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For KCC Use: 8-23-06
Effective Date: 1

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

AUG 1 7 2006

December 2002

SGA? X Yes No			OTICE OF proved by KCC in					ICHILA	Form must be planks must b	Signed e Filled
Evenedad Could Bate	8	29	2006				g		r	
Expected Spud Date	month	day	year	Spo . Apos. W/		NW	20	Twp. 22 S	a 13	East West
9067	~			<u>78</u>		•		wp S.	_	
OPERATOR: License# 9067 Name: DaMar Resources, Inc	 :		-	330	·			E / 7		
Address, 234 W. 11th St.				_ Is S	ECTION		larIrre		0. 000	, , , , , , , , , , , , , , , , , , ,
City/State/Zip: Hays, KS 6760)1			_				tion Plat on reve	erse side)	
Contact Person: Curtis R. Lon	ngpine			 Соі	nty: Staff	ord			nso side)	
Phone: 785.625.0020				Lea	e Name:	Grimes No	rth		Well #: 1	
	139			Fiel	i Name: ⊢	Keenan				
CONTRACTOR: License# 60 Name: L. D. Drilling, Inc.				- Is the	is a Prora	ated / Space	d Field?		Yes	✓No
Name:				– Tarç	et Format	tion(s): Lar	sing-Kansas (ity, Arbuckle		
Well Drilled For:	Well Class:	Туре	Equipment:				undary: 330'			
Oil / Enh Rec	✓ Infield	✓ ✓ N	Aud Rotary			e Elevation:				et MSL
Gas Storage	Pool Ex	xt. 🔲 A	ir Rotary			thin one-qua			===	∐No.
OWWO Disposal	Wildcat	. <u> </u>	able			om of fresh	rithin one mile:	_	res	√ No
Seismic;# of Ho	les 🔲 Other					om of usable				
Other						by Alternate:		2		
If OWWO: old well information	n ac followe:			Len	th of Sur	face Pipe P	lanned to be s			
Operator:				1	th of Cor	nductor Pipe	required: nor	ie		
Well Name:						al Depth: 39		~		
Original Completion Date:							Arbuckle			
original completion bate.		ongina rota	/	Wat		for Drilling				
Directional, Deviated or Horize	ontal wellbore?		Yes ✓ N		Well [Farm Po	nd Other			
If Yes, true vertical depth:				DW	R Permit #	SFWW3	272 2006	0170		
Bottom Hole Location:						(Note	: Apply for Perm	it with DWR)	
KCC DKT #:				_ Will	Cores be	taken?			Yes	✓No
				If Ye	s, propos	ed zone:				
			А	FFIDAVIT						
The undersigned hereby affir	ms that the dri	illing, comple	etion and eventua	al plugging	of this we	it will compl	y with K.S.A.	55 et. seq.		
It is agreed that the following	minimum requ	uirements wi	Il be met:							
Notify the appropriate										
2. A copy of the approved										
3. The minimum amount	, ,	•		-	-		e top; in all ca	ses surface pi	pe shall be s	set
through all unconsolida 4. If the well is dry hole,							nd placement	ie naceceani	nelar ta alua	aina.
5. The appropriate distric	_		•		•	~ ~	•	is necessary	prior to play	gnig,
6. If an ALTERNATE II C										
Or pursuant to Append			~	· ·	-					-
must be completed wit	•	•			-	· · · · · · · · · · · · · · · ·	OTIFY distric	t oπice prior t	o any cement	ing.
I hereby certify that the state	ments made h	nerein are tri	ue and to the bea \Lambda	st of my kn	owledge a	and belief.				
Date: 8/15/2006	Signature of	Operator or	Agent:	W /			Title	VP/Geologis	st .	
Date.	Oignature or	Operator or .	ngent		<u> </u>	1 y	1110.			
					ember to					
For KCC Use ONLY API # 15 . /85 - 25	2 2 0 1-0	こう					•	ith Intent to Dri		0
API # 15 · / 6 3 - 24	4			_	-			0 days of spud to field proration		8
Conductor pipe required	None	fe	et					rs prior to work		ry;
Minimum surface pipe requi	red 24	V fe	et per Alt. (1)	, ,				igging is comp		
Approved by: 24 8-18	-06		<u> </u>	_ - 0	tain writte	n approval	before disposir	g or injecting	salt water.	1.
This authorization expires:	2-18-07			_ 1				zed expiration (٨
(This authorization void if drilli	ing not started w	vithin 6 months	s of annroval date)	_ ch	ck the bo	ox below an	return to the	address below	<i>I</i> .	
	ng noi siance n	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	o ci appiorar salo.,							
	ng noi siance n	numir o momin	o o approvar acro.,				ermit Expired			1
Spud date:	_	num o mome				t Drilled - P Operator or	-			_ \ <u>\</u> 3

