

For KCC Use: 7-29-06
 Effective Date: _____
 District # 2
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

Form C-1
 December 2002
 Form must be Typed
 Form must be Signed
 All blanks must be Filled

NOTICE OF INTENT TO DRILL

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

Expected Spud Date August 10, 2006
 month day year

OPERATOR: License# 5091 ✓
 Name: Howell Oil Co. Inc.
 Address: 2400 Riverbirch Rd
 City/State/Zip: Hutchinson, Ks 67502
 Contact Person: Steve Howell
 Phone: 620-664-5320

CONTRACTOR: License# 32701 ✓
 Name: C & G Drilling Co

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" 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 type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic; # of Holes _____	<input type="checkbox"/> Other _____	<input checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> Other _____		<input type="checkbox"/> Air Rotary
		<input type="checkbox"/> 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 #: _____

Spot East
S/2 - S/2 - NE Sec. 13 Twp. 23s S. R. 4 West
2310' feet from N / S Line of Section
1320' feet from E / W Line of Section
 Is SECTION Regular Irregular?

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

County: Reno
 Lease Name: Sabin "B" Well #: 11
 Field Name: Burton

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Mississippi

Nearest Lease or unit boundary: 990'

Ground Surface Elevation: 1465 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: 220'

Depth to bottom of usable water: 230'

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 250' of 13 & 3/8"

* Length of Conductor Pipe required: NA 350'

Projected Total Depth: 3770

Formation at Total Depth: Simpson

Water Source for Drilling Operations:

Well Farm Pond Other XXXX

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: 7/11/2006 Signature of Operator or Agent: [Signature] Title: Agent

For KCC Use ONLY
 API # 15 - 155-21507-0000
 Conductor pipe required 250 feet
 Minimum surface pipe required 250 feet per Alt. 1
 Approved by: [Signature]
 This authorization expires: 1-24-07
 (This authorization void if drilling not started within 6 months of approval 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

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 KANSAS CORPORATION COMMISSION
 JUL 12 2006
 CONSERVATION DIVISION
 WICHITA, KS

13
 23
 4W

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 - 155-21507-0000
 Operator: Howell Oil Co. Inc.
 Lease: Sabin "B"
 Well Number: 11
 Field: Burton
 Number of Acres attributable to well: 10
 QTR / QTR / QTR of acreage: S/2 - S/2 - NE

Location of Well: County: Reno
2310' feet from N / S Line of Section
1320' feet from E / W Line of Section
 Sec. 13 Twp. 23s S. R. 4 East West

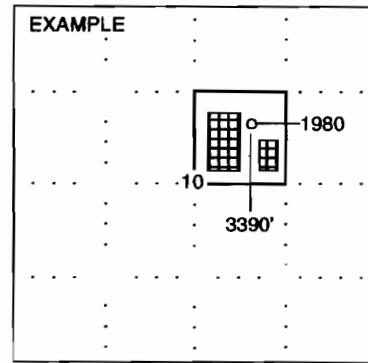
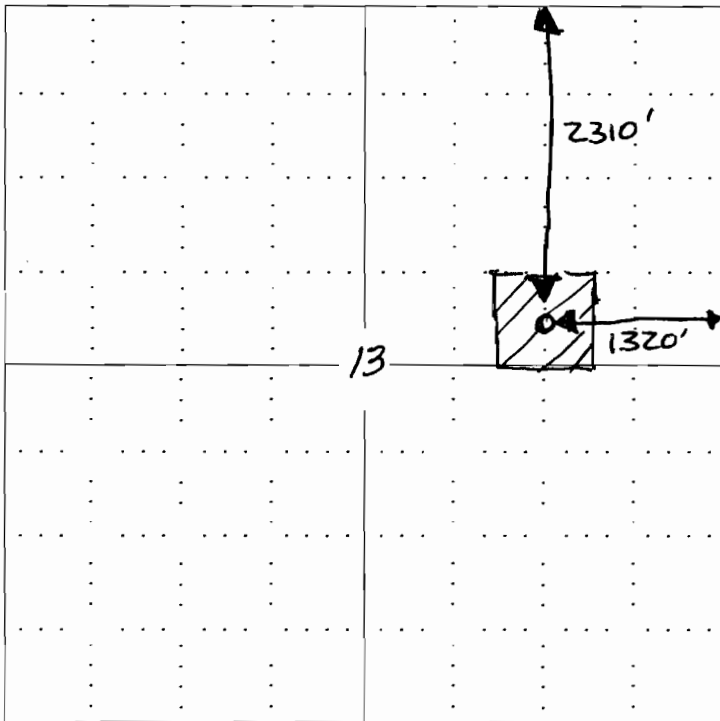
Is Section: Regular or Irregular

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.)*



SEWARD CO.

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

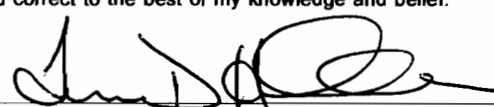
In plotting the proposed location of the well, you must show:

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).

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

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Howell Oil Co. Inc.		License Number: 5091
Operator Address: 2400 Riverbirch Rd Hutchinson, Ks 67502		
Contact Person: Steve Howell		Phone Number: (620) 664 - 5320
Lease Name & Well No.: #11 Sabin "B"		Pit Location (QQQQ): S/2 - S/2 - NE -
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: 4800 (bbls)	Sec. 13 Twp. 23S R. 4 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 2310' Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 1320' Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Reno County
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input 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? Bentonite and drilling solids seal the pits
Pit dimensions (all but working pits): <u>80</u> Length (feet) <u>80</u> Width (feet) _____ N/A: Steel Pits Depth from ground level to deepest point: <u>4'</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 determine 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: <u>Chemical mud</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>Pits are allowed to dry completely and backfilled when conditions allow</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.		
Date: <u>7/11/2006</u>		 Signature of Applicant or Agent
KCC OFFICE USE ONLY		
Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No		

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KANSAS CORPORATION COMMISSION
JUL 12 2006
CONSERVATION DIVISION
WICHITA, KS**

15-155-21507-0000

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

KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREHBIEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

August 5, 2005

STEVE HOWELL
HOWELL OIL CO INC
2400 RIVERBIRCH RD
HUTCHINSON KS 67502

Re: Drilling Pit Application
Sabin Lease Well No. B 11
2310'FNL-1320'FEL 13-23S-04W
Reno County, Kansas

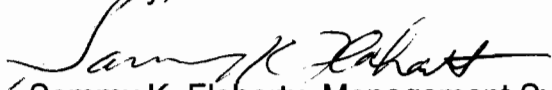
Dear Mr. Howell:

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 this location. Steel pits are to be used. Please inform the Commission in writing as to which disposal well you utilized to dispose of the contents in the steel pits and the amount of fluid that was disposed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal.

Should a haul-off pit be necessary please file form CDP-1 (April 2004), Application for Surface Pit. This location will have to be inspected prior to approval of the haul-off pit application. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms/

Sincerely,



Sammy K. Flaherty, Management Systems Analyst
Environmental Protection and Remediation Department

cc: Steve Durrant
File