

OWWO
(Deepening)

For KCC Use: 9-26-2010
Effective Date: 2
District # 2
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form C-1
March 2010
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

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

Expected Spud Date: 9/21/2010
month day year

OPERATOR: License# 6804
Name: Lachenmayr Oil LLC.
Address 1: P.O. Box 526
Address 2: _____
City: Newton State: KS Zip: 67114 + _____
Contact Person: John Lachenmayr
Phone: 316-284-1991

CONTRACTOR: License# 32701
Name: C & G Drilling

Spot Description: _____
C - NE - NW - NE Sec. 30 Twp. 22 S. R. 3 E W
(10/2/20) 4,980 341 feet from N / S Line of Section
1,850 1648 feet from E / W Line of Section

Is SECTION: Regular Irregular?

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

County: Harvey County
Lease Name: Schmidt K Well #: 1
Field Name: Hollow-Nikkel

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Arbuckle

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

Ground Surface Elevation: 1452 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: 45

Depth to bottom of usable water: 188' 230'

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 270

Length of Conductor Pipe (if any): 2520' 8 5/8"

Projected Total Depth: 3700

Formation at Total Depth: Arbuckle

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: _____

RECEIVED

SEP 20 2010

KCC WICHITA

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 to the best of my knowledge and belief.

Date: 9/20/10 Signature of Operator or Agent: [Signature] Title: Manager

For KCC Use ONLY

API # 15 - 079-00193-00-01

Conductor pipe required None feet

Minimum surface pipe required 270 feet per ALT. I II

Approved by: [Signature] 9-21-2010

This authorization expires: 9-21-2011
(This authorization void if drilling not started within 12 months of approval date.)

Spud date: _____ Agent: _____

Remember to:

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
- 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 well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well will not be drilled or Permit Expired Date: _____
Signature of Operator or Agent: _____

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

30
22
3
 E
 W

For KCC Use ONLY

API # 15 - 079-00193-00-01

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: Lachenmayr Oil LLC.
Lease: Schmidt K
Well Number: 1
Field: Hollow-Nikkel

Location of Well: County: Harvey County
4,950 341 feet from N / S Line of Section
1,650 1648 feet from E / W Line of Section
Sec. 30 Twp. 22 S. R. 3

Number of Acres attributable to well:
QTR/QTR/QTR/QTR of acreage: C - NE - NW - NE

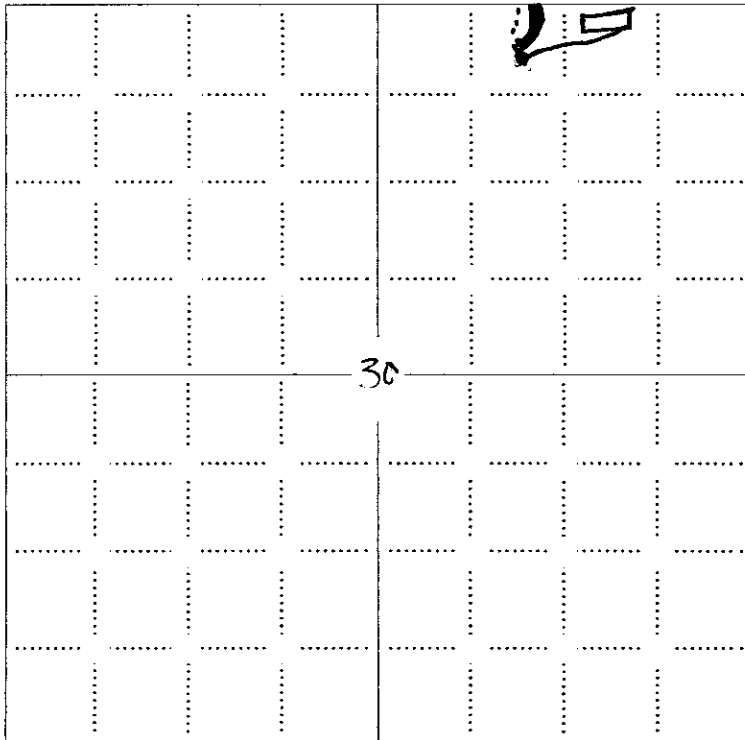
Is Section: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE NW SE SW

