RECEIVED KANSAS COPPORATION COMMISSION

	~ANSAS COPPORATION COMMISSION
Effective Date: 7.23.05 OIL & GAS COI	ORATION COMMISSION NSERVATION DIVISION Form C-1 December 2002 Form must be Typed
oun: /k ics iii	INTENT TO DRILL CONSERVATION DIVISION must be Signed ive (5) days prior to commencing well WICHITA, KS
Expected Spud Date 07-20-05	Spot NE - NW - SW Sec. 12 Twp. 35 S. R. 23 V West
22202	2395 feet from N / VS Line of Section
OPERATOR: License# 33392	957 feet from E / V W Line of Section
Name: KEITH F. WALKER OIL & GAS COMPANY, L.L.C.	Is SECTION ✓ RegularIrregular?
Address: P. O. BOX 1725 City/State/Zip: ARDMORE, OK 73402	-
City/State/Zip: Contact Person: MEG PRESTIDGE / ROBERT K. WALKER	(Note: Locate well on the Section Plat on reverse side) County: CLARK
Phone: (405) 577-7703 / (303) 770-9223	Lease Name: PETA Well #: 12 #1
•	Field Name: BIG SAND CREEK
CONTRACTOR: License# 31527 3/572 ~	Is this a Prorated / Spaced Field? Yes ✓ No
Name: BIG A DRILLING	Target Formation(s): CHESTER
,	Nearest Lease or unit boundary: 957
Well Drilled For: Well Class: Type Equipment:	Ground Surface Elevation: 1890 feet MSL
Enh Rec ✓ Infield ✓ Mud Rotary	Water well within one-quarter mile: Yes ✓ No
✓ Gas Storage Pool Ext. Air Rotary	Public water supply well within one mile:
OWWO Disposal Wildcat Cable	Depth to bottom of fresh water: 150'
Seismic; # of Holes Other	Depth to bottom of usable water: 488 230
Other	Surface Pipe by Alternate:
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set: 1000'
	Length of Conductor Pipe required: 40'
Operator:	Projected Total Depth: 6000'
Original Completion Date:Original Total Depth:	Formation at Total Depth: CHESTER
	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?	Well Farm Pond Other
If Yes, true vertical depth:	- DWR Permit #:
Bottom Hole Location:	— (Note: Apply for Permit with DWR ☐)
KCC DKT #:	Will Cores be taken? Yes ✓ No
* Unit info recieved	If Yes, proposed zone:
,	FFIDAVIT
The undersigned hereby affirms that the drilling, completion and eventual	
It is agreed that the following minimum requirements will be met:	* conductor prope is devised
1. Notify the appropriate district office prior to spudding of well;	A CONSUCTION DIVE 13 CONTIST
through all unconsolidated materials plus a minimum of 20 feet into 4. If the well is dry hole, an agreement between the operator and the 5. The appropriate district office will be notified before well is either plus an ALTERNATE II COMPLETION, production pipe shall be cem Or pursuant to Appendix "B" - Eastern Kansas surface casing or	e set by circulating cement to the top; in all cases surface pipe shall be set to the underlying formation. ne district office on plug length and placement is necessary prior to plugging;
I hereby certify that the statements made herein are true and to the best	st of my knowledge and belief.
Date: July 12, 2005 Signature of Operator or Agent:	Title: Vice-President, Legal & Land
E KOO II ONIV	Remember to:
API # 15 - 025 - 21304 - 00.00	- File Drill Pit Application (form CDP-1) with Intent to Drill;
70 10	 File Completion Form ACO-1 within 120 days of spud date; File acreage attribution plat according to field proration orders;
Conductor pipe required NONE feet	Notify appropriate district office 48 hours prior to workover or re-entry;
Minimum surface pipe required 250 feet per Alt. ① 9	
Approved by: RSP 7.18.05	- Obtain written approval before disposing or injecting salt water.
This authorization expires: 1.18.06	- If this permit has expired (See: authorized expiration date) please
The authorization expires: 1	check the box below and return to the address below.

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

Well Not Drilled - Permit Expired
Signature of Operator or Agent:

Date:

(This authorization void if drilling not started within 6 months of effective date.)

_ Agent:_

Spud date:_

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.

Operator: KEITH F. WALKER OIL & GAS COMPANY, L.L.C. Lease: PETA Well Number: 12 #1 Field: BIG SAND CREEK Number of Acres attributable to well: 640 acres QTR / QTR / QTR of acreage: NE - NW - SW		2395 feet from N / ✓ S Line of Section 957 feet from E / ✓ W Line of Section Sec 12 Twp 35 S. R 23 East ✓ Wes Is Section: ✓ Regular or Irregular If Section is Irregular, locate well from nearest corner boundary.	
	(Show location of the well and shade attribu	LAT utable acreage for prorated or spaced wells.) it lease or unit boundary line.) KANSAS CORPORATION COMMISSION JUL 1 5 2005	
		CONSERVATION DIVISION- WICHITA, KS	
7/WZ		EXAMPLE	

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.

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

- 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).

SEWARD CO.

KANSAS

CORPORATION COMMISSION

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

July 12, 2005

Ms. Meg Prestidge Keith F. Walker Oil & Gas Co., LLC PO Box 1725 Ardmore, OK 73402

RE: Drilling Pit Application Peta Lease Well No. 12 #1 SW/4 Sec. 12-35S-23W Clark County, Kansas

Dear Ms. Prestidge:

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 the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again as soon as practical after drilling operations have ceased.

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. Please file form CDP-5, Exploration and Production Waster Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

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