

OWWO

For KCC Use: 7-28-08  
Effective Date: 7-28-08  
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: 7-7-08  
month day year

OPERATOR: License# 5214 ✓  
Name: Larjo Oil & Gas Company  
Address 1: 301 S. Market  
Address 2:  
City: Wichita State: KS Zip: 67202  
Contact Person: Jay Schweikert  
Phone: 316-265-5611

CONTRACTOR: License# 5929 ✓  
Name: Duke Drilling Co., Inc.

Well Drilled For:  Oil  Gas  Enh Rec  Storage  Disposal  Seismic; # of Holes  Other  
Well Class:  Infield  Pool Ext.  Wildcat  Other  
Type Equipment:  Mud Rotary  Air Rotary  Cable

If OWWO: old well information as follows:  
Operator: Lee Phillips - J. C. Graves ✓  
Well Name: Young #1  
Original Completion Date: 5-19-66 Original Total Depth: 3833'

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

Spot Description:  
NE NE SW Sec. 34 Twp. 27 S. R. 5  E  W  
(a/a/a/a) 2,310 feet from  N /  S Line of Section  
2,310 feet from  E /  W Line of Section

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

County: Kingman  
Lease Name: Young #1 Well #: 1-34 RE  
Field Name: Wildcat

Is this a Prorated / Spaced Field?  Yes  No  
Target Formation(s): Mississippian  
Nearest Lease or unit boundary line (in footage): 2310'  
Ground Surface Elevation: 1445' est. 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: 150'  
Depth to bottom of usable water: 180'  
Surface Pipe by Alternate:  I  II  
Length of Surface Pipe ~~Planned to be set:~~ 197' already set  
Length of Conductor Pipe (if any): None  
Projected Total Depth: 4200'  
Formation at Total Depth: Kinderhook

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

RECEIVED  
KANSAS CORPORATION COMMISSION

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:

JUN 06 2008

- 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.

CONSERVATION DIVISION

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 6/5/08 Signature of Operator or Agent: Jay Schweikert Title: Operations Engineer

For KCC Use ONLY  
API # 15 - 095-30083-00-01  
Conductor pipe required None feet  
Minimum surface pipe required 197 feet per ALT.  I  II  
Approved by: *[Signature]* 7-23-08  
This authorization expires: 7-23-09  
(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:

34 27 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 - D95-30083-00-01  
 Operator: Lario Oil & Gas Company  
 Lease: Young 'I'  
 Well Number: 1-34 RE  
 Field: Wildcat

Location of Well: County: Kingman  
 2,310 feet from  N /  S Line of Section  
 2,310 feet from  E /  W Line of Section  
 Sec. 34 Twp. 27 S. R. 5  E  W

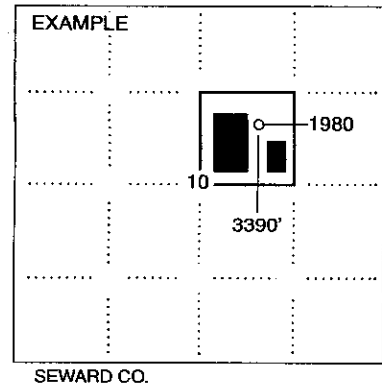
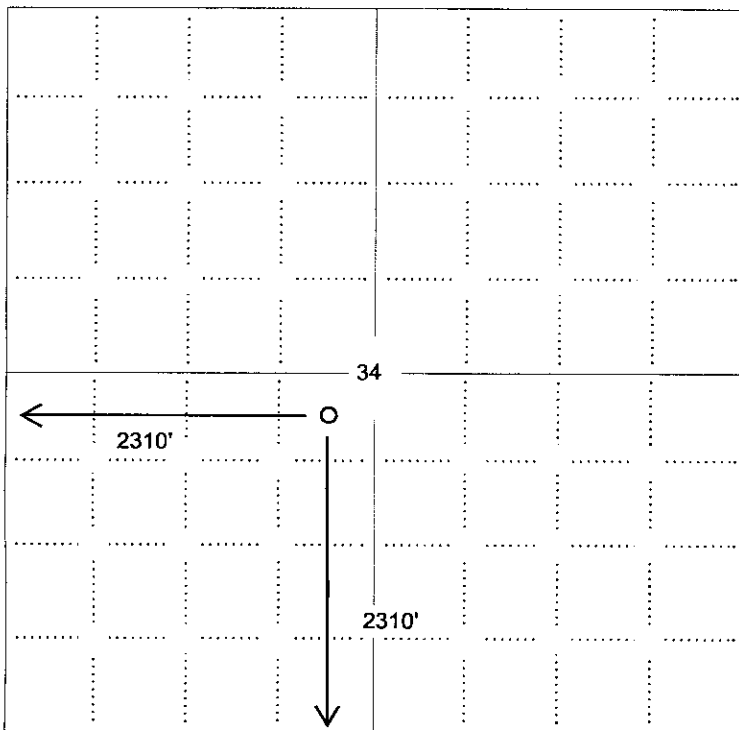
Number of Acres attributable to well: \_\_\_\_\_  
 QTR/QTR/QTR/QTR of acreage: \_\_\_\_\_ - NE - NE - SW

