

For KCC Use: 1-28-07
Effective Date: 1-28-07
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

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

Expected Spud Date Jan. 26 07
month day year

OPERATOR: License# 3792
Name: J & D Investments
Address: 1584 Smokey Hill River Rd.
City/State/Zip: Hays, Kansas 67601
Contact Person: Jason Dinges
Phone: 785-623-8060

CONTRACTOR: License# 33724
Name: Warren Drilling LLC.

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil <input checked="" type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield <input checked="" type="checkbox"/> Pool Ext.	<input checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> Gas <input type="checkbox"/> Storage	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> OWWO <input type="checkbox"/> Disposal	<input type="checkbox"/> Other	<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 #: _____

Spot NW NW NE Sec. 31 Twp. 18 S. R. 17 ☐ East ☒ West
330 feet from ☒ N / ☐ S Line of Section
2310 feet from ☒ E / ☐ W Line of Section
Is SECTION ☒ Regular ☐ Irregular?

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

County: Rush
Lease Name: Tammen Well #: 1-B

Field Name: Rush Center SE

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

Target Formation(s): Arbuckle

Nearest Lease or unit boundary: 330

Ground Surface Elevation: 1996est 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: 75

Depth to bottom of usable water: 400

Surface Pipe by Alternate: ☒ 1 ☐ 2

Length of Surface Pipe Planned to be set: 1100

Length of Conductor Pipe required: n/a

Projected Total Depth: 3850

Formation at Total Depth: Arbuckle

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

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: 1-17-07 Signature of Operator or Agent: Jason Dinges Title: Agent

For KCC Use ONLY

API # 15 - 165-21813-0000

Conductor pipe required None feet

Minimum surface pipe required 420 feet per Alt. 1 ☒

Approved by: 1-23-07

This authorization expires: 7-23-07

(This authorization void if drilling not started within 6 months of approval 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: KANSAS CORPORATION COMMISSION

Date: _____

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

CONSERVATION DIVISION
WICHITA, KS

JAN 22 2007

31 18 17W

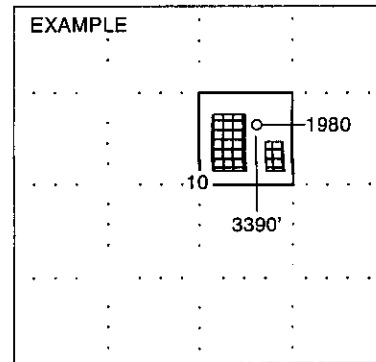
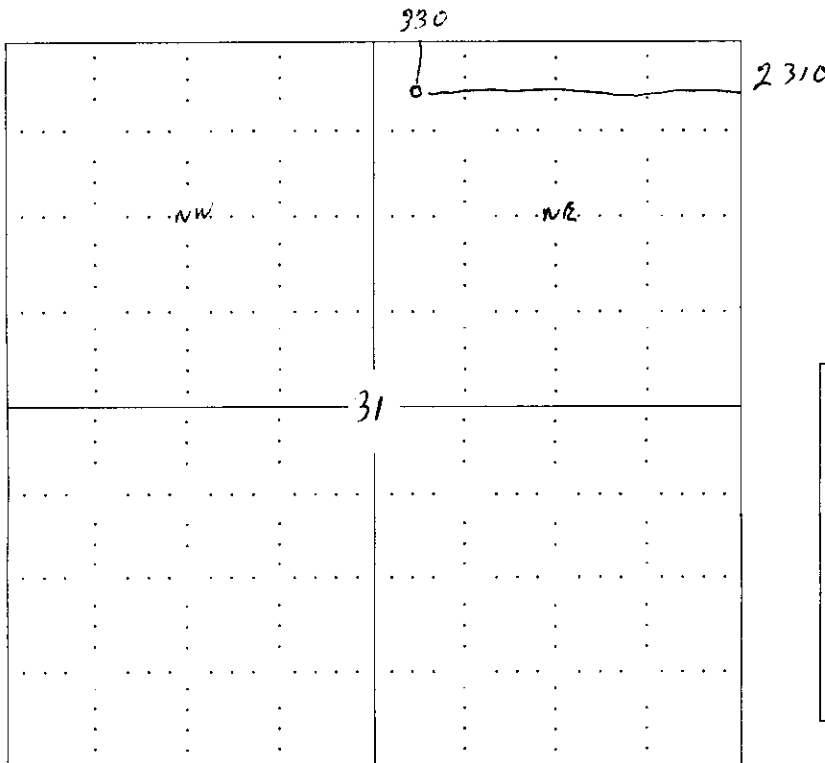
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW*Plat of acreage attributable to a well in a prorated or spaced field*

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 - 105-21813-0000Operator: J & D InvestmentsLease: TammenWell Number: # 1-BField: Rush Center SE

Number of Acres attributable to well: _____

QTR / QTR / QTR of acreage: _____ - _____ - _____

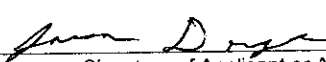
Location of Well: County: Rush_____ 330 feet from ☒ N / ☐ S Line of Section_____ 2310 feet from ☒ E / ☐ W Line of SectionSec. 31 Twp. 18 S. R. 17 ☐ East ☒ WestIs Section: ☒ Regular or ☐ Irregular**If Section is Irregular, locate well from nearest corner boundary.**Section corner used: ☐ NE ☐ NW ☐ SE ☐ 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.)*

SEWARD CO.

NOTE: In all cases locate the spot of the proposed drilling location.**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: (CO-7 for oil wells; CG-8 for gas wells).

Form CDP-1
April 2004
Form must be Typed

Operator Name: J & D Investments		License Number: 3792	
Operator Address: 1584 Smokey Hill River Rd., Hays, Ks. 67601			
Contact Person: Jason Dinges		Phone Number: (785) 623-8060	
Lease Name & Well No.: Tammen # 1-B		Pit Location (QQQQ): _____ - NW - NW - NE _____	
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: _____ (bbls)	
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 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 the pit lined if a plastic liner is not used? Natural shales			
Pit dimensions (all but working pits): 75 Length (feet) 75 Width (feet) N/A: Steel Pits Depth from ground level to deepest point: 4 (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 2640 ^{1441} feet Depth of water well ^{68} 75 feet		Depth to shallowest fresh water 75 35 feet. Source of information: (1) _____ measured <input checked="" type="checkbox"/> 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 pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Drilling mud & cutting Number of working pits to be utilized: 3 Abandonment procedure: Haul free water to disposal well. let pits dry, backfill and level location. 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.			
1-17-07 Date		 Signature of Applicant or Agent	

Date Received: 1/22/07 Permit Number: _____ Permit Date: 1/22/07 Lease Inspection: ☒ Yes ☐ No

CONSERVATION DIVISION
WICHITA, KS

KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREHBIEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

January 22, 2007

Mr. Jason Dinges
J & D Investments
1584 Smokey Hill River Rd.
Hays, KS 67601

RE: Drilling Pit Application
Tammen Lease Well No. 1-B
NE/4 Sec. 31-18S-17W
Rush County, Kansas

Dear Mr. Dinges:

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 as soon as practical after drilling operations have ceased.

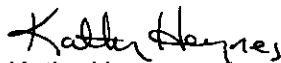
If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 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
Department of Environmental Protection and Remediation

cc: File