

RECEIVED OWWO

MAY 23 2006

Form C-1

December 2002

Form must be Typed

Form must be Signed

All blanks must be Filled

For KCC Use:

Effective Date:

District #

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

KCC WICHITA

Expected Spud Date 06 10 2006
month day year

OPERATOR: License# 31714
Name: Novy Oil & Gas, Inc.
Address: 125 N. Market, Suite 1230
City/State/Zip: Wichita, KS 67202
Contact Person: Michael Novy
Phone: 316-265-4651

CONTRACTOR: License# 5892
Name: Berentz Drilling Company

Well Drilled For: ☒ Oil ☐ Gas ☒ OWWO ☐ Seismic; # of Holes ☐ Other
☐ Enh Rec ☐ Storage ☐ Disposal
Well Class: ☒ Infield ☐ Pool Ext. ☐ Wildcat ☐ Other
Type Equipment: ☒ Mud Rotary ☐ Air Rotary ☐ Cable

If OWWO: old well information as follows:

Operator: Sinclair Prairie Oil
Well Name: M. Isern
Original Completion Date: 10-12-36 Original Total Depth: 3297'

Directional, Deviated or Horizontal wellbore? ☐ Yes ☒ No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

Spot SE SW SW Sec. 25 Twp. 19 S. R. 11 ☐ East ☒ West

330 feet from ☐ N / ☒ S Line of Section
990 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: Isern Well #: 4

Field Name: Kraft-Prusa Pool

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

Target Information(s): Arbuckle

Nearest Lease or unit boundary: 330'

Ground Surface Elevation: 1765 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: 90'

Depth to bottom of usable water: 230' 150'

Surface Pipe by Alternate: ☒ 1 ☐ 2 13"

Length of Surface Pipe Planned to be set: 200' 8 5/8" in hole

Length of Conductor Pipe required: none

Projected Total Depth: 3297'

Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:

☐ Well ☐ Farm Pond ☐ Other Truck

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: 05/19/06 Signature of Operator or Agent: [Signature] Title: Vice President

For KCC Use ONLY

API # 15 - 009-14298-00-02

Conductor pipe required None feet

Minimum surface pipe required 200 feet per Alt. (1) X

Approved by: Per 5-30-06

This authorization expires: 11-30-06

(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

25
19
11/4

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 - NA 15-009-14298-00-02
 Operator: Novy Oil & Gas, Inc.
 Lease: Isern
 Well Number: 4
 Field: Kraft-Prusa Pool
 Number of Acres attributable to well: 10
 QTR / QTR / QTR of acreage: SE - SW - SW

Location of Well: County: Barton
330 feet from ☐ N / ☒ S Line of Section
990 feet from ☐ E / ☒ W Line of Section
 Sec. 25 Twp. 19 S. R. 11 ☐ East ☒ West

Is Section: ☒ Regular or ☐ Irregular

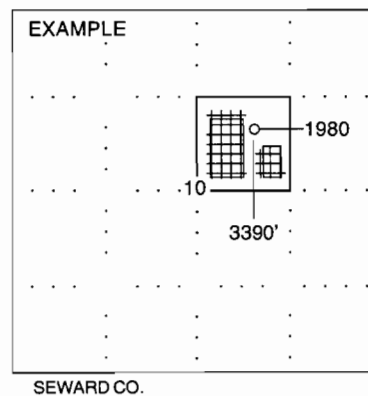
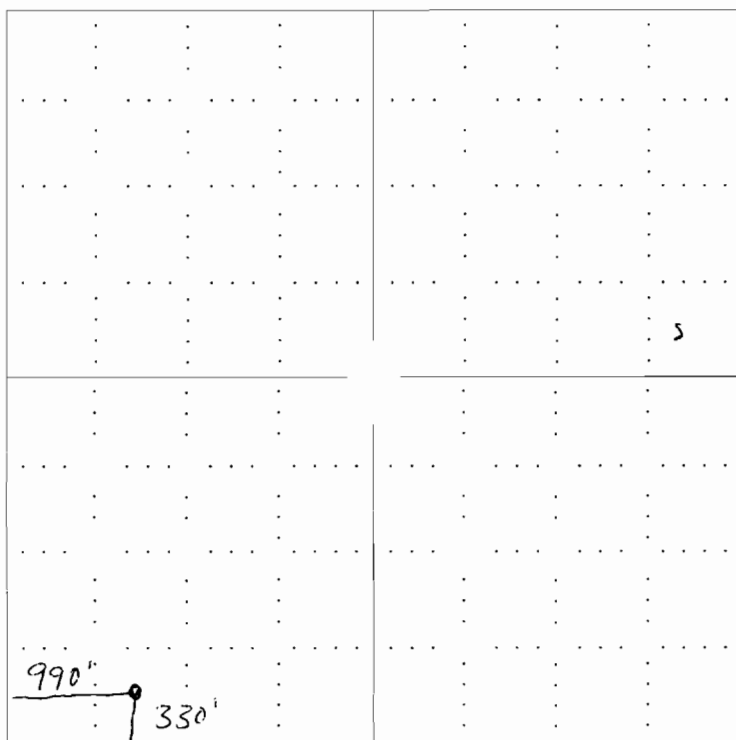
If Section is Irregular, locate well from nearest corner boundary.

