



For KCC Use: 10-29-07
 Effective Date: _____
 District # 1
 SGA? Yes No

KANSAS CORPORATION COMMISSION 1013260
 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: 11/01/2007
 month day year

OPERATOR: License# 5278
 Name: EOG Resources, Inc.
 Address 1: 3817 NW EXPRESSWAY STE 500
 Address 2: _____
 City: OKLAHOMA CITY State: OK Zip: 73112 + 1483
 Contact Person: Melissa Sturm
 Phone: 405-246-3234

CONTRACTOR: License# 34000
 Name: Kenai Mid-Continent, Inc.

Well Drilled For: Oil Gas Seismic ; _____ # of Holes Other: _____
 Enh Rec Storage Disposal
 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 #: _____

PRORATED & SPACED: HUGOTON-PANOMA

Spot Description: _____
 W2 - SW - NE - NW Sec. 23 Twp. 32 S. R. 37 E W
 (a/a/a/a) 990 feet from N / S Line of Section
1,620 feet from E / W Line of Section
 Is SECTION: Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
 County: Stevens
 Lease Name: Pelajo Well #: 23 #1
 Field Name: Wildcat
 Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): St. Louis
 Nearest Lease or unit boundary line (in footage): 990
 Ground Surface Elevation: 3125 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: 600
 Depth to bottom of usable water: 600
 Surface Pipe by Alternate: I II
 Length of Surface Pipe Planned to be set: 1700
 Length of Conductor Pipe (if any): 40
 Projected Total Depth: 6500
 Formation at Total Depth: St. Louis
 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: 10-23-07 Signature of Operator or Agent: Melissa Sturm Title: Sr. Operations Asst.

For KCC Use ONLY
 API # 15 - 189-226200000
 Conductor pipe required 0 feet
 Minimum surface pipe required 620 feet per ALT. I II
 Approved by: 10-24-07
 This authorization expires: 4/24/08
 (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: _____

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 WICHITA, KS

23
 32
 37
 E
 W



1013260

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 - 189-22620-0000
Operator: EOG Resources, Inc.
Lease: Pelajo
Well Number: 23 #1
Field: Wildcat

Location of Well: County: Stevens
990 feet from N / S Line of Section
1,620 feet from E / W Line of Section
Sec. 23 Twp. 32 S. R. 37 E W

Number of Acres attributable to well: _____
QTR/QTR/QTR/QTR of acreage: W2 - SW - NE - NW

