

JUL 20 2006

For KCC Use:
Effective Date: 7-31-06
District # 2
SGA? Yes No

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

Form C-1
December 2002
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 7-24-06
month day year

OPERATOR: License# 33608 ✓
Name: W. D. Short Oil Co., LLC
Address: PO Box 729
City/State/Zip: Oxford KS 67119-0729
Contact Person: Don Short
Phone: 620-218-1809

CONTRACTOR: License# 5892 ✓
Name: Berentz Drilling Company, Inc.

Well Drilled For: Oil Gas OWWO Seismic; # of Holes Other
 Enh Rec Storage Disposal Other
Well Class: Infield Pool Ext. Wildcat Other
Type Equipment: Mud Rotary Air Rotary 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 West
SE SE NE Sec. 19 Twp. 32 S. R. 3
2970 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: Cowley
Lease Name: Carson Well #: 4B
Field Name: Slick-Carson
Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Arbuckle
Nearest Lease or unit boundary: 330

Ground Surface Elevation: 1142 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: 280

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 300

Length of Conductor Pipe required: None

Projected Total Depth: 3500

Formation at Total Depth: Arbuckle

Water Source for Drilling Operations: Well Farm Pond Other Hauled

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: 7-20-06 Signature of Operator or Agent: [Signature] Title: Agent

For KCC Use ONLY
API # 15 - 035-24253-0000
Conductor pipe required None feet
Minimum surface pipe required 300 feet per Alt. 1 X
Approved by: RH 7-26-06
This authorization expires: 1-26-07
(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: _____

19
32
3E

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

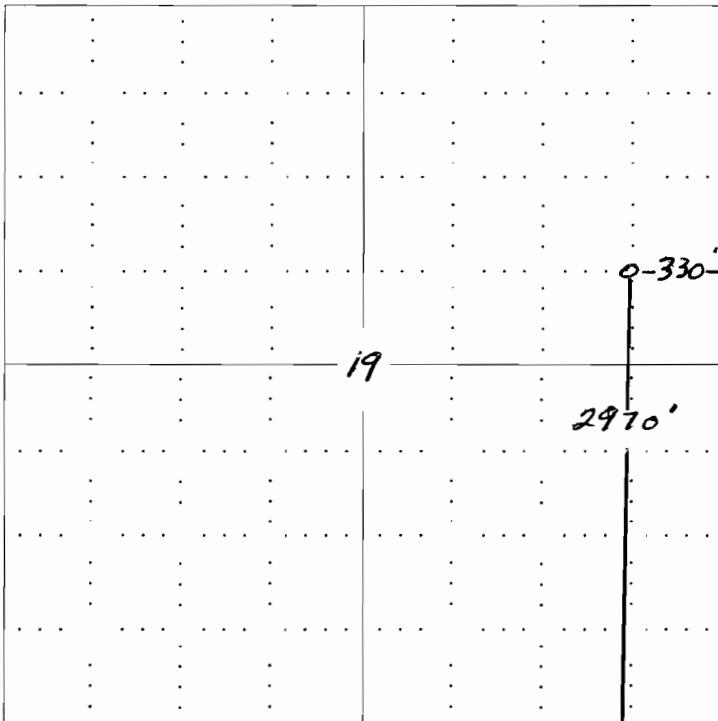
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 035-24253-0000
 Operator: W. D. Short Oil Co., LLC
 Lease: Carson
 Well Number: 4B
 Field: _____
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: SE - SE - NE

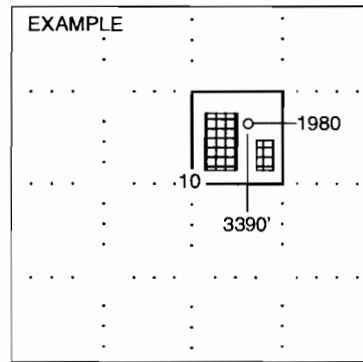
Location of Well: County: Cowley
 2970 _____ feet from N / S Line of Section
 330 _____ feet from E / W Line of Section
 Sec. 19 Twp. 32 S. R. 3 East West
 Is Section: Regular or Irregular
If Section is Irregular, locate well from nearest corner boundary.
 Section corner used: NE NW SE SW

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.)*



RECEIVED
KANSAS CORPORATION COMMISSION
JUL 20 2006
CONSERVATION DIVISION
WICHITA, KS



SEWARD CO.

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

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

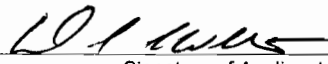
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).

JUL 20 2006

APPLICATION FOR SURFACE PIT

CONSERVATION DIVISION
WICHITA, KS

Submit in Duplicate

Operator Name: W. D. Short Oil Co., LLC		License Number: 33608
Operator Address: PO Box 729 Oxford KS 67119-0729		
Contact Person: Don Short		Phone Number: (620) 218 - 1809
Lease Name & Well No.: Carson #4B		Pit Location (QQQQ): _____ SE _____ SE _____ NE Sec. 19 Twp. 32 R. 3 <input checked="" type="checkbox"/> East <input type="checkbox"/> West 2970 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 330 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Cowley _____ County
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: 500 _____ (bbls)	
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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? Coated with Bentonite
Pit dimensions (all but working pits): 100 Length (feet) 100 Width (feet) _____ 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 3300 feet Depth of water well 60 feet		Depth to shallowest fresh water 39 feet. ① Source of information: KHK65 _____ 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: Chemical Mud Number of working pits to be utilized: 4 Abandonment procedure: Let dry and 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.		
7-20-06 Date		 Signature of Applicant or Agent

15-035-24253-0000

KCC OFFICE USE ONLY			
Date Received: 7/20/06	Permit Number: _____	Permit Date: 7/20/06	Lease Inspection: <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No

RFAS + RFAC 72203



KANSAS

CORPORATION COMMISSION

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

July 27, 2005

DON SHORT
W D SHORT OIL CO LLC
P O BOX 729
OXFORD KS 67119-0729

Re: Drilling Pit Application
Carson Lease Well No. 4B
2970'FSL-330'FEL 19-32S-03E
Cowley County, Kansas

Dear Mr. Short:

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 within 72 hours of completion of drilling operations.

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 (316) 337-6231 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,



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

cc: Doug Louis
File