For KCC Use:	7-2-06
Effective Date:	7-22-0
District #	
SGA? X 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

Must be approved by KCC five	., , , , , , , , , , , , , , , , , , ,
Expected Spud Date June 26, 2006	Spot 5' ★ & 35' W
month day year	Last
31725	The state of the s
OPERATOR: License# 31725 V Name: Shelby Resources, LLC	985' feet from N / S Line of Section 1615' feet from E / W Line of Section
Address: P.O. Box 1213	Is SECTION   RegularIrregular?
City/State/Zip: Hays, Kansas 67601	•
Contact Person: Brian Karlin	(Note: Locate well on the Section Plat on reverse side)
Phone: 785-623-3290	County: Barton  Lease Name: McCurry Well #: 1-36
•	Field Name: Boyd
CONTRACTOR: License# 8273	Is this a Prorated / Spaced Field?
Name: Excell Services, Inc.	Target Formation(s): Arbuckle
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary: 985'
	Ground Surface Elevation: 1832 feet MSL
✓ Oil Enh Rec ✓ Infield ✓ Mud Rotary ✓	Water well within one-quarter mile: ✓ Yes No
Gas Storage Pool Ext. Air Rotary  CWO Disposal Wildcat Cable	Public water supply well within one mile:
OWWO Disposal Wildcat Cable  Seismic; # of Holes Other	Depth to bottom of fresh water: 200'
Other	Depth to bottom of usable water: 380 340
	Surface Pipe by Alternate:  1 2
f OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
Operator:	Length of Conductor Pipe required: None
Well Name:	Projected Total Depth: 3400'
Original Completion Date:Original Total Depth:	Formation at Total Depth: Arbuckle
Directional, Deviated or Horizontal wellbore? Yes ✓ No	Water Source for Drilling Operations:
f Yes, true vertical depth:	Well 🗸 Farm Pond Other
Bottom Hole Location:	DWR Permit #:
KCC DKT #:	(Note: Apply for Permit with DWR )
	Will Cover be telesa?
	Will Cores be taken?Yes ✓ No If Yes, proposed zone:
AFF	If Yes, proposed zone:
AFF The undersigned hereby affirms that the drilling, completion and eventual places that the following minimum requirements will be met:	If Yes, proposed zone:
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JUN 2 6 2006 KCC WICHITA

### 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.

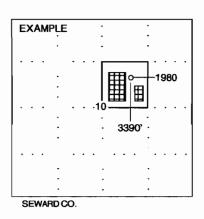
API No. 15 - 009-24955-0000	Location of Well: County: Barton
Operator: Shelby Resources, LLC	985' feet from N / S Line of Section
Lease: McCurry	1615' feet from E / W Line of Section
Well Number:	Sec. 36 Twp. 17 S. R. 14 East ✓ West
Field: Boyd	
Number of Acres attributable to well:	Is Section: ✓ Regular or ☐ Irregular
QTR / QTR / QTR of acreage: NW - SE - SW - 5' - 35' W - SW -	If Section is Irregular, locate well from nearest corner boundary.  Section comer 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.)

Barton Cour	nty		
		:	
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	<del>.</del> 3	6	• •
: :			: :
•		•	
1615'			
	#1-36		
	1		
	0051		
	985'		
	· .		• •



NOTE: In all cases locate the spot of the proposed drilling locaton.

#### In plotting the proposed location of the well, you must show:

- 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).

RECEIVED
JUN 2 6 2006
KCC WICHITA

# KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CDP-1 April 2004 Form must be Typed

## **APPLICATION FOR SURFACE PIT**

Submit in Duplicate

Operator Name: Shelby Resources, LLC		License Number: 31725	
Operator Address: P.O. Box 1213, Hays, Kansas 67601			
Contact Person: Brian Karlin		Phone Number: ( 785 ) 623 - 3290	
Lease Name & Well No.: McCurry #1-36		Pit Location (QQQQ): 5' AF & 35' W	
Type of Pit:	Pit is:		NW _ SE _ SW
Emergency Pit Burn Pit	✓ Proposed  Existing		Sec. 36 Twp. 17S R. 14 ☐ East 🗸 West
Settling Pit	If Existing, date constructed:		985' Feet from North / 🗸 South Line of Section
Workover Pit Haul-Off Pit  (If WP Supply API No. or Year Drilled)	Pit capacity:		1615' Feet from East / 🗸 West Line of Section
	3000	(bbls)	Barton County
is the pit located in a Sensitive Ground Water	Area? Yes	No.	Chloride concentration:mg/l  (For Emergency Pits and Settling Pits only)
Is the bottom below ground level?  Yes No	Artificial Liner?	No	How is the pit lined if a plastic liner is not used?
Pit dimensions (all but working pits):	Company Length (feworms)		Width (feet) N/A: Steel Pits (feet)
Source of info			
NA feet Depth of water well _	.	Source of infor	mation: KAKES (E)
	90 feet	Source of infor	mation: KAKS (5)  uredwell owner electric logKDWR
Emergency, Settling and Burn Pits ONLY	90 feet	Source of informeasu	red well owner electric log KDWR  over and Haul-Off Pits ONLY:
	90 feet	Source of informeasure Drilling, Work Type of material	mation: KAKS (5)  uredwell owner electric logKDWR
Emergency, Settling and Burn Pits ONLY Producing Formation:	90 feet	Drilling, Work  Type of materia	well owner electric log KDWR  over and Haul-Off Pits ONLY:  al utilized in drilling/workover: Fresh mud.
Emergency, Settling and Burn Pits ONLY Producing Formation:  Number of producing wells on lease:	90 feet	Drilling, Work Type of materia Number of wor Abandonment cuttings dry an	mation: KH KGS (E) Well owner electric log KDWR  over and Haul-Off Pits ONLY:  al utilized in drilling/workover: Fresh mud.  king pits to be utilized: 3  procedure: Allow liquid contents to evaporate. Let
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 a	90 feet:	Drilling, Work Type of materia Number of wor Abandonment cuttings dry an	mation: KAKS
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 a flow into the pit?  Yes No	90 feet:	Drilling, Work Type of materia Number of wor Abandonment cuttings dry an Drill pits must	mation: KAKS
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 a flow into the pit?  I hereby certify that the above state  June 22, 2006	90 feet:	Drilling, Work Type of materia Number of wor Abandonment cuttings dry an Drill pits must	mation: KAKS

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 6720RECEIVED

CORPORATION COMMISSION

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

June 27, 2006

Mr. Brian Karlin Shelby Resources, LLC PO Box 1213 Hays, KS 67601

RE: Drilling Pit Application

McCurry Lease Well No. 1-36 SW/4 Sec. 36-17S-14W Barton County, Kansas

Dear Mr. Karlin:

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 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.

**Environmental Protection and Remediation Department** 

cc: File