

For KCC Use: 6-400
Effective Date: 1
District # 1
SGA? ☐ Yes ☒ No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

RECEIVED
KANSAS CORPORATION COMMISSION OWWO

MAY 25 2006

Form C-1

December 2002

Form must be Typed

Form must be Signed

All blanks must be Filled

NOTICE OF INTENT TO DRILL CONSERVATION DIVISION

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

Expected Spud Date June 10, 2006
month day year

OPERATOR: License# 8507
Name: PAXCO, INC.
Address: 8920 Peppertree Circle
City/State/Zip: Wichita, Kansas 67226
Contact Person: Jay Clarke
Phone: 316/634-1714

CONTRACTOR: License# 5929
Name: DUKE DRILLING CO., INC.

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
<input checked="" type="checkbox"/> OWD	<input checked="" type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Cable
<input type="checkbox"/> Other		

If OWWO: old well information as follows:

Operator: J & W Oil Company
Well Name: Herman-Blue Sky #1
Original Completion Date: 6/27/78 Original Total Depth: 3584'

Directional, Deviated or Horizontal wellbore? ☐ Yes ☒ No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

Spot
SW - NW - NW Sec. 12 Twp. 16 S. R. 18 ☐ East
2340 990 feet from ☒ N / ☐ S Line of Section
330 feet from ☐ E / ☒ W Line of Section
Is SECTION ☒ Regular ☐ Irregular?

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

County: Rush

Lease Name: HERMAN-BLUESKY Well #: 1

Field Name: _____

Is this a Prorated / Spaced Field? ☐ Yes ☒ No

Target Formation(s): Arbuckle

Nearest Lease or unit boundary: 330'

Ground Surface Elevation: _____ 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'

Depth to bottom of usable water: 600'

Surface Pipe by Alternate: ☒ 1 ☐ 2

Length of Surface Pipe ~~to be set~~ set: 1144'

Length of Conductor Pipe required: N/A

Projected Total Depth: 3650'

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: _____

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: May 25, 2006 Signature of Operator or Agent: Sally R. Byers Title: Agent

Sally R. Byers

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: _____

For KCC Use ONLY

API # 15 - 165-20691-00-01

Conductor pipe required None feet

Minimum surface pipe required 1144 feet per Alt 1

Approved by: 245-3000

This authorization expires: 11-30-06

(This authorization void if drilling not started within 6 months of approval date.)

Spud date: _____ Agent: _____

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

12
16
18W

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 - 165-20691-00-01
 Operator: _____
 Lease: _____
 Well Number: _____
 Field: _____
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: _____ - _____ - _____

Location of Well: County: _____
 _____ feet from ☐ N / ☐ S Line of Section
 _____ feet from ☐ E / ☐ W Line of Section
 Sec. _____ Twp. _____ S. R. _____ ☐ East ☐ West

Is Section: ☐ Regular or ☐ Irregular

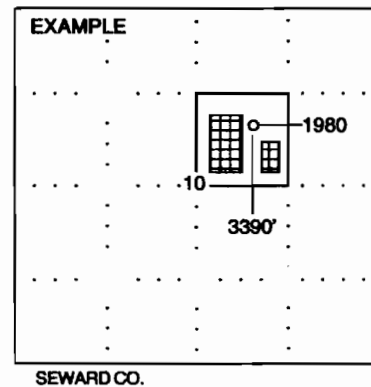
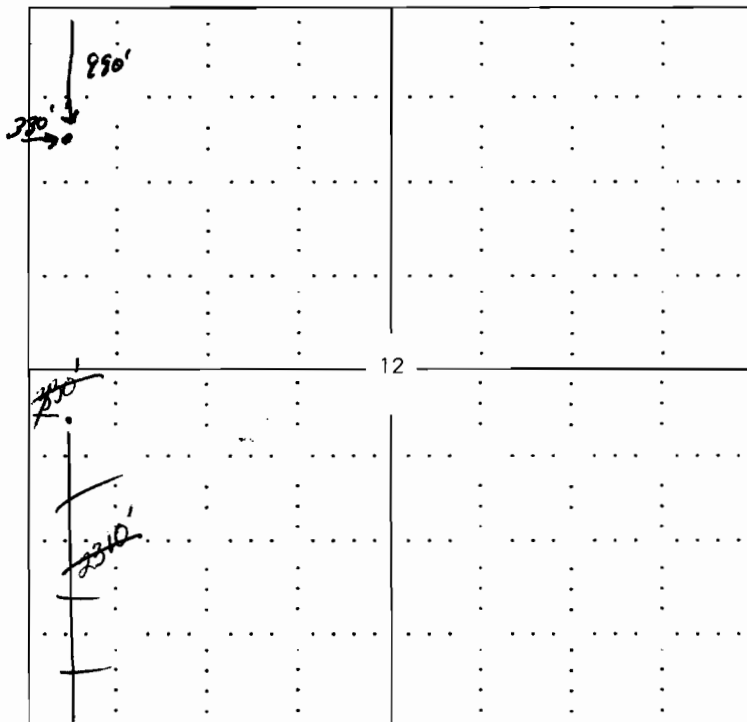
If Section is Irregular, locate well from nearest corner boundary.