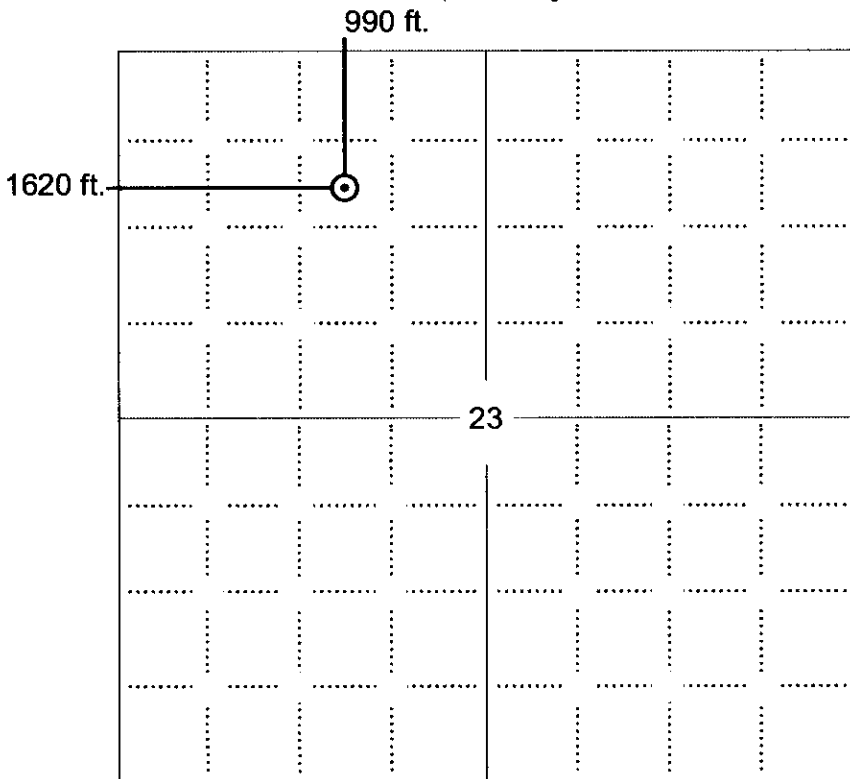
Is Section: Regular or Irregular

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

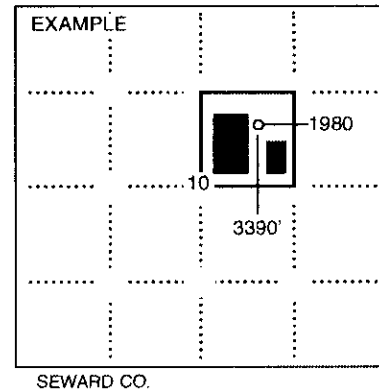
Section corner used: NE NW SE SW

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.)*



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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 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 1013260
OIL & GAS CONSERVATION DIVISION

Form CDP-1
April 2004
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: EOG Resources, Inc.		License Number: 5278
Operator Address: 3817 NW EXPRESSWAY STE 500		OKLAHOMA CITY OK 73112
Contact Person: Melissa Sturm		Phone Number: 405-246-3234
Lease Name & Well No.: Pelajo 23 #1		Pit Location (QQQQ): W2 SW NE NW Sec. 23 Twp. 32 R. 37 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 990 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 1,620 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Stevens 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: 12,500 (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? Soil compaction
Pit dimensions (all but working pits): <u>125</u> Length (feet) <u>125</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>5</u> (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.
		RECEIVED KANSAS CORPORATION COMMISSION OCT 24 2007 CONSERVATION DIVISION WICHITA KS
Distance to nearest water well within one-mile of pit <u>4027</u> feet Depth of water well <u>272</u> feet	Depth to shallowest fresh water <u>167</u> feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> 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: <u>Gel</u> Number of working pits to be utilized: <u>0</u> Abandonment procedure: <u>Evaporation / dewater and backfilling of reserve pit</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.		
<u>10-23-07</u> Date	<u>Melissa Sturm</u> Signature of Applicant or Agent	

15-189-226200220

KCC OFFICE USE ONLY		Steel Pit <input type="checkbox"/>	RFAC <input type="checkbox"/>	RFAS <input type="checkbox"/>
Date Received: <u>10/24/07</u>	Permit Number: _____	Permit Date: <u>10/24/07</u>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

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

KANSAS CORPORATION COMMISSION
 CONSERVATION DIVISION
 130 S. Market - Room 2078
 Wichita, Kansas 67202

Form VPA-1
 4/01

VERIFIED AFFIDAVIT FOR USE OF MUD AS AN
 ALTERNATIVE TO THE CEMENTING REQUIREMENT IN ¶18(D)
 OF THE PANOMA COUNCIL GROVE B.P.O.

FORM MUST BE TYPED

Submit in Duplicate
 Attach to Drilling Permit

Operator Name EOG Resources, Inc.					KCC License No. 5278	
Operator Address 3817 NW Expressway Suite #500 Oklahoma City, OK 73112						
Contact Person Melissa Sturm					Telephone No. (405) 246-3234	
Lease Name & No. Pelajo 23 #1			API No. 15-189-22620-000		KCC Lease Code No.	
Location Quarter NW/4	Section 23	Township 32S	Range 37	990 E (W) (circle one) 1620		FL from (S) (circle one) Line of Sec. FL from E / (W) (circle one) Line of Sec.
County Stevens	Field Name Wildcat		Producing Formation Group St. Louis		Mud Weight 8.7	

