9.18.05 For KCC Use: Effective Date:__ District #

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

SEP 1 2 2005

RECEIVED

Form C-1 December 2002 Form must be Typed

SGA? Yes No NOTICE OF INTENT TO DRILL Must be approved by KCC five (5) days prior to commencing WICHITA		
10/13/2005	- m	
Expected Spud Date month day year	Spot 90'N 70'E N/2 SE SE20 Twp. 12 S. R. 14	East
	Sec. Iwp. S. H. V V V 1080 feet from N / ✓ S. Line of Section	
OPERATOR: License# 5135	590 feet from \sqrt{E} W Line of Section	
Name: John O. Farmer, Inc.	Is SECTION ✓ RegularIrregular?	'
Address: PO BOX 352 City/State/Zip: Russell, Kansas 67665-		
City/State/Zip: Tubeson, Name of Social Contact Person: John Farmer IV	(Note: Locate well on the Section Plat on reverse side) County: Russell	
Phone: 785-483-3144	Lease Name: Taylor B Well #.1	
<i>W</i>	Field Name: Wildcat	
CONTRACTOR: License# 31548	Is this a Prorated / Spaced Field?	No
Name: Discovery Drilling	Target Formation(s): LKC	
	Nearest Lease or unit boundary: 590	
Well Drilled For: Well Class: Type Equipment:	Ground Surface Elevation: 1715 feet	MSL
✓ Oil Enh Rec Infield ✓ Mud Rotary	Water well within one-quarter mile: Yes ✓	/ N
Gas Storage Pool Ext. Air Rotary	Public water supply well within one mile:	√ No
OWO Disposal ✓ Wildcat Cable	Depth to bottom of fresh water: 180	
Seismic; # of Holes Other	Depth to bottom of usable water: 375 Klawa	
Other	Surface Pipe by Alternate: ✓ 1 2	
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set: 400	
Operator:	Length of Conductor Pipe required:	
Well Name:	Projected Total Depth: 3300	
Original Completion Date: Original Total Depth:	Formation at Total Depth: Arbuckle	
	Water Source for Drilling Operations:	
Directional, Deviated or Horizontal wellbore? Yes ✓ No	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?	∐No
	If Yes, proposed zone:	
AFF	IDAVIT	
The undersigned hereby affirms that the drilling, completion and eventual p	lugging of this well will comply with K.S.A. 55 et. seq.	
It is agreed that the following minimum requirements will be met:		
Notify the appropriate district office <i>prior</i> to spudding of well;		
2. A copy of the approved notice of intent to drill shall be posted on ea	ch drilling rig;	
• • • • • • • • • • • • • • • • • • • •	et 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.		
 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; The appropriate district office will be notified before well is either plugged or production casing is cemented in; 		
	ted from below any usable water to surface within 120 days of spud date	
	#133,891-C, which applies to the KCC District 3 area, alternate II cemer	_
	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	f my knowledge and belief	, _
Date: 9/8/2005 Signature of Operator or Agent:	O. Fanes Wice President	
Date: 10 ACO Signature of Operator or Agent: 7000	Title: Ofee 1.30	
	Remember to:	
For KCC Use ONLY	 File Drill Pit Application (form CDP-1) with Intent to Drill; 	l_ •
API # 15 - 167 - 23305-00-00	- File Completion Form ACO-1 within 120 days of spud date;	2
Conductor pipe required NONE feet	File acreage attribution plat according to field proration orders; Notify proposite district office 48 hours prior to work over a contract.	0
Minimum surface pipe required 400 feet per Alt.	 Notify appropriate district office 48 hours prior to workover or re-entry; Submit plugging report (CP-4) after plugging is completed; 	
Approved by: 23 P 9 - 13 - 05	Obtain written approval before disposing or injecting salt water.	
3-12-06	- If this permit has expired (See: authorized expiration date) please	6
This authorization expires: 518 06 (This authorization void if drilling not started within 6 months of effective date.)	check the box below and return to the address below.	
The admonation void a draing not stated within 6 months of elective date.)	Well Not Drilled - Permit Expired	1 -
Spud date:Agent:	Signature of Operator or Agent:	7
	Date:	5

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

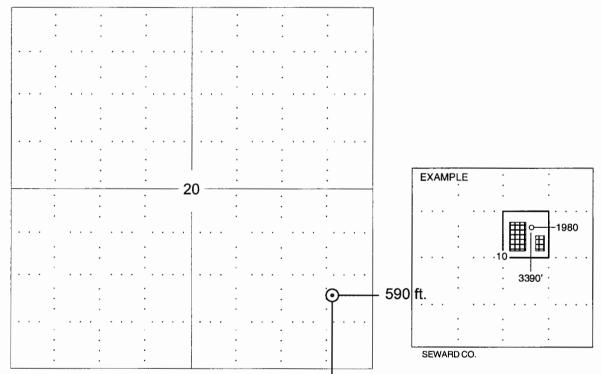
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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: Russell
Operator: John O. Farmer, Inc.	1080 feet from N / ✓ S Line of Section
Lease: Taylor B	1080 feet from N / ✓ S Line of Section 590 feet from ✓ E / W Line of Section
Well Number: 1 Field: Wildcat	Sec. 20 Twp. 12 S. R. 14 ☐ East ✓ West
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 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.

1080 ft.

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

September 13, 2005

Mr. John Farmer IV John O. Farmer, Inc. PO Box 352 Russell, KS 67665

RE: Drilling Pit Application Taylor B Lease Well No. 1 SE/4 Sec. 20-12S-14W Russell County, Kansas

Dear Mr. Farmer:

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. Please keep all pits away from any draws.

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 (785) 625-0550 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

Environmental Protection and Remediation Department

cc: H Deines