



For KCC Use: 8-21-07  
 Effective Date: 8-21-07  
 District # 1  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION 1011380  
 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: 09/03/2007  
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: Evan Mayhew  
 Phone: 316-265-3311

CONTRACTOR: License# 5147  
 Name: Beredco, Inc.

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> Seismic ; # of Holes	<input type="checkbox"/> Disposal	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> Other:	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
	<input type="checkbox"/> 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 #: \_\_\_\_\_

Spot Description:  
 NE NW SW Sec. 29 Twp. 33 S. R. 14  E  W  
(1/4/4/4)  
2,540 feet from  N /  S Line of Section  
635 feet from  E /  W Line of Section

Is SECTION:  Regular  Irregular?  
(Note: Locate well on the Section Plat on reverse side)

County: Barber  
 Lease Name: DNM Grain Well #: 3  
 Field Name: AETNA GAS AREA

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

Nearest Lease or unit boundary line (in footage): 643  
 Ground Surface Elevation: 1642 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: 180

Surface Pipe by Alternate:  I  II  
 Length of Surface Pipe Planned to be set: 220  
 Length of Conductor Pipe (if any): 40

Projected Total Depth: 4820  
 Formation at Total Depth: Mississippi

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: \_\_\_\_\_

REQUESTED LEASE INFO WITH SIGNED INTENT. *per 09/14/07*

**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: 15/AUG/07 Signature of Operator or Agent: Richard R. Smith Title: ENGINEERING TECHNICIAN

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 AUG 16 2007  
 CONSERVATION DIVISION  
 WICHITA, KS

**For KCC Use ONLY**

API # 15 - 007-23184-0000

Conductor pipe required 0 feet

Minimum surface pipe required 200 feet per ALT.  I  II

Approved by: Kurt 8-16-07

This authorization expires: 2-16-08  
(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: \_\_\_\_\_

29  
33  
14  
 E  
 W



1011380

**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 - 007-23184-0000  
Operator: Berexco, Inc.  
Lease: DNM Grain  
Well Number: 3  
Field: AETNA GAS AREA

Location of Well: County: Barber  
2,540 feet from  N /  S Line of Section  
635 feet from  E /  W Line of Section  
Sec. 29 Twp. 33 S. R. 14  E  W

Number of Acres attributable to well: \_\_\_\_\_  
QTR/QTR/QTR/QTR of acreage: NE - NW - NW - SW

Is Section:  Regular or  Irregular

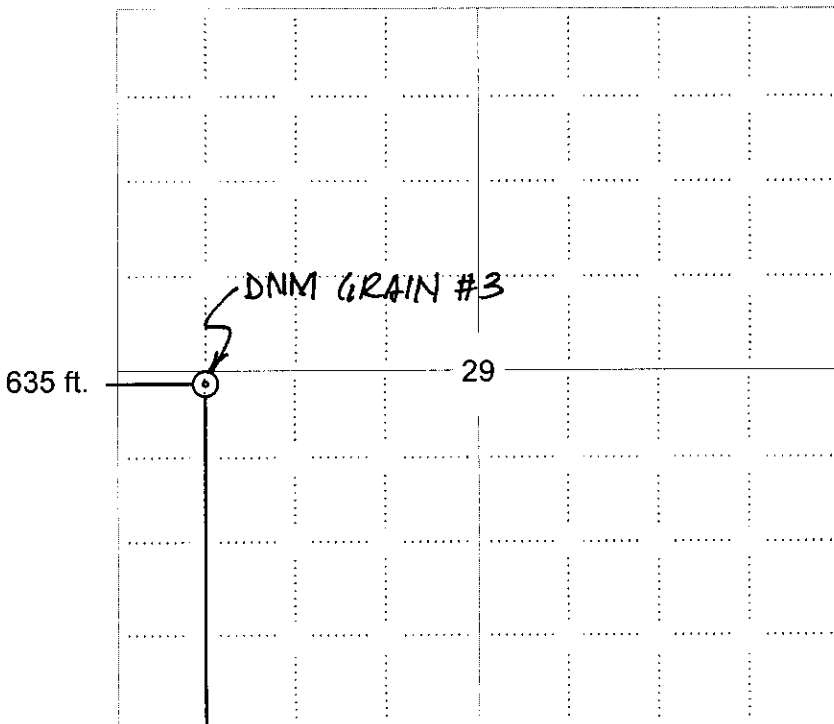
**If Section is Irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

