

For KCC Use: 8-4-07  
Effective Date: \_\_\_\_\_  
District # 4  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION 1011020  
OIL & GAS CONSERVATION DIVISION

Form C-1  
November 2005

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: 08/09/2007  
month day year

OPERATOR: License# 5363  
Name: Berexco, Inc.  
Address 1: PO BOX 20380  
Address 2: \_\_\_\_\_  
City: WICHITA State: KS Zip: 67208 + 1380  
Contact Person: Bruce Meyer  
Phone: 316-265-3311

CONTRACTOR: License# 5147  
Name: Beredco, Inc.

Spot Description: 80 feet south of:  
\_\_\_\_\_  
NE SE SW Sec. 13 Twp. 11 S. R. 23  E  W  
(a/a/a/a) 910 feet from  N /  S Line of Section  
2,310 feet from  E /  W Line of Section  
Is SECTION:  Regular  Irregular?

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

County: Trego  
Lease Name: Carpenter Well #: 3  
Field Name: WAKEENEY EAST

Is this a Prorated / Spaced Field?  Yes  No  
Target Formation(s): Plattsmouth, Torrington, LKC, Marmaton, Arbuckle

Nearest Lease or unit boundary line (in footage): 330  
Ground Surface Elevation: 2244 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: 875

Surface Pipe by Alternate:  I  II  
Length of Surface Pipe Planned to be set: 230

Length of Conductor Pipe (if any): \_\_\_\_\_  
Projected Total Depth: 4100

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:  
 Oil  Enh Rec  Infield  Mud Rotary  
 Gas  Storage  Pool Ext.  Air Rotary  
 Seismic; # of Holes  Disposal  Wildcat  Cable  
 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 #: \_\_\_\_\_

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 ~~en 550~~ CORPORATION COMMISSION  
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: July 27, 2007 Signature of Operator or Agent: Richard R. Smith Title: ENGINEERING TECHNICIAN

For KCC Use ONLY  
API # 15 - 195-22478-0000  
Conductor pipe required 0 feet  
Minimum surface pipe required 200 feet per ALT  I  II  
Approved by: km 7-3007  
This authorization expires: 1-30-08  
(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 (within 60 days);
- 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 Date: \_\_\_\_\_  
Signature of Operator or Agent: \_\_\_\_\_

RECEIVED  
CORPORATION COMMISSION

JUL 30 2007

13  
11  
23  
E  
W



1011020

**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 - 195-22478-0000  
Operator: Berexco, Inc.  
Lease: Carpenter  
Well Number: 3  
Field: WAKEENEY EAST

Number of Acres attributable to well: \_\_\_\_\_  
QTR/QTR/QTR/QTR of acreage: 3/2 - NE - SE - SW

Location of Well: County: Trego  
910 feet from  N /  S Line of Section  
2,310 feet from  E /  W Line of Section  
Sec. 13 Twp. 11 S. R. 23  E  W

Is Section:  Regular or  Irregular

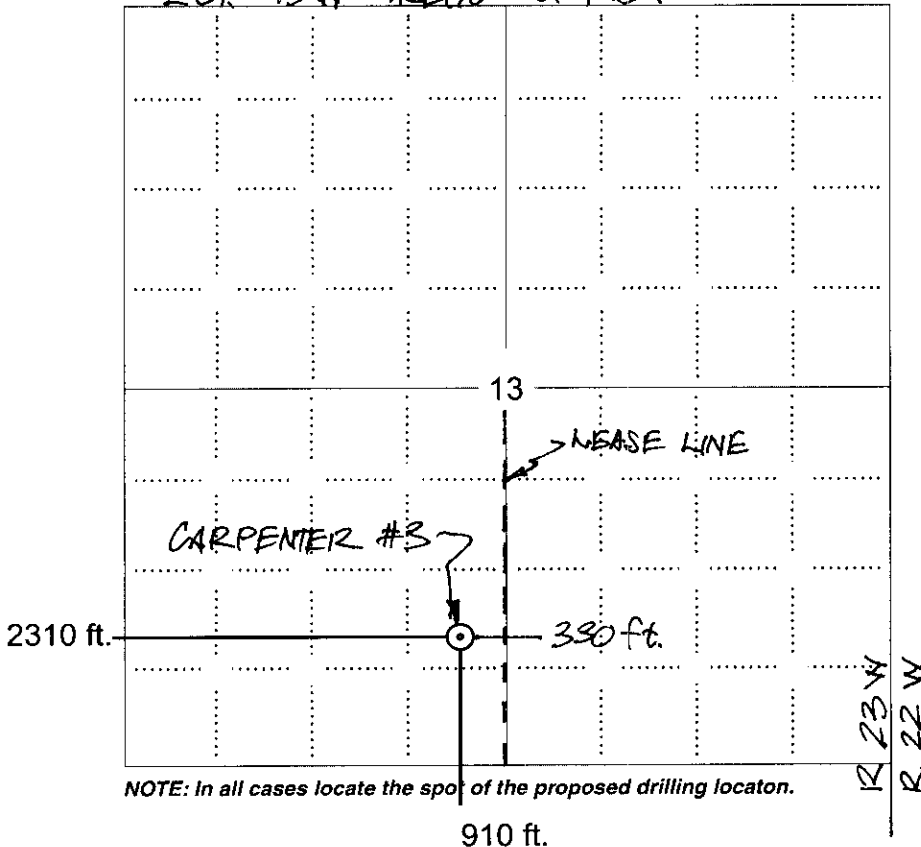
**If Section is Irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

