

For KCC Use:
 Effective Date: 9-3-06
 District # 3
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

Form C-1

September 1999

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 8 25 2006
 month day year

OPERATOR: License# 9313 ✓
 Name: James D. Lorenz
 Address: 543A 22000 Road
 City/State/Zip: Cherryvale, Kansas 67335-8515
 Contact Person: James D. Lorenz
 Phone: 620-328-4433

CONTRACTOR: License# 33374 ✓
 Name: L & S Well Service, L.L.C.

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 type="checkbox"/> Mud Rotary
<input type="checkbox"/> Other		<input checked="" 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 NE NW NW Sec. 33 Twp. 34 S. R. 18 East West
4860 feet from (S) N (circle one) Line of Section
4214 feet from (E) W (circle one) Line of Section
 Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
 County: Labette
 Lease Name: Lorenz Well #: 17
 Field Name: Darnell

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): BARTLESVILLE
 Nearest Lease or unit boundary: 330'

Ground Surface Elevation: _____ 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: 100+
 Depth to bottom of usable water: 200+
 Surface Pipe by Alternate: 1 X 2
 Length of Surface Pipe Planned to be set: 20'
 Length of Conductor Pipe required: NZ
 Projected Total Depth: 1000'
 Formation at Total Depth: Bartlesville

Water Source for Drilling Operations:
 Well _____ Farm Pond _____ Other XX
 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. 55-101, 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: 8/18/06 Signature of Operator or Agent: Helen L. Lorenz Title: Agent

For KCC Use ONLY	
API # 15 -	<u>099-24092-0000</u>
Conductor pipe required	<u>None</u> feet
Minimum surface pipe required	<u>20</u> feet per Alt. X(2)
Approved by:	<u>214 8-29-06</u>
This authorization expires:	<u>2-28-00</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.

33
31
18E

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

RECEIVED

AUG 28 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

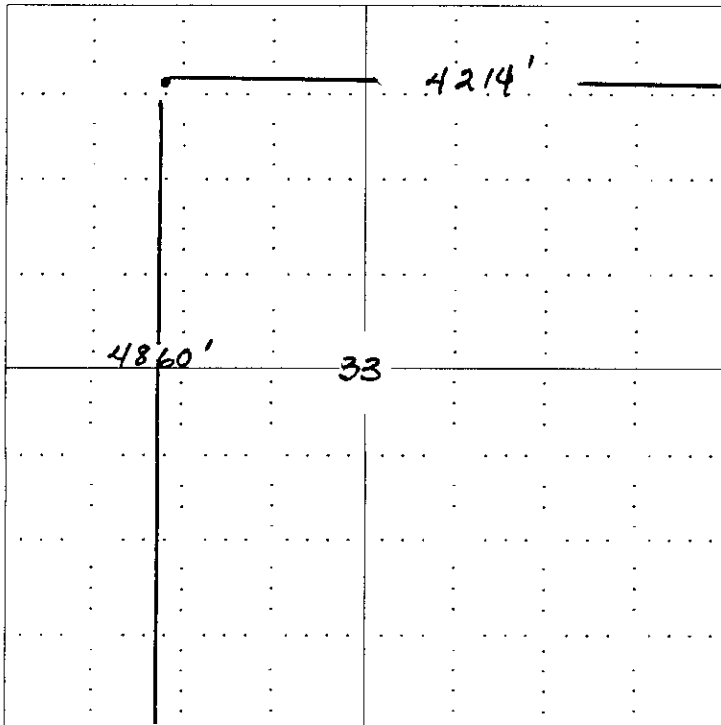
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 099-24092-0000
 Operator: James D. Lorenz
 Lease: Lorenz
 Well Number: #17
 Field: Dartnell
 Number of Acres attributable to well: 10
 QTR / QTR / QTR of acreage: _____

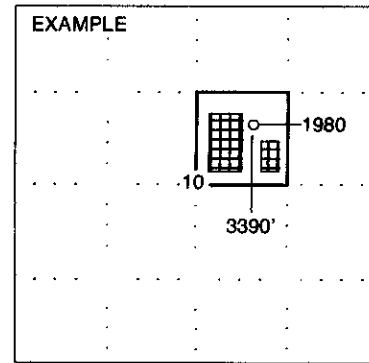
Location of Well: County: Labette
 4860 _____ feet from S / N (circle one) Line of Section
 4214 _____ feet from E / W (circle one) Line of Section
 Sec. 33 Twp. 31 S. R. 18 East West
 Is Section Regular or _____ Irregular
 If Section is Irregular, locate well from nearest corner boundary.
 Section corner 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
 AUG 28 2006
 KCC WICHITA



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).

KANSAS CORPORATION COMMISSION
CONSERVATION DIVISION
130 S MARKET - ROOM 2078
WICHITA KS 67202

APPLICATION FOR SURFACE POND

FORM MUST BE TYPED

SUBMIT IN DUPLICATE

OPERATOR NAME James D. Lorenz		LICENSE NO. 9313	
OPERATOR ADDRESS 543A 22000 Road Cherryvale, Kansas 67335-8515			
CONTACT PERSON James D. Lorenz		PHONE NUMBER (620) 328-4433	
LEASE NAME Lorenz #17	PIT IS: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing	PIT LOCATION NW Qtr. Sec 33 Twp 31 Rng 18 EW	
TYPE OF POND: <input type="checkbox"/> BURN PIT <input type="checkbox"/> EMERGENCY PIT <input type="checkbox"/> TREATMENT PIT <input type="checkbox"/> WORKOVER PIT <input checked="" type="checkbox"/> DRILLING PIT (If WP Supply API No. or Year Drilled)	If existing, date constructed: _____ PIT CAPACITY: 1603 (bbls)	4860 Ft from EW (circle one) Line of Sec. 4214 Ft from EW (circle one) Line of Sec. Labette COUNTY	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l (For Emergency and Treatment Pits only)	
Is Pit 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 pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits): 30 Length (ft) 30 Width (ft) Depth from ground level to deepest point 10 (ft)			
If the pit is lined give a brief description of the liner material, thickness and installation procedure. Native clay		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. If rain has entered the pit, it will be pumped out and taken to the disposal well.	
Distance to nearest water well within one-mile of pit N/A ft. Depth of water well _____ ft.		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
EMERGENCY, TREATMENT 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 pond? <input type="checkbox"/> Yes <input type="checkbox"/> No		DRILLING AND WORKOVER PITS ONLY: Type of material utilized in drilling/workover: fresh Number of working pits to be utilized: 1 Abandonment procedure: air 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.			
8/18/06 Date		<i>Helen L. Lorenz</i> Signature of Applicant or Agent	
KCC OFFICE USE ONLY			
Date Rec'd 8/28/06 Permit No. _____ Permit Date 8/28/06 Lease Inspection <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

15-099-24092-000
00028601-6605

RECEIVED
AUG 28 2006
KCC WICHITA