

For KCC Use: Effective Date: 3-14-06 District # 1 SGA?  Yes  No

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

Form C-1 December 2002 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 August 20 2005 month day year

Spot 25' S & 25' W of SE/4 Sec. 16 Twp. 30S S. R. 11W East West Line of Section 1295' FSL feet from N / S Line of Section 1345' FEL' feet from E / W Line of Section Is SECTION Regular Irregular?

OPERATOR: License# 32712 Name: Parwest Land Exploration, Inc. Address: 2601 NW Expressway, Suite 904 East City/State/Zip: Oklahoma City, OK 73112 Contact Person: Richard Donofrio Phone: 405-843-1917

(Note: Locate well on the Section Plat on reverse side) County: Barber Lease Name: Stella Thom Well #: 1 Field Name: Wildcat

CONTRACTOR: License# TBA Name: ADVISE ON ACO-1, MUST BE LICENSED WITH KCC

Is this a Prorated / Spaced Field? Yes No Target Formation(s): Simpson Nearest Lease or unit boundary: 1320 1295(?)

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

Ground Surface Elevation: 1817 feet MSL Water well within one-quarter mile: Yes No Public water supply well within one mile: Yes No

If OWWO: old well information as follows: Operator: Barnett Oil Well Name: # 1 Thom Original Completion Date: 7/24/71 Original Total Depth: 4723

Depth to bottom of fresh water: 120' Depth to bottom of usable water: 180' Surface Pipe by Alternate: 1 2 Length of Surface Pipe: 269' Length of Conductor Pipe required: Projected Total Depth: 5000 ft Formation at Total Depth: Simpson

Directional, Deviated or Horizontal wellbore? Yes No If Yes, true vertical depth: Bottom Hole Location: KANSAS CORPORATION COMMISSION KCC DKT #: MAR 07 2006

Water Source for Drilling Operations: Well Farm Pond Other Haul DWR Permit #: Will Cores be taken? Yes No If Yes, proposed zone:

CONSERVATION DIVISION WICHITA, KS 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 #133,891-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: 3/7/2006 Signature of Operator or Agent: Dawn Bender Title: GEOLOGIST 316-259-4294

For KCC Use ONLY API # 15 - 007-21803-00-01 Conductor pipe required NONE feet Minimum surface pipe required 269' feet per Alt. 1 Approved by: DPW 3-9-06 This authorization expires: 9-9-06 (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. 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:

16 30 11w

**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 - 007-20183  
 Operator: Parwest Land Exploration, Inc.  
 Lease: Stella Thom  
 Well Number: 1  
 Field: Wildcat  
 Number of Acres attributable to well: 160  
 QTR / QTR / QTR of acreage: \_\_\_\_\_ - \_\_\_\_\_ - SE/4

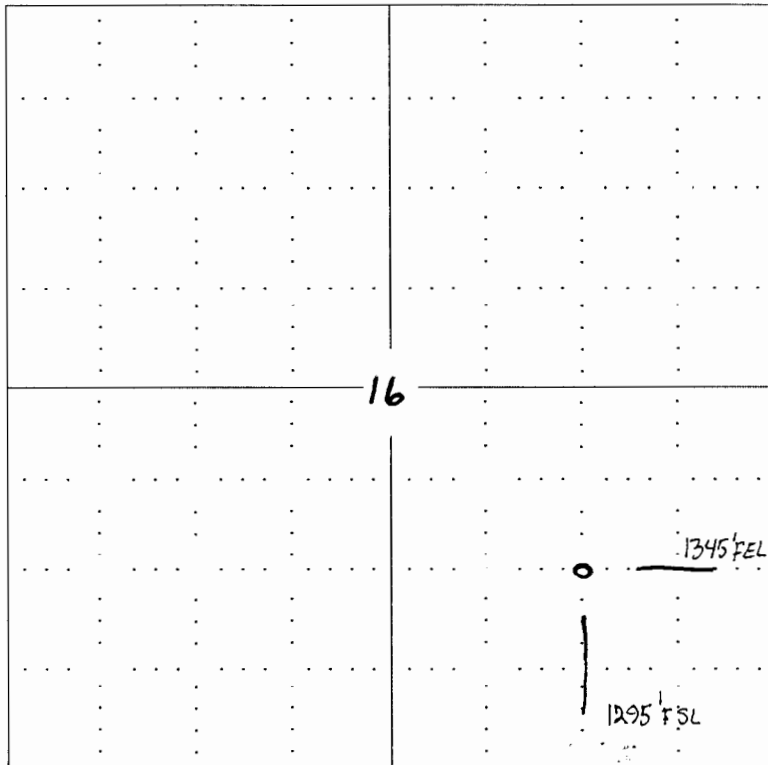
Location of Well: County: Barber  
1295 FSL feet from  N /  S Line of Section  
1345 FEL feet from  E /  W Line of Section  
 Sec. 16 Twp. 30S S. R. 11W  East  West

Is Section:  Regular or  Irregular

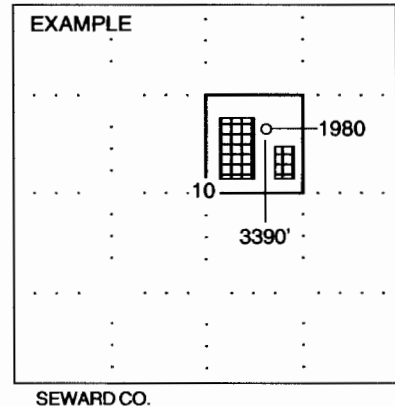
**If Section is Irregular, locate well from nearest corner boundary.**  
 Section corner used:  NE  NW  SE  SW

**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.)*



**RECEIVED**  
**KANSAS CORPORATION COMMISSION**  
**MAR 07 2006**  
**CONSERVATION DIVISION**  
**WICHITA, KS**



**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

March 7, 2006

Mr. Richard Donofrio  
Parwest Land Exploration, Inc.  
2601 NW Expressway Ste 904 East  
Oklahoma City, OK 73112

RE: Drilling Pit Application  
Stella Thom Lease Well No. 1  
SE/4 Sec. 16-30S-11W  
Barber County, Kansas

Dear Mr. Donofrio:

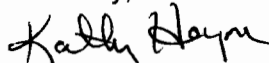
District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as practical after drilling operations have ceased.

**If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.**

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](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  
File



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## NOTICE TO OPERATORS FILING INTENT TO DRILL FOR DISPOSAL OR ENHANCED RECOVERY INJECTION WELLS, (CLASS II INJECTION WELL)

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved "Intent to Drill" does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in **K.A.R. 82-3-400 et seq** of our regulations. Associated regulations governing drilling, completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sandstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a "Design Approval" before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.