

Les K. 785-366-6249

Inspected by Mike Wilson

For KCC Use: Effective Date: 9-12-05 District #: 2 SGA? Yes No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

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

NOTICE OF INTENT TO DRILL

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

Expected Spud Date: Sept 1st 2005

OPERATOR: License# 30483 Name: Kremerier Production & Operating Address: 3183 US Hwy 56 City/State/Zip: Herington, KS 67449 Contact Person: Les Kremerier Phone: 785-258-2544 CONTRACTOR: License# 32548 Name: Kan-Drill

Spot: SE NW - NW - 1/4 Sec. 26 Twp. 19 S. R. 3 930 feet from N / S Line of Section 4,395 feet from E / W Line of Section Is SECTION Regular Irregular?

Well Drilled For: Oil Gas OWWO Seismic 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? If Yes, true vertical depth: Bottom Hole Location: KCC DKT #:

NOTE: MIN. 40' CONDUCTOR PIPE MUST BE OF A DIAMETER TO ALLOW SETTING OF 8 5/8" SURFACE PIPE.

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 B. 1. seq.

- 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: 9-1-05 Signature of Operator or Agent: Title: OWNER

(Note: Locate well on the Section Plat on reverse side) County: Marion Lease Name: Vogel Well #: 6 Field Name: Stenzil Is this a Prorated / Spaced Field? Target Formation(s): Arbuckle Nearest Lease or unit boundary: 330 * Ground Surface Elevation: 1247 feet MSL Water well within one-quarter mile: Public water supply well within one mile: Depth to bottom of fresh water: 40' Depth to bottom of usable water: 180' Surface Pipe by Alternate: 1 Length of Surface Pipe Planned to be set: 200 feet Length of Conductor Pipe required: 40 Projected Total Depth: 2900 Formation at Total Depth: Arbuckle Water Source for Drilling Operations: Well Farm Pond Other DWR Permit #:

(Note: Apply for Permit with DWR) Will Cores be taken? If Yes, proposed zone:

AFFIDAVIT * Unit info. A.I.A. RECEIVED KANSAS CORPORATION COMMISSION * NOTE * LAKE ELEVATION IS APPROX 1350 MSL OR +3 ABOVE LOCATION ELEV. SEP 01 2005 CONSERVATION DIVISION WICHITA, KS

For KCC Use ONLY API # 15 - 115-21341-00-00 Conductor pipe required 40 feet Minimum surface pipe required 200 feet per Alt. 1 Approved by: RJP 9-7-05 This authorization expires: 3-12-06 (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

26 19 3E

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

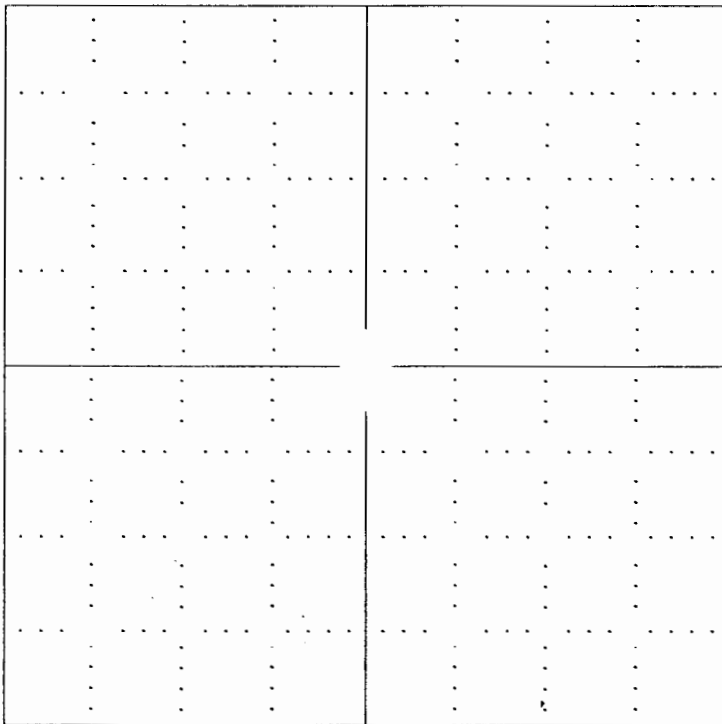
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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: Kremeier Production & Operating
 Lease: Vogel
 Well Number: 6
 Field: Stenzil
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: _____ - NW - 1/4

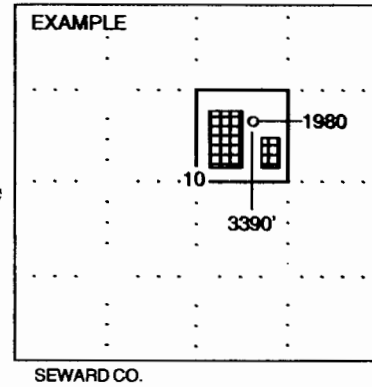
Location of Well: County: Marion
930 feet from N / S Line of Section
4,395 feet from E / W Line of Section
 Sec. 26 Twp. 19 S. R. 3 East West
 Is Section: Regular or Irregular
 If Section is Irregular, locate well from nearest corner boundary.
 Section corner used: NE NW SE SW

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.)*



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 CONSERVATION DIVISION
 WICHITA, KS



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

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).

KANSAS

CORPORATION COMMISSION

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September 1, 2005

Mr. Les Kremeier
Kremeier Production & Operating
3183 US Hwy 56
Herington, KS 67448

Re: Drilling Pit Application
Vogel Lease Well No. 6
NW/4 Sec. 26-19S-03W
Marion County, Kansas

Dear Mr. Kremeier:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, 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 48 hours after drilling operations have ceased.

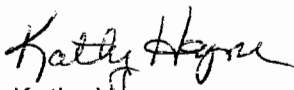
If production casing is set all completion fluids shall be removed on a daily basis.

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
Environmental Protection and Remediation Department

cc: Doug Louis

