

GWWO

For KCC Use: Effective Date: 4-4-06 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 4/1/06 month day year

OPERATOR: License# 5225 Name: Quinque Operating Company Address: 6301 Waterford Blvd., Suite 400 City/State/Zip: Oklahoma City, Oklahoma 73118 Contact Person: Catherine Smith Phone: (405) 840-9876

CONTRACTOR: License# MUST BE LICENCED BY KCC Name: Advise on ACO-1

Well Drilled For: Oil, Gas, OWWO, Seismic, Other Well Class: Infield, Pool Ext, Wildcat, Other Type Equipment: Mud Rotary, Air Rotary, Cable

If OWWO: old well information as follows: Operator: QUINQUE OIL & GAS Well Name: ADAMS GWWO 1-17 Original Completion Date: 4-12-79 Original Total Depth: 6520'

Spot AP. SW - SW - NE - NW G - NW Sec. 17 Twp. 35S S. R. 30 1275 feet from N / S Line of Section 1435 feet from E / W Line of Section

County: Meade Lease Name: Adams Well #: 1-17 Field Name: Adams Ranch Is this a Prorated / Spaced Field? No Target Formation(s): Krider & Winfield Nearest Lease or unit boundary: 1275' Ground Surface Elevation: 2816' GL Water well within one-quarter mile: No Public water supply well within one mile: No Depth to bottom of fresh water: 600' Depth to bottom of usable water: 640' Surface Pipe by Alternate: 1 Length of Surface Pipe: 1440' Re-entry: 4600'

Length of Conductor Pipe required: Projected Total Depth: 2642' Re-entry Formation at Total Depth: Winfield Water Source for Drilling Operations: Not required DWR Permit #: Will Cores be taken? No If Yes, proposed zone:

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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: 3/13/06 Signature of Operator or Agent: Catherine Smith Title: Land Associate

For KCC Use ONLY API # 15 - 119-20315-00-02 Conductor pipe required NONE feet Minimum surface pipe required 1440 feet per Alt. 1X Approved by: DPW 3-30-06 This authorization expires: 9-30-06 (This authorization void if drilling not started within 6 months of approval 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

17 35 30w.

**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 - 119-20942  
Operator: Quinque Operating Company  
Lease: Adams  
Well Number: 1-17  
Field: Adams Ranch  
Number of Acres attributable to well: 640  
QTR / QTR / QTR of acreage: C - NW -

Location of Well: County: Meade  
1275 feet from  N /  S Line of Section  
1435 feet from  E /  W Line of Section  
Sec. 17 Twp. 35S S. R. 30  East  West

Is Section:  Regular or  Irregular

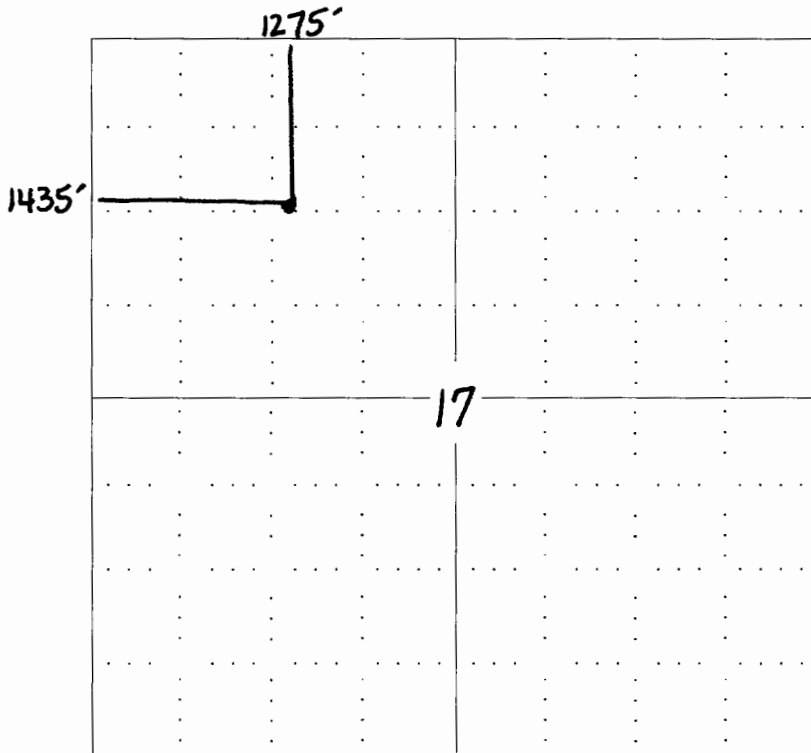
**If Section is Irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

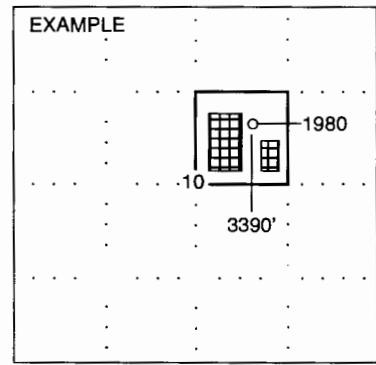
**PLAT**

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

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



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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.
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 28, 2006

Ms. Catherine Smith  
Quinque Operating Company  
6301 Waterford Blvd., Ste 400  
Oklahoma City, OK 73118

RE: Drilling Pit Application  
Adams Lease Well No. 1-17  
NW/4 Sec. 17-35S-30W  
Meade County, Kansas

Dear Ms. Smith:

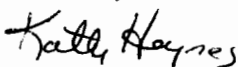
District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt 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. **District staff has advised that the pits need to be kept to the west of the stake away from the ravine.**

**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