

OWWO

For KCC Use: 3-27-07  
Effective Date: 2  
District # 2  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form C-1

December 2002

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 March 22, 2007  
month day year

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

CONTRACTOR: License# 33350  
Name: Southwind Drilling, Inc.

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

If OWWO: old well information as follows:  
Operator: Dunne-Gardner Petroleum, Inc.  
Well Name: Young #1  
Original Completion Date: 10-7-81 Original Total Depth: 3860'

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

Spot NE SW NW Sec. 34 Twp. 27 S. R. 5  
 East  West  
1650 feet from  N /  S Line of Section  
990 feet from  E /  W Line of Section

Is SECTION  Regular  Irregular?

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

County: Kingman  
Lease Name: Young G Well #: 1-34 RE  
Field Name: Wildcat

Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): Mississippian

Nearest Lease or unit boundary: 990'

Ground Surface Elevation: 1452 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: 150'

Depth to bottom of usable water: 180'

Surface Pipe by Alternate:  1  2

Length of Surface Pipe ~~Planned to be set:~~ 253' already set

Length of Conductor Pipe required: None

Projected Total Depth: 4100'

Formation at Total Depth: Kinderhook

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: 2/16/07 Signature of Operator or Agent: Jay G. Schweikert Title: Jay G. Schweikert, Operations Engineer

For KCC Use ONLY

API # 15 - 095-21162-00-01

Conductor pipe required None feet

Minimum surface pipe required 253 feet per Alt 1

Approved by: KMT-3-22-07

This authorization expires: 9-22-07

(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: \_\_\_\_\_

Date: \_\_\_\_\_

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

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KCC WICHITA

34  
27  
5W

**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 - 095-21162-00-01  
 Operator: Lario Oil & Gas Company  
 Lease: Young G  
 Well Number: 1-34 RE  
 Field: Wildcat  
 Number of Acres attributable to well: 40  
 QTR / QTR / QTR of acreage: NE - SW - NW

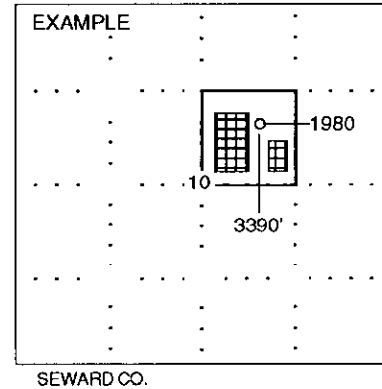
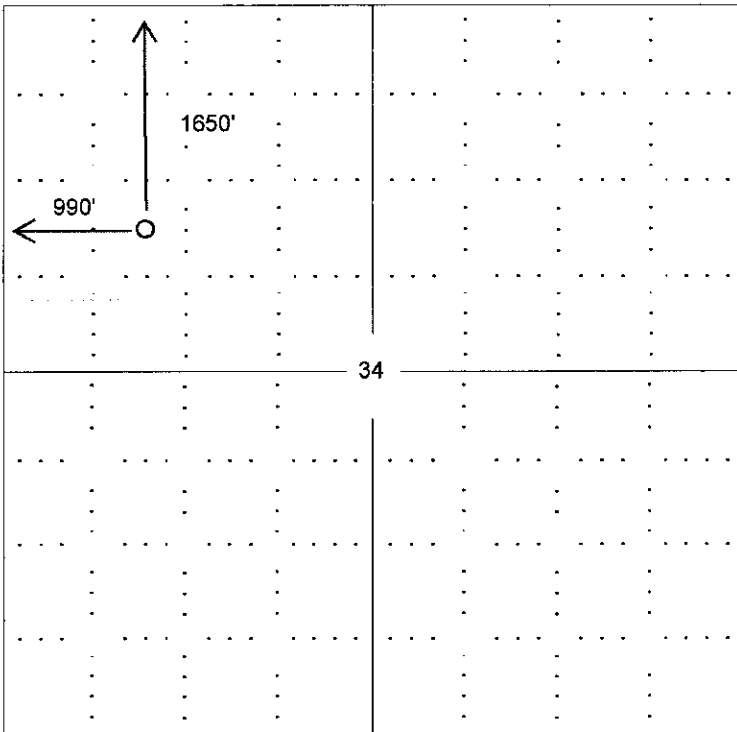
Location of Well: County: Kingman  
1650 feet from  N /  S Line of Section  
990 feet from  E /  W Line of Section  
 Sec. 34 Twp. 27 S. R. 5  East  West

