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KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 December 2002

AUG 23 2005

Form must be Typed Form must be Signed All blanks must be Filled

For KCC Use: Effective Date: 8-31-05 District # 1 SGA? Yes No

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

CONSERVATION DIVISION WICHITA, KS

Expected Spud Date September 2, 2005 month day year

Spot NE SW SE Sec. 5 Twp. 24 S. R. 29 East West

OPERATOR: License# 4058 AMERICAN WARRIOR, INC. Address: P. O. Box 399 Garden City, Kansas 67846-0399 Contact Person: Cecil O'Brate Phone: 620/275-9231

755 feet from N / S Line of Section 1720 feet from E / W Line of Section Is SECTION X Regular Irregular?

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

County: Gray Lease Name: O'Brate Well #: 1

CONTRACTOR: License# 33375 CHEYENNE DRILLING, LP

Field Name: Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Morrow

Nearest Lease or unit boundary: 755'

Ground Surface Elevation: 2787 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: 120' 240'

Depth to bottom of usable water: 850' 1050'

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 550'

Length of Conductor Pipe required: N/A

Projected Total Depth: 4900'

Formation at Total Depth: St Louis

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:

- Well Drilled For: Oil Gas OAWD Seismic; # of Holes Other Well Class: Enh Rec Storage Disposal Wildcat Other Well Class: Infield Pool Ext Wildcat Other Type Equipment: Mud Rotary Air Rotary Cable

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 #:

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: 8/23/05 Signature of Operator or Agent: Title: Agent

For KCC Use ONLY API # 15 - 069-20283-00-00 Conductor pipe required NONE feet Minimum surface pipe required 260' feet per Alt. X(2) Approved by: DPW 8-26-05 This authorization expires: 2-26-06 (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

5 24 292

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: AMERICAN WARRIOR, INC.
 Lease: O'Brate
 Well Number: 1
 Field: _____
 Number of Acres attributable to well: 160
 QTR / QTR / QTR of acreage: _____ - _____ - _____ SE

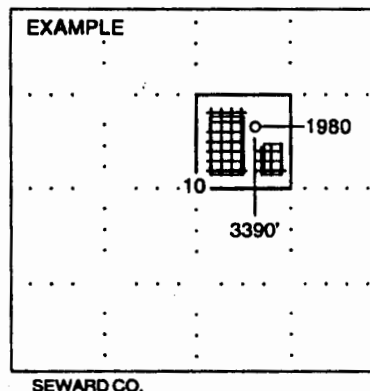
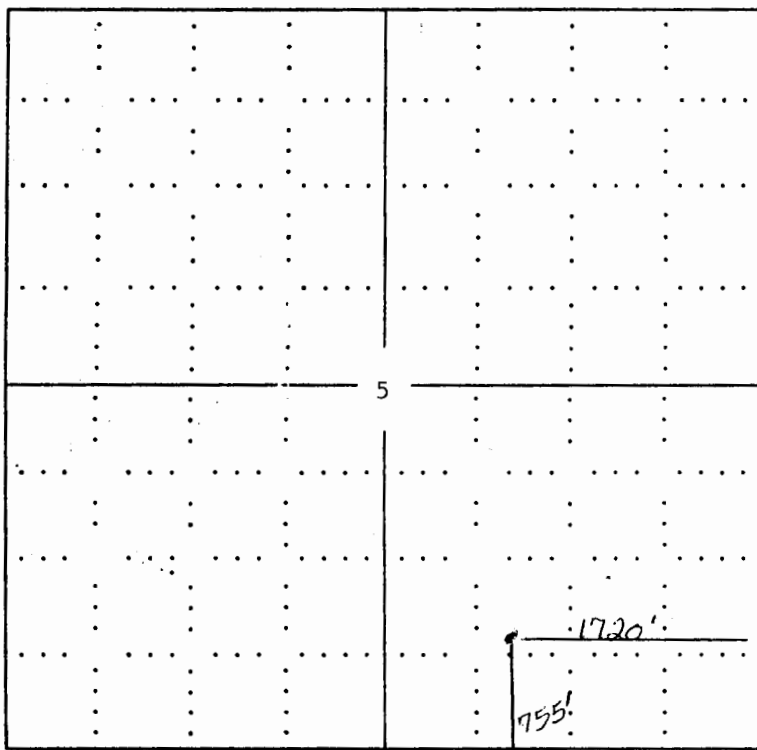
Location of Well: County: Gray
 _____ 755 _____ feet from N / S Line of Section
 _____ 1720 _____ feet from E / W Line of Section
 Sec. 5 Twp. 24 S. R. 29 East West

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 location.

GRAY 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.
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).