

RECEIVED

For KCC Use:  
Effective Date: 11-14-06  
District # 1  
SGA?  Yes  No

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

KANSAS CORPORATION COMMISSION

Form must be Typed  
Form must be Signed  
All blanks must be Filled

OCT 25 2006

Expected Spud Date ≥ 10 30 2006  
month day year

Spot 1 CONSERVATION DIVISION  East  
NE SE SW Sec WICHITA 28 S. R. 34  West

OPERATOR: License # 5278  
Name: EOG Resources, Inc.  
Address: 3817 NW Expressway, Suite 500  
City/State/Zip: Oklahoma City, Oklahoma 73112  
Contact Person: BREANNA VARGAS  
Phone: (405) 246-3158

1205 feet from  N / S  Line of Section  
2310 feet from  E / W  Line of Section

Is SECTION  Regular  Irregular?  
(Note: Locate well on Section Plat on Reverse Side)

CONTRACTOR: License #: 30684  
Name: ABERCROMBIE RID, INC.

County: HASKELL  
Lease Name: APSLEY Well #: 1 #1

Field Name: \_\_\_\_\_  
Is this a Prorated/Spaced Field?  Yes  No

Target Formation(s): LOWER MORROW  
Nearest Lease or unit boundary: 1205'

Ground Surface Elevation: 3046 feet MSL  
Water well within one-quarter mile:  yes  no

Public water supply within one mile:  yes  no  
Depth to bottom of fresh water: 640'

Depth to bottom of usable water: 760' 880'  
Surface Pipe by Alternate:  1  2

Length of Surface Pipe Planned to be set: 1700'  
Length of Conductor pipe required: 40'

Projected Total Depth: 5800'  
Formation at Total Depth: LOWER MORROW

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: \_\_\_\_\_

Well Drilled For: Well Class: Type Equipment:

- |  |                                      |   |  |
|--|--------------------------------------|---|--|
| <input checked="" type="checkbox"/> Oil            | <input type="checkbox"/> Enh Rec     | <input type="checkbox"/> Infield            | <input checked="" type="checkbox"/> Mud Rotary |
| <input 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 checked="" type="checkbox"/> Wildcat | <input type="checkbox"/> Cable                 |
| <input type="checkbox"/> Seismic; # of Holes _____ | <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 # \_\_\_\_\_

PRORATED, SPACED HUBBARD & PANOMA

AFFIDAVIT

PVPA 100602

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. 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: 10/24/06 Signature of Operator or Agent: Breanna Vargas Title: OPERATIONS ASSISTANT

For KCC Use ONLY  
 API # 15- 081-21691-000  
 Conductor pipe required None feet  
 Minimum surface pipe required 900 feet per Alt 1   
 Approved by: BVH 119-06  
 This authorization expires: 5-9-07  
 (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 check 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: \_\_\_\_\_

1-28-34W

**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 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- 081-21691-0000  
 Operator EOG Resources, Inc.  
 Lease APSLEY  
 Well Number 1 #1  
 Field \_\_\_\_\_

Location of Well: County: HASKELL  
 \_\_\_\_\_ 1205 feet from  N / S  Line of Section  
 \_\_\_\_\_ 2310 feet from  E / W  Line of Section  
 Sec 1 Twp 28 S. R. 34  East  West

Number of Acres attributable to well: \_\_\_\_\_

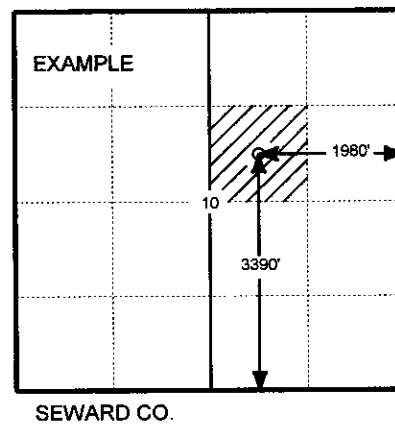
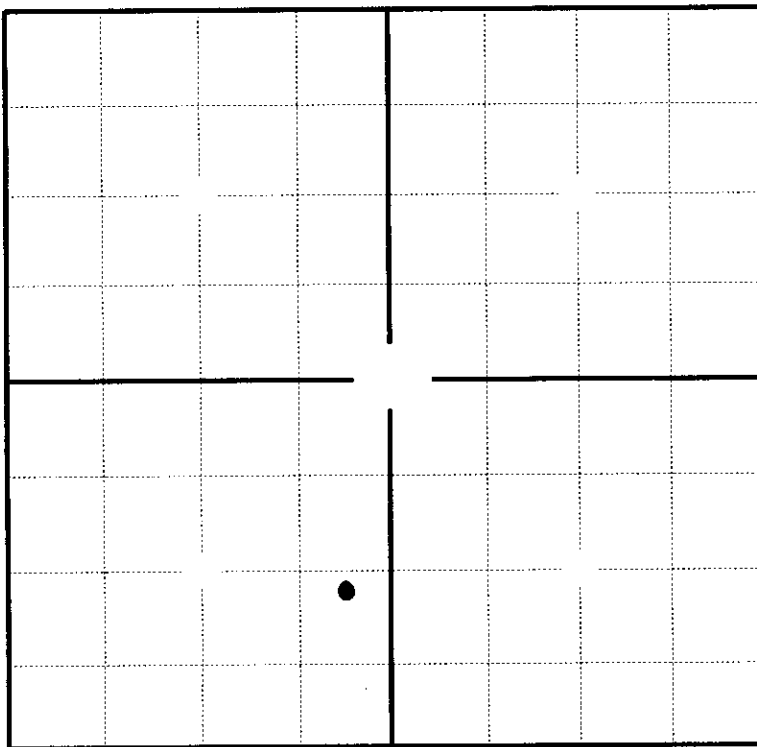
Is Section  Regular or \_\_\_\_\_ Irregular

