

For KCC Use: 8-6-08  
 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: 08 / 04 / 2008  
month day year

OPERATOR: License# 33753 ✓  
 Name: Lockard Petroleum, Inc  
 Address 1: 806 Meanae Ct.  
 Address 2: \_\_\_\_\_  
 City: Liberty State: MO Zip: 64068 + \_\_\_\_\_  
 Contact Person: Gale Schroeder  
 Phone: 620-437-6435 Or 620-437-2646  
 CONTRACTOR: License# 30567 ✓  
 Name: Rig 6 Drilling, Inc

Spot Description: \_\_\_\_\_  
 S/2 SE NW Sec. 5 Twp. 24 S. R. 12  E  W  
 (a/a/a/a) 2,970 feet from  N /  S Line of Section  
3,300 feet from  E /  W Line of Section

Is SECTION:  Regular  Irregular?

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

County: Greenwood  
 Lease Name: JJ Morris Well #: 11  
 Field Name: Seeley Wick

Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): Cattelman, Mississippian ✓

Nearest Lease or unit boundary line (in footage): 330

Ground Surface Elevation: 1075 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: 225'

Surface Pipe by Alternate:  I  II

Length of Surface Pipe Planned to be set: 40'

Length of Conductor Pipe (if any): none

Projected Total Depth: 1880

Formation at Total Depth: Mississippian ✓

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: \_\_\_\_\_

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JUL 30 2008

CONSERVATION DIVISION  
 WICHITA, KS

**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: 7-28-08 Signature of Operator or Agent: Gale L Schroeder Title: Agent

**For KCC Use ONLY**  
 API # 15 - 073-24091-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 40 feet per ALT.  I  II  
 Approved by: MA 8-1-08  
 This authorization expires: 8-1-09  
 (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: \_\_\_\_\_

5  
24  
12  
 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 - 073-24091-0000  
Operator: Lockard Petroleum, Inc  
Lease: JJ Morris  
Well Number: 11  
Field: Seeley Wick

Location of Well: County: Greenwood  
2,970 feet from  N /  S Line of Section  
3,300 feet from  E /  W Line of Section  
Sec. 5 Twp. 24 S. R. 12  E  W

Number of Acres attributable to well: \_\_\_\_\_  
QTR/QTR/QTR/QTR of acreage: \_\_\_\_\_ - S/2 - SE - NW

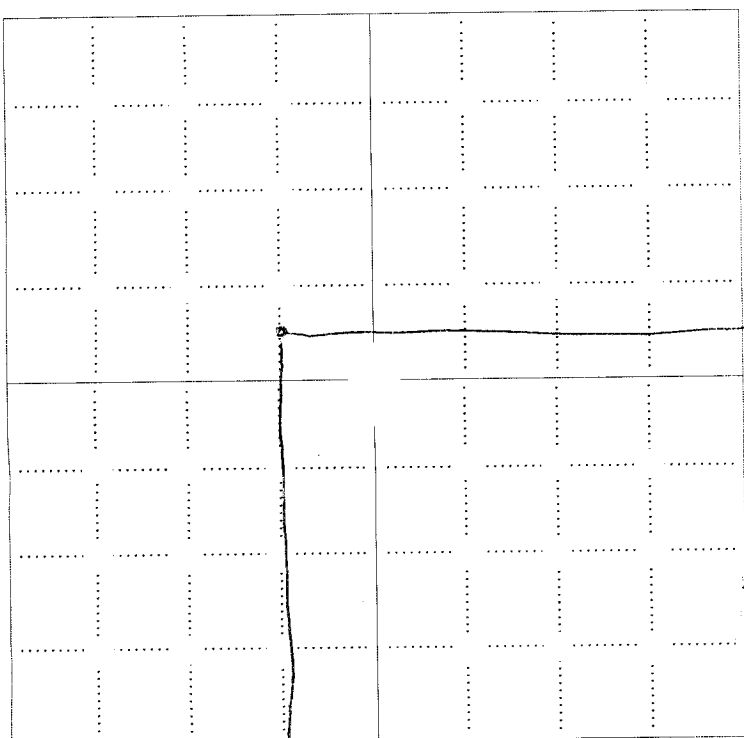
Is Section:  Regular or  Irregular

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

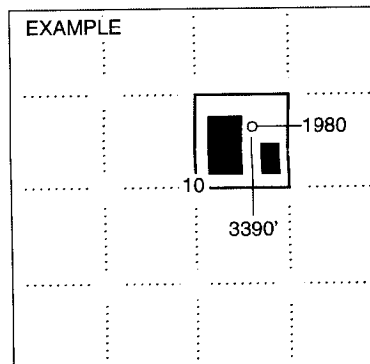
Section corner used:  NE  NW  SE  SW

## 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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SEWARD CO.

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

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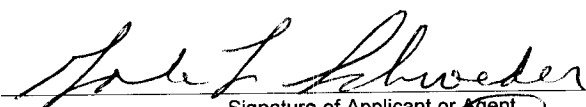
In plotting the proposed location of the well, you must show:

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 GDP-1  
April 2004  
Form must be Typed

*Submit in Duplicate*

Operator Name: <b>Lockard Petroleum, Inc</b>		License Number: <b>33753</b>	
Operator Address: <b>806 Meanae Ct.</b>		<b>Liberty</b>	<b>Mo.</b>
		64068	
Contact Person: <b>Gale Schroeder</b>		Phone Number: <b>620-437-6435 or 620-437-2646</b>	
Lease Name & Well No.: <b>JJ Morris</b>		<b>11</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 <i>(If WVP Supply API No. or Year Drilled)</i>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 120 (bbls)	
		Pit Location (QQQQ): S/2 SE NW Sec. <u>5</u> Twp. <u>24</u> R. <u>12</u> <input checked="" type="checkbox"/> East <input type="checkbox"/> West 2,970 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 3,300 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Greenwood County	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
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? <b>Native Clay</b>	
Pit dimensions (all but working pits): <u>50</u> Length (feet) <u>10</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. <div style="text-align: right;"> <b>RECEIVED</b>                      KANSAS CORPORATION COMMISSION  <b>JUL 30 2008</b>                      CONSERVATION DIVISION                      WICHITA, KS                 </div>	
Distance to nearest water well within one-mile of pit na <u>4363</u> feet    Depth of water well <u>59</u> feet		Depth to shallowest fresh water <u>6</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>Drilling Mud</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: <u>Air dry &amp; backfill</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.			
7-28-2008 Date	 Signature of Applicant or Agent		

15-013-24091-0000

<b>KCC OFFICE USE ONLY</b>		Steel Pit <input type="checkbox"/> RFAC <input checked="" type="checkbox"/> RFAS <input type="checkbox"/>
Date Received: <u>7/30/08</u>	Permit Number: _____	Permit Date: <u>8/1/08</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



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

August 1, 2008

Mr. Gale Schroeder  
Lockard Petroleum, Inc.  
806 Meanae Ct  
Liberty, MO 64068

RE: Drilling Pit Application  
JJ Morris Lease Well No. 11  
NW/4 Sec. 05-24S-12E  
Greenwood County, Kansas

Dear Mr. Schroeder:

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