

For KCC Use: 11-13-07  
Effective Date: 4  
District # \_\_\_\_\_  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**NOTICE OF INTENT TO DRILL**

Form C-1  
December 2002  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date December 15, 2007  
month day year

OPERATOR: License# 30537  
Name: Venture Resources, Inc.  
Address: P.O. Box 101234  
City/State/Zip: Denver, CO 80250  
Contact Person: Ron Mackey  
Phone: 303-722-2899

CONTRACTOR: License# 33493  
Name: American Eagle Drilling, LLC

<b>Well Drilled For:</b>	<b>Well Class:</b>	<b>Type Equipment:</b>
<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
<input type="checkbox"/> CWMO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic; # of Holes _____	<input type="checkbox"/> Other _____	<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 \_\_\_\_\_ East  
SW SE NE Sec. 14 Twp. 11S S. R. 18  West  
2310 feet from  N /  S Line of Section  
990 feet from  E /  W Line of Section  
Is SECTION  Regular  Irregular?

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

County: Ellis  
Lease Name: Carmichael Well #: 4  
Field Name: BEMIS-SHUTTS  
Is this a Prorated / Spaced Field?  Yes  No  
Target Formation(s): Arbuckle  
Nearest Lease or unit boundary: 330'  
Ground Surface Elevation: 1864.5 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: 580  
Surface Pipe by Alternate:  1  2  
Length of Surface Pipe Planned to be set: 210'  
Length of Conductor Pipe required: NA  
Projected Total Depth: 3550  
Formation at Total Depth: ARBUCKLE  
Water Source for Drilling Operations:  
 Well  Farm Pond Other \_\_\_\_\_  
DWR Permit #: 20060346  
(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 is in accordance with the provisions of the Kansas Corporation Commission Act.  
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 on the job, 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: 10/25/07 Signature of Operator or Agent: TODD W. SMITH Title: PRESIDENT

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: \_\_\_\_\_

For KCC Use ONLY  
API # 15 - 051-25705-0000  
Conductor pipe required None feet  
Minimum surface pipe required 200 feet per Alt. VO 2  
Approved by: Rum 11-8-07  
This authorization expires: 11-8-08  
(This authorization void if drilling not started within 12 months of approval date.)  
Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

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

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14  
11  
18W

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 - 051-25705-0000
Operator: Venture Resources, Inc.
Lease: Carmichael
Well Number: 4
Field: BEMIS-SHUTTS

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

Location of Well: County: Ellis
2310 feet from N / S Line of Section
990 feet from E / W Line of Section
Sec. 14 Twp. 11S S. R. 18 East West

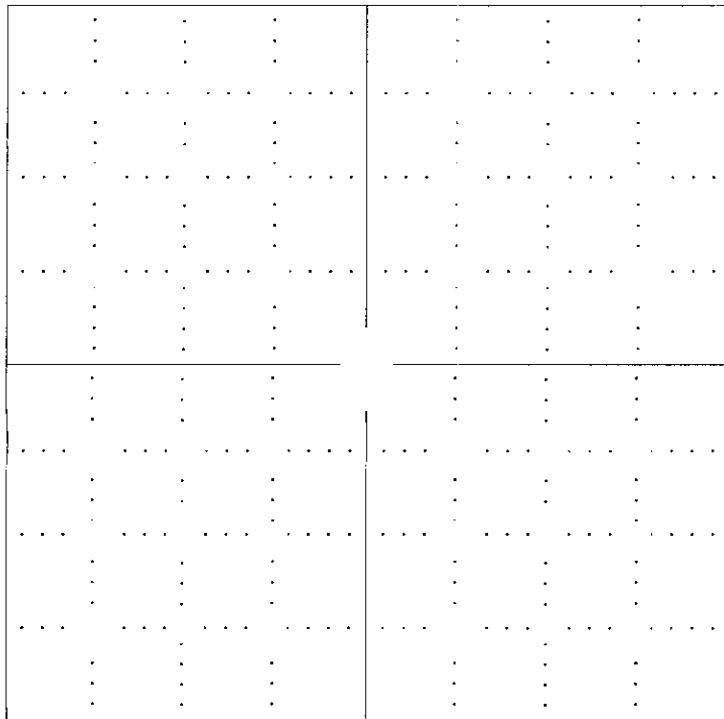
Is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