Is 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.)*



**NOTE: In all cases locate the spot of the proposed drilling locaton.**

**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: (C0-7 for oil wells; CG-8 for gas wells).

**KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
APPLICATION FOR SURFACE PIT**

Form CDP-1  
April 2004  
Form must be Typed

*Submit in Duplicate*

Operator Name: <b>Lario Oil &amp; Gas Company</b>		License Number: <b>5214</b>
Operator Address: <b>301 S. Market, Wichita, KS 67202</b>		
Contact Person: <b>Jay G. Schweikert</b>		Phone Number: ( <b>316</b> ) <b>265 - 5611</b>
Lease Name & Well No.: <b>Young G #1-34RE</b>		Pit Location (QQQQ): <b>NE SW NW</b>
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: <b>7100</b> (bbls)	Sec. <b>34</b> Twp. <b>27S</b> R. <b>5</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>1650</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <b>990</b> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <b>Kingman</b> County
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?
Pit dimensions (all but working pits): <b>100</b> Length (feet) <b>100</b> Width (feet) <b>N/A</b> : Steel Pits Depth from ground level to deepest point: <b>4</b> (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 <b>1391</b> <b>2725</b> feet    Depth of water well <b>39</b> feet		Depth to shallowest fresh water <b>12</b> <b>10</b> feet. Source of information: _____ measured    _____ well owner <b>(4)</b> electric log <input checked="" type="checkbox"/> KDWR
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <b>Bentonite Mud</b> Number of working pits to be utilized: <b>2</b> Abandonment procedure: <b>Allow for evaporation.</b> <b>Fill in &amp; cover pits.</b> 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.		
<b>2/16/07</b> Date		<b>Jay G. Schweikert</b> Signature of Applicant or Agent
<b>KCC OFFICE USE ONLY</b> <span style="float: right;"><b>RPAS + 36 Hrs</b></span>		
Date Received: <b>2/20/07</b> Permit Number: _____ Permit Date: <b>3/22/07</b> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

15-095-21102-00-01

15-095-21162-00-00

STATE OF KANSAS  
STATE CORPORATION COMMISSION  
200 Colorado Derby Bldg.  
Wichita, Kansas 67202

Form CP-4  
Rev. 12-15-80

*Young G 1-34 RE*

WELL PLUGGING RECORD

Give All Information Completely  
Make Required Affidavit

COUNTY Kingman SEC. 34 TWP. 27S RGE. 5W E/W  
Location as in quarters or footage from lines:  
NE SW NW


Lease Owner Dunne-Gardner Petroleum, Inc.  
 Lease Name Young Well No. 1  
 Office Address Suite 250, 200 W. Douglas, Wichita, Kansas 67202  
 Character of Well (Completed as Oil, Gas or Dry Hole): Dry Hole  
 Date Well Completed October 7, 1981  
 Application for plugging filed October 6, 1981  
 Plugging commenced October 6, 1981  
 Plugging completed October 7, 1981  
 Reason for abandonment of well or producing formation

Locate Well  
correctly on above  
Section Platt.

DRY HOLE  
Was permission obtained from the Conservation Division or it's  
Agent's before plugging was commenced? YES

Name of Conservation Agent who supervised plugging of this well Maurice Leslie  
Producing formation \_\_\_\_\_ Depth to top \_\_\_\_\_ bottom T.D. 3,860'  
Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS Casing Record

Formation	Content	From	To	Size	Put in	Pulled Out
				8-5/8"	253'	

Describe in detail the manner in which the well was plugged, indicating where the mud  
fluid was placed and the method or methods used in introducing it into the hold. If cement  
or other plugs were used, state the character of same and depth placed, from \_\_\_\_\_ feet  
to \_\_\_\_\_ feet for each plug set.

- Mud to 520', 50 sx cement
- Mud to 230', 40 sx cement
- Mud to 40', plug, 1/4 sx hulls,
- 10 sx cement
- 10 sx in rathole

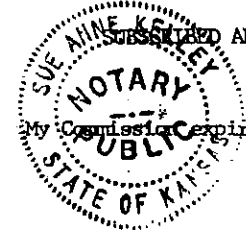
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OCT 15 1981  
CONSERVATION DIVISION  
Wichita Kansas

(If additional description is necessary, use BACK of this sheet)  
Name of Plugging Contractor \_\_\_\_\_

STATE OF Kansas COUNTY OF Sedgwick, ss.  
Donald E. Hunt (~~employee of owner~~) or (owner or operator) of the  
above-described well, being first duly sworn on oath, says: That I have knowledge of the  
facts, statements, and matters herein contained and the log of the above-described well as  
filed and that the same are true and correct. So help me God.

(Signature) Donald E. Hunt  
Suite 250, 200 W. Douglas, Wichita, K  
(Address)

SUBSCRIBED AND SWORN TO before me this 13th day of October, 1981



Sue Anne Kelley  
Sue Anne Kelley Notary Public.

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KCC WICHITA

# KANSAS

CORPORATION COMMISSION

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

March 22, 2007

Jay G Schweikert  
Lario Oil & Gas Company  
301 S Market  
Wichita KS 67202

Re: Drilling Pit Application  
Young G Lease Well No. 1-34 RE  
NW/4 34-27S-05W  
Kingman County, Kansas

Dear Mr. Schweikert:

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 within 36 hours 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 (316) 630-4000 when the fluids have been removed. Form CDP-5 (August 2004), Exploration and Production Waste Transfer, must be filed 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/](http://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: Doug Louis  
File