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.)*



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

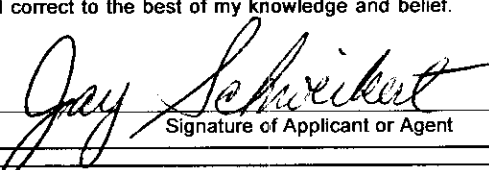
**In plotting the proposed location of the well, you must show:**

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: (C0-7 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>Lario Oil &amp; Gas Company</b>		License Number: <b>5214</b>
Operator Address: <b>301 S. Market</b>		<b>Wichita KS 67202</b>
Contact Person: <b>Jay Schweikert</b>		Phone Number: <b>316-265-5611</b>
Lease Name & Well No.: <b>Young 'I' 1-34 RE</b>		Pit Location (QQQQ): <b>NE NE SW</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>7,100</b> (bbls)	Sec. <b>34</b> Twp. <b>27</b> R. <b>5</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>2,310</b> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <b>2,310</b> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <b>Kingman</b> County
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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used?
Pit dimensions (all but working pits): <u>100</u> Length (feet) <u>100</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>4</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.
Distance to nearest water well within one-mile of pit <u>2380</u> feet    Depth of water well <u>39</u> feet		Depth to shallowest fresh water <u>12</u> feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> 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>Bentonite Mud</u> Number of working pits to be utilized: <u>2</u> Abandonment procedure: <u>Allow for evaporation. Fill in and cover pits.</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.		
Date _____	 Signature of Applicant or Agent	RECEIVED KANSAS CORPORATION COMMISSION <b>JUN 06 2008</b> CONSERVATION DIVISION WICHITA, KS
<b>KCC OFFICE USE ONLY</b>		
Date Received: <u>6/6/08</u>	Permit Number: _____	Permit Date: <u>2/22/08</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

15-095-30083-0001



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

July 22, 2008

Jay Schweikert  
Lario Oil & Gas Company  
301 S Market  
Wichita KS 67202

Re: Drilling Pit Application  
Young I Lease Well No. 1-34 RE  
SW/4 34-27S-05W  
Kingman County, Kansas

Dear Mr. Schweikert:

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 96 hours of completion of drilling operations.

**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: <http://kcc.ks.gov/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,

Jonelle Rains, Supervisor  
Department of Environmental Protection and Remediation

cc: Jeff Klock  
File

15-095-30083-00-00

Form CP-3  
Rev. 6-26-62

KANSAS



STATE CORPORATION COMMISSION  
CONSERVATION DIVISION AGENT'S REPORT

RECEIVED  
STATE CORPORATION COMMISSION  
MAY 5 - 1966  
CONSERVATION DIVISION  
Wichita, Kansas

J. P. Roberts  
Administrator  
500 Insurance Building  
Wichita 2, Kansas

Operator's Full Name Lee Phillips & J. C. Graves

Complete Address: 412 Union Center Bldg., Wichita, Kansas

Lease Name Young Well No. # 1

Location NE NE SW Sec. 34 Twp. 27 Rge. 5 (E) (W) W

County Kingman Total Depth 3833'

Abandoned Oil Well      Gas Well      Input Well      SWD Well      D & A X

Other well as hereafter indicated:     

Plugging Contractor: Graves Drilling Company, Inc.

