

For KCC Use: 9-12-06  
 Effective Date: \_\_\_\_\_  
 District #: 1  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION  
**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 9/9/2006  
 month day year

OPERATOR: License# 33186 ✓  
 Name: LB Exploration, Inc.  
 Address: 2135 2nd Road  
 City/State/Zip: Holyrood KS 67450  
 Contact Person: Michael Petermann  
 Phone: 785-252-8034

CONTRACTOR: License# 33610 ✓  
 Name: Fossil Drilling, Inc.

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil ✓	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Mud Rotary ✓
<input checked="" type="checkbox"/> Gas ✓	<input type="checkbox"/> Storage	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Cable
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Wildcat	
<input type="checkbox"/> Other	<input type="checkbox"/> Other	

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 150'S & 105'E of  
~~150'W~~ NW SE Sec. 25 Twp. 30 S. R. 12  East  West  
1900-1830 ✓ feet from  N /  S Line of Section  
2105-1875 ✓ feet from  E /  W Line of Section  
 Is SECTION  Regular  Irregular?

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

County: Barber  
 Lease Name: 99 Springs Well #: 1  
 Field Name: Amber Creek  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Viola

\* Nearest Lease or unit boundary: 600 765 ✓  
 \* Ground Surface Elevation: ~~1770~~ 1782 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: 180  
 Surface Pipe by Alternate:  1  2 200 ✓  
 \* Length of Surface Pipe Planned to be set: 300 ✓  
 Length of Conductor Pipe required: \_\_\_\_\_  
 Projected Total Depth: 4800' ✓  
 Formation at Total Depth: Viola  
 Water Source for Drilling Operations:  
 Well  Farm Pond Other ✓  
 DWR Permit #: \_\_\_\_\_

(Note: Apply for Permit with DWR  )

Will Cores be taken?  Yes  No  
 If Yes, proposed zone: \_\_\_\_\_

**AFFIDAVIT** \* Changes made per operator request prior to approval.

RECEIVED

SEP 05 2006

KCC WICHITA

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: 9/1/06 Signature of Operator or Agent: [Signature] Title: Pres.

**For KCC Use ONLY**  
 API # 15 - 007-23060-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 200 feet per Alt. 1 **OX**  
 Approved by: [Signature] 9-7-06  
 This authorization expires: 3-7-07  
 (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

85 30 12W

**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 - 007-23060-0000  
 Operator: LB Exploration, Inc.  
 Lease: 99 Springs  
 Well Number: 1  
 Field: Amber Creek  
 Number of Acres attributable to well: \_\_\_\_\_  
 QTR / QTR / QTR of acreage: 1/4 NW - SE

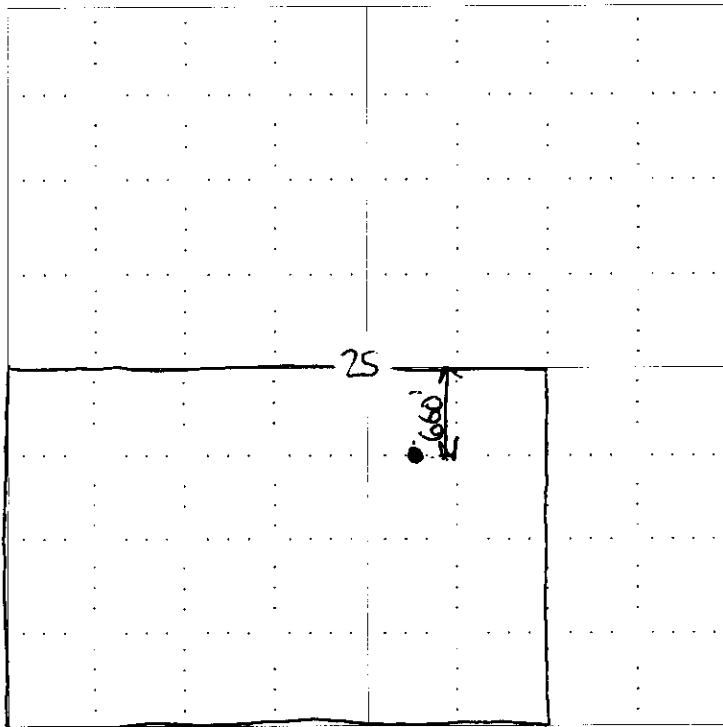
Location of Well: County: Barber  
1900 / 1830 feet from  N /  S Line of Section  
2435 / 1875 feet from  E /  W Line of Section  
 Sec. 25 Twp. 30 S. R. 12  East  West

Is Section:  Regular or  Irregular

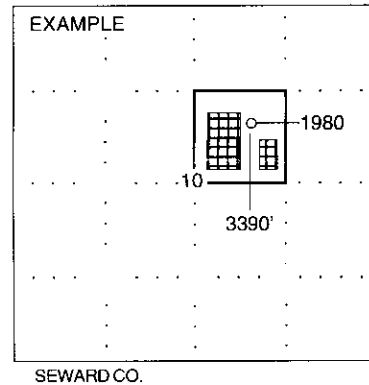
**If Section is Irregular, locate well from nearest corner boundary.**  
 Section corner used:  NE  NW  SE  SW

**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.)*



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 KCC WICHITA



**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).



# KANSAS

CORPORATION COMMISSION

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

September 7, 2006

Mr. Michael Petermann  
LB Exploration, Inc.  
2135 2<sup>nd</sup> Rd  
Holyrood, KS 67450

RE: Drilling Pit Application  
99 Springs Lease Well No. 1  
SE/4 Sec. 25-30S-12W  
Barber County, Kansas

Dear Mr. Petermann:

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](http://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  
Department of Environmental Protection and Remediation

cc: File

# LB Exploration

2135 2<sup>nd</sup> Road Holyrood KS 67450 785-252-8034 [lbexploration@hbcomm.net](mailto:lbexploration@hbcomm.net)

To: Rick Hesterman

From: Michael Petermann

Re: 99 Springs #1 intent to drill

Dear Rick,

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KANSAS CORPORATION COMMISSION  
SEP 07 2006  
CONSERVATION DIVISION  
WICHITA, KS

Please make the following changes to the recently filed intent to drill:

- 1) Location is now 150 feet south and 105 east of NW SE 25-30S-12W. This places the location 1830 FSL and 1875 FEL.
- 2) The Ground Surface Elevation is now 1782 feet.
- 3) The nearest lease boundary is 765 feet.
- 4) We will be setting 200 feet of surface pipe.
- 5) ~~No artificial liner will be used in the drilling pits. They will be lined with native mud and the abandonment procedure will be to evaporate and backfill.~~

Thanks,

*Michael Petermann*