For KCC Use: Effective Date:	8.3.05
District #	1
SGA? XYes	No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Form C-1
December 2002
Form must be Typed
Form must be Signed
All blanks must be Filled

Lease Name:UDEMAN Well s _ 1-2		Iuly 26 200	5		
OPERATOR: Loonsed 4058 Name: AMBRICAN WARRIOR. INC. Address: P. O. Box 399 CityStasArgb_Garden City. Kensas 67846-0399 CityStasArgb_Garden City. Kensas 67846-0399 Contract Person: G20/275-9231 Contract Cress. 620/275-9231 Contract Cress. Well presed For: West Cigas: Type Equipment: Qoa	Expected Spud Date				
MORRITICAN MARRITOR TINC, More		monu oay	year		
Section Sect	OPERATOR: License#	4058			
Context Person: Cacil 0' Brate	Name: AMERICAN	WARRIOR, INC.		= =	'n
Contact Person: Cacil 0 Brate 620/275-9231 CONTRACTOR: Licenses 5929 Name: DUKE DRILLING CO., INC. Well presed For: Was Closes: Type Equipment: Value of Presed For: Was Closes: Type Equipment: Value presed For: Was Closes: Type Equipment: Value presed For: Was Closes: Type Equipment: Value presed For: Was Closes: Value Pool Est. Value Rotary Value Value Rotary Value Value Rotary Value Val			· · · · · · · · · · · · · · · · · · ·	Is SECTION _X_RegularIrregular?	
Phone: 620/275-9231 CONTRACTOR: Licensed: 5929 CONTRACTOR: Licensed: 5929 CONTRACTOR: Licensed: 5929 Contractor: Well prised for: Well Contractor: Well prised for: Well Contractor: CONTRACTOR: Licensed: Contractor: Well prised for: Well Contractor: CONTRACTOR: Licensed: CONTR	City/State/Zip:Garden C:	ity, Kansas 6	7846-0399		
Field Name: AFFLEATE DUKE DRILLING CO., INC. St. this a Prorested 4 Spaced Field? Target Information(s): Arbuckle Arbu	Contact Forecition			County: Harper	
Source Contract	Phone: 620/2	275-9231		Lease Name: LUDEMAN Well #: 1-2	
Share Shar	00177040707	5929			
Well Prilled For: Well Cjast: Type Equipment: Narest Lease or unit boundary: 1980* Nearest Lease or unit boundary: 1980* Nearest Lease or unit boundary: 1246.9 1246.9 1980* Nearest Lease or unit boundary: 1246.9 1246.9 Nearest Lease or unit boundary: 1246.9 Nearest Leasest L	DURE DET				χNο
Collaboration Collaboratio	Name:			Target Information(s): Arbuckle	
Solid Enh Rec Infield Mud Rotary Ret well within one mile: Ves No No No No No No No N	Well Drilled For:	Well Class: Ty	rpe Equipment:	Nearest Lease or unit boundary: 1980	
Gas Storage Pool Ext. Air Rotary Wildcat Cable Selemit:s of Holes Wildcat Cable Cable Cable Wildcat Cable W	VOI Enh Bec	_ ` _	W Mud Botary	_ ~	_
Seismic; s of Holes		<u> </u>	<u> </u>		
Seismic;		<u> </u>	∹ '	Public water supply well within one mile:	XNo
Other					
If OWWO: old well information as follows: Operator: Well Name: Original Completion Date: Original Total Depth:: Directional, Deviated or Horizontal wellbore? If Yes, true vertical depth:: RECEIVED Bottom Hole Location: ANSAS CORPORATION COMMISSION. CONSERVATION DIVISION AFFIDAVIT The undersigned hereby affirms thin Will Milling, 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 ahalf be posted on each drilling rig: 3. The minimum amount of surface pipe as specified below shalf be set by circulating cement to the top; in all cases surface pipe shalf 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; Bers 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 cementin 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 best of my knowledge and belief. File Completion form ACO-1 within 120 days of spud date. File completion form ACO-1 within 120 days of spud date. File case attribution plat according to leid proration orders; Notify appropriate district of workover or re-entry. Submit plugging report (CP-4) after plugging is completed: Notify appropriate district of workover or to workover or re-entry. Submit plugging					
Length of Conductor Pipe required: None				• • • • • • • • • • • • • • • • • • • •	
Well Name: Original Completion Date: Origina	If OWWO: old well information	n as follows:			
Original Completion Date: Oniginal Total Depth: Formation at Total Depth: Arbuck1e Water Source for Drilling Operations: Water Source for Premit with DWR	Operator:			cong.: or conductor inported and	
Water Source for Drilling Operations: Water Source for Drilling Operations: Water Source for Drilling Operation Interest Source So					
Vest Vest Vest Vest Vest No Vest No Vest No Vest No Vest V	Original Completion Date	:Original 1	Total Depth:		
Bottom Hole Location:_KANSASCORPORATIONCOMMISSION. Will Cores be taken? Will Cores be taken? Yes X No. Will Cores be taken? Yes X No. Yes X No. Will Cores be taken? Yes X No. Yes	Directional, Deviated or Horiz	rontal wellbore?	Yes X No		
