

For KCC Use:

Effective Date:

District #

SGA? ☒ Yes ☐ NoKANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

## NOTICE OF INTENT TO DRILL

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

Form C-1

December 2002

Form must be Typed

Form must be Signed

All blanks must be Filled

Expected Spud Date May 1st 2006  
month day yearOPERATOR: License# 32778  
Name: Cat Energy, LLC (K-Ear Oil) ✓  
Address: PO Box 507  
City/State/Zip: Galva, Kansas 67443  
Contact Person: Duane Purser  
Phone: 316-734-8911CONTRACTOR: License# 33436 ✓  
Name: Forrest Energy, LLCWell Drilled For: ☒ Oil ☐ Enh Rec ☒ Infield ☒ Mud Rotary  
☐ Gas ☐ Storage ☐ Pool Ext. ☐ Air Rotary  
☐ OWO ☐ Disposal ☐ Wildcat ☐ Cable  
☐ Seismic; # of Holes ☐ Other

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 #: \_\_\_\_\_

Spot 100' w of.  
Se - Se - Nw Sec. 10 Twp. 20 S. R. 11 ☒ East  
2310' feet from ☒ N / ☐ S Line of Section  
2870' feet from ☒ E / ☐ W Line of Section  
Is SECTION \_\_\_\_\_ Regular ☒ Irregular?

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

County: Barton  
Lease Name: Panning Well #: 3-HKField Name: Chase-SilicaIs this a Prorated / Spaced Field? ☐ Yes ☒ NoTarget Formation(s): ArbuckleNearest Lease or unit boundary: 330'Ground Surface Elevation: 1761 feet MSLWater well within one-quarter mile: ☐ Yes ☒ NoPublic water supply well within one mile: ☐ Yes ☒ NoDepth to bottom of fresh water: 180'Depth to bottom of usable water: 220'Surface Pipe by Alternate: ☒ 1 ☐ 2Length of Surface Pipe Planned to be set: 300'+Length of Conductor Pipe required: N/AProjected Total Depth: 3450'Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:

☐ Well ☐ Farm Pond Other ☒ X

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 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 cemented 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: March 9, 2006 Signature of Operator or Agent: Duane H. Purser Title: Prod. Supt./Engineer

## For KCC Use ONLY

API # 15 - 009-24918-00-00Conductor pipe required NONE feetMinimum surface pipe required 300' feet per Alt. 1 ☒ XApproved by: DPW 3-14-06This authorization expires: 9-14-06

(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: \_\_\_\_\_

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

RECEIVED

MAR 10 2006

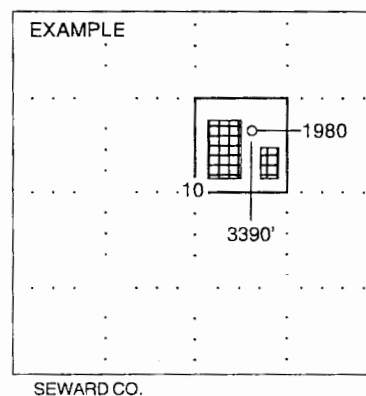
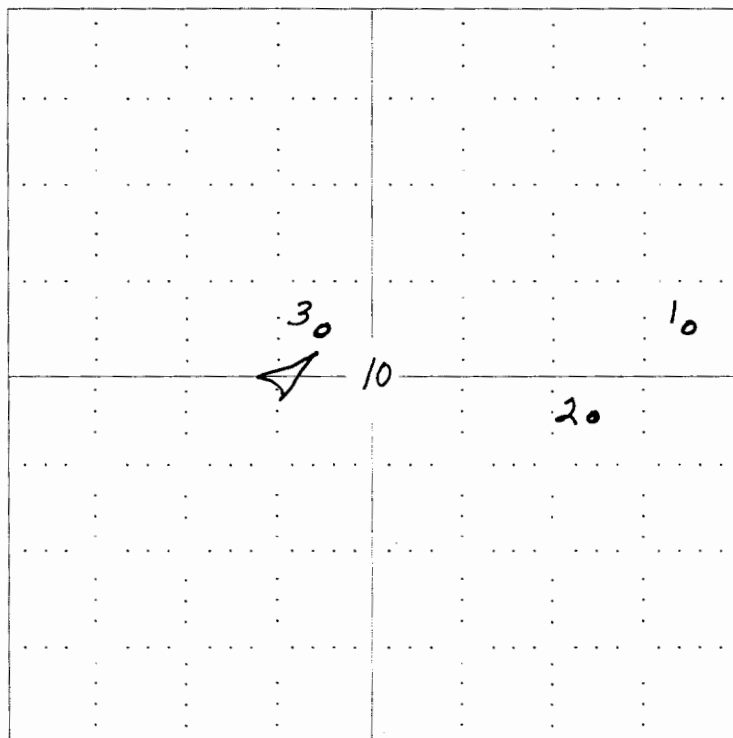
KCC WICHITA

10  
20  
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 - \_\_\_\_\_

Operator: Cat Energy, LLCLease: PanningWell Number: 3-HKField: Chase-SilicaNumber of Acres attributable to well: 10QTR / QTR / QTR of acreage: Se - Se - NwLocation of Well: County: Barton2310' feet from ☒ N / ☐ S Line of Section2870' feet from ☒ E / ☐ W Line of SectionSec. 10 Twp. 20 S. R. 11 ☐ East ☒ WestIs 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 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: (C0-7 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 10, 2006

Mr. Duane Purser  
Cat Energy, LLC/K-Bar Oil  
PO Box 507  
Galva, KS 67443

RE: Drilling Pit Application  
Panning Lease Well No. 3-HK  
NW/4 Sec. 10-20S-11W  
Barton County, Kansas

Dear Mr. Purser:

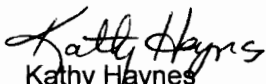
District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and **if sand is encountered during the construction of the reserve pit or working pits line the pits with clay and contact the District Office at (785) 625-0550**. The 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. **Please keep all pits away from any draws.**

**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 (785) 625-0550 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: H Deines