

For KCC Use:
Effective Date: 10-9-06
District # 4
SGA? ☒ Yes ☐ No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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KANSAS CORPORATION COMMISSION

OCT 04 2006

Form C-1

December 2002

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 work

CORRECTED

Expected Spud Date October 9, 2006

OPERATOR: License# 33514

Name: JO-ALYN OIL COMPANY, INC.

Address: P.O. Box 446

City/State/Zip: Lavenna, Oklahoma 73848

Contact Person: Allen Barby

Phone: (580) 921-3388

CONTRACTOR: License# 33549

Name: Landmark Drilling, LLC

Well Drilled For: ☒ Oil ☐ Enh Rec ☐ Gas ☐ Storage ☐ OWWO ☐ Disposal ☐ Seismic; # of Holes ☐ Other

Well Class: ☒ Infield ☐ Pool Ext. ☐ Wildcat ☐ Other

Type Equipment: ☒ Mud Rotary ☐ Air Rotary ☐ 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 SESE - NW - NW Sec. 20 Twp. 17 S. R. 14 ☐ East ☒ West

1008 feet from ☒ N / ☐ S Line of Section

1240 feet from ☐ E / ☒ W Line of Section

Is SECTION ☒ Regular ☐ Irregular?

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

County: Barton

Lease Name: AXMAN

Well #: 1-20

Field Name: Carroll

Is this a Prorated / Spaced Field? ☐ Yes ☒ No

Target Formation(s): Lansing Kansas City - Arbuckle

Nearest Lease or unit boundary: 1008

Ground Surface Elevation: 1873 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: 120

Depth to bottom of usable water: 320

Surface Pipe by Alternate: ☒ 1 ☐ 2

Length of Surface Pipe Planned to be set: 840

Length of Conductor Pipe required: none

Projected Total Depth: 3,800

Formation at Total Depth: Arbuckle

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

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: October 4, 2006

Signature of Operator or Agent: Danna Thanda

Title: Agent

For KCC Use ONLY

API # 15 - 009-24991-00-00

Conductor pipe required NONE feet

Minimum surface pipe required 340 feet per Alt. 1

Approved by: WTHM 10-4-06 / WTHM 10-19-06

This authorization expires: 4-4-07
(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

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OCT 18 2006

CONSERVATION DIVISION
WICHITA, KS