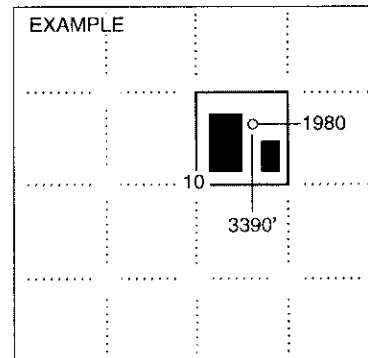
**PLAT**

*(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 location.**



SEWARD CO.

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WICHITA, KS

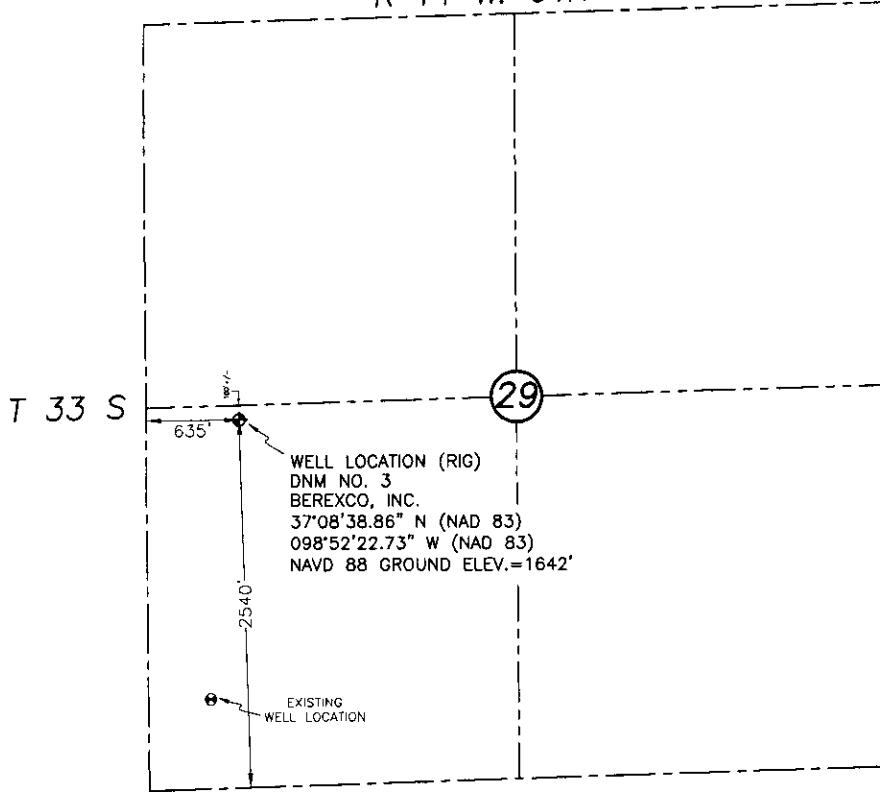
**In plotting the proposed location of the well, you must show:**

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 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).

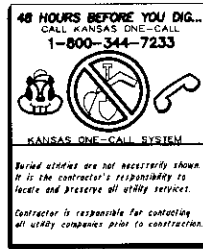
15-007-23184-0000

SECTION 29, T 33 S, R 14 W. 6TH P.M.  
 COUNTY OF BARBER  
 STATE OF KANSAS

R 14 W. 6TH P.M.



WE DO HEREBY CERTIFY THAT THIS SURVEY WAS DONE IN ACCORDANCE TO RECORDS, MAPS AND OTHER INFORMATION AS PROVIDED TO US BY THE CLIENT HEREIN NAMED; ALSO THAT GREAT CARE WAS TAKEN IN THE ACTUAL STAKING OF THIS WELL AND THE DETERMINATION OF ANY OBSTACLES THEREUPON. HOWEVER, THE ACCURACY OF THIS SURVEY IS NOT GUARANTEED AND IF THERE APPEARS TO BE ANY DISCREPANCY, PLEASE NOTIFY US IMMEDIATELY.



