| For KCC | | 3-20-06 |
|-------------------------|-----|---------|
| Effective District # | | 1 |
| SGA? | Yes | No |

KANSAS CORPORATION COMMISSION

RECEIVED owwo

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

Tam must be Signed

Tam must be Filled

| Expected Spud Date 3-17-06 month / day year | Spot | East West |
|--|--|-----------------------------|
| OPERATOR: License# 4058 | 2310 feet from N / S Line of Section | |
| OPERATOR: License#_4006 Name: American Warrior INC | 2310 feet from VE / W Line of Section | |
| D O how 200 | Is SECTION ✓ RegularIrregular? | |
| Address: P.O.Dox 399 City/State/Zip: Garden City, Ks. 67846 | | |
| City/State/Zip: Kovin Wiles Sr | (Note: Locate well on the Section Plat on reverse side) | |
| Contact Person: Kevin Wiles Sr Phone: 620-275-2963 | County: Barber Lease Name: Alexander "Y" SWD Well #: | |
| Phone: / | Lease Name: Alexander 1 SWD Well #: Field Name: Deerhead North Field | |
| CONTRACTOR: License# 5105 | | |
| Name: Clarke Corp. | | √ No |
| 1 | Target Formation(s): Arbuckle | |
| Well Drilled For: Well Class: Type, Equipment: | Nearest Lease or unit boundary: 2310' | |
| Oil Enh Rec Infield Mud Rotary | | t MSL |
| Gas Storage Pool Ext. Air Rotary | | V No ∫ |
| OWWO Disposal Wildcat Cable | ··· · / | ✓No |
| Seismic; # of Holes Other | Depth to bottom of fresh water: 120' | |
| Other | Depth to bottom of usable water: 180 | |
| | Surface Pipe by Alternate: 1 2 | |
| If OWWO: old well information as follows: | Length of Surface Pipe Flames was set. | |
| Operator: Walters Drilling Co. | Length of Conductor Pipe required: NA | |
| Well Name: Skinner "Y" SWD 2 | Projected Total Depth: 5311 | |
| Original Completion Date: 11-30-65 Original Total Depth: 5311' | Formation at lotal Depth: | |
| Die de la Decembra de la Contraction de la Contr | Water Source for Drilling Operations: | |
| Directional, Deviated or Horizontal wellbore? Yes ✓ No | Well Farm Pond Other X | |
| If Yes, true vertical depth: | DWR Permit #: | |
| Bottom Hole Location: | (Note: Apply for Permit with DWR) | |
| KCC DKT #: | Will Cores be taken? | ✓ No ′ |
| | If Yes, proposed zone: | |
| AFF | IDAVIT | |
| The undersigned hereby affirms that the drilling, completion and eventual p | | |
| It is agreed that the following minimum requirements will be met: | | |
| Notify the appropriate district office <i>prior</i> to spudding of well; | | |
| A copy of the approved notice of intent to drill shall be posted on ea The minimum amount of surface pipe as specified below shall be so through all unconsolidated materials plus a minimum of 20 feet into t If the well is dry hole, an agreement between the operator and the c The appropriate district office will be notified before well is either plug If an ALTERNATE II COMPLETION, production pipe shall be cement Or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall | et by circulating cement to the top; in all cases surface pipe shall be se the underlying formation. district office on plug length and placement is necessary prior to pluggli aged or production casing is cemented in; ted from below any usable water to surface within 120 days of spud date #133,891-C, which applies to the KCC District 3 area, alternate II ceme be plugged. In all cases, NOTIFY district office prior to any cementing | <i>Ing;</i> e. enting |
| I hereby certify that the statements made herein are true and to the best of | f my knowledge and belief | |
| Date: 3-8-06 Signature of Operator or Agent: | Title: Prod. Supt. | |
| | Remember to: | |
| For KCC Use ONLY | - File Drill Pit Application (form CDP-1) with Intent to Drill; | 1 |
| API # 15 - 007-00509-00-02 | - File Completion Form ACO-1 within 120 days of spud date; | ~ |
| Conductor pipe required NonE feet | 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 317 feet per Alt. 13 X | Notify appropriate district office 48 flours prior to workover of re-entry, Submit plugging report (CP-4) after plugging is completed; | 1 |
| Approved by: Drw 3-15-06 | Obtain written approval before disposing or injecting salt water. | |
| | - If this permit has expired (See: authorized expiration date) please | 3 |
| This authorization expires: 9-15-0 ((This authorization void if drilling not started within 6 months of approval date.) | check the box below and return to the address below. | 6 |
| 1 | Mall Mad Balling Barrets E | ı |
| 1 0 1 1 1 1 | Well Not Drilled - Permit Expired | 1 |
| Spud date:Agent: | Well Not Drilled - Permit Expired Signature of Operator or Agent: Date: | 1 |

MAR 0 9 2006 **KCC WICHITA**

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.

| Operator: American Warrior INC | Location of Well: County: Barber | |
|--|--|--|
| Alexander WA CIAID | 2310 feet from N / S Line of Section | |
| Lease: Alexander "Y" SWD | 2310 feet from Feet from E W Line of Section | |
| Well Number: | Sec. 11 Twp. 32s S. R. 15 East ✓ We | |
| Field: Deerhead North Field | la Cantina. | |
| Number of Acres attributable to well: | Is Section: ✓ Regular or Irregular | |
| QTR / QTR / QTR of acreage:SW NE | If Section is irregular, locate well from nearest corner boundary. | |
| | Section comer used: NE NW SE SW | |
| | | |
| | DI AT | |
| | PLAT ributable acreage for prorated or spaced wells.) | |
| · | rest lease or unit boundary line.) | |
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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.

SEWARD CO.

- 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. Kevin Wiles, Sr. American Warrior, Inc. PO Box 399 Garden City, KS 67846

RE: Drilling Pit Application Alexander Y SWD Lease NE/4 Sec. 11-32S-15W Barber County, Kansas

Dear Mr. Wiles:

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 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. The pits should be located outside of the draws.

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.

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



CORPORATION COMMISSION

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

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, shutin of the well or both.