

OWWO

For KCC Use: Effective Date: 7-28-07 District # 4 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 August 1, 2007 month day year

Spot NE SE SW Sec. 32 Twp. 9 S. R. 23 East West 990 feet from N / S Line of Section 2970 feet from E / W Line of Section Is SECTION Regular Irregular?

OPERATOR: License# 30717 Name: DNOCI Downing-Nelson Oil Co. Inc. Address: P O Box 372 City/State/Zip: Hays, Ks. 67601 Contact Person: Ron Nelson Phone: 785-621-1610

(Note: Locate well on the Section Plat on reverse side) County: Graham Lease Name: Davignon (FKA Butcher #1) Well #: 1 Field Name: Butcher

CONTRACTOR: License# 33237 Name: Anderson Drilling

Is this a Prorated / Spaced Field? Yes No Target Formation(s): LKC Nearest Lease or unit boundary: 330 Ground Surface Elevation: 2457 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: 1200'

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

Surface Pipe by Alternate: 1 2 Length of Surface Pipe Planned to be set: 225 Length of Conductor Pipe required: none Projected Total Depth: 4030' Formation at Total Depth: LKC

If OWWO: old well information as follows: Operator: L. J. Drilling Oil Co. Well Name: Butcher #1 Original Completion Date: 1/25/1970 Original Total Depth: 4030'

Water Source for Drilling Operations: Well Farm Pond Other DWR Permit #: (Note: Apply for Permit with DWR)

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

Will Cores be taken? Yes No If Yes, proposed zone:

RECEIVED KANSAS CORPORATION COMMISSION JUL 20 2007 CONSERVATION DIVISION WICHITA, KS

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;
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.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief. Date: July 18, 2007 Signature of Operator or Agent: Title: President

For KCC Use ONLY API # 15 - 065-20299-00-01 Conductor pipe required None feet Minimum surface pipe required 225 feet per Alt. Approved by: This authorization expires: 1-23-08 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. Well Not Drilled - Permit Expired Signature of Operator or Agent: Date:

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

32 9 23W

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 - 065-20299 - 00-01
Operator: DNOCI
Lease: Davignon (FKA Butcher #1)
Well Number: 1
Field: Butcher

Number of Acres attributable to well: _____
QTR / QTR / QTR of acreage: NE - SE - SW

Location of Well: County: Graham
990 feet from N / S Line of Section
2970 feet from E / W Line of Section
Sec. 32 Twp. 9 S. R. 23 East West

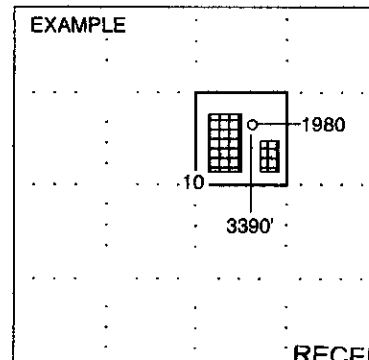
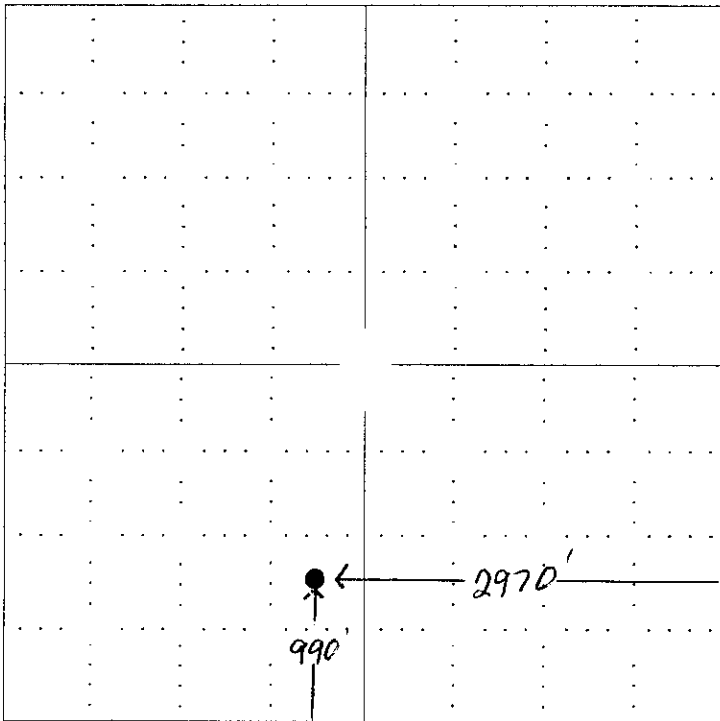
Is Section: Regular or Irregular

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.)



