

For KCC Use: 8-6-06  
 Effective Date: \_\_\_\_\_  
 District #: 3  
 SGA?  Yes  No

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

Form C-1  
 September 1999  
 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: Sept. 15 2006  
 month day year  
 OPERATOR: License# 5959 ✓  
 Name: Rader Oil Co.  
 Address: 453 E. 2200 Rd.  
 City/State/Zip: Eudora, Ks. 66025  
 Contact Person: Richard Rader  
 Phone: 785-883-2885  
 CONTRACTOR: License# 8509 ✓  
 Name: Evans Energy

Spot  East  West  
NE-NE-NE-SE Sec. 31 Twp. 16 S. R. 21  
2475 feet from (S) / N (circle one) Line of Section  
165 feet from (E) / W (circle one) Line of Section  
 Is SECTION  Regular  Irregular?

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

County: Franklin  
 Lease Name: Hermes (Hermes) Well #: 35  
 Field Name: Paola-Rantoul

Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Squirrel  
 Nearest Lease or unit boundary: 165' ✓  
 Ground Surface Elevation: 950 feet MSL

<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield	<input type="checkbox"/> Mud Rotary
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.	<input checked="" type="checkbox"/> Air Rotary
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Other		
<input type="checkbox"/> Other			

Water well within one-quarter mile:  Yes  No  
 Public water supply well within one mile:  Yes  No  
 Depth to bottom of fresh water: 100'  
 Depth to bottom of usable water: 200'

Surface Pipe by Alternate: 1  2  
 Length of Surface Pipe Planned to be set: 20' ✓  
 Length of Conductor Pipe required: none  
 Projected Total Depth: 700'  
 Formation at Total Depth: Squirrel

Water Source for Drilling Operations:  
 Well  Farm Pond  Other   
 DWR Permit #: N/A

(Note: Apply for Permit with DWR )  
 Will Cores be taken?  Yes  No  
 If Yes, proposed zone: Squirrel

If OWWO: old well information as follows:  
 Operator: N/A  
 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 #: \_\_\_\_\_

**AFFIDAVIT**

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, 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. *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: 7-25-06 Signature of Operator or Agent: [Signature] Title: Owner

For KCC Use ONLY	
API # 15 -	<u>059-25159-000</u>
Conductor pipe required	<u>None</u> feet
Minimum surface pipe required	<u>20</u> feet per Alt. <b>(10)</b>
Approved by:	<u>[Signature]</u>
This authorization expires:	<u>2-1-07</u>
(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.

RECEIVED  
 JUL 31 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 - 059-25159-0000

Operator: \_\_\_\_\_

Lease: \_\_\_\_\_

Well Number: \_\_\_\_\_

Field: \_\_\_\_\_

Number of Acres attributable to well: \_\_\_\_\_

QTR / QTR / QTR of acreage: \_\_\_\_\_

Location of Well: County: \_\_\_\_\_

\_\_\_\_\_ feet from S / N (circle one) Line of Section

\_\_\_\_\_ feet from E / W (circle one) Line of Section

Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West

Is Section \_\_\_\_\_ Regular or \_\_\_\_\_ Irregular

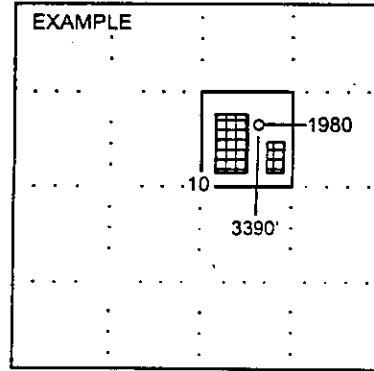
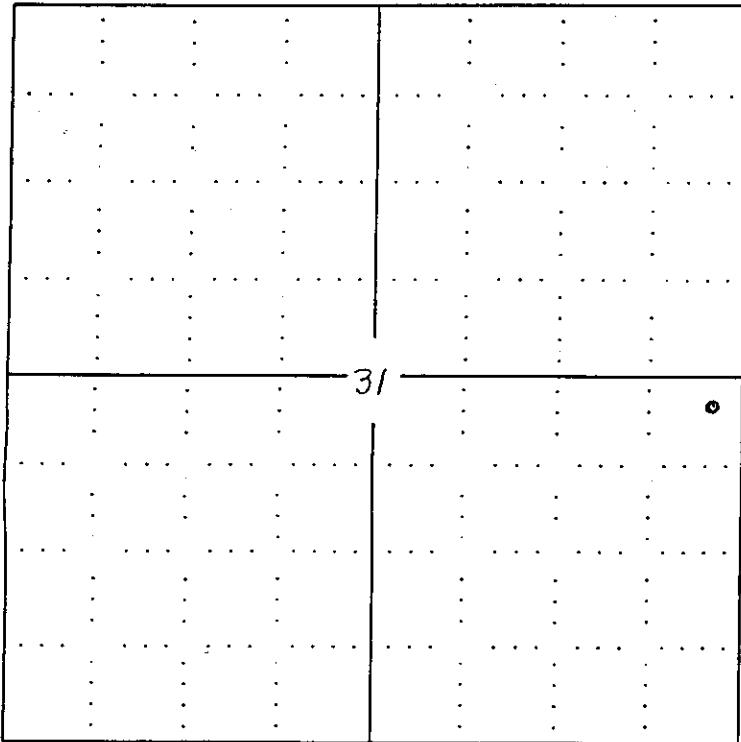
If Section is Irregular, locate well from nearest corner boundary.

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: (CO-7 for oil wells; CG-8 for gas wells).

RECEIVED

JUL 31 2006

KCC WICHITA

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: <b>Rader Oil Co.</b>		License Number: <b>5959</b>
Operator Address: <b>453 E. 2200 Rd. Eudora, Kansas 66025</b>		
Contact Person: <b>Richard Rader</b>		Phone Number: ( <b>785</b> ) <b>883-2885</b>
Lease Name & Well No.: <b>Hernes No. 35</b>		Pit Location (QQQQ): <b>NE NE NE SE</b> Sec. <b>31</b> Twp. <b>16</b> R. <b>21</b> <input checked="" type="checkbox"/> East <input type="checkbox"/> West <b>2475</b> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <b>165</b> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <b>Franklin</b> 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 <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: (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: <b>N/A</b> 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? <b>Clay</b>
Pit dimensions (all but working pits): <b>15</b> Length (feet) <b>5</b> Width (feet) <b>N/A</b> Steel Pits Depth from ground level to deepest point: <b>5</b> (feet)		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. <b>N/A</b>		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. <b>N/A</b>
Distance to nearest water well within one-mile of pit <b>1881</b> feet <b>none</b> Depth of water well <b>100</b> feet		Depth to shallowest fresh water <b>27</b> feet. <b>(1)</b> Source of information: <b>N/A</b> <b>KHKGS</b> measured well owner electric log KDWR
<b>Emergency, Settling and Burn Pits ONLY:</b> Producing Formation: <b>N/A</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <b>Air</b> Number of working pits to be utilized: <b>1</b> Abandonment procedure: <b>Remove any liquid &amp; fill with dirt.</b> 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. <b>7-25-06</b> Date <b>Richard Rader</b> Signature of Applicant or Agent		

15-059-25159-0000

KCC OFFICE USE ONLY

Date Received: **7/31/06** Permit Number: **3** Permit Date: **7/31/06** Lease Inspection:  Yes  No