KANSAS CORPOR	ATION COMMISSION RECEIVED Form C-1 ERVATION DIVISION December 2002	
Effective Date: 1-3.06 OIL & GAS CONS	ERVATION DIVISION December 2002	
	Form must be Typed	
	TENT TO DRILL UEL 4 9 2005 Form must be Signed All blanks must be Filled	
Must be approved by KCC five	(5) days prior to commencing well CONSERVATION DIVISION	
	WICHITA, KS	
Expected Spud Date January 3, 2006	Spot	
month day year	90' E _ SE _ Sec. 10 _ Twp. 34S _ S. R. 23 _ West	
OPERATOR: License# 5254	660 feet from N / S Line of Section	
Name: MIDCO Exploration, Inc.	570 feet from F E / W Line of Section	
414 Plaza Drive, Suite 204	Is SECTION Regular Irregular?	
City/State/Zip: Westmont, IL 60559	(Note: Locate well on the Section Plat on reverse side)	
Contact Person: Earl J. Joyce, Jr.	County: Clark	
Phone: 630-655-2198	Lease Name: Pike Well #: 1-10	
/	Field Name: Wildcat	
CONTRACTOR: License# 5822	Is this a Prorated / Spaced Field?	
Name: VAL Energy, Inc.	Target Formation(s): Mississippi	
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary: 570	
Oil Enh Rec Infield ✓ Mud Rotary	Ground Surface Elevation: 1910 feet MSL	
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile:	
OWWO Disposal V Wildcat Cable	Public water supply well within one mile:	
Seismic;# of Holes Other	Depth to bottom of fresh water: 160 T	
Other	Depth to bottom of usable water:	
	Surface Pipe by Alternate:	
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set: 425 Length of Conductor Pipe required: None - 60 planned	
Operator:	Projected Total Depth: 5700	
Well Name:	Formation at Total Depth: Mississippi	
Original Completion Date:Original Total Depth:	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? Yes ✓ No	
X Look for Lost Circulation zones	If Yes, proposed zone:	
A COLOR STATE OF COMMITTEE CO.		
0 - 300't, conductor pipe advised AFF		
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:		
 Notify the appropriate district office prior to spudding of well; 	ab (1985) - 2 -	
2. A copy of the approved notice of intent to drill shall be posted on ea	ch drilling ng; 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 t		
	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		
	be plugged. <i>In all cases, NOTIFY district office</i> prior to any cementing.	
I hereby certify that the statements made herein are true and to the best of		
9		
Date: 12/28/2005 Signature of Operator or Agent:	Title: Vice-President	
	Remember to:	
For KCC Use ONLY	- File Drill Pit Application (form CDP-1) with Intent to Drill;	
025 71334 00 00	- File Completion Form ACO-1 within 120 days of spud date;	
1 1	- File acreage attribution plat according to field proration orders;	
	- Notify appropriate district office 48 hours prior to workover or re-entry;	
Minimum surface pipe required 220 feet per Alt. 1	- Submit plugging report (CP-4) after plugging is completed;	
Approved b 12-29-03	- Obtain written approval before disposing or injecting salt water.	
This authorization expires: 6-29-06	- II this permit has expired (See. authorized expiration date) please	
(This authorization void if drilling not started within 6 months of approval date.)	check the box below and return to the address below.	
	Well Not Drilled - Permit Expired	
Spud date:Agent:	Signature of Operator or Agent:	
	Date:	

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

DEC 2 9 2005

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

CONSERVATION DIVISION WICHITAL KS

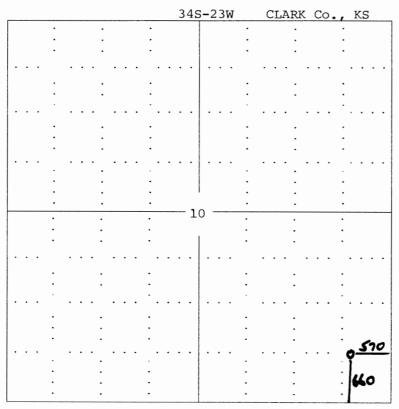
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please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

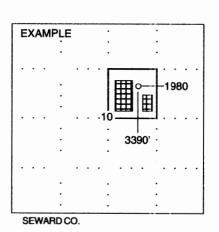
API No. 15	Location of Well: County: Clark
Operator: MIDCO Exploration, Inc.	
Lease: Pike	660 feet from N / ✓ S Line of Section 570 feet from ✓ E / W Line of Section
Well Number: 1-10 Field: Wildcat	Sec. 10 Twp. 34S S. R. 23 East ✓ West
Number of Acres attributable to well: QTR / QTR / QTR of acreage: 90' E - SE - SE	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.)





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

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;



CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

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

December 29, 2005

Mr. Earl J. Joyce, Jr. MIDCO Exploration, Inc. 414 Plaza Drive Ste 204 Westmont, IL 60559

RE: Drilling Pit Application Pike Lease Well No. 1-10 SE/4 Sec. 10-34S-23W Clark County, Kansas

Dear Mr. Joyce:

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 <u>lined with bentonite</u> and <u>keep all pits on the west side of the stake</u>. 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 (August 2004), 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.

Environmental Protection and Remediation Department

cc: S Durrant