Address: 412 Union Center Bldg., Wichita, Kansas License No.     

Operation Completed: Hour 2:45PM Day 2nd Month May Year 1966

The Above well was plugged as follows:

203' of 8 5/8" surface pipe, cement circulated with 165 sacks. Hole was filled with drilling mud to 190', 1st cementing plug, bridged solid with dry cement and 1/2 sack of hulls on fluid at 190', and cemented with 25 sacks. Hole was filled with drilling mud to 40', 2nd cementing plug, bridged solid with dry cement and 1/2 sack of hulls on fluid at 40', and cemented with 10 sacks to the base of the cellar. Rat hole bridged and cemented with 2 sacks.

I hereby certify that the above well was plugged as herein stated.

INVOICED

DATE 5/5/66

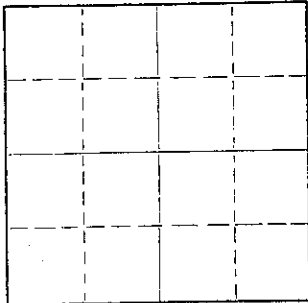
INV. NO. 3168-0

Signed: Aubie Elving  
Well Plugging Supervisor

STATE OF KANSAS  
CORPORATION COMMISSION  
Information Completely  
Required Affidavit  
Deliver Report to:  
Conservation Division  
State Corporation Commission  
212 No. Market  
Wichita, Kansas

WELL PLUGGING RECORD

NORTH



Locate well correctly on above  
Section Flat

Kingman County, Sec. 34 Twp. 27S Rge. (W) 5  
Location as "NE/CNW&SW&" or footage from lines NE NE SW  
Lease Owner Lee Phillips - J. C. Graves  
Lease Name Young Well No. 1  
Office Address 412 Union Center, Wichita, Kansas  
Character of Well (completed as Oil, Gas or Dry Hole) Dry Hole  
Date well completed May 2, 19 66  
Application for plugging filed May 2, 19 66  
Application for plugging approved May 2, 19 66  
Plugging commenced May 2, 19 66  
Plugging completed May 2, 19 66  
Reason for abandonment of well or producing formation

If a producing well is abandoned, date of last production 19  
Was permission obtained from the Conservation Division or its agents before plugging was com-  
menced? Yes

Name of Conservation Agent who supervised plugging of this well Archie V. Elving, Pratt, Kansas  
Producing formation Depth to top Bottom Total Depth of Well 3833 Feet  
Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS

CASING RECORD

FORMATION	CONTENT	FROM	TO	SIZE	PUT IN	PULLED OUT
				8 5/8"	197'	None

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same and depth placed, from feet to feet for each plug set.

Mudded up with heavy mud to 190 feet. Followed by wooden plug and 1/2 sack hulls. Placed 25 sacks cement onto hulls. Mudded up with heavy mud to 40 feet followed by wooden plug, 1/2 sack hulls and 10 sacks cement to base of well cellar. Plugged rat hole with 2 sacks cement.

RECEIVED  
STATE CORPORATION COMMISSION

MAY 5 1966

CONSERVATION DIVISION  
Wichita, Kansas

(If additional description is necessary, use BACK of this sheet)  
Name of Plugging Contractor Graves Drilling Co., Inc.  
Address 412 Union Center, Wichita, Kansas

STATE OF KANSAS, COUNTY OF BUTLER, ss.  
John C. Graves (employee of owner) or (owner or operator) of the above-described well, being first duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the log of the above-described well as filed and that the same are true and correct. So help me God.

(Signature) John C. Graves  
412 Union Center, Wichita, Kansas 67202  
(Address)

SUBSCRIBED AND SWORN to before me this 4th day of May, 19 66

My commission expires April 30, 1967  
Betty Brandt Notary Public.