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NOV 09 2005

Form C-1

December 2002

Form must be Typed

Form must be Signed

All blanks must be Filled

For KCC Use:

Effective Date: 11-21-05

District # 1

SGA?  Yes  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

KCC WICHITA

Expected Spud Date December 17, 2005

OPERATOR: License# 5046 Name: Raymond Oil Company, Inc. Address: PO Box 48788 City/State/Zip: Wichita KS 67201 Contact Person: Clarke Sandberg Phone: (316) 267-4214

CONTRACTOR: License# 5929 Name: Duke Drilling Company, Inc.

Spot C W/2 SE Sec. 6 Twp. 32 S. R. 13 1320 feet from N/S Line of Section 1980 feet from E/W Line of Section

Is SECTION Regular Irregular?

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

County: Barber

Lease Name: Dugan Trust 'B' Well #: 4

Field Name:

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Douglas Sand, LKC & Miss

Nearest Lease or unit boundary: 1320'

Ground Surface Elevation: 1737 feet MSI

Water well within one-quarter mile: Yes No

Public water supply well within one mile: Yes No

Depth to bottom of fresh water: 150'+

Depth to bottom of usable water: 180'+

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 250'+

Length of Conductor Pipe required: None

Projected Total Depth: 4700

Formation at Total Depth: Viola

Water Source for Drilling Operations: Well Farm Pond Other

DWR Permit #: Contractor Will File

(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone:

Well Drilled For: Oil Gas OWWO Seismic; # of Holes Other Well Class: Enh Rec Storage Disposal 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 #783,897-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: November 8, 2005 Signature of Operator or Agent: Title: Geologist

For KCC Use ONLY API # 15 - 007, 22951-00-00 Conductor pipe required NONE feet Minimum surface pipe required 220 feet per Alt. 1 Approved by: 2/5/11-16-05 This authorization expires: 5/16-06 (This authorization void if drilling not started within 6 months of approval 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

6 32 13W

**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: Raymond Oil Company, Inc.

Lease: Dugan Trust 'B'

Well Number: 4

Field: \_\_\_\_\_

Number of Acres attributable to well: \_\_\_\_\_

QTR / QTR / QTR of acreage: C - W/2 - SE

Location of Well: County: Barber

1320 feet from  N /  S Line of Section

1980 feet from  E /  W Line of Section

Sec. 6 Twp. 32 S. R. 13  East  West

Is Section:  Regular or  Irregular

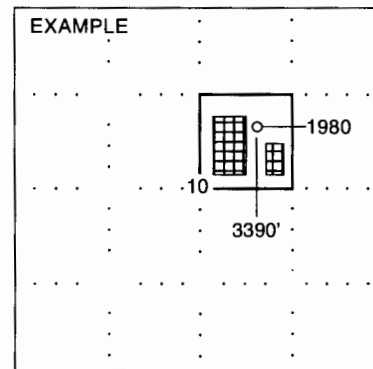
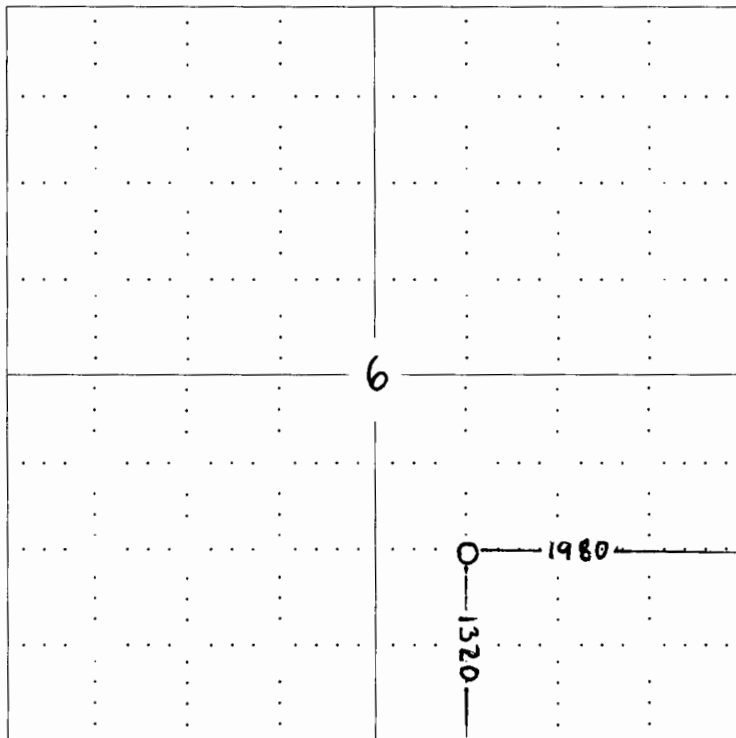
**If Section is Irregular, locate well from nearest corner boundary.**

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.)*



SEWARD CO.

**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

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

November 16, 2005

Mr. Clarke Sandberg  
Raymond Oil Company, Inc.  
PO Box 48788  
Wichita, KS 67201

RE: Drilling Pit Application  
Dugan Trust B Lease Well No. 4  
SE/4 Sec. 06-32S-13W  
Barber County, Kansas

Dear Mr. Sandberg:

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 as soon as practical 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 (620) 225-8888 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](http://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: S Durrant