

OWWO

For KCC Use: 2-2508
Effective Date: 2
District # 2
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form C-1
October 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 well

Expected Spud Date: February 18, 2008
month day year

Spot Description:
approx. N/2 - NW - SW Sec. 17 Twp. 25 S. R. 5 E W
(0000) 2,310 feet from N / S Line of Section
555 feet from E / W Line of Section

OPERATOR: License# 32753
Name: Seed Group
Address 1: P.O. Box 771189
Address 2:
City: Wichita State: Ks Zip: 67277 + 1189
Contact Person: Paul Carageannis
Phone: 316-807-1209
CONTRACTOR: License# 32753
Name: AA Drilling

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

County: Reno
Lease Name: Woodruff Well #: 1
Field Name: Fishburn

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

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Miss
Nearest Lease or unit boundary line (in footage): 330

If OWWO: old well information as follows:
Operator: Rupe Oil Company
Well Name: Woodruff #1
Original Completion Date: 12/22/07 Original Total Depth: 3815

Ground Surface Elevation: 1479 feet MSL
Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No

Directional, Deviated or Horizontal wellbore? Yes No
If Yes, true vertical depth:
Bottom Hole Location:
KCC DKT #:

Depth to bottom of fresh water: 100
Depth to bottom of usable water: 180
Surface Pipe by Alternate: I II
Length of Surface Pipe ~~Planned to be set:~~ 250'

Length of Conductor Pipe (if any):
Projected Total Depth: 3500
Formation at Total Depth: Miss
Water Source for Drilling Operations:
 Well Farm Pond Other: Haul in

DWR Permit #:
(Note: Apply for Permit with DWR)
Will Cores be taken? Yes No
If Yes, proposed zone:

Original hole P: A 12/7/07.

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:

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FEB 15 2008
CONSERVATION DIVISION
WICHITA, KS

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 correct to the best of my knowledge and belief.

Date: February 15, 2008 Signature of Operator or Agent: _____ Title: Geologist

For KCC Use ONLY
API # - 155-21527-00-01
Conductor pipe required None feet
Minimum surface pipe required 250 feet per ALT. I II
Approved by: [Signature]
This authorization expires: 2-2009
(This authorization void if drilling not started within 12 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: _____

17
25
5
 E
 W

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 - 155-21527-00-01
Operator: Seed Group
Lease: Woodruff
Well Number: 1
Field: Fishburn

Location of Well: County: Reno
2,310 feet from N / S Line of Section
555 feet from E / W Line of Section
Sec. 17 Twp. 25 S. R. 5 E W

Number of Acres attributable to well: _____
QTR/QTR/QTR/QTR of acreage: aprx - N/2 - NW - SW

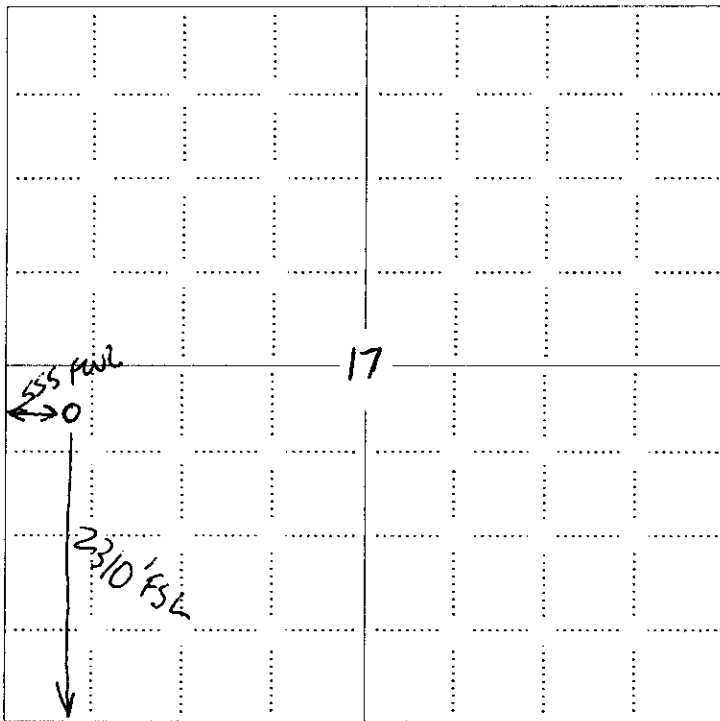
Is Section: Regular or Irregular

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

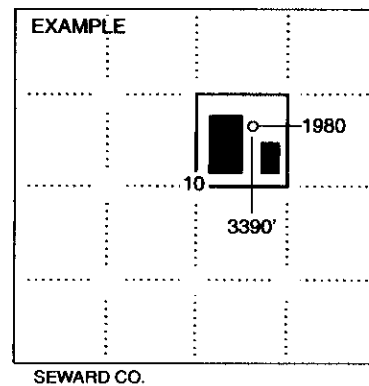
Section corner used: NE NW SE SW

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.)



