

For KCC Use: 1-23-06  
 Effective Date: 4  
 District # \_\_\_\_\_  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION  
**NOTICE OF INTENT TO DRILL**

Form C-1  
 September 1999  
**Form must be Typed**  
**Form must be Signed**  
**All blanks must be Filled**

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

Expected Spud Date January 23, 2006  
month day year

OPERATOR: License# 5214  
 Name: Lario Oil & Gas Company  
 Address: 301 South Market  
 City/State/Zip: Wichita, KS 67202  
 Contact Person: Jay G. Schweikert  
 Phone: 316-265-5611

CONTRACTOR: License# 30606  
 Name: Murfin Drilling Co., Inc.

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic; # of Holes _____	<input type="checkbox"/> Other _____	<input checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> Other _____		<input type="checkbox"/> Air Rotary
		<input type="checkbox"/> 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 #: \_\_\_\_\_

**\*UNIT INFO ATTACHED**

Approx. 100'N of  
 Spot NW - NE - SE Sec. 24 Twp. 11 S. R. 18  East  West  
2410 feet from (S) (W) (circle one) Line of Section  
990 feet from (E) (W) (circle one) Line of Section  
 Is SECTION  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)  
 County: Ellis  
 Lease Name: Marshall E Well #: 26  
 Field Name: Bemis-Shutts  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Topeka, Lansing, KC, Arbuckle  
 Nearest Lease or unit boundary: 990 ft  
 Ground Surface Elevation: 1885 est feet MSL  
 Water well within one-quarter mile:  Yes  No  
 Public water supply well within one mile:  Yes  No  
 Depth to bottom of fresh water: 180 ft  
 Depth to bottom of usable water: 750 ft  
 Surface Pipe by Alternate: 1 X 2  
 Length of Surface Pipe Planned to be set: 250 ft  
 Length of Conductor Pipe required: none  
 Projected Total Depth: 3700 ft  
 Formation at Total Depth: Arbuckle  
 Water Source for Drilling Operations:  
 Well \_\_\_\_\_ Farm Pond X Other \_\_\_\_\_  
 DWR Permit #: \_\_\_\_\_  
 (Note: Apply for Permit with DWR )  
 Will Cores be taken?  Yes  No  
 If Yes, proposed zone: \_\_\_\_\_

**AFFIDAVIT**

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:

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. *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: 01/17/06 Signature of Operator or Agent: Jay G. Schweikert Title: Operations Engineer  
 Jay G. Schweikert

RECEIVED  
 KANSAS CORPORATION COMMISSION  
 JAN 17 2006  
 CONSERVATION DIVISION  
 WICHITA, KS

For KCC Use ONLY  
 API # 15 - 051-25489-0000  
 Conductor pipe required NONE feet  
 Minimum surface pipe required 200 feet per Alt. 2  
 Approved by: ATP 1-18-06  
 This authorization expires: 7-18-06  
 (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.

24  
11  
187

**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: Lario Oil & Gas Company  
 Lease: Marshall E  
 Well Number: 26  
 Field: Bemis-Shutts

Location of Well: County: Ellis  
2410 feet from S / N (circle one) Line of Section  
990 feet from E / W (circle one) Line of Section  
 Sec. 24 Twp. 11 S. R. 18  East  West

Number of Acres attributable to well: 20  
 QTR / QTR / QTR of acreage: NW - NE - SE

Is Section  Regular or  Irregular

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

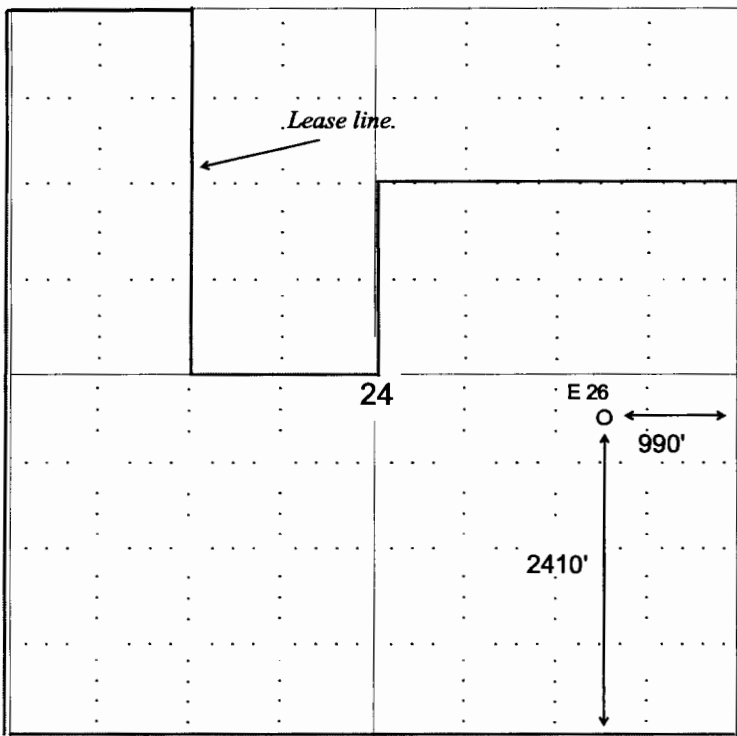
Section corner used:  NE  NW  SE  SW

Approx. 40'N & 160'W of

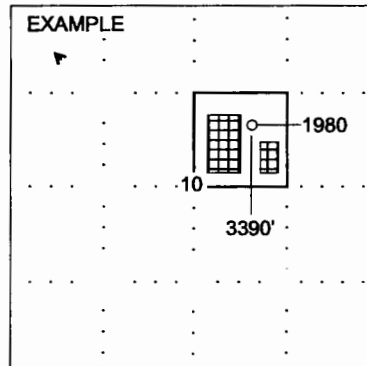
**PLAT**

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)*

*(Show footage to the nearest lease or unit boundary line.)*



*Lease & Section line.*



SEWARD CO.

**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: (CO-7 for oil wells; CG-8 for gas wells).