

For KCC Use: 1-3-07
 Effective Date: _____
 District # _____
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

Form C-1
 September 1999
 Form must be Typed
 Form must be Signed
 All blanks must be Filled

NOTICE OF INTENT TO DRILL

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

Expected Spud Date 1 20 2007
month day year

OPERATOR: License# 31938 ✓
 Name: Indian Oil Company
 Address: P.O. Box 209
 City/State/Zip: Medicine Lodge, KS 67104
 Contact Person: Michael Farrar
 Phone: 620-886-3763

CONTRACTOR: License# 5929 ✓
 Name: Duke Drilling

Spot SW - NE - NE Sec. 19 Twp. 31 S. R. 13
 East West
712 feet from S / (N) (circle one) Line of Section
872 feet from (E) / W (circle one) Line of Section
 Is SECTION Regular Irregular?

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

County: Barber
 Lease Name: Bedwell Well #: 1-19
 Field Name: Lake Northeast

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Arbuckle

Nearest Lease or unit boundary: 712
 Ground Surface Elevation: 1585 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: 180
 Depth to bottom of usable water: 200

Surface Pipe by Alternate: X 1 2
 Length of Surface Pipe Planned to be set: 200

Length of Conductor Pipe required: None
 Projected Total Depth: 4600

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: _____

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

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 #: _____

AFFIDAVIT

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. *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: 12/23/06 Signature of Operator or Agent: [Signature] Title: PRESIDENT

For KCC Use ONLY
 API # 15 - 007-23110-00-00
 Conductor pipe required NONE feet
 Minimum surface pipe required 200 feet per Alt. 1
 Approved by: WJM 12-29-06
 This authorization expires: 6-29-07
 (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.

19 31 13W

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DEC 28 2006

CONSERVATION DIVISION
 WICHITA, KS

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 - 007-23110-00-00
 Operator: INDIAN OIL CO. INC.
 Lease: BEDWELL
 Well Number: 1-19
 Field: LAKE NORTHEAST
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: SW - NE - NE

Location of Well: County: BARBER
712 feet from S N (circle one) Line of Section
872 feet from E W (circle one) Line of Section
 Sec. 19 Twp. 31 S. R. 13 East West

Is Section X Regular or _____ Irregular

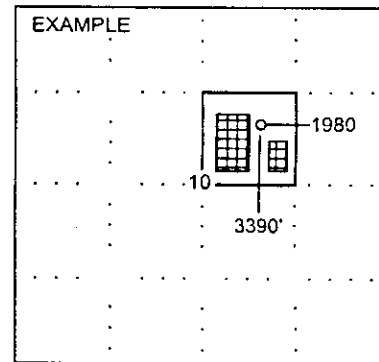
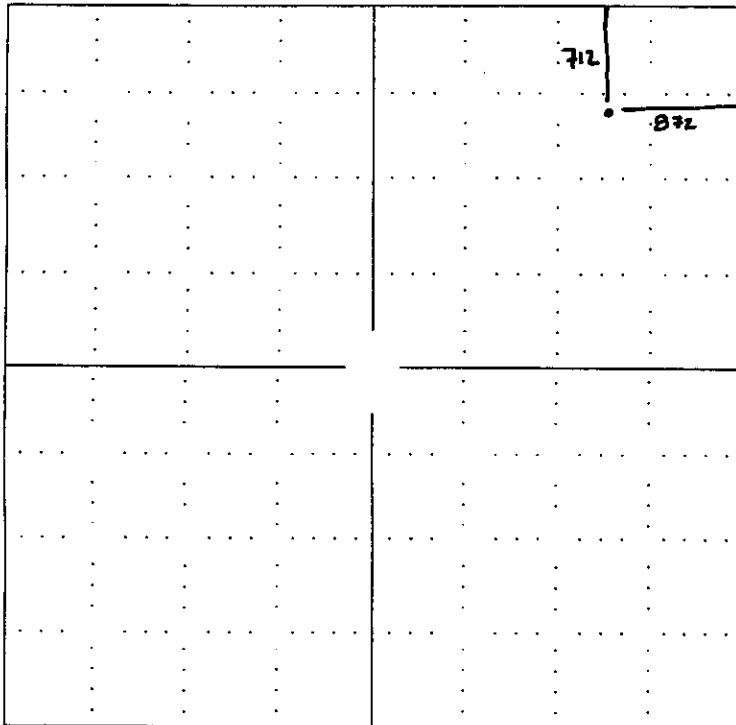
If Section is Irregular, locate well from nearest corner boundary.

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).

ADVANTAGE ELEVATIONS

OIL FIELD SURVEYORS

BOX 8604 - PRATT, KS 67124
(620) 672-6491

1218061
INVOICE NO.

Indian Oil Co., Inc.

