

RECEIVED

AUG 05 2005

Form C-1  
December 2002

For KCC Use:  
Effective Date: 8.13.05  
District #: 2  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**NOTICE OF INTENT TO DRILL**

**KCC WICHITA**  
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

Expected Spud Date August 10, 2005  
month day year

OPERATOR: License# 32825  
Name: Pioneer Exploration LTD.  
Address: 15603 Kuykendahl Suite 200  
City/State/Zip: Houston, Texas 77090-3655  
Contact Person: John Houghton  
Phone: 281-893-9400 ext 253

CONTRACTOR: License# 33006  
Name: Ace Drilling

<b>Well Drilled For:</b>	<b>Well Class:</b>	<b>Type Equipment:</b>
<input checked="" 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		

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

Directional, Deviated or Horizontal wellbore?  Yes  No

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

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

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

Sect NE NE Sec. 18 Twp. 31 S. R. 8  
330 feet from  N /  S Line of Section  
530 feet from  E /  W Line of Section  
Is SECTION  Regular  Irregular?

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

County: Harper  
Lease Name: Darnes "A" Well #: 3-18  
Field Name: Spivey-Grabs-Basil

Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): Mississippian Chat

Nearest Lease or unit boundary: 330

Ground Surface Elevation: 1665 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: 110'

Depth to bottom of usable water: 200'

Surface Pipe by Alternate:  1  2

Length of Surface Pipe Planned to be set: 220'

Length of Conductor Pipe required: None

Projected Total Depth: 4600'

Formation at Total Depth: Mississippian Chat

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: \_\_\_\_\_

**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: August 2, 2005 Signature of Operator or Agent: John C Houghton Title: Production Engineer

**For KCC Use ONLY**

API # 15 - 077-21522-00-00

Conductor pipe required NONE feet

Minimum surface pipe required 220 feet per Alt. 1

Approved by: RJP 8-8-05

This authorization expires: 2-8-06  
(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

18  
31  
BR

**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: Pioneer Exploration LTD.  
 Lease: Darnes "A"  
 Well Number: 3-18  
 Field: Spivey-Grabs-Basil  
 Number of Acres attributable to well: \_\_\_\_\_  
 QTR / QTR / QTR of acreage: NE - NE - NE

Location of Well: County: Harper  
330 feet from  N /  S Line of Section  
530 feet from  E /  W Line of Section  
 Sec. 18 Twp. 31 S. R. 8  East  West

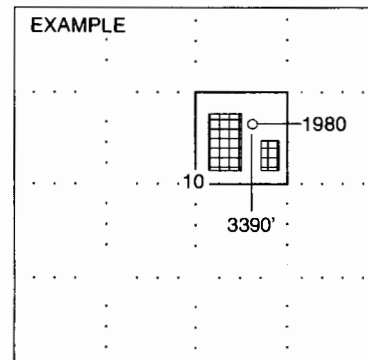
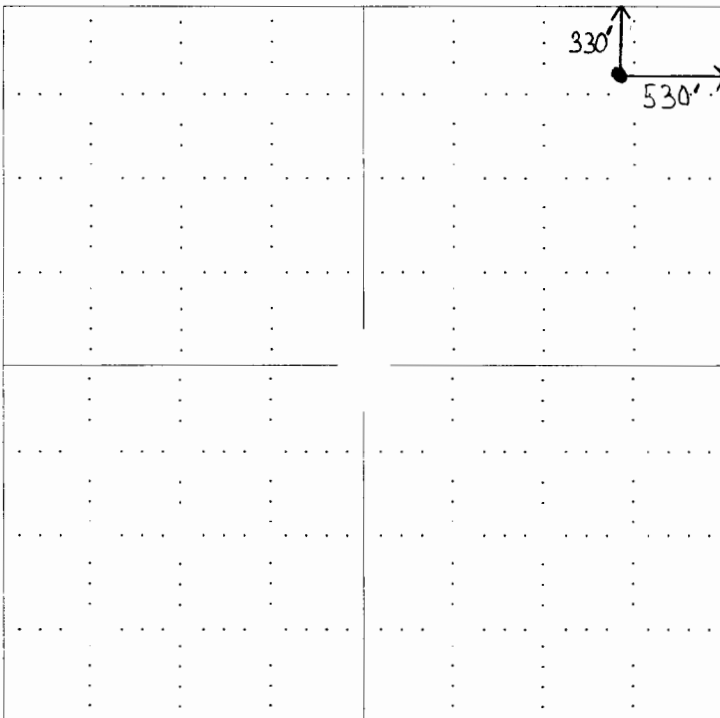
Is Section:  Regular or  Irregular

**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

August 5, 2005

John Houghton  
Pioneer Exploration LTD  
15603 Kuykendahl, Ste 200  
Houston TX 77090-3655

Re: Drilling Pit Application  
Darnes "A" Lease Well No. 3-18  
NE/4 18-31S-08W  
Harper County, Kansas

Dear Mr. Houghton:

District staff has inspected the location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has instructed that no earthen pits are to be used at this location. Steel pits are to be used. Please inform the Commission in writing as to which disposal well you utilized to dispose of the contents in the steel pits and the amount of fluid that was disposed. Please file form CDP-5, Exploration and Production Waste 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/](http://www.kcc.state.ks.us/conservation/forms/)

Should a haul-off pit be necessary, please complete an Application for Surface Pit, form CDP-1, for the haul-off pit location. This location will have to be inspected prior to approval of the haul-off pit application.

Sincerely,



Jonelle Rains, Supervisor  
Environmental Protection and Remediation Department

Cc: Doug Louis  
File