AFFIDAVIT CERTIFICATE OF SERVICE

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements here are complete and correct to the best of my knowledge. The well subscribed to in this Affidavit will be completed in accordance with all applicable rules and regulations of the KCC. However, applicant intends to use drilling mud of sufficient weight across the interval between the base of the Council Grove Group and the top of the Chase Group as an alternative to the cementing requirements found in paragraph 18(D) of the Panoma Council Grove B.P.O. unless an objection is filed within 15 days of service of this Affidavit. I hereby certify that I caused a true and correct copy of the foregoing Affidavit and any attachments of said Affidavit to be served by placing the same in the United States mail, postage prepaid, to the following parties, which represent all of the operators or lessees of record and the owners of record of unleased acreage within a one mile radius of the well, including operators and working interest owners having interests in the lands covered by the unit on which the well is to be drilled:

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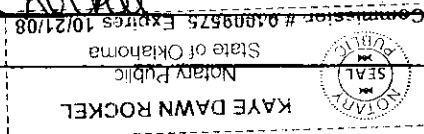
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CONSERVATION DIVISION
 WICHITA, KS

Signature Melissa Sturm Date 10/22/07
 Title Sr. Operations Assistant

Subscribed and sworn to before me this 22nd day of October, 2007.

Notary Public Kaye Dawn Rockel
 Date Commission Expires _____



15-189-22620-0000

Exhibit "A"
Pelajo 23 #1
Section 23-32S-37W
Stevens County, Kansas

Page 1 of 1

1. ExxonMobil Production Company
P.O. Box 4610
Houston, TX 77210-4610

End of Exhibit "A"

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JAMES H. ...



15-189-22620-0000

EOG Resources, Inc.
3817 NW Expressway
Suite 500
Oklahoma City, OK 73112-1483
(405) 246-3100

October 22, 2007

Mr. Rick Hestermann
Kansas Corporation Commission
Conservation Division
Wichita State Office Building
130 S. Market, Room 2078
Wichita, KS 67202-3802

Re: BPO Mud Affidavit
Pelajo 23 #1
Sec 23-32S-37W
Stevens County
990' FNL & 1620' FWL

Dear Mr. Hestermann:

Enclosed is a C-1 Notice of Intent to Drill with a BPO Mud Affidavit. We understand the 15-day period is not yet up, but we are requesting that the permit be approved. If the VPA-1 Mud Affidavit were to be protested, we understand that we will be required to cement across the interval between the base of the Council Grove group and the top of the Chase group of the Panoma Council Grove BPO.

If you have any questions or concerns, please contact me at (405) 246-3234.

Thank you,

A handwritten signature in cursive script that reads "Melissa Sturm".

Melissa Sturm
Sr. Operations Assistant

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WICHITA, KS

October 24, 2007

Melissa Sturm
EOG Resources, Inc.
3817 NW Expressway, Suite 500
Oklahoma City, OK 73112

Re: Pelajo 23 #1, API #15-189-22620-0000
Docket # PVPA 100702
NW Sec. 23-T32S-R37W
Stevens County, Kansas

Dear Ms. Sturm,

The form VPA-1 affidavit filed for the above-referenced well stated that service of the affidavit was mailed on October 22, 2007. The fifteen (15) day protest period has not expired. Per your letter of October 22, 2007, EOG Resources, Inc. anticipates spudding this well before the fifteen-day protest period has expired. EOG Resources, Inc. also stipulates that should any protests be received before the protest period has expired, the cementing required across the Council Grove and Chase Formations per the Panoma-Council Grove Proration Order will be done. Therefore, we are advising you that the drilling of this well may commence and, unless protests to your VPA-1 are received, drilling mud of the weight specified in your affidavit may be used across the interval between the base of the Council Grove group and the top of the Chase group.

Sincerely,



Rick Hestermann
Production Department