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.

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 POND

RECEIVED

MAY 23 2006

Form CDP-1
January 2001
Form must be Typed

KCC WICHITA

Submit in Duplicate

Operator Name: Novy Oil & Gas, Inc.		License Number: 31714	
Operator Address: 125 N. Market, Suite 1230 Wichita, KS 67202			
Contact Person: Michael E. Novy		Phone Number: (316) 265 - 4651	
Lease Name: Isern #4		Pit Location:	
Type of Pond: Emergency Pit ☐ Treatment Pit ☐ Workover Pit ☐ ☒ Drilling Pit Burn Pit ☐ (If WP Supply API No. or Year Drilled)		Pit is: ☒ Proposed Existing ☐ If Existing, date constructed: _____ Pit capacity: 500 (bbls)	
		SW Qtr. Sec. 25 Twp. 19 R. 11 ☐ E ☒ W 330 Feet from N S (circle one) Line of Section 990 Feet from E W (circle one) Line of Section Barton County	
Is the pit located in a Sensitive Ground Water Area? ☒ Yes ☐ No		Chloride concentration: _____ mg/l (For Emergency Pits and Treatment Pits only)	
Is the bottom below ground level? ☒ Yes ☐ No		Artificial Liner? ☒ Yes ☐ No	
		How is the pit lined if a plastic liner is not used? plastic liner	
Pit dimensions (all but working pits): 100 Length (feet) 100 Width (feet) 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 1320 feet Depth of water well 46 feet		Depth to shallowest fresh water 10 feet. Source of information: _____ measured _____ well owner _____ electric log ☒ 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? ☐ Yes ☐ No		Drilling and Workover Pits ONLY: Type of material utilized in drilling/workover: fresh water, mud gel Number of working pits to be utilized: one - reserve Abandonment procedure: Dewater - Fill when dry. _____ 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. 05/19/06 _____ Date Signature of Applicant or Agent			

KCC OFFICE USE ONLY

RFASLC

Date Received: **5/23/06** Permit Number: _____ Permit Date: **5/23/06** Lease Inspection: ☒ Yes ☐ No

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

15-009-14298-00-02

KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREHBIEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

May 23, 2006

Mr. Michael Novy
Novy Oil & Gas, Inc.
125 N. Market Ste 1230
Wichita, KS 67202

Re: Drilling Pit Application
Isern Lease Well No. 4
SW/4 Sec. 25-19S-11W
Barton County, Kansas

Dear Mr. Novy:

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. **Please keep all pits away from any draws.**

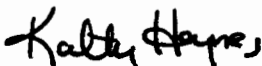
If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

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 (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.

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,



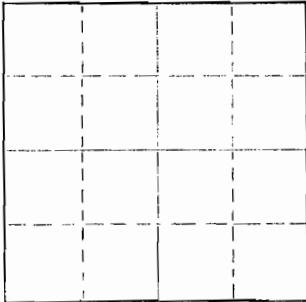
Kathy Haynes
Department of Environmental Protection and Remediation

cc: File

Give All Information Completely
Make Required Affidavit
Mail or Deliver Report to:
Conservation Division
State Corporation Commission
211 No. Broadway
Wichita, Kansas

WELL PLUGGING RECORD

NORTH



Locate well correctly on above
Section Plat

Barton County, Sec. 25 Twp. 19 Rge. II (E) (W)
Location as "NE/CNW/KSW" or footage from lines S/2 SW/4
Lease Owner Fell & Wolf Oil Co.
Lease Name Minna Isern Well No. 4
Office Address P.O. Box 7447 Tulsa, Oklahoma
Character of Well (completed as Oil, Gas or Dry Hole) oil
Date well completed 9-7 1936
Application for plugging filed Sept 1966
Application for plugging approved Sept 1966
Plugging commenced IO-6 1966
Plugging completed IO-II 1966
Reason for abandonment of well or producing formation dry

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 Don Truan
Producing formation _____ Depth to top _____ Bottom _____ Total Depth of Well 3297' Feet
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>5 1/2"</u>		<u>2,330'</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 hole. If cement or other plugs were used, state the character of same and depth placed, from _____ feet to _____ feet for each plug set.

Plugged off bottom of hole with rock. Rock from 3297' to 3270'. Dumped 5 sx of cement. Mixed 20 sx of mud & 100 sx of cement. Squeezed well with Globe Cementing Co.

RECEIVED

OCT 12 1966

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

Name of Plugging Contractor Art Lamb Casing Pulling Co.
Address 2809 King St. Hutchinson, Kansas

STATE OF Kansas, COUNTY OF Reno, ss.
Art Lamb (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) Art Lamb
2809 King St. Hutchinson, Kansas
(Address)

SUBSCRIBED AND SWORN to before me this 11 th day of October, 19 66

January 5, 1966

Judy Lamb
Notary Public.