

CORRECTED

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JAN 20 2006

CORRECTED
Form C-1
September 1999
Form must be signed
All blanks must be filled

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

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

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: Oil Gas OWWO Seismic; # of Holes Other
Well Class: Enh Rec Storage Disposal Other
Type Equipment: Infield Pool Ext Wildcat Other
 Mud Rotary Air Rotary 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 #: _____

* Was: Appr. 100' N of NW-NE-SE 2410 FSL
IS: Appr. 80' N of NW-NE-SE 2390 FSL

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: 1/19/06 Signature of Operator or Agent: Jay G. Schweikert Title: Operations Engineer
Jay G. Schweikert

For KCC Use ONLY
API # 15 - 051-25489-0000
Conductor pipe required None feet
Minimum surface pipe required 200 feet per Alt. X(2)
Approved by: RJP 1-18-06 / RJA 4-20-06
This authorization expires: 7-18-06
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

Approx. 80' N of 2390 feet from S / N (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 Other _____
DWR Permit #: _____

(Note: Apply for Permit with DWR)
Will Cores be taken? Yes No
If Yes, proposed zone: _____

- 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
180

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

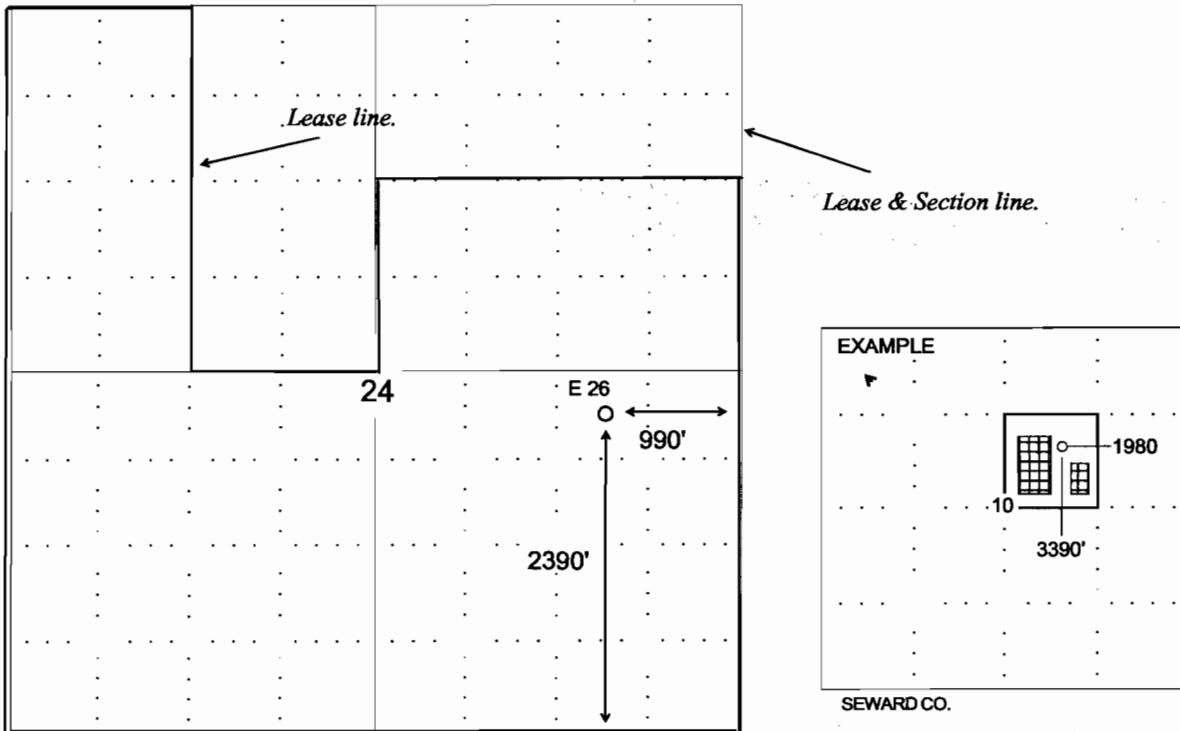
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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
 Number of Acres attributable to well: 20
 QTR / QTR / QTR of acreage: NW - NE - SE
 Approx. 80'N of

Location of Well: County: Ellis
 _____ 2390 ** 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
 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.)*



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
 CONSERVATION DIVISION
 130 S MARKET - ROOM 2078
 WICHITA KS 67202

RECEIVED

Form CDP -1

JAN 20 2006

12/91

KCC WICHITA

CORRECTED

AMENDED to correct location

APPLICATION FOR SURFACE POND

FORM MUST BE TYPED

SUBMIT IN DUPLICATE

OPERATOR NAME Lario Oil & Gas Company		LICENSE NO. 5214
OPERATOR ADDRESS 301 South Market St. Wichita, KS 67202		
CONTACT PERSON Jay G. Schweikert		PHONE NUMBER (316) 265-5611
LEASE NAME Marshall E #26	PIT IS: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing	PIT LOCATION SE Qtr. Sec 24 Twp 11 Rng 18 EW
TYPE OF POND: <input type="checkbox"/> BURN PIT <input type="checkbox"/> EMERGENCY PIT <input type="checkbox"/> TREATMENT PIT <input type="checkbox"/> WORKOVER PIT <input checked="" type="checkbox"/> DRILLING PIT (If WP Supply API No. or Year Drilled)	If existing, date constructed: _____ PIT CAPACITY: 5100 (bbls)	* 2390 Ft from N/S (circle one) Line of Sec. 990 Ft from E/W (circle one) Line of Sec. _____ Ellis COUNTY
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l (For Emergency and Treatment Pits only)
Is Pit bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is pit lined if a plastic liner is not used?
Pit dimensions (all but working pits): 90 Length (ft) 80 Width (ft) Depth from ground level to deepest point 4 (ft)		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. _____ _____		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. _____ _____
Distance to nearest water well within one-mile of pit _____ ft. Depth of water well _____ ft.		Depth to shallowest fresh water 180 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KDWR
EMERGENCY, TREATMENT AND BURN PITS ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pond? <input type="checkbox"/> Yes <input type="checkbox"/> No		DRILLING AND WORKOVER PITS ONLY: Type of material utilized in drilling/workover: Bentonite Mud Number of working pits to be utilized: 2 Abandonment procedure: _____ Allow for evaporation. Fill in and cover pits. Drill pits must be closed within 365 days of spud date.
I hereby certify that the above statements are true and correct to the best of my knowledge and belief. 1/19/06 Date Jay G. Schweikert Signature of Applicant or Agent Jay G. Schweikert		
KCC OFFICE USE ONLY		
Date Rec'd _____ Permit No. _____ Permit Date _____ Lease Inspection <input type="checkbox"/> Yes <input type="checkbox"/> No		

15-051-25489-0000