

* Contact District 2 office to spud *
316-630-4000

For KCC Use:
Effective Date: 11-7-06
District # 2
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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 well

OWWO

Expected Spud Date November 1, 2006
month day year

Spot East West
NW NE SE Sec. 35 Twp. 34 S. R. 3
2310 feet from N / S Line of Section
990 feet from E / W Line of Section

OPERATOR: License# 4872 ✓
Name: SRAM OIL, INC.
Address: 200 W. Douglas, Suite 628
City/State/Zip: Wichita, KS 67202
Contact Person: Toby Elster
Phone: 316 -263-0542

Is SECTION Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)
County: Cowley
Lease Name: Anstine Well #: 1

CONTRACTOR: License# Must be licensed by KCC
Name: Pending Advise on ACO-1

Field Name: WC
Is this a Prorated / Spaced Field? Yes No
Target Information(s): Douglas Sand
Nearest Lease or unit boundary: 330 ft. North

Well Drilled For: Well Class: Type Equipment:
 Oil Enh Rec Infield Mud Rotary
 Gas Storage Pool Ext. Air Rotary
 OWWO Disposal Wildcat Cable
 Seismic: # of Holes Other
 Other

Ground Surface Elevation: 1145 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: 280

If OWWO: old well information as follows:
Operator: Range Oil Co.
Well Name: Anstine No. 1
Original Completion Date: 4-17-73 Original Total Depth: 3458

Surface Pipe by Alternate: NA 1 2
Length of Surface Pipe Planned to be set: 229 feet set
Length of Conductor Pipe required: None
Projected Total Depth: 2100 feet
Formation at Total Depth: Douglas Sd

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

Water Source for Drilling Operations:
 Well Farm Pond Other Creek
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: Oct. 3, 2006 Signature of Operator or Agent: Toby Elster Title: Agnt.

For KCC Use ONLY
API # 15 - 035-21865-00-02
Conductor pipe required None feet
Minimum surface pipe required 229 feet per Alt. X(2)
Approved by: Post 11-2-06
This authorization expires: 5-2-07
(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.
- 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: _____

35
34
3E

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

RECEIVED

OCT - 4 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 - 035 - 21,865 - 000a
 Operator: SRAM OIL, INC.
 Lease: Anstine
 Well Number: 1
 Field: WC
 Number of Acres attributable to well: --
 QTR / QTR / QTR of acreage: - - -

Location of Well: County: Cowley
2310 feet from N / S Line of Section
990 feet from E / W Line of Section
 Sec. 35 Twp. 34 S. R. 3 East West

Is Section: Regular or Irregular

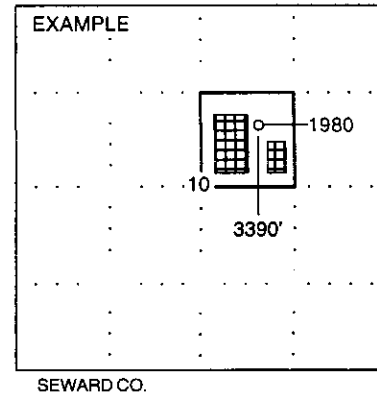
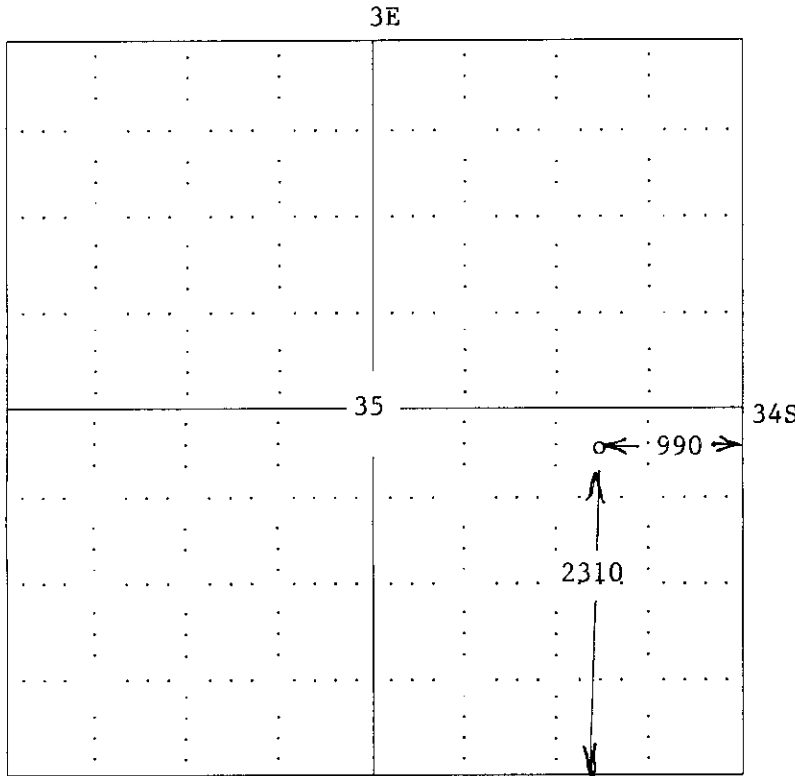
If Section is Irregular, locate well from nearest corner boundary.