QTR/QTR/QTR of acreage: NE - SE - SW

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 nearest lease or unit boundary line)*



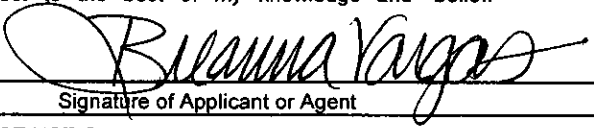
***In plotting the proposed location of the well, you must show;***

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; and 3.
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).

**APPLICATION FOR SURFACE PIT** OCT 25 2006

Submit in Duplicate

CONSERVATION DIVISION  
WICHITA, KS

Operator Name: <u>EOG Resources, Inc.</u>		License Number: <u>5278</u>	
Operator Address: <u>3817 NW Expressway Suite #500 Oklahoma City, OK 73112</u>			
Contact Person: <u>BREANNA VARGAS</u>		Phone Number: <u>(405) 246-3158</u>	
Lease Name & Well No.: <u>APSLEY 1 #1</u>		Pit Location (QQQQ): <u>N/2 - NE - SE - SW</u>	
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 <u>12,500</u> (bbls)	Sec. <u>1</u> Twp. <u>28S</u> R. <u>34</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>1205</u> Feet from <input type="checkbox"/> North/ <input checked="" type="checkbox"/> South Line of Section <u>2310</u> Feet from <input type="checkbox"/> East/ <input checked="" type="checkbox"/> West Line of Section <u>HASKELL</u> County	
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 pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits): <u>125</u> Length (feet) <u>125</u> Width (feet) _____ N/A Steel Pits Depth from ground level to deepest point <u>5</u> (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.	
Distance to nearest water well within one-mile of pit <u>N/4</u> feet    Depth of water well _____ feet		Depth to shallowest fresh water <u>16</u> feet. Source of information: <input checked="" type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover <u>GEL</u> Number of working pits to be utilized <u>NONE</u> Abandonment procedure: <u>EVAPORATION/DEWATER AND BACKFILLING OF RESERVE PIT.</u> 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.			
<u>10/24/06</u> Date		 Signature of Applicant or Agent	
KCC OFFICE USE ONLY			
Date Received: <u>10/25/06</u> Permit Number: _____ Permit Date: <u>10/25/06</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

15-081-21691-020  
020-16910-180

KANSAS CORPORATION COMMISSION  
 CONSERVATION DIVISION  
 130 S. Market - Room 2078  
 Wichita, Kansas 67202

*PVPA100602*  
 Form VPA-1 4/01  
**RECEIVED**  
 KANSAS CORPORATION COMMISSION  
**OCT 25 2006**  
 CONSERVATION DIVISION  
 WICHITA, KS

VERIFIED AFFIDAVIT FOR USE OF MUD AS AN  
 ALTERNATIVE TO THE CEMENTING REQUIREMENT IN ¶18(D)  
 OF THE PANOMA COUNCIL GROVE B.P.O.

FORM MUST BE TYPED

Submit in Duplicate  
 Attach to Drilling Permit

Operator Name EOG Resources, Inc.		KCC License No. 5278	
Operator Address 3817 NW Expressway Suite #500 Oklahoma City, OK 73112			
Contact Person Breanna Vargas		Telephone No. (405)246-3158	
Lease Name & No. Apsley 1 #1		API No. <i>15-081-21691-0000</i>	
KCC Lease Code No.			
Location Quarter	Section	Township	Range
SW	1	28 S	34
E (W (circle one))		1205 2310	
FL from N (S (circle one)) Line of Sec.		FL from E (W (circle one)) Line of Sec.	
County Haskell	Field Name	Producing Formation Group Morrow	Mud Weight 8.7