SEWARD CO. KANSAS CORPORATION COMMISSION

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

JUL 20 2007

CONSERVATION DIVISION
WICHITA, KS

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
 Colorado Derby Building
 Topeka, Kansas 67202

WELL PLUGGING RECORD
 K.A.R.-82-3-117

API NUMBER 15-065-20,299-000

LEASE NAME Butcher

WELL NUMBER 1

990 Ft. from S Section Line

2970 Ft. from E Section Line

SEC. 32 TWP. 9 RGE. 23 (N or W)

COUNTY Graham

Data Well Completed 1-25-70

Plugging Commenced 10-5-94

Plugging Completed 10-5-94

TYPE OR PRINT
 NOTICE: Fill out completely
 and return to Cons. Div.
 office within 30 days.

LEASE OPERATOR Dreiling Oil, Inc.

ADDRESS 1008 Cody Ave. Box 550 Hays, KS 67601

PHONE (913) 625-8327 OPERATORS LICENSE NO. 5145

Character of Well Oil

(Oil, Gas, D&A, SWD, Input, Water Supply Well)

Plugging proposal was approved on 9-27-94 (Date)

by Carl Goodrow (KCC District Agent's Name)

ACC-1 filed? If not, is well log attached?

Producing Formation Depth to Top Bottom T.D.

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
	Surface Pipe			8 5/8	225	-0-
	Production Pipe			4 1/2	4029	-0-

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 hole. If cement or other plugs were used, state the character of same and depth placed, from feet to feet each set.

8 5/8" - 100 sks 60/40 poz 10% gel w/100# hulls, 500 PSI max, 200 PSI shut in
4 1/2" - 180 sks. 60/40 poz 10% gel w/400# hulls, 600 PSI max, 100 PSI shut in
Job completed 12:45 P.M.

(If additional description is necessary, use BACK of this form.)

Name of Plugging Contractor Dreiling Oil, Inc. License No.

Address 1008 Cody Ave. Box 550 Hays, KS 67601

NAME OF PARTY RESPONSIBLE FOR PLUGGING FEES: Dreiling Oil, Inc.

STATE OF KANSAS COUNTY OF ELLIS, ss.

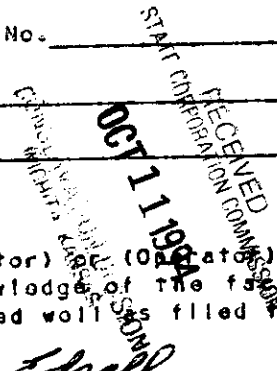
Ivan Edsall (Employee of Operator) (Operator) of above-described well, being first duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the log of the above-described well was filed that the same are true and correct, so help me God.

(Signature) Ivan R. Edsall

(Address) Box 550 Hays, KS 67601

SUBSCRIBED AND SWORN TO before me this 10th day of October, 19 94
 NOTARY PUBLIC State of Kansas
PATTY DREILING
 My Appt. Exp. 8-30-98
Patty Dreiling
 Notary Public

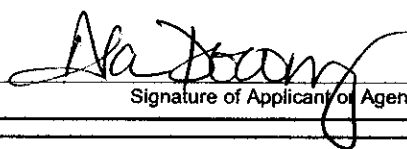
My Commission Expires: 8-30-98



**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: DNOCI		License Number: 30717
Operator Address: PO Box 372 Hays, Ks. 67601		
Contact Person: Ron Nelson		Phone Number: (785) 621 -2610
Lease Name & Well No.: Davignon #1(FKA Butcher #1)		Pit Location (QQQQ): _____ NE _____ SE _____ 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: 3,600 (bbls)	Sec. 32 Twp. 9 R. 23 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 990 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 2970 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Graham 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 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? Clay type soil
Pit dimensions (all but working pits): 60 Length (feet) 60 Width (feet) _____ N/A: Steel Pits Depth from ground level to deepest point: 5 (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 N/A feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: _____ 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 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 Number of working pits to be utilized: 1 Abandonment procedure: Allow fluids to evaporate and backfill with excavated soil. 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. RECEIVED KANSAS CORPORATION COMMISSION		
July 18, 2007 Date	 Signature of Applicant or Agent	JUL 20 2007 CONSERVATION DIVISION WICHITA, KS
KCC OFFICE USE ONLY		
Date Received: 7/20/07 Permit Number: _____ Permit Date: 7/20/07 Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

15-065-20099-00-01

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



*Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Robert E. Krehbiel, Commissioner
Michael C. Moffet, Commissioner*

**NOTICE TO OPERATORS FILING INTENT TO DRILL
FOR DISPOSAL OR ENHANCED RECOVERY
INJECTION WELLS, (CLASS II INJECTION WELL)**

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved "Intent to Drill" does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in **K.A.R. 82-3-400 et seq** of our regulations. Associated regulations governing drilling, completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sandstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a "Design Approval" before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.