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 POND**

Form CDP-1
January 2001
Form must be Typed

Submit in Duplicate

Operator Name: SRAM OIL, INC.		License Number: 4872
Operator Address: 200 West Douglas, Suite 628; Wichita Kansas 67202		
Contact Person: Toby Elster, Agent		Phone Number: (316) 263 0542
Lease Name: Anstine # 1		Pit Location:
Type of Pond: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Treatment Pit <input type="checkbox"/> Workover Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Burn 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: 40 (bbis)	SE Qtr. Sec. 35 Twp. 34 R. 3 <input checked="" type="checkbox"/> E <input type="checkbox"/> W 2310 Feet from N / S (circle one) Line of Section 990 Feet from E / W (circle one) Line of Section Cowley County
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Treatment 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? Natural Clay and drilling mud
Pit dimensions (all but working pits): 40 Length (feet) 40 Width (feet) Depth from ground level to deepest point: 2 feet (feet)		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. NA		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. NA
Distance to nearest water well within one-mile of pit 1300 feet Depth of water well 30 feet	Depth to shallowest fresh water 30 feet. Source of information: <input type="checkbox"/> measured <input checked="" 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: Drill Mud Number of working pits to be utilized: One Abandonment procedure: refill with Native Soil 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.		
Oct 3, 2006 Date	 Signature of Applicant or Agent	Agt.

15-035-21865-0002

KCC OFFICE USE ONLY			RFAS 7242
Date Received: 10/3/06	Permit Number: _____	Permit Date: 11/1/06	Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

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

OCT - 4 2006
KCC WICHITA

KANSAS

CORPORATION COMMISSION

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

November 1, 2006

Mr. Toby Elster
SRAM Oil, Inc.
200 W. Douglas Ste 628
Wichita, KS 67202

Re: Drilling Pit Application
Anstine Lease Well No. 1
SE/4 Sec. 35-34S-03E
Cowley County, Kansas

Dear Mr. Elster:

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 within 72 hours 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 (316) 630-4000 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

Environmental Protection and Remediation Department

cc: File

KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREHBIEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

November 2, 2006

Toby Elster
SRAM Oil, Inc.
200 W. Douglas, Suite 628
Wichita, KS 67202

RE: Exception to Table 1 Minimum Surface Casing Requirements for the Anstine #1, 2310' FSL & 990' FEL, Sec. 35-T34S- R3E, Cowley County, Kansas

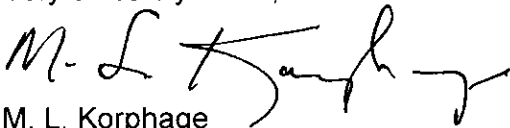
Dear Mr. Elster,

The Kansas Corporation Commission (KCC) has received your request, dated October 4, 2006, for an exception to Table 1 surface pipe requirements for the above-referenced well, which was originally drilled and plugged as the Anstine #1 in 1973 by Range Oil Company. From your request, the KCC understands that SRAM Oil, Inc. desires to re-enter this well, which has 229' of surface pipe set. The Table 1 minimum surface pipe requirement for wells drilled in this portion of Cowley County is 300'. The surface pipe set in this previously plugged well does not meet the present surface pipe setting depth requirements.

After review of this matter by technical staff this exception is granted for the Table 1, Minimum Surface Casing Requirements with the following stipulations:

1. If the well is completed, the production or long string casing nearest the formation wall shall be cemented from a minimum depth of 300' back to surface and cementing shall be performed concurrent with the setting of production casing.
2. In the event the well is dry and no production pipe has been cemented in-place, plugging will be performed according to KCC rules per KCC District #2 requirements.