AGV CORPORATION
OPERATOR

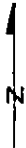
1-19
NO.

Dewitt
FARM

Barber 19 31s 13w
COUNTY S T R

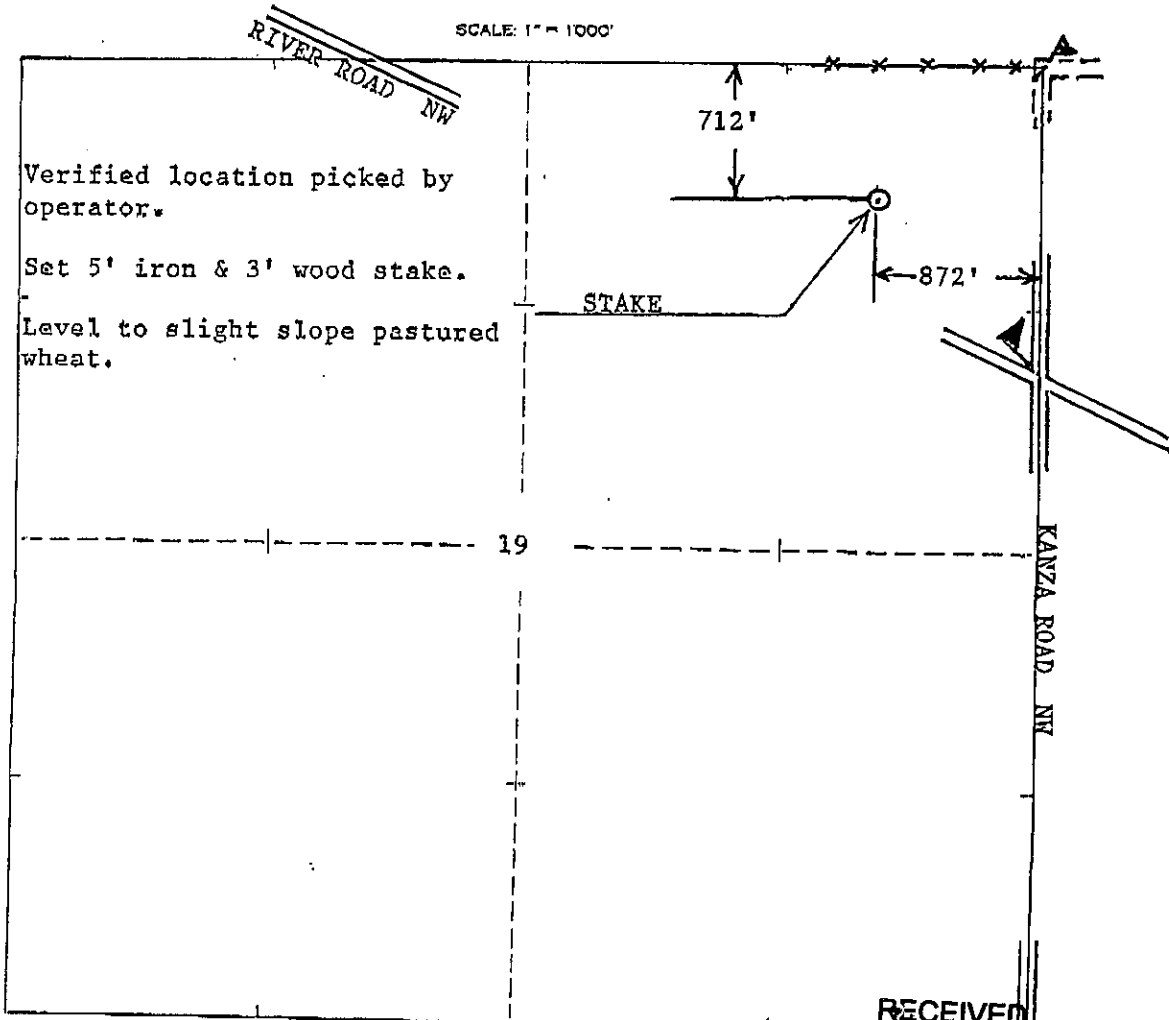
712' ENL & 872' FEL
LOCATION

ELEVATION: 1585' GR



AGV CORPORATION
123 N Main St
Attica KS 67009

AUTHORIZED BY: Ken Roberts



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CONSERVATION DIVISION
WICHITA, KS

15-007-23110-00-02

KANSAS

CORPORATION COMMISSION

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

December 28, 2006

Michael Farrar
Indian Oil Company
PO Box 209
Medicine Lodge KS 67104

Re: Drilling Pit Application
Bedwell Lease Well No. 1-19
NE/4 19-31S-13W
Barber County, Kansas

Dear Mr. Farrar:

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,



Jonelle Rains, Supervisor
Department of Environmental Protection and Remediation

cc: Steve Durrant
File

15-007-23110-00-00