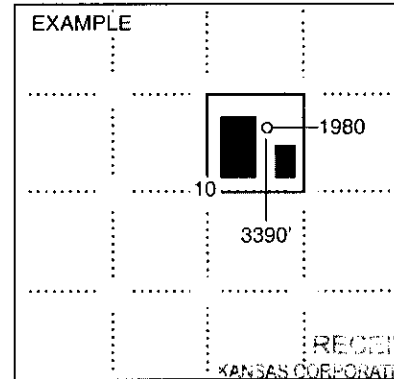
**PLAT**

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)  
(Show footage to the nearest lease or unit boundary line.)*

SECT 13W TREGO CO. KS:



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



**JUL 30 2007**

REGISTRATION DIVISION  
TREGO CO. 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 south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
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).

KANSAS CORPORATION COMMISSION 1011020  
OIL & GAS CONSERVATION DIVISION

Form CDP-1  
April 2004  
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: <b>Berexco, Inc.</b>		License Number: <b>5363</b>	
Operator Address: <b>PO BOX 20380</b>		<b>WICHITA KS 67208</b>	
Contact Person: <b>Bruce Meyer</b>		Phone Number: <b>316-265-3311</b>	
Lease Name & Well No.: <b>Carpenter 3</b>		Pit Location (QQQQ): <b>S/2 . NE . SE . SW</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>7,000</b> (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? Pit is self-sealing with Bentonite clay and drill solids.			
Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ 4 _____ (feet) <input type="checkbox"/> No Pit			
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: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input 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: <u>Bentonite/Chemical Mud</u> Number of working pits to be utilized: <u>4</u> Abandonment procedure: <u>Haul free liquids to approved disposal if required, allow evaporation until bottom of pit is dry, push in sides and level to contour of ground.</u> 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: <u>July 27, 2007</u>		Signature of Applicant or Agent: <u>Richard R. Smith</u>	
		RECEIVED KANSAS CORPORATION COMMISSION JUL 30 2007 CONSERVATION DIVISION WICHITA, KS	
<b>KCC OFFICE USE ONLY</b> Steel Pit <input type="checkbox"/> RFAC <input checked="" type="checkbox"/> RFAS <input type="checkbox"/>			
Date Received: <u>7/30/07</u> Permit Number: _____    Permit Date: <u>7/30/07</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

15-195-20478-000



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

July 27, 2007

Bruce Meyer  
Berexco, Inc.  
PO BOX 20380  
WICHITA, KS67208-1380

Re: Drilling Pit Application  
Carpenter Lease Well No. 3  
SW/4 Sec.13-11S-23W  
Trego County, Kansas

Dear Bruce Meyer:

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 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 (785) 625-0550 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/](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 District Office at (785) 625-0550.

PRINTED  
KANSAS CORPORATION COMMISSION

JUL 30 2007

CONSERVATION DIVISION  
WICHITA, KS

CONSERVATION DIVISION  
Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802  
(316) 337-6200 • Fax: (316) 337-6211 • <http://kcc.ks.gov/>