

For KCC Use: 7-13-08  
 Effective Date: \_\_\_\_\_  
 District # 3  
 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: 7/11/08  
 month day year

OPERATOR: License# 33522  
 Name: Bill Gallagher Enterprises LLC  
 Address 1: Po box 6174  
 Address 2: \_\_\_\_\_  
 City: Ablene State: Tx Zip: 79801  
 Contact Person: dick clardy larry alex chris james  
 Phone: 325-675-0515 913-786-6763 512-474-4848  
 CONTRACTOR: License# 5831  
 Name: MoKat Drilling

Spot Description: SE-DW-NO-NO  
 se - nw - ne - nw Sec. 8 Twp. 29 S. R. 14  E  W  
 (0000) 440 feet from  N /  S Line of Section  
880 feet from  E /  W Line of Section

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

County: Wilson  
 Lease Name: Devins Well #: 8-9  
 Field Name: Frandonia field

Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): new albany  
 Nearest Lease or unit boundary line (in footage): 440'

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: 20' 100±  
 Depth to bottom of usable water: 20' 200  
 Surface Pipe by Alternate:  I  II

Length of Surface Pipe Planned to be set: 20' - 40' minimum  
 Length of Conductor Pipe (if any): none  
 Projected Total Depth: 650'  
 Formation at Total Depth: new albany

Water Source for Drilling Operations:  
 Well  Farm Pond  Other: hauled in  
 DWR Permit #: \_\_\_\_\_

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

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

**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 correct to the best of my knowledge and belief.

Date: 7/14/08 Signature of Operator or Agent: Wendy Gault Title: managing partner

**For KCC Use ONLY**  
 API # 15 - 205-27590-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 40 feet per ALT.  I  II  
 Approved by: RWA 7-8-08  
 This authorization expires: 7-8-09  
 (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: \_\_\_\_\_

RECEIVED  
 KANSAS CORPORATION COMMISSION

JUL 07 2008

CONSERVATION DIVISION  
 WICHITA, KS

8  
29  
14  
 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.

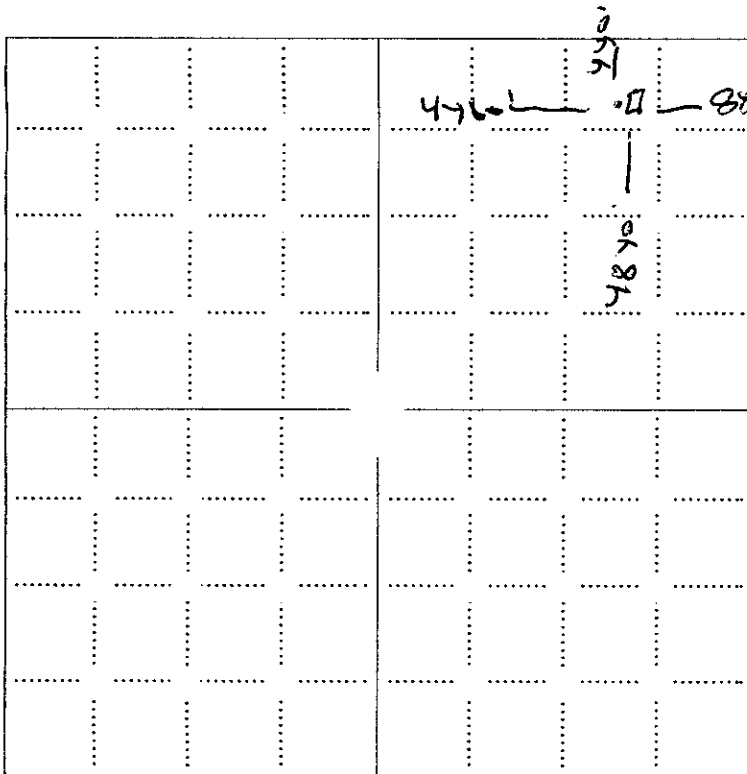
API No. 15 - 205-27590-0000  
 Operator: Bill Gallagher Enterprises LLC  
 Lease: Devins  
 Well Number: 8-9  
 Field: Fredonia field  
 Number of Acres attributable to well: \_\_\_\_\_  
 QTR/QTR/QTR/QTR of acreage: se - nw - ne - sw

Location of Well: County: Wilson  
 \_\_\_\_\_ feet from  N /  S Line of Section  
 \_\_\_\_\_ feet from  E /  W Line of Section  
 Sec. 8 Twp. 29 S. R. 14  E  W  
 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.)*



RECEIVED  
 KANSAS CORPORATION COMMISSION  
 JUL 07 2008  
 CONSERVATION DIVISION  
 WICHITA, KS

EXAMPLE

SEWARD CO.

**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).





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

July 7, 2008

Dick Clardy  
Bill Gallagher Enterprises LLC  
PO Box 6174  
Abilene, TX 79801

RE: Drilling Pit Application  
Devins Lease Well No. 8-9  
NE/4 Sec. 08-29S-14E  
Wilson County, Kansas

Dear Mr. Clardy:

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 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) 432-2300 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](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