For KCC Use: Effective Date: 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

Expected Spud Date	December	17 day	2007 year	Spot 77'N of C of SW . NW . SE Sec. 23 Two. 22 S. R. 14 V W.	
	_	Jay	you		est
OPERATOR: License# 600	39			1727 feet from N / V S Line of Section	
Name: L.D. DRILLING, INC	J.			leet irom [v] E / [] vv Line of Section	
Address: 7 SOUTHWEST 2	26TH AVENUE			Is SECTION RegularIrregular?	
City/State/Zip: GREAT BEN	ND, KANSAS 6753	30		(Note: Locate well on the Section Plat on reverse side)	
Contact Person: LD. DAVI	IS			County: STAFFORD	
Phone: 620-793-3051				Lease Name: SCHARTZ CHISHOLM Well #: 1	
				Field Name: Oscar	
CONTRACTOR: License#_	33323			Is this a Prorated / Spaced Field?	No
Name: PETROMARK DR	ILLING, LLC RI	G #2		Target Formation(s): ARBUCKLE	
		_		Nearest Lease or unit boundary: 330 FEET	
Well Drilled For:	Well Class:	Type	Equipment:	Ground Surface Elevation: 1921 feet M	SI
Oil C Enh Re	ec 🗸 Infield	√ N	lud Rotary		سر No
Gas Storage	e 🗌 Pool Ex	t. 🔲 A	ir Rotary	Public water supply well within one mile:	•
OWWO Disposa	al Wildcat		able	Depth to bottom of fresh water: 220 FEET	NO
Seismic;# of f	Holes Other	_		Depth to bollom of fresh water: 220 FEET	
Other				Depth to bottom of usable water: 220 FEET	
<u> </u>				Surface Pipe by Alternate: 1 1 2	
If OWWO: old well informat	tion as follows:			Length of Surface Pipe Planned to be set: 700 FEET	
Operator:				Length of Conductor Pipe required: NONE	_
Well Name:				Projected Total Depth: 3850	
Original Completion Dat	te:(Original Total	Depth:	Formation at Total Depth: ARBUCKLE	
Discotional Deviated on Hea			Yes ✓ No	Water Source for Drilling Operations:	
Directional, Devlated or Hor				Well Farm Pond Other	_
If Yes, true vertical depth:				DWR Permit #: OPERATOR TO APPLY	_
Bottom Hole Location:				(Note: Apply for Permit with DWR	
KCC DKT #:				Will Cores be taken?	No
				If Yes, proposed zone:	
			ΔEF		
The undereigned hereby a	ffirms that the dril	lling comple	AFFI	DAVIT RECEIVED	IMISSIC
The undersigned hereby at	ffirms that the dril	iling, comple	etion and eventual pl		IMISSIC
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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 - 185-23496-0000	Location of Well: County: STAFFORD	
Operator: L.D. DRILLING, INC.	feet from N / V S Line of Sec	tion
Lease: SCHARTZ CHISHOLM	2310 feet from 🗸 E / W Line of Sec	tion
	Sec. 23 Twp. 22 S. R. 14 ☐ East 🗸	West
Field:		
Number of Acres attributable to well:	If Section is Irregular, locate well from nearest corner bounda Section comer used: NE NW SE SW	ıry.

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.)

RECEIVED
KANSAS CORPORATION COMMISSION

DEC 14 2007

CONSERVATION DIVISION
WICHITA, KS

EXAMPLE

SEWARD CO.

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 section's south / north and east / west.
- 3. The distance to the nearest lease or unit boundary line.
- If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: L.D. DRILLING,	INC.		License Number: 6039				
Operator Address: 7 SW 26TH AVENUE, GREAT BEND, KANSAS 67530							
Contact Person: L.D. DAVIS		Phone Number: (620) 793 - 3051					
Lease Name & Well No.: SCHARTZ	CHISHOL	Pit Location (QQQQ):70 N of C of					
Type of Pit: Pit is:			<u>SW</u> _ <u>NW</u> _ <u>SE</u>				
Emergency Pit Burn Pit	✓ Proposed	Existing	Sec. 23 _{Twp.} 22 _{R.} 14 ☐ East ✓ West				
Settling Pit Drilling Pit	If Existing, date constructed:		1727 Feet from North / South Line of Section				
Workover Pit Haul-Off Pit			2310 Feet from 🗸 East / West Line of Section				
(If WP Supply API No. or Year Drilled)	Pit capacity: 3500	(bbls)	STAFFORD County				
Is the pit located in a Sensitive Ground Water		No	Chloride concentration:mg/l (For Emergency Pits and Settling Pits only)				
Is the bottom below ground level? Yes No			How is the pit lined if a plastic liner is not used?				
Pit dimensions (all but working pits):							
If the pit is lined give a brief description of the material, thickness and installation procedure. IF REQ'D 10 MIL. LINER WITH CONTAINED BY SOIL.	e.	,	edures for periodic maintenance and determining nctuding any special monitoring.				
Distance to nearest water well within one-mil		Depth to shallowest fresh water					
		measured well owner electric log KDWR					
Emergency, Settling and Burn Pits ONLY		Driffing, Workover and Haul-Off Pits ONLY: BENTONITE GEL					
Producing Formation: Number of producing wells on lease:		Type of material utilized in drilling/workover: BENTONITE GEL Number of working pits to be utilized: THREE					
Barrels of fluid produced daily:		Abandonment procedure: PITS JETTED, ALLOWED TO EVAPORATE					
Does the slope from the tank battery allow al	Il spilled fluids to	AND BACKFILLED BY DOZER.					
flow into the pit? Yes No		Drill pits must be closed within 365 days of spud date. RECEIVED KANSAS CORPORATION COMMISSION					
I hereby certify that the above state DEC. 13, 2007 Date	ements are true and o	$ abla \Omega$					
	KCC OFFICE USE ONLY RF54-C						
Date Received: (2/14/67 Permit Num	nber:	Perm	it Date: 12/17/07 Lease Inspection: Yes No				



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

December 17, 2007

Mr. L.D. Davis L.D. Drilling, Inc. 7 Southwest 26th Ave Great Bend, KS 67530

RE: Drilling Pit Application Schartz Chisholm Lease Well No. 1 SE/4 Sec. 23-22S-14W Stafford County, Kansas

Dear Mr. Davis:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, 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: 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 Havnes

Department of Environmental Protection and Remediation

cc: File