PLAT

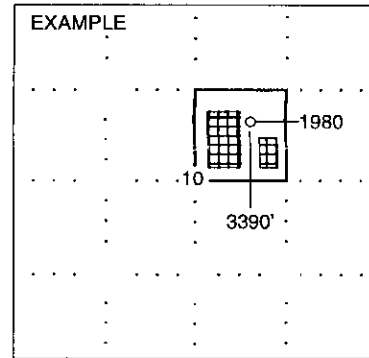
(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)



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

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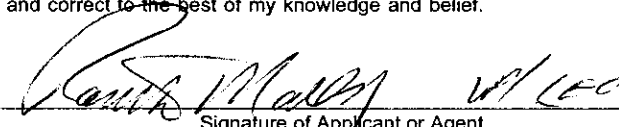
In plotting the proposed location of the well, you must show:

- 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: (CO-7 for oil wells; CG-8 for gas wells).

**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: <b>Venture Resources, Inc.</b>		License Number: <b>30537</b>
Operator Address: <b>P. O. Box 101234 Denver, CO 80250</b>		
Contact Person: <b>Ron Mackey</b>		Phone Number: ( <b>303</b> ) <b>722 - 2899</b>
Lease Name & Well No.: <b>Carmichael #4</b>		Pit Location (QQQQ): _____ <b>SW</b> _____ <b>SE</b> _____ <b>NE</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>1000</b> (bbls)	Sec. <b>14</b> Twp. <b>11S</b> R. <b>18</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>2310</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <b>990</b> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <b>Ellis</b> 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? <b>Natural Clays and muds</b>
Pit dimensions (all but working pits): <b>100</b> Length (feet) <b>50</b> Width (feet)    _____ N/A: Steel Pits Depth from ground level to deepest point: <b>6</b> (feet)		
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and monitoring of liner integrity, including any special monitoring.
		<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p><b>RECEIVED</b> NOV 08 2007 CONSERVATION DIVISION WICHITA KS</p> </div> <div style="text-align: center;"> <p><b>RECEIVED</b> OCT 17 2007 CONSERVATION DIVISION WICHITA KS</p> </div> </div>
Distance to nearest water well within one-mile of pit <input checked="" type="checkbox"/> <b>2500</b> feet    Depth of water well <b>60</b> feet	Depth to shallowest fresh water <b>18</b> feet. Source of information: <input checked="" type="checkbox"/> measured    _____ well owner    _____ 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: <u>fresh water chem/gel system</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>Haul liquids to SWD</u> <u>Evaporation, refill with original soils.</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.		
10/12/07 Date	 Signature of Applicant or Agent	
<b>KCC OFFICE USE ONLY</b>		
<b>RFSYC</b>		
Date Received: <u>10/17/07</u> Permit Number: _____ Permit Date: <u>10/17/07</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

15-051-85705-0000



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

October 17, 2007

Mr. Ron Mackey  
Venture Resources, Inc.  
PO Box 101234  
Denver, CO 80250

RE: Drilling Pit Application  
Carmichael Lease Well No. 4  
NE/4 Sec. 14-11S-18W  
Ellis County, Kansas

Dear Mr. Mackey:

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 **if sand is encountered during the construction of the reserve pit or working pits, please call the District Office at (785) 625-0550**. The 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. **Please keep all pits away from any draws.**

**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, 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 undersigned at the above address.

Sincerely,

Kathy Haynes  
Environmental Protection and Remediation Department

cc: File

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