For KCC Use: 10.16-05

Effective Date: 10.16-05

District # 2

SGA? XYes \(\sum \) 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

| Expected Spud Date October 3, 2005 | Spot |
|--|---|
| month day year | |
| | |
| OPERATOR: License# 31191 | leet from XIV / JS Line of Section |
| Name: R & B OIL & GAS | Teet from L 7 A VV Line of Section |
| Address: P. O. Box 195 | Is SECTIONX_RegularIrregular? |
| City/State/Zip: Attica, Kansas 67009-0195 | (Note: Locate well on the Section Plat on reverse side) |
| Contact Person: Randy Newberry | County: Reno |
| Phone: 620/254-7251 | Lease Name: JONES "B" Well #: 2 |
| 5020 | Field Name: LEDADO |
| CONTRACTOR: License# 5929 Name DUKE DRILLING CO., INC. | Is this a Prorated / Spaced Field? |
| Name: DORE DRILLING CO., INC. | Target Information(s): Viola |
| Well Drilled For: Well Class: Type Equipment: | Nearest Lease or unit boundary: 990' |
| | Ground Surface Elevation: 1680 est feet MSL |
| X Oil Enh Rec X Infield X Mud Rotary | Water well within one-quarter mile: |
| Gas Storage Pool Ext. Air Rotary | Public water supply well within one mile: |
| OWWO Disposal Wildcat Cable | Depth to bottom of fresh water: 120' |
| Seismic; # of Holes Other | Depth to bottom of usable water:180' |
| Other | Surface Pipe by Alternate: X 1 2 |
| If OWNAYO: old wall information as follows: | Length of Surface Pipe Planned to be set: 200'+ |
| If OWWO: old well information as follows: Operator: | Length of Conductor Pipe required: None |
| Well Name: | Projected Total Depth: 4250 1 |
| Original Completion Date:Original Total Depth: | Formation at Total Depth: Viola |
| Original Completion DateOriginal Total Depth | Water Source for Drilling Operations: |
| Directional, Deviated or Horizontal wellbore? Yes X No | Well Farm Pond Other X |
| If Yes, true vertical depth: | DWR Permit #: |
| Bottom Hole Location: KANSAS CORPORATION COMMISSION | (Note: Apply for Permit with DWR) |
| KCC DKT #:AUG 2 9 2005 | Will Cores be taken? |
| MOU Z J 2003 | If Yes, proposed zone: |
| CONSERVATION DIVISION | |
| WICHITA, KS | 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: | |
| through all unconsolidated materials plus a minimum of 20 feet into the 4. If the well is dry hole, an agreement between the operator and the constitution of the second structure of the second struc | et by circulating cement to the top; in all cases surface pipe shall be set the underlying formation. district office on plug length and placement is necessary prior to plugging; |
| I hereby certify that the statements made herein are true and to the best of | of my knowledge and belief. |
| Date: August 29, 2005 Signature of Operator or Agent: Yall Sally R. | |
| F KOO H ONLY | **Remember to: \ \ - File Drill Pit Application (form CDP-1) with Intent to Drill; |
| API # 15 - 155 - 2 / 493-000 | - File Completion Form ACO-1 within 120 days of spud date; |
| Conductor pipe required NONE feet | - File acreage attribution plat according to field proration orders; |
| Minimum surface pipe required 2 feet per Alt. 1 | 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. |
| Approved by St. 11 OC - | 12 |
| This authorization expires: 4-11-03 | - If this permit has expired (See: authorized expiration date) please check the box below and return to the address below. |
| (This authorization void if drilling not started within 6 months of effective date.) | Well Not Drilled - Permit Expired |
| Soud date: Agest: | Signature of Operator or Agent: |
| Spud date: Agent: | Date: |
| Mall And MOO Comment of the Account | Ψ |
| mail to: KCC - Conservation Division, 130 | S. Market - Room 2078, Wichita, Kansas 67202 |

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

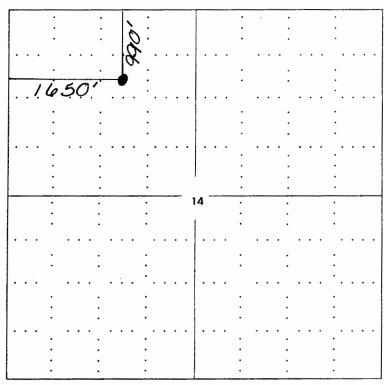
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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.

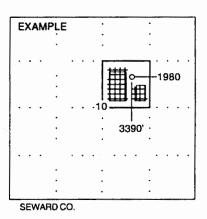
| API No. 15 | Location of Well: County: |
|---------------------------------------|--|
| Operator: | feet from N / S Line of Section feet from E / W Line of Section |
| Lease: | feet from E / W Line of Section |
| Well Number: | Sec Twp S. R East West |
| Field: | |
| Number of Acres attributable to well: | Is Section: Regular or Irregular |
| QTR / QTR / QTR of acreage: | If Section is Irregular, locate well from nearest corner boundary. |
| | Section 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.

RENO COUNTY

In plotting the proposed location of the well, you must show:

- 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.
- tf 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).



CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR
ROBERT E. KREHBIEL, COMMISSIONER
MICHAEL C. MOFFET, COMMISSIONER

October 11, 2005

Randy Newberry R & B Oil & Gas PO Box 195 Attica KS 67009-0195

Re:

Drilling Pit Application Jones B Lease Well No. 2 NW/4 14-26S-09W Reno County, Kansas

Dear Mr. Newberry:

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

District staff has recommended that the reserve pit be lined with bentonite, 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,

Jonelle Rains, Supervisor

Sonelle Rains

Department of Environmental Protection and Remediation

CC:

Doug Louis

File