

For KCC Use:
Effective Date: 12-24-06
District # 1
SGA? Yes No

NOTICE OF INTENT TO DRILL

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

Expected Spud Date > 12-24-06
month day year

Spot SE NE SW Sec 11 Twp 34 S. R. 38 East West

OPERATOR: License # 5278
Name: EOG Resources, Inc.
Address: 3817 NW Expressway, Suite 500
City/State/Zip: Oklahoma City, Oklahoma 73112
Contact Person: MINDY BLACK
Phone: (405) 246-3130

1500' feet from N/S Line of Section
2310' feet from E/W Line of Section
Is SECTION Regular Irregular?

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

(Note: Locate well on Section Plat on Reverse Side)
County: STEVENS
Lease Name: VERNA Well #: 11 #2
Field Name: VERNA

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

Is this a Prorated/Spaced Field? Yes No
Target Formation(s): ST. LOUIS
Nearest Lease or unit boundary: 330
Ground Surface Elevation: 3188' (TOPO) feet MSL

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

Water well within one-quarter mile: yes no
Public water supply within one mile: yes no
Depth to bottom of fresh water: 620'
Depth to bottom of usable water: 699'

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

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 1700'
Length of Conductor pipe required: 40'
Projected Total Depth: 6750'
Formation at Total Depth: ST. LOUIS

PRORATED & SPACED HUBBARD & PANOMA

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

RECEIVED

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. _____
It is agreed that the following minimum requirements will be met:

DEC 15 2006

CONSERVATION DIVISION
WICHITA, KS

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: 12/12/06 Signature of Operator or Agent: Mindy Black Title: MINDY BLACK

For KCC Use ONLY
API # 15- 189-22569-0000
Conductor pipe required None feet
Minimum surface pipe required 700 feet per Alt. 1
Approved by: RH 12-19-06
This authorization expires: 6-19-07
(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 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: _____

11-34-38W

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- 189-22569-000
 Operator EOG Resources, Inc.
 Lease VERNA
 Well Number 11 #2
 Field _____

Location of Well: County: STEVENS
 _____ 1500' feet from N / S Line of Section
 _____ 2310' feet from E / W Line of Section
 Sec 11 Twp 34 S. R. 38 East West

Number of Acres attributable to well: 640

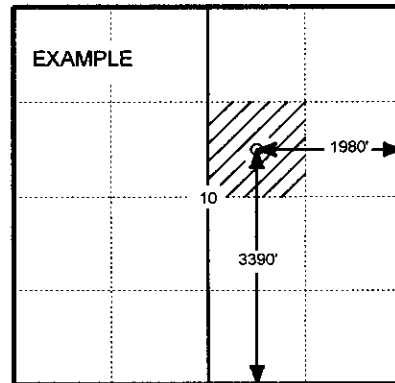
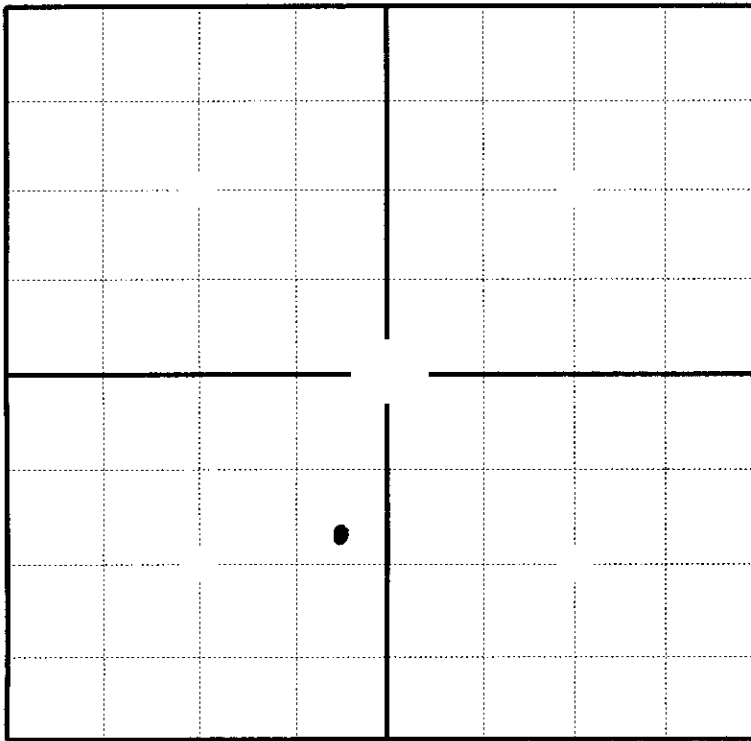
Is Section Regular or Irregular

QTR/QTR/QTR of acreage: SE - NE - 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)*



SEWARD CO.

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

Submit in Duplicate

Operator Name: EOG Resources, Inc.		License Number: 5278	
Operator Address: 3817 NW Expressway, Suite 500 Oklahoma City, OK 73112			
Contact Person: MINDY BLACK		Phone Number: (405) 246-3130	
Lease Name & Well No.: VERNA 11 #2		Pit Location (QQQQ): S/2 - SE - NE - SW	
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 _____ 12500 (bbls)	Sec. 11 Twp. 34S R. 38 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1500 Feet from <input type="checkbox"/> North/ <input checked="" type="checkbox"/> South Line of Section 2310 Feet from <input type="checkbox"/> East/ <input checked="" type="checkbox"/> West Line of Section STEVENS 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 type="checkbox"/> Yes <input checked="" 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): _____ Length (feet) _____ Width (feet) <input checked="" type="checkbox"/> N/A Steel Pits Depth from ground level to deepest point _____ (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 _____ feet Depth of water well _____ feet		Depth to shallowest fresh water 280 feet. Source of information: <input checked="" type="checkbox"/> measured _____ well owner _____ electric log _____ KDWR	
Emergency, Settling 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, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover GEL Number of working pits to be utilized NONE Abandonment procedure: HAUL TO HAUL-OFF PIT. _____ 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.			
Date 12/12/06		Signature of Applicant or Agent Mindy Black	
		RECEIVED KANSAS CORPORATION COMMISSION DEC 19 2006	
KCC OFFICE USE ONLY			
Date Received: 12/19/06		Permit Date: 12/19/06	
Permit Number: _____		Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

15-189-22568-D220

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.