Note: Apply for Permit with DWR	•		٠٠٠ ريق ٠٠٠ ت		
Will Cores be taken? If Yes, proposed zone: CONSERVATION DIVISION AFFIDAVIT The undersigned hereby affirms the 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 appropriate district office prior to spudding of well; 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 cementin 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 best of my knowledge and belief. Pate: July 6, 2005 Signature of Operator or Agent: Sally File Completion Form ACO-1 within 120 days of spud date; File Completion Form ACO-1 within 120 days of spud date; File Drill Pit Application (form CDP-1) with Intent to Drill; File Drill Pit Application (form CDP-1) with Intent to Drill; File Completion Form ACO-1 within 120 days of spud date; File acreage 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: authori	-	a stime do march a market	NOISSION		_
If Yes, proposed zone: Conservation Division AFFIDAVIT			III III III III III III III III III II		V N.
Conservationally 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 cementin 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 best of my knowledge and belief. Date:	1100 ON1 W.	JUL 0 6 2005			XING
The undersigned hereby affirms the the table of the complete in the table of the series 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 shell be posted on each drilling rig; 3. The minimum amount of surface pipe as specified below shell 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 cementin 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 best of my knowledge and belief. Date:				it tes, proposed zone:	
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For KCC Use ONLY API # 15 - 077 . 2 152 1-06 00 Conductor pipe required NONE feet Minimum surface pipe required 200 feet per Alt. 7 (2) Approved by 257 29 05 This authorization expires: 1-29-06 (This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent:	Or pursuant to Appen must be completed wi	dix "B" - Eastern Kanso thin 30 days of the spu	as surface casing order date or the well shall	#133,891-C, which applies to the KCC District 3 area, alternate II ceme be plugged. In all cases, NOTIFY district office prior to any cementing	entin
For KCC Use ONLY API # 15 - 077. 2 1521-0000 Conductor pipe required NONE feet Minimum surface pipe required 200 feet per All. * (2) Approved by 2729-05 This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent: 4 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: 4 Signature		•	or Agent: Smill	Title: Agent	
This authorization expires: 1-29-06 (This authorization void if drilling not started within 6 months of effective date.) Spud date:Agent:	API # 15	NONE	feet	 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; 	, - k
(This authorization void if drilling not started within 6 months of effective date.) Spud date:Agent:		1-29-06		- If this permit has expired (See: authorized expiration date) please	-
Spud date: Agent: Signature of Operator or Agent:	·		onthe of effective data 1		
Spud date: Agent: Signature of Operator or Agent:	THE BUILDING BUILDING IN CUIT	my not stande within 6 Mi	onina di anacina dala.)	Well Not Drilled - Permit Expired	
	Spud date:	Agent:		•	_ (
				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.

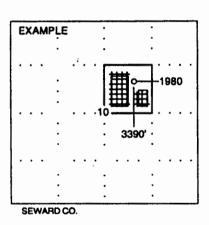
API No. 15	Location of Well: County:
Operator:	feet from N / S Line of Section feet from E / W Line of Section
Lease;	feet from E / W Line of Section
Well Number:	Sec Twp S. R East Wes
Field:	
Number of Acres attributable to well:	Is Section: Regular or Irregular
QTR / QTR / QTR of acreage:	If Section is irregular, locate well from nearest corner boundary.
	Section comer 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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NOTE: In all cases locate the spot of the proposed drilling locaton.

Harper County

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.
- 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

July 29, 2005

Mr. Cecil O'Brate American Warrior, Inc. PO Box 399 Garden City, KS 67846-0399

Re:

Drilling Pit Application

Ludeman Lease Well No. 1-2 SE/4 Sec. 01-34S-06W Harper County, Kansas

Dear Mr. O'Brate:

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 within 72 hours 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 (316) 630-4000 when the fluids have been removed. 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.

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

Kath Heyn

Environmental Protection and Remediation Department

cc: Doug Louis