Very Sincerely Yours,



M. L. Korphage
Director

cc: Doug Louis – District 2

Toby Elster

GAS AND OIL EXPLORATION AND DEVELOPMENT
CONSULTING GEOLOGIST
SUTTON BLDG, SUITE 628
200 WEST DOUGLAS
WICHITA, KANSAS 67202

D.W. GARVEY BLDG, SUITE 628
200 WEST DOUGLAS
WICHITA, KS 67202

OFF: 316-263-0542
RES: 316-685-7668

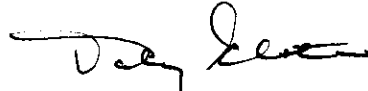
October 3, 2006

Kansas Corporation Commission
Conservation Division

Attachment to Notice of Intentent Drill (OWWD)

SRAM OIL, INC.
Anstine No. 1
NW NE SE, S. 35 - 34S - 3E
Cowley County, KS

SRAM OIL, INC. is aware that the captioned well, a washdown of a previously drilled well has 220 feet of 8 5/8" surface casing set. The KCC requires 300 feet. An excetion is requested to wash the well down. Should casing be set, SRAM OIL, INC. is aware that the casing will have to be cemented in over the top 300 feet.



Toby Elster, Agent

RECEIVED

10/3/06

KCC WICHITA

RECEIVED
STATE CORPORATION COMMISSION

JAN 07 2003

TYPE OR PRINT
NOTICE: Fill out completely
and return to Cons. Div.
office within 30 days.

LEASE NAME Anstine

WELL NUMBER One

2970 Ft. from ~~XX~~^N Section Line

990 Ft. from E Section Line

SEC. 35 TWP. 34 RGE. 3 (E) or ~~XX~~

COUNTY Cowley

Date Well Completed 12-20-02

Plugging Commenced 12-20-02

Plugging Completed 12-20-02

LEASE OPERATOR SRAM OIL, INC.
CONSERVATION DIVISION
SRAM OIL, INC. WICHITA, KS

ADDRESS 15403 161st Road

PHONE(S) 316 263-0542 OPERATORS LICENSE NO. 4872

Character of Well D&A

(Oil, Gas, D&A, SWD, Input, Water Supply Well)

The plugging proposal was approved on 12-20-02 (date)
by District 2 (Doug) (KCC District Agent's Name).

Is ACO-1 filed? Yes If not, is well log attached? _____

Producing Formation Douglas sand Depth to Top 2005 Bottom 2010 T.O. 2098

Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS | CASING RECORD

Formation	Content	From	To	Size	Put In	Pulled out
None		Surf	229'	3 5/8"		cemented

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plug were used, state the character of same and depth placed, from ___ feet to ___ feet each set.

Mud to 350', pumped 75 sxs 60/40 4% gel cement, circulated to surface. Pulled drill pipe and filled surface pipe to surface with 11 sxs. Pumped 15sxs in rat hole.

Name of Plugging Contractor United Cementing; El Dorado, KS License No. _____

Address _____

NAME OF PARTY RESPONSIBLE FOR PLUGGING FEES: SCRAM Oil, Inc. Borad of Trade Center, Suite 501, Wichita, KS 67202

STATE OF Kansas COUNTY OF Sedgwick, ss.

Toby Elster (Employee of Operator) or (Operator) of above-described well, being first duly sworn on oath, says: That I have knowledge of the facts statements, and matters herein contained and the log of the above-described well as filed the the same are true and correct, so help me God.

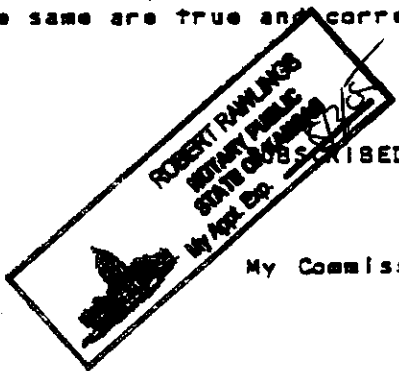
(Signature) Toby Elster

(Address) Board of Trade Center, Suite 501
Wichita, KS 67202

TESTIFIED AND SWORN TO before me this 7th day of January, 19 2003

Robert Penning
Notary Public

My Commission Expires: 8/3/05



OK