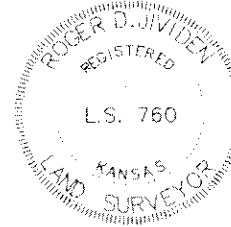
BEARINGS NOT SHOWN

**LEGEND**

----- SECTION LINE  
 - - - - - 1/4 SECTION LINE

**NOTE:**

Data tied to "ASH MONUMENT"  
 NAD 83 37°08'43.30970"(N)  
 098°57'38.51486"(W)  
 NAVD 88 1792.8 Feet



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 WICHITA KS

DESCRIPTION: LOCATION STAKE  
 "DNM NO. 3" SITUATED 2540 FEET FROM THE SOUTH SECTION LINE AND 635 FEET FROM THE WEST SECTION LINE OF SECTION 29, T 33 S, R 14 W. 6TH P.M., BARBER COUNTY, KANSAS.

**SURVEY FOR:**  
**Berexco Inc.**  
 P.O. BOX 20380  
 WICHITA, KANSAS 67208  
 ATTN: KAMERON WILSON

**JVIDENS LAND SURVEY CO., INC.**

1210 19TH STREET  
 P.O. BOX 943  
 WOODWARD, OKLAHOMA 73802  
 Phone 580-256-7174  
 Fax 580-256-3424  
 jswww@sbcglobal.net

J L S	JOB 376-07	DATE OF PLAT 08-13-2007	SCALE 1"=1000'	SHEET 1 OF 3
DRAWN BY R.D.J.	OKLA. CA #2064, EXP. 06/30/2009 KANSAS CA #143, EXP. 12/31/2008			



KANSAS CORPORATION COMMISSION 1011380  
OIL & GAS CONSERVATION DIVISION

Form CDP-1  
April 2004  
Form must be Typed

**APPLICATION FOR SURFACE PIT**

Submit in Duplicate

Operator Name: Berexco, Inc.		License Number: 5363	
Operator Address: PO BOX 20380		WICHITA KS 67208	
Contact Person: Evan Mayhew		Phone Number: 316-265-3311	
Lease Name & Well No.: DNM Grain 3		Pit Location (QQQQ): NE NW NW SW Sec. 29 Twp. 33 R. 14 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 2,540 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 635 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Barber County	
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: 10,250 (bbls)	
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? Pit is self-sealing with Bentonite drilling mud, native clay and drill solids.			
Pit dimensions (all but working pits): Length (feet) 120 Width (feet) _____ N/A: Steel Pits		Depth from ground level to deepest point: 4 (feet) _____ 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 2812 feet Depth of water well 172 feet		Depth to shallowest fresh water 66 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> 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: Bentonite/Chemical Mud Number of working pits to be utilized: 4 Abandonment procedure: Allow liquid to evaporate until bottom of pit is dry, then push in sides, fill and level to contour of ground. 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	
Date: 8/16/2007		Signature of Applicant or Agent: <i>Richard R. Smith</i>	
		AUG 16 2007 CONSERVATION DIVISION WICHITA, KS	
<b>KCC OFFICE USE ONLY</b>			
Date Received: 8/16/07		Permit Number: _____ Permit Date: 8/16/07	
		Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

15007-23184-2220

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



*Kathleen Sebelius, Governor  
Thomas E. Wright, Chairman  
Michael C. Moffet, Commissioner  
Joseph F. Harkins, Commissioner*

August 15, 2007

Evan Mayhew  
Berexco, Inc.  
PO BOX 20380  
WICHITA, KS67208-1380

Re: Drilling Pit Application  
DNM Grain Lease Well No. 3  
SW/4 Sec.29-33S-14W  
Barber County, Kansas

Dear Evan Mayhew:

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:  
[kcc.ks.gov/conservation/forms/](http://kcc.ks.gov/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 (620) 225-8888.

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WICHITA, KS

CONSERVATION DIVISION  
Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802  
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