1320 feet from  E /  W Line of Section  
 Sec. 35 Twp. 19 S. R. 40  East  West

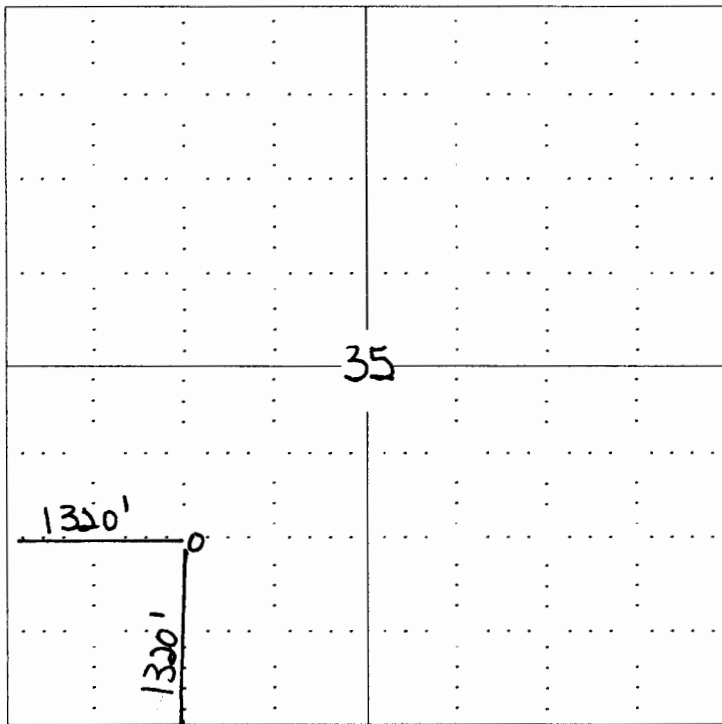
Number of Acres attributable to well: 640  
 QTR / QTR / QTR of acreage: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Is Section:  Regular or  Irregular

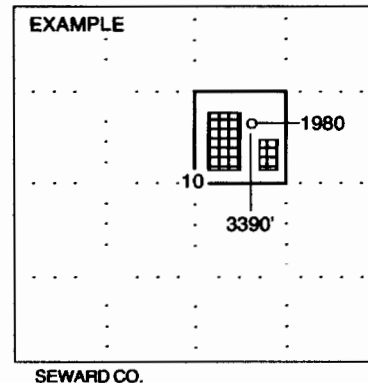
If Section Is Irregular, locate well from nearest corner boundary.  
 Section corner used:  NE  NW  SE  SW

**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.)*



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 JUN 09 2005  
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 WICHITA, KS



**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).