

RECEIVED
KCC DISTRICT #2

MAY 26 2006

* API # *
CORRECTED

Form C-1
December 2002

For KCC Use:
Effective Date: 6-6-06
District # WICHITA, KS
SGA? Yes No

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

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 May 29 2006
month day year

Spot 152'S + 40' W OF
NW NE NW Sec. 20 Twp. 27 S. R. 23
 East
 West
482 feet from N / S Line of Section
1610 feet from E / W Line of Section

OPERATOR: License# KLN 4767 ✓
Name: Ritchie Exploration, Inc.
Address: PO 783188
City/State/Zip: Wichita, KS 67278-3188
Contact Person: Craig Caulk
Phone: 316-691-9500

Is SECTION Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)

CONTRACTOR: License# KLN 5822 ✓
Name: Val Energy, Inc.

County: Ford
Lease Name: Carson 20B Well #: 1
Field Name: Wildcat

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

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Arbuckle

Nearest Lease or unit boundary: 383.6'
Ground Surface Elevation: 2431.3 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: 260
Depth to bottom of usable water: 820

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 400'

Length of Conductor Pipe required: NONE
Projected Total Depth: 6050'

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: _____

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: API# 15-057-21573-0000
IS: API# 15-057-20573-0000

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 23, 2006 Signature of Operator or Agent: _____ Title: GIS Specialist / Geological Technician

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For KCC Use ONLY
API # 15 - 057-20573-0000
Conductor pipe required None feet
Minimum surface pipe required 280 feet per Alt. X(2)
Approved by: Pat 6-1-06 / Pat 6-26-06
This authorization expires: 12-1-06
(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: _____

20
27
230

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MAY 26 2006
WICHITA, KS

Side Two

* API #
CORRECTED *

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.

* WAS API # 15-057-21573-0000
IS: API # 15-057-20573-0000

* API No. 15 - 057-20573-0000
Operator: Ritchie Exploration, Inc.
Lease: Carson 20B
Well Number: 1
Field: WildCat
Number of Acres attributable to well: _____
QTR / QTR / QTR of acreage: NW - NE - NW

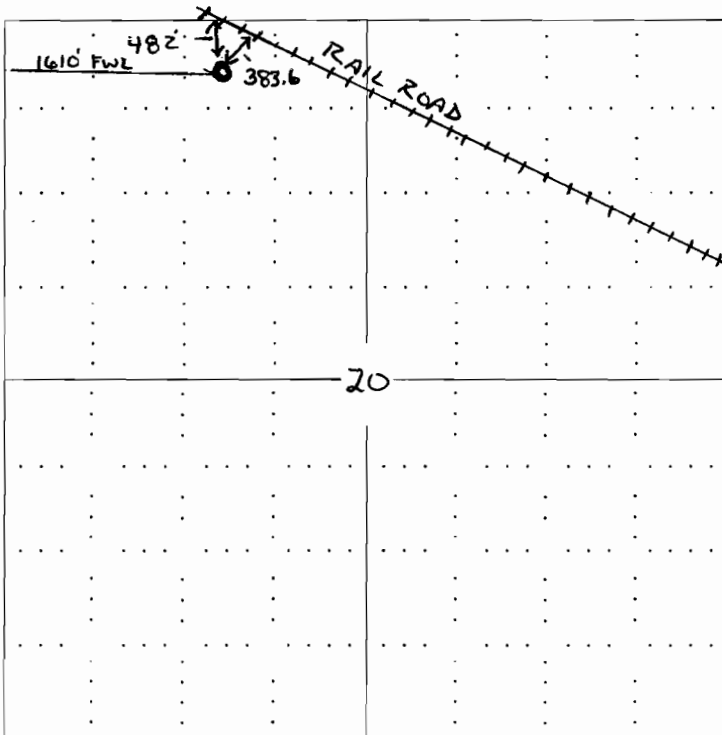
Location of Well: County: Ford
482 feet from N / S Line of Section
1610 feet from E / W Line of Section
Sec. 20 Twp. 27 S. R. 23 East West

Is Section: Regular or Irregular

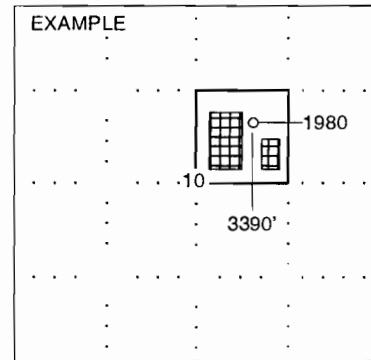
If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE NW SE SW

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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SEWARD CO.

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).

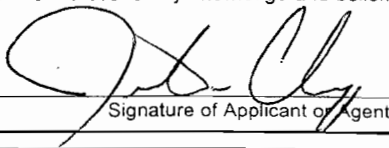
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WICHITA, KS

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT

* API # * Form CDP-1
CORRECTED April 2004
Form must be Typed

WAS: ADI# 15-057-21573-000
IS: API# 15-057-20573-000

Submit in Duplicate

Operator Name: Ritchie Exploration, Inc.		License Number: KLN 4767	
Operator Address: PO 783188 Wichita, KS 67278-3188			
Contact Person: Craig Caulk		Phone Number: (316) 691 - 9500	
Lease Name & Well No.: #1 Carson 20B		Pit Location (QQQQ): 152S, 40W <u>NW</u> <u>NE</u> <u>NW</u>	
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 <i>(If WP Supply API No. or Year Drilled)</i>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: <u>20,517</u> (bbls)	Sec. <u>20</u> Twp. <u>27S</u> R. <u>23</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>482</u> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <u>1610</u> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <u>Ford</u> County	
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Pit dimensions (all but working pits): <u>120</u> Length (feet) <u>120</u> Width (feet) _____ N/A: Steel Pits Depth from ground level to deepest point: <u>8</u> (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 <u>1515</u> feet Depth of water well <u>115</u> feet		Depth to shallowest fresh water <u>13</u> feet. Source of information: <u>KH K6S</u> ① _____ 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: <u>Fresh / Chemical Mud</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>Backfill</u> _____ 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.			
<u>May 23, 2006</u> Date		 Signature of Applicant or Agent	
KCC OFFICE USE ONLY			
Date Received: <u>5/30/06</u> Permit Number: _____		Permit Date: <u>5/31/06</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

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

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15-057-20573-000

KANSAS

CORPORATION COMMISSION

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

May 31, 2006

Mr. Craig Caulk
Ritchie Exploration, Inc.
PO Box 783188
Wichita, KS 67278-3188

Re: Drilling Pit Application
Carson 20 B Lease Well No. 1
NW/4 Sec. 20-27S-23W
Ford County, Kansas


Dear Mr. Caulk:

District staff has inspected the location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has instructed that no earthen pits are to be used at the location. Steel pits are to be used. Please inform the Commission in writing as to which disposal well you will utilize to dispose of the contents in the steel pits and the amount of fluid that will be disposed. **If a haul-off pit is necessary please file, form CDP-1, Application for Surface Pit.** This location will have to be inspected prior to approval of the haul-off pit application.

If fluids are taken to an authorized disposal well, please call the District Office at (620) 225-8888. 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.

Sincerely,



Kathy Haynes
Environmental Protection and Remediation Department

Cc: S Durrant