PLAT

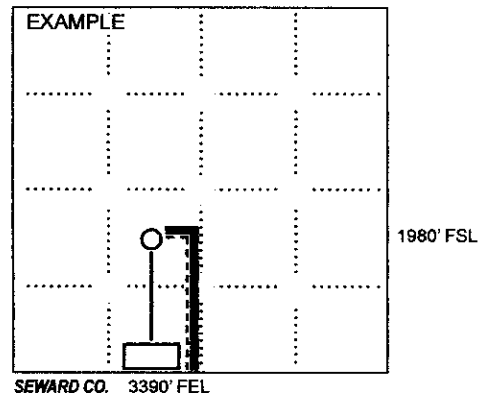
Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).

You may attach a separate plat if desired.



LEGEND

- Well Location
Tank Battery Location
Pipeline Location
Electric Line Location
Lease Road Location



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

Harvey County

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).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

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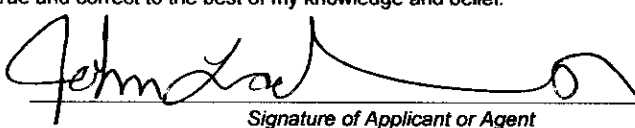
SEP 20 2010

KCC WICHITA

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
May 2010
Form must be Typed

Submit in Duplicate

Operator Name: Lachenmayr Oil LLC.		License Number: 6804
Operator Address: P.O. Box 526		Newton KS 67114
Contact Person: John Lachenmayr		Phone Number: 316-284-1991
Lease Name & Well No.: Schmidt K 1		Pit Location (QQQQ): c - NE - NW - NE
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: 100 (bbls)	Sec. 30 Twp. 22 R. 3 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 4,950³⁴¹ Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 1,650 / 648 Feet from <input checked="" type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Harvey County 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? Bentonite
Pit dimensions (all but working pits): <u>20</u> Length (feet) <u>20</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>400</u> feet Depth of water well <u>140</u> feet		Depth to shallowest fresh water <u>40</u> feet. Source of information: <input type="checkbox"/> measured <input checked="" type="checkbox"/> well owner <input type="checkbox"/> electric log <input 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>Clay and Cuttings</u> Number of working pits to be utilized: <u>2</u> Abandonment procedure: <u>Remove fluids, dry, and 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.		RECEIVED SEP 20 2010 KCC WICHITA
<u>9/20/2010</u> Date	 Signature of Applicant or Agent	

15-079-00193-00-01

KCC OFFICE USE ONLY			
Date Received: <u>9-20-10</u>	Permit Number: _____	Permit Date: <u>9-21-10</u>	Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input checked="" type="checkbox"/> RFAC <input checked="" type="checkbox"/> RFAS	

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



Mark Parkinson, Governor
Thomas E. Wright, Chairman
Joseph F. Harkins, Commissioner
Ward Loyd, Commissioner

September 21, 2010

Lachenmayr Oil LLC
PO Box 526
Newton, KS 67114

Re: Drilling Pit Application
Schmidt K Lease Well No. 1
NE/4 Sec. 30-22S-03W
Harvey County, Kansas

Dear Sir or Madam:

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 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 within 72 hours 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 (316) 630-4000 when the fluids have been removed. Please file form CDP-5 (August 2008), 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 cursive script that reads "Kathy Haynes".

Kathy Haynes
Environmental Protection and Remediation Department

cc: File

15079-00193-00-00

double-click in this frame to open up this Preview in a

WELL LOG BUREAU - KANSAS GEOLOGICAL SOCIETY.

