

For KCC Use: Effective Date: 2-26-07 District #: 3 SGA? Yes No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

RECEIVED KANSAS CORPORATION COMMISSION

AUG 02 2007

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 work

CONSERVATION DIVISION WICHITA, KS

Expected Spud Date: 2 month 26 day 07 year

Request Received 8-2-07 Permit Extension

OPERATOR: License# 6142 Name: Town Oil Company, Inc. Address: 16205 W. 287th St. City/State/Zip: Paola, Kansas 66071 Contact Person: Lester Town Phone: 913-294-2125

CONTRACTOR: License# Company Tools 6142 Name: _____

Well Drilled For: Oil Gas QWO 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: _____ 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: SW SW - SW - SE Sec. 1 Twp. 18 S. R. 21 East West

165 feet from N / S Line of Section 2475 feet from E / W Line of Section Is SECTION XX Regular Irregular?

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

County: Miami Lease Name: O'Brien Well #: 35

Field Name: Paola-Rantoul

Is this a Prorated / Spaced Field? Yes No

Target Information(s): Bartlesville

Nearest Lease or unit boundary: 165

Ground Surface Elevation: _____ 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: 100

Depth to bottom of usable water: 200

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 20

Length of Conductor Pipe required: None

Projected Total Depth: 600

Formation at Total Depth: Bartlesville

Water Source for Drilling Operations: Well Farm Pond Other X

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: 2-16-06 Signature of Operator or Agent: Roberta Town Title: Agent

For KCC Use ONLY API # 15 - 121-28388-000 Conductor pipe required None feet Minimum surface pipe required 20 feet per Alt. Approved by: Paul 2-21-07 Paul 8-2-07 This authorization expires: 8-2-07 2-21-08 (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. - 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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