

For KCC Use: 10-10-06
Effective Date: 10-10-06
District # 1
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

12-13-06 PRO
CORRECTED

Form C-1

December 2002

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

Expected Spud Date November 2, 2006
month day year

OPERATOR: License# 5214
Name: Lario Oil & Gas Co.
Address: 301 South Market
City/State/Zip: Wichita, KS 67202
Contact Person: Jay G. Schweikert
Phone: 316-265-5611

CONTRACTOR: License# 5822
Name: VAL ENERGY, Inc.

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

** WAS: Projected Total Depth 4700'
IS: " " " 4850'*

**Approx 30N & 75E of

Spot E2 W2 NE Sec. 6 Twp. 18 S. R. 30 ☐ East
1290 feet from ☒ N / ☐ S Line of Section
1575 feet from ☒ E / ☐ W Line of Section
Is SECTION ☒ Regular ☐ Irregular?

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

County: Lane
Lease Name: Curran Well #: 1-6
Field Name: Wildcat

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

Target Formation(s): Lansing, Marmaton & Cherokee

Nearest Lease or unit boundary: 1290

Ground Surface Elevation: 2690' east 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: 140

Depth to bottom of usable water: 1500

Surface Pipe by Alternate: ☐ 1 ☒ 2 ☒ 300'

Length of Surface Pipe Planned to be set: 300'

Length of Conductor Pipe required: None

* Projected Total Depth: 4700 ft 4850'

Formation at Total Depth: Mississippian

Water Source for Drilling Operations:

☐ Well ☐ Farm Pond ☒ Other X

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: 10/13/06 Signature of Operator or Agent: Jay G. Schweikert Title: Operations Engineer

Jay G. Schweikert

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

OCT - 4 2006

RECEIVED

DEC 13 2006

KCC WICHITA

KCC WICHITA

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