30-22-3W
NE NW NE

UNION NATIONAL BANK BLDG, WICHITA, KANSAS

Location. NE NW NE Sec. 30 T. 22 R. 3W

Casing Record. County Harvey

138/81648' 10 2275 Farn. Katie Schmidt No. 1
 20" 270' 1 8 2442 Company. Magnolia Petroleum Corp.
 15 490 8 5/8" Contr.
 12 53/16" Comp. 4-3-33 Comp. 6-8-33
 Total Depth. 2620 8 hot Quarts Between.
 Correspondence Regarding This Well Should Be Referred To.



Figures Indicate Bottom of Formations. Elevation.
 Date Issued. 7-15-33 Initial Production.
 Est Oil Prod. = 37 Bbls. after acid treatment = 262 bbls.

Formation	Depth.	Formation	Depth.
clay	66	shale grey	1674
sand	160	lime	1585
clay yellow	180	shale blue	1607
quick sand	220	lime	1612
red rock	225	red rock	1618
shale grey	230	shale dark	1620
shale blue	375	lime hard	1635
red rock	380	shale blue	1646
shale blue	450	lime hard	1660
lime	460	shale	1665
shale blue	470	lime	1686
lime	475	red rock	1693
shells	540	lime	1695
lime	565	shale red	1700
lime shells	715	lime	1705
red rock	720	shale blue	1725
lime shells	830	lime	1730
shy shale	845	shale blue	1785
shy lime	875	lime hard	1830
red rock	880	ET 1825	
lime	900	shale blue	1840
shale blue	910	lime hard	1845
lime shells	955	shale blue	1906
lime sharp hard	970	lime Topeka	1920
shale light	975	shale dark	1928
red rock	985	lime	2036
lime hard	995	shale blue	2080
shale dark	1000	lime hard	2236
lime hard	1005	shale blk	2243
shale dark	1015	lime	2260
lime hard	1030	broken lime	2277
shale blue	1050	water sand	2285
lime shells	1105	shale shy soft	2360
lime	1115	shale blue soft	2400
shale light	1130	lime gritty soft	2425
red rock	1135	shale light soft	2435
shale grey	1155	shale soft dark	2442
lime broken	1175	lime hard	2448
shale dark	1185	shale and shells dark	2465
shale blue	1200	lime hard	2488
lime shells	1220	shale dark soft	2496
shy lime	1240	lime grey hard	2505
shale grey	1265	lime brown soft	2511
lime shells	1300	showing oil	
lime	1315	lime grey hard	2520
shale light	1335	Corrected Mens. 2514 equals 2517	
shale dark	1395	lime	2520
red rock	1400	TD.	
lime	1405		
shale dark	1436		
red rock	1440	7" OD 88 1/4 liner set on bottom.	
shale dark	1478		
red rock	1485		
shale dark	1532		
lime hard	1535		
red rock	1540		
shale dark	1547		
lime hard	1563		

15-079-00193-0000

MIGNONIA PETE

Q1 SCHRUDT

30-22-30
NR NW NR

Cont: _____ HARVEY County

2 1438 or 1452 4-3-33 Comp 5-8-33 IP 262 BOPD

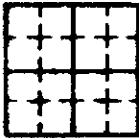
Top	Depth	Bottom
LANB	2196	
TO	2528	

Casing

20" 270

8" 2142

SO 2511: A/1000: Pay 2505-10



INDEPENDENT OIL & GAS SERVICE
DRENTON, CANADA

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License # 6804
Name: Lachenmayr Oil LLC.
Address 1: P.O. Box 526
Address 2: _____
City: Newton State: KS Zip: 67114 + _____
Contact Person: John Lachenmayr
Phone: (316) 284-1991 Fax: (316) 283 5585
Email Address: _____

Well Location:
C NE NW NE Sec. 30 Twp. 22 S. R. 3 East West
County: Harvey County
Lease Name: Schmidt K Well #: 1

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: Bob Friesen
Address 1: 23001 NW 60th
Address 2: _____
City: Buhler State: KS Zip: 67522 + _____

When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.

I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

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

Date: 9/20/2010 Signature of Operator or Agent: John Kal Title: Manager