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

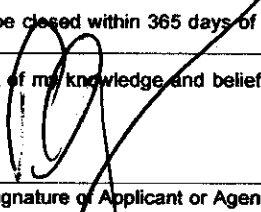
In plotting the proposed location of the well, you must show:

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
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Seed Group		License Number: 32753	
Operator Address: P.O. Box 771189		Wichita Ks 67277	
Contact Person: Paul Carageannis		Phone Number: 316-807-1209	
Lease Name & Well No.: Woodruff 1		Pit Location (QQQQ): _____ - _____ - _____ - _____ SW Sec. 17 Twp. 25 R. 5 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 2,310 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 555 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Reno 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 checked="" type="checkbox"/> Haul-Off Pit, <small>(If WP Supply API No. or Year Drilled)</small>		Pit is: <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Existing If Existing, date constructed: 11//07 Pit capacity: 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
How is the pit lined if a plastic liner is not used?			
Pit dimensions (all but working pits): <u>8</u> Length (feet) <u>40</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>2</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 FEB 15 2008 CONSERVATION DIVISION WICHITA, KS daily inspection	
Distance to nearest water well within one-mile of pit <u>4377</u> feet Depth of water well <u>72</u> feet		Depth to shallowest fresh water <u>14</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>chmical</u> Number of working pits to be utilized: _____ Abandonment procedure: <u>remove all fluids and solids remove plastic liner and fill with dirt</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>02/15/08</u> Date		 Signature of Applicant or Agent	
KCC OFFICE USE ONLY			
Steel Pit <input type="checkbox"/> RFAC <input checked="" type="checkbox"/> RFAS <input type="checkbox"/> Date Received: <u>2/15/08</u> Permit Number: _____ Permit Date: <u>2/18/08</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

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

15155-21527-00-01



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

February 19, 2008

Seed Group
P.O. Box 771189
Wichita, KS 67277-1189
Attn: Paul Carageannis

Re: Woodruff #1 OWWO
N/2 NW SW, Sec. 17-25-5W, Reno Co., KS

Dear Mr. Carageannis,

As you are aware Rupe Oil Company completed the Woodruff #1 as a dry hole on December 22, 2007. Your company was the contractor at that time and was made aware, as was Rupe Oil Company, that the cement plugs failed in this well allowing gas to come to surface through the surface pipe. Your company Seed Group/AA Drilling, KCC license number 32753, has opted to wash this well down and complete this well as a Mississippi producer. If the decision to re-plug the well is made after washing this well down the KCC will require the following:

1. KCC District staff must be present to witness the plug job if the well is deemed a dry hole. KCC business hours are from 8 am to 5 pm Monday through Friday. Staff will be available to witness plugging during those times only.
2. Plugging instructions are as follows:
 - a. An intermediate plug at the top of the Lansing will be required if the well is D&A. 35sx spotted at 2740'. This plug must be tagged.
 - b. 35sx spotted at 750' for a bottom salt plug. This plug must be tagged.
 - c. Circulate from 300' to surface to satisfy both a top salt plug and a surface plug.
 - d. 15sx in the rathole, and 10sx in the mousehole.

Please contact me if you have any questions.

Sincerely,
Jeff Klock
District 2 Supervisor



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

February 18, 2008

Mr. Paul Carageannis
Seed Group
PO Box 771189
Wichita, KS 67277-1189

RE: Drilling Pit Application
Woodruff Lease Well No. 1
SW/4 Sec. 17-25S-05W
Reno County, Kansas

Dear Mr. Carageannis:

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 within 72 hours of drilling completion.

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 (316) 630-4000 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,

A handwritten signature in black ink, appearing to read "Kathy Haynes".

Kathy Haynes

Environmental Protection and Remediation Department

cc: File