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

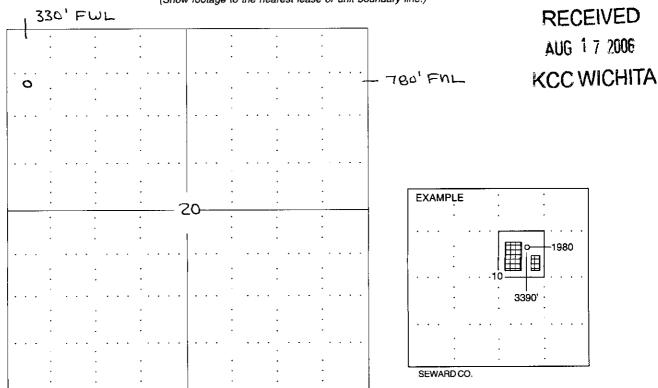
If the Intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 185-23381-000	Location of Well: County: Stafford
Operator: DaMar Resources, inc.	780feet from
Lease: Grimes North	330 feet from ☐ E / ✓ W Line of Section
Well Number: 1 Field: Keenan	Sec. 20 Twp. 22 S. R. 13 East ✓ Wes
Number of Acres attributable to well:	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.)



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: (C0-7 for oil wells; CG-8 for gas wells).

RECEIVED AUG 1 7 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: DaMar Resource	s, Inc.	License Number: 9067						
Operator Address: 234 W. 11th St. Hays, KS 67601								
Contact Person: Curtis R. Longpine		Phone Number: (785) 625 - 0020						
Lease Name & Well No.: Grimes No			Pit Location (QQQQ):					
Type of Pit:	Pit is:		_S/2 _ W/2 _ NW _ NW					
Emergency Pit Burn Pit	✓ Proposed	Existing	Sec. 20 Twp. 22 R. 13 East 🗸 West					
Settling Pit	If Existing, date co	onstructed:	780 Feet from 🗸 North / 🗌 South Line of Section					
Workover Pit Haul-Off Pit	Pit capacity:		330 Feet from East / West Line of Section					
(If WP Supply API No. or Year Drilled)	2500 (bi		Stafford County					
Is the pit located in a Sensitive Ground Water		No	Chloride concentration: mg/l					
		·	(For Emergency Pits and Settling Pits only)					
Is the bottom below ground level?	Artificial Liner?		How is the pit lined if a plastic liner is not used?					
✓ Yes No	☐ Yes 🗸	No	native clay					
Pit dimensions (all but working pits):	O Length (fe	eet)35	Width (feet) N/A: Steel Pits					
Depth fr	om ground level to de	eepest point:	5 (feet)					
If the pit is lined give a brief description of the material, thickness and installation procedure		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.						
material, trickless and installation processing	.							
		daily visual inspection, will haul mud & cuttings out of reserve pit as accumulated while drilling						
		reserve pit	as accumulated without mining					
		10						
Distance to nearest water well within one-mile	e of pit	Depth to shallowest fresh water 18feet. Source of information:						
450 feet Depth of water well	90 feet	measuredwell owner electric log KDWR						
Emergency, Settling and Burn Pits ONLY:	:	Drilling, Workover and Haul-Off Pits ONLY:						
Producing Formation:		Type of material utilized in drilling/workover: chem. drilling mud						
Number of producing wells on lease:		Number of working pits to be utilized: 3						
Barrels of fluid produced daily:		Abandonment procedure: haul off fluids, backfill pits with original soil						
Does the slope from the tank battery allow al flow into the pit? Yes No	l spilled fluids to	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.								
\wedge								
8/15/2006			/sini					
Date			Signature of Applicant or Agent					
KCC OFFICE USE ONLY RFAS+C								
Date Received: 8 17/66 Permit Nun	nber:	Perm	nit Date: 8 18 06 Lease Inspection: X Yes No					

KANSAS

CORPORATION COMMISSION

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

August 18, 2006

Mr. Curtis R. Longpine DaMar Resources, Inc. 234 W. 11th St. Hays, KS 67601

Re:

Drilling Pit Application

Grimes North Lease Well No. 1

NW/4 Sec. 20-22S-13W Stafford County, Kansas

Dear Mr. Longpine:

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 the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again as soon as practical after drilling operations have ceased.

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 (620) 225-8888 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,

Kathy Haynes Kathy Haynes

Department of Environmental Protection and Remediation

cc: File