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 location.

RUSH COUNTY

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
OIL & GAS CONSERVATION DIVISION**

APPLICATION FOR SURFACE PIT

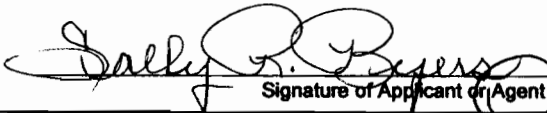
RECEIVED
KANSAS CORPORATION COMMISSION

MAY 25 2006

Form CDP-1
April 2004
Form must be Typed

CONSERVATION DIVISION
WICHITA, KS

Submit in Duplicate

Operator Name: PAXCO, INC.		License Number: 8507
Operator Address: 8920 Peppertree Circle, Wichita, Kansas 67226		
Contact Person: Jay Clarke		Phone Number: (316) 634 - 1714
Lease Name & Well No.: HERMAN BLUESKY #1		Pit Location (QQQQ):
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)
		SW _____ NW _____ NW _____ Sec. 12 Twp. 16S R. 18 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 2310 _____ Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 330 _____ Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Rush _____ County
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>
Is the 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 the pit lined if a plastic liner is not used?
Pit dimensions (all but working pits): 100 _____ Length (feet) 100 _____ Width (feet) 4 _____ N/A: Steel Pits Depth from ground level to deepest point: 4 _____ (feet)		
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 _____ feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: _____ measured _____ well owner _____ electric log _____ KDWR
Emergency, Settling 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 pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Fresh Number of working pits to be utilized: 3 Abandonment procedure: evaporate then backfill 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. <div style="display: flex; justify-content: space-between;"> <div> May 25, 2006 Date </div> <div>  Signature of Applicant or Agent </div> </div>		
KCC OFFICE USE ONLY		
Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No		

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

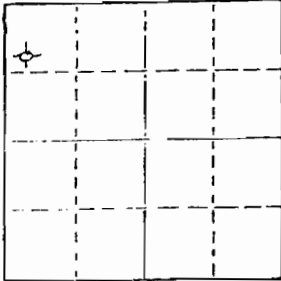
15-165-20691-00-01

15-165-20691-0000

STATE OF KANSAS
CORPORATION COMMISSION

WELL PLUGGING RECORD

Give All Information Completely
Make Required Affidavit
Mail or Deliver Report to
Conservation Division
State Corporation Comm.
245 North Water
Wichita, KS 67202

Locate well correctly on above
Section Plot

Rush County. Sec. 12 Twp. 16 Rge. 18w E/W
Location as "NE/CNW/SW" or footage from lines
SW-NW-NW

Lease Owner J & W Oil Company
Lease Name Herrman-Blue Sky Well No. 1
Office Address Box 988 Hays, Ks. 67601
Character of Well (Completed as Oil, Gas or Dry Hole)
Dry hole

Date Well completed June 27 1978
Application for plugging filed June 27 1978
Application for plugging approved June 27 1978
Plugging commenced June 27 1978
Plugging completed June 27 1978

Reason for abandonment of well or producing formation
Dry hole
If a producing well is abandoned, date of last production
19__

Was permission obtained from the Conservation Division or
its agents before plugging was commenced? Yes

Name of Conservation Agent who supervised plugging of this well Leo Massey
Producing formation _____ Depth to top _____ Bottom _____ Total Depth of Well 3584
Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS

CASING RECORD

FORMATION	CONTENT	FROM	TO	SIZE	PUT IN	PULLED OUT
<u>Surface</u>		<u>0</u>	<u>1144'</u>	<u>8 5/8"</u>	<u>1144'</u>	<u>0</u>

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hold. If cement or other plugs were used, state the character of same and depth placed, from _____ feet to _____ feet for each plug set.

1st plug at 450' with 40 sacks 50-80# 2% Gel.

2nd plug at 40' with 10 sacks 50-80# 2% Gel.

RECEIVED
CORPORATION COMMISSION
FEB 22 1979
CONSERVATION DIVISION
Wichita, Kansas

(If additional description is necessary, use BACK of this sheet)

Name of Plugging Contractor Sun Oilwell Cementing, Inc.

STATE OF Kansas COUNTY OF Graham, ss.
Terry M. Helberg (employee of owner) or (owner or operator)
of the above-described well, being first duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the log of the above-described well as filed and that the same are true and correct. So help me God.

(Signature)

Terry M. Helberg
Overland, Ks. 67600
(Address)

SUBSCRIBED AND SWORN TO before me this 15 day of February, 1979

Wayne E. Mission
Notary Public.

My commission expires

