

For KCC Use: 9-19-06
 Effective Date: _____
 District # _____
 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 September 27, 2006
 month day year

Spot _____ East
 _____ West
 220' E & 105' N of C SE Sec. 2 Twp. 34 S. R. 11

OPERATOR: License# 33168
 Name: WOOLSEY OPERATING COMPANY, LLC
 Address: 125 N. Market, Suite 1000
 City/State/Zip: Wichita, Kansas 67202
 Contact Person: Dean Pattison
 Phone: 316-267-4379 ext 107

1425' FSL feet from N / S Line of Section
1100' FEL feet from E / W Line of Section
 Is SECTION Regular Irregular?

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

CONTRACTOR: License# 33724
 Name: Warren Drilling Co., Inc.

County: Barber
 Lease Name: CIRCLE Well #: 2
 Field Name: Roundup South

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Mississippian

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil <input checked="" type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield	<input checked="" type="checkbox"/> Mud Rotary
<input checked="" type="checkbox"/> Gas <input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.	<input 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 _____		

Nearest Lease or unit boundary: 1100'
 Ground Surface Elevation: 1408 est. 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: 150'
 Depth to bottom of usable water: 180'

Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 250'

If OWWO: old well information as follows:
 Operator: n/a
 Well Name: _____
 Original Completion Date: _____ Original Total Depth: _____

Length of Conductor Pipe required: n/a
 Projected Total Depth: 5100

Formation at Total Depth: Simpson
 Water Source for Drilling Operations:
 Well Farm Pond Other To be hauled

Directional, Deviated or Horizontal wellbore? Yes No
 If Yes, true vertical depth: _____
 Bottom Hole Location: _____
 KCC DKT #: _____

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 al. 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 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: 9/13/06 Signature of Operator or Agent: Dean Pattison Title: Operations Manager

RECEIVED
 KANSAS CORPORATION COMMISSION
 SEP 13 2006
 CONSERVATION DIVISION
 WICHITA, KS

For KCC Use ONLY
 API # 15 - 007-23063-0000
 Conductor pipe required None feet
 Minimum surface pipe required 200 feet per Alt. 1
 Approved by: 9/14/06
 This authorization expires: 3-14-07
 (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: _____

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 - 007-23063-0000
 Operator: WOOLSEY OPERATING COMPANY, LLC
 Lease: CIRCLE
 Well Number: 2
 Field: Roundup South
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: _____ - C - SE

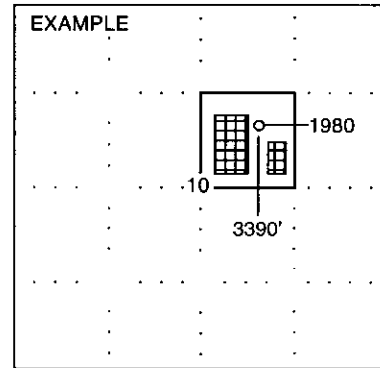
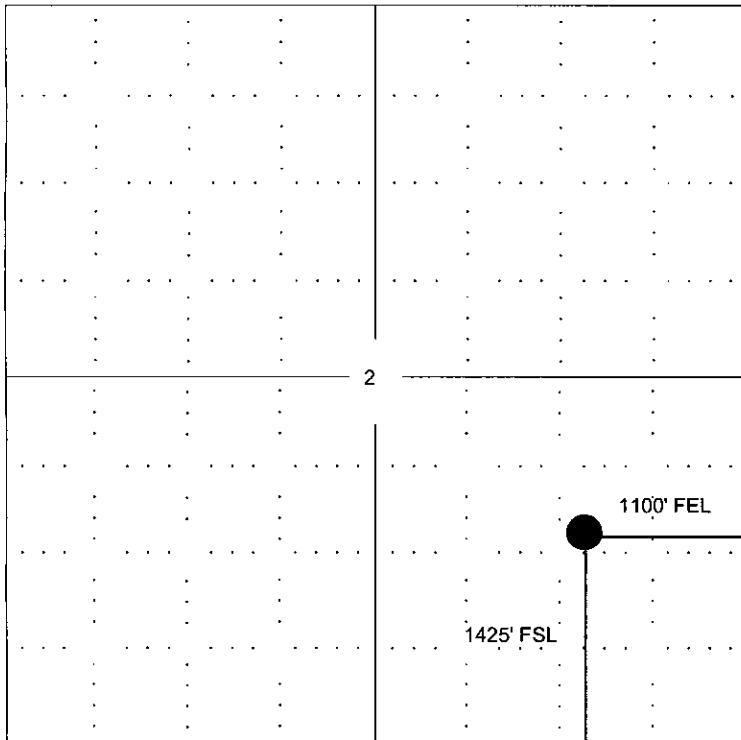
Location of Well: County: Barber
1425' FSL feet from N / S Line of Section
1100' FEL feet from E / W Line of Section
 Sec. 2 Twp. 34 S. R. 11 East West

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.)



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

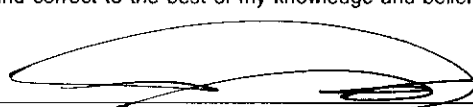
In plotting the proposed location of the well, you must show:

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
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Woolsey Operating Company, LLC		License Number: 33168
Operator Address: 125 N. Market, Suite 1000, Wichita, Kansas 67202		
Contact Person: Carl W. Durr, Field Supervisor		Phone Number: (620) 886 - 5606 ext 27
Lease Name & Well No.: CIRCLE 2		Pit Location (QQQQ): 220' E & 105' N - C - SE Sec. 2 Twp. 34 R. 11 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1425 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1100 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section BARBER 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: _____ 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? Clays from mud will provide sealer.
Pit dimensions (all but working pits): 80 Length (feet) 80 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. Monitor pits until thoroughly dry.
Distance to nearest water well within one-mile of pit N/A feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: _____ 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: Fresh Number of working pits to be utilized: 3 Abandonment procedure: When dry, backfill and restore location. _____ 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.		
9/13/06 Date		 Dean Pattison Signature of Applicant or Agent
KCC OFFICE USE ONLY		
RFASAC		
Date Received: 9/13/06 Permit Number: _____ Permit Date: 9/14/06 Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

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KANSAS CORPORATION COMMISSION
SEP 13 2006
CONSERVATION DIVISION
WICHITA, KS

15-007-23063-0000

KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREHBIEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

September 14, 2006

Mr. Dean Patisson
Woolsey Operating Company, LLC
125 N. Market Ste 1000
Wichita, KS 67202

RE: Drilling Pit Application
Circle Lease Well No. 2
SE/4 Sec. 02-34S-11W
Barber County, Kansas

Dear Mr. Patisson:

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.

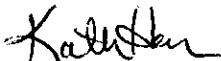
If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

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

Department of Environmental Protection and Remediation

cc: File