

For KCC Use:
 Effective Date: _____
 District #: _____
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

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

Form C-1
 December 2002
 Form must be Typed
 Form must be Signed
 All blanks must be Filled
 Expired

Expected Spud Date: December 4 2006
month day year

Spot 80' N of _____
CE/2 E/2 SE Sec. 29 Twp. 14S S. R. 14W East West
1400 feet from N / S Line of Section
330 feet from E / W Line of Section
 Is SECTION Regular Irregular?

OPERATOR: License# 6622
 Name: JASON OIL COMPANY
 Address: P.O. Box 701
 City/State/Zip: Russell, KS 67665-0701
 Contact Person: J.L. Schoenberger
 Phone: (785) 483-4204

(Note: Locate well on the Section Plat on reverse side)
 County: Russell
 Lease Name: Schoenberger "A" Well #: 1
 Field Name: Gorham

CONTRACTOR: License# 31548
 Name: Discovery Drilling

Is this a Prorated / Spaced Field? Yes No
 Target Information(s): LKC & Arbuckle
 Nearest Lease or unit boundary: 330'

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
<input type="checkbox"/> OAWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Cable
<input type="checkbox"/> Other		

Ground Surface Elevation: 1750 EGL feet MSL
 Water well within one-quarter mile: Yes No

Public water supply well within one mile: 180' Yes No
 Depth to bottom of fresh water: _____
 Depth to bottom of usable water: 320' KIOWA

Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 800'

Length of Conductor Pipe required: None
 Projected Total Depth: 3300'
 Formation at Total Depth: Arbuckle

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

Water Source for Drilling Operations:
 Well Farm Pond Other _____

Directional, Deviated or Horizontal wellbore? Yes No

DWR Permit #: _____
 (Note: Apply for Permit with DWR)

If Yes, true vertical depth: _____
 Bottom Hole Location: _____
 KCC DKT #: _____

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:

*Expired 5/06*****

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: 13 Nov 2006 Signature of Operator or Agent: [Signature] Title: Agent

For KCC Use ONLY
 API # 15 - 107-23319-00-00
 Conductor pipe required NONE feet
 Minimum surface pipe required 340 feet per Alt. 1
 Approved by: _____
 This authorization expires: _____
 (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: _____

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

RECEIVED

NOV 15 2006

KCC WICHITA

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