

FOR KCC USE:

FORM CB-1 12/93

EFFECTIVE DATE: 10-24-05

State of Kansas

FORM MUST BE TYPED

DISTRICT # 1

CATHODIC PROTECTION BOREHOLE INTENT

FORM MUST BE SIGNED

SCA? Yes X No

Must be approved by the K.C.C. sixty (60) days prior to commencing well.

ALL BLANKS MUST BE FILLED IN

Expected Spud (Starting) Date 10-31-05

Spot (Location) 0/0/0 NE-NE-NE Sec. 20. Twp 28S. Rg 36W. East

OPERATOR: License # 32782

105 feet from South North line of Section

Name: Duke Energy Field Services

79 feet from East West line of Section

Address: Post Office Box 189

(Circle directions from nearest outside corner boundaries)

City/State/Zip: Forgan, OK 73938

IS SECTION X REGULAR IRREGULAR?

Contact Person: Larry Busby

(Spot well on the Section Plat on Reverse Side)

Phone: (620) 482-3752

County: Grant

CONTRACTOR: License #: 32775

Lease Name: Cognac NE Well #: #2

Name: McLean's C.P. Installation, Inc.

Facility Name: Cognac NE

Type Drilling Equipment: X Mud Rotary

Ground Surface Elevation: 3085 est MSL

CONSTRUCTION FEATURES

Cathodic Borehole Total Depth: 200 ft

Length of Cathodic Surface (Non-Metallic) Casing

Depth to Bedrock: 420 ft

Planned to be set: 20 ft

WATER INFORMATION:

Length of Conductor pipe (if any?): NONE

Aquifer Penetration: X None

Size of the borehole (I.D.): 17 1/2" - 20"

Depth to bottom of fresh water: 420

Cathodic surface casing size: 1.0 inches

Depth to bottom of usable water: 1000

Cathodic surface casing centralizers set at depths of: 20

Water well within one-quarter mile: X yes

Cathodic surface casing will terminate at:

Public water supply well within one mile: X yes

... Above surface ... Surface Vault X Below Surface Vault

Water Source for Drilling Operations:

Pitless casing adaptor will be used: No

... well ... farm pond ... stream X other

Anode installation depths are: 188', 168', 148', 128', 108'

Water Well Location:

MAX TD = 200'

DWR Permit #:

AFFIDAVIT

Standard Dimension Ratio (SDR) is = 26

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq. It is agreed that the following minimum requirements will be met:

(cathodic surface OD csg. in inches / MWT in inches = SDR)

1. Notify the appropriate district office prior to spudding of and again before plugging well;

Annular space between borehole and casing will be grouted with:

2. A copy of the approved notice of intent to drill shall be posted on each drilling rig;

.... Concrete Bentonite Cement

3. The minimum amount of cathodic surface casing as specified below shall be set by grouting to the top.

..X.. Neat cement Bentonite clay

4. An agreement between the operator and the district office on plugs and placement is necessary prior to plugging;

Anode vent pipe will be set at: 3 ft. above surface

5. The appropriate district office will be notified before well is either plugged or casing is grouted in;

Anode conductor (backfill) material TYPE: Carbo 60

6. IN ALL CASES, NOTIFY DISTRICT OFFICE PRIOR TO ANY CEMENTING.

Depth to BASE of Backfill installation material: 200'

I hereby certify that the statements made herein are true and to the best of my knowledge and belief

Depth to TOP of Backfill installation material: 200'

Date: 10-10-05

Signature of Operator or Agent: [Signature]

NON-AQUIFER COMPLETION DO NOT PENETRATE GROUNDWATER, TD OF BORING MUST BE A MINIMUM OF 20' ABOVE THE TOP OF GW.

Title: Office

FOR KCC USE: API # 15-067-21698-000A1-3

Conductor pipe required None feet

Minimum cathodic surface required 20 feet

Approved by: RSP 10/19/05

This authorization expires: 4-19-06

(This authorization void if drilling not started within 6 months of effective date.)

Spud date: Agent:

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REMEMBER TO:

- File Drill Pit Application (form CDP-1) with Intent to Install;

- File Completion Form CB-2 within 30 days of spud date;

- Notify appropriate district office 48 hours prior to workover or re-entry;

- Submit plugging report (CB-4) within 30 days after plugging is completed.

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202-1286.

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Show the relationship to other wells or facilities proposed to be serviced by the intended cathodic borehole. Please show all the wells, existing cathodic boreholes, pipelines or facilities within 1/2 mile of the proposed borehole.

API NO. 15- _____
 OPERATOR Duke Energy Field Services LOCATION OF WELL: COUNTY Grant
 LEASE Cognac NE 105' feet from south north line of section
 WELL NUMBER #2 79' feet from east west line of section
 FACILITY NAME Cognac NE SECTION 20 TWP 28S RG 36W

SPOT: QTR/QTR/QTR/QTR OF ACREAGE
 _____ - NE - NE - NE

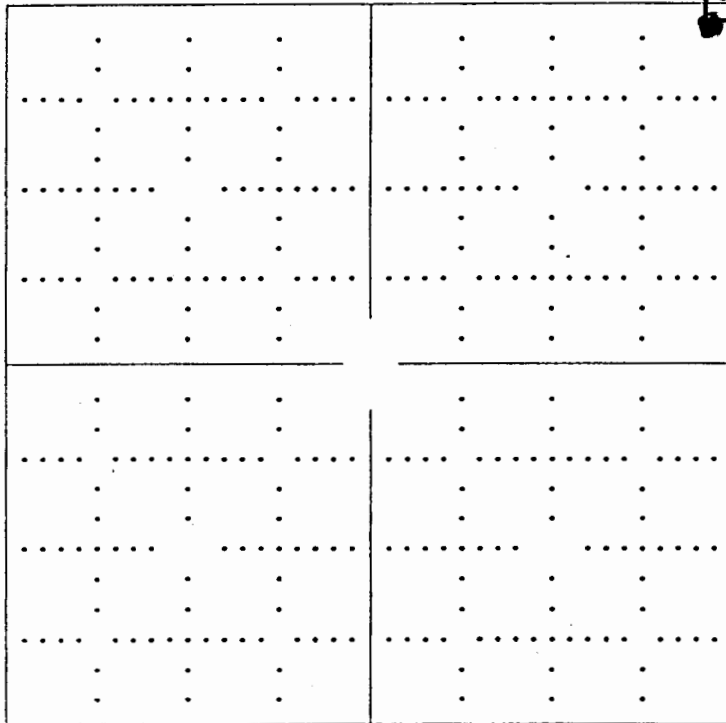
IS SECTION X REGULAR or _____ IRREGULAR
IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.

Section corner used: _____ NE _____ NW _____ SE _____ SW

PLAT

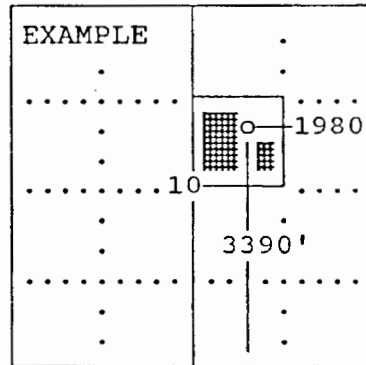
(Show location of intended cathodic borehole.)

(Show footage from nearest lease, unit or outside section boundary line.)



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Section 20



SEWARD CO.

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; and
- 3) the distance to the nearest lease, unit or outside section boundary line.