**AFFIDAVIT CERTIFICATE OF SERVICE**


All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements here are complete and correct to the best of my knowledge. The well subscribed to in this Affidavit will be completed in accordance with all applicable rules and regulations of the KCC. However, applicant intends to use drilling mud of sufficient weight across the interval between the base of the Council Grove Group and the top of the Chase Group as an alternative to the cementing requirements found in paragraph 18(D) of the Panoma Council Grove B.P.O. unless an objection is filed within 15 days of service of this Affidavit. I hereby certify that I caused a true and correct copy of the foregoing Affidavit and any attachments of said Affidavit to be served by placing the same in the United States mail, postage prepaid, to the following parties, which represent all of the operators or lessees of record and the owners of record of unleased acreage within a one mile radius of the well, including operators and working interest owners having interests in the lands covered by the unit on which the well is to be drilled:

Signature *Breanna Vargas* Date October 23, 2006  
 Title Operations Assistant

Subscribed and sworn to before me this 24<sup>th</sup> day of OCTOBER, 2006.

Notary Public *Heather Nealson*

Date Commission Expires 4-26-08

 HEATHER NEALSON  
 Cleveland County  
 Notary Public in and for  
 State of Oklahoma  
 Commission # 04003796 Expires 4/26/08

15-081-21691-0000  
PVPA 100602

**Exhibit "A"**  
**Apsley 1 #1**  
**Section 1-28S-34W**  
**Haskell County, Kansas**

Page 1 of 1

1. ExxonMobil Production Company  
P.O. Box 4697  
Houston, TX 77210-4697
2. Merit Energy Company  
13727 Noel Road, Suite 500  
Dallas, Texas 75240
3. OXY USA, Inc.  
P.O. Box 27570  
Houston, TX 77227-7570
4. H J Inc.  
70 N. Farmland Rd.  
Garden City, KS 67846-8319
5. McCoy Petroleum Corporation  
8080 East Central Ave., Suite 300  
Wichita, Kansas 67206

**RECEIVED**  
**KANSAS CORPORATION COMMISSION**  
**OCT 25 2006**  
**CONSERVATION DIVISION**  
**WICHITA, KS**

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**End of Exhibit "A"**

# KANSAS

CORPORATION COMMISSION

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

November 9, 2006

Breanna Vargas  
EOG Resources, Inc.  
3817 NW Expressway, Suite 500  
Oklahoma City, OK 73112

Re: Apsley 1 #1 API #15-081-21691-0000  
Docket # PVPA100602  
SW Sec.1-T28S-R34W  
Haskell County, Kansas

Dear Ms. Vargas,

The form VPA-1 affidavit filed for the above-referenced well stated that service of the affidavit was mailed on October 23, 2006. The fifteen (15) day protest period has expired and we have not received any protests. Therefore, we are advising you that the drilling of this well may commence and, in lieu of cement, drilling mud of the weight specified in your affidavit may be used across the interval between the base of the Council Grove group and the top of the Chase group.

Sincerely,



Rick Hestermann  
Production Department

# KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREHBIEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

## **NOTICE TO OPERATORS DRILLING IN THE PANOMA- COUNCIL GROVE GAS POOL SPACED AREA**

The enclosed intent is located within the Panoma-Council Grove gas pool space area. In May 1978, Panoma-Council Grove Proration Order (as amended), Docket No. 60,024-C (C-7058) under FINDINGS OF FACT AND LAW on page 31, the following language is stated that:

"The Commission finds that in order to prevent waste and protect correlative rights, the following stated rules pertaining to wells already completed, in the process of being drilled or for future wells to be drilled in the Panoma Council Grove Gas Pool Spaced area, and for wells producing from the Council Grove Formation outside of the Panoma Council Grove Gas Pool Spaced area within the Hugoton Gas Field, should be adopted."

1. "No dual completions between the Chase (Hugoton) and Council Grove Formations will be permitted for future wells drilled."
2. "Casing shall not be set above the top of the Council Grove Formation for a Council Grove producing well."
3. "The production casing of all new Council Grove wells should be cemented with a calculated volume of cement sufficient to encase the casing from the bottom of the casing to a point 500 feet above the Chase Formation."
4. "The casing shall be encased in cement in the interval between the base of the Council Grove and the top of the Chase Formation on all wells, irrespective of depth, completed below the Council Grove Formation, if they are located within the space area."
5. "The cement coverage heretofore required shall be confirmed by the running of a recognized survey, such as a temperature survey or cement bond log."

A copy of this survey and the cement tickets(s) showing that all cement work has been completed, must be filed with the ACO-1 Completion Report within 120 days from the wells "spud date."

Failure to comply with these provisions may cause the well to be shut-in until compliance has been achieved.

If you have any questions, please feel free to contact the Conservation Division's Production Department at (316) 337-6200.