

For KCC Use:

Effective Date:

District #

SGA? ☐ Yes ☒ NoKANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISIONRECEIVED
KANSAS CORPORATION COMMISSION

Form C-1

December 2002

AUG 13 2007

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 CONSERVATION DIVISION

WICHITA, KS

Expected Spud Date 11-23-06

month day year

OPERATOR: License# 5786

Name: McGown Drilling, Inc.

Address: P.O. Box 299

City/State/Zip: Mound City, KS 66056

Contact Person: Doug McGown

Phone: 913-795-2258

CONTRACTOR: License# 5786

Name: McGown Drilling, Inc.

Well Drilled For:

Well Class:

Type Equipment:

<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input type="checkbox"/> Infield	<input checked="" type="checkbox"/> Mud Rotary
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input checked="" type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Other		
<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

C SE SW Sec. 15 Twp. 24 S. R. 25 ☒ East ☐ West660 feet from ☐ N / ☒ S Line of Section1880 feet from ☐ E / ☒ W Line of SectionIs SECTION ☒ Regular ☐ Irregular?

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

County: Bourbon

Lease Name: Valentine Well #: 14-15C

Field Name:

Is this a Prorated / Spaced Field?

☐ Yes ☒ No

Target Formation(s): Mississippi

Nearest Lease or unit boundary: 660'

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: 100'

Surface Pipe by Alternate: ☐ 1 ☒ 2

Length of Surface Pipe Planned to be set: 20'

Length of Conductor Pipe required: 0

Projected Total Depth: 400'

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:

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: 11-16-06

Signature of Operator or Agent: Ronda S. McGown

Title: Agent

For KCC Use ONLY

API # 15 - 011-23227-00-00Conductor pipe required NONE feetMinimum surface pipe required 20 feet per Alt. X2Approved by: W. H. H. 11-21-06This authorization expires: 5-21-07

(This authorization void if drilling not started within 6 months of approval date.)

Spud date: X 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 ExpiredSignature of Operator or Agent: Ronda S. McGownDate: 8-9-07

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

RECEIVED

NOV 20 2006

KCC WICHITA