



For KCC Use:  
 Effective Date: 06/19/2011  
 District # 1  
 SGA?  Yes  No

**KANSAS CORPORATION COMMISSION** 1057586  
**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: 06/26/2011  
 month day year

OPERATOR: License# 5214  
 Name: Lario Oil & Gas Company  
 Address 1: 301 S MARKET ST  
 Address 2: \_\_\_\_\_  
 City: WICHITA State: KS Zip: 67202 + 3805  
 Contact Person: Jay Schweikert  
 Phone: 316-265-5611

CONTRACTOR: License# 5822  
 Name: Val Energy, 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: \_\_\_\_\_  
 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 #: \_\_\_\_\_

**Oil & Gas leases w/pooling clauses submitted.**

Spot Description: 45' S & 75' E of  
 NW - SW - SE Sec. 31 Twp. 18 S. R. 34  E  W  
 (00000) 450 feet from  N /  S Line of Section  
2400 feet from  E /  W Line of Section  
 Is SECTION:  Regular  Irregular?

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

County: Scott  
 Lease Name: RD West Unit Well #: 1-33  
 Field Name: Wildcat  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Lansing, Ft. Scott, Johnson

Nearest Lease or unit boundary line (in footage): 240  
 Ground Surface Elevation: 3160 Estimated Estimated 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: 1250  
 Surface Pipe by Alternate:  I  II  
 Length of Surface Pipe Planned to be set: 350  
 Length of Conductor Pipe (if any): 0  
 Projected Total Depth: 5000  
 Formation at Total Depth: Mississippian

Water Source for Drilling Operations:  
 Well  Farm Pond  Other: Hauf  
 DWR Permit #: \_\_\_\_\_  
 (Note: Apply for Permit with DWR )  
 Will Cores be taken?  Yes  No  
 If Yes, proposed zone: \_\_\_\_\_

**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.

RECEIVED  
 JUN 15 2011

KCC WICHITA

**Submitted Electronically**

For KCC Use ONLY  
 API # 15 - 15-171-20814-00-00  
 Conductor pipe required 0 feet  
 Minimum surface pipe required 200 feet per ALT.  I  II  
 Approved by: Rick Hestermann 06/14/2011  
 This authorization expires: 06/14/2012  
 (This authorization void if drilling not started within 12 months of approval date.)  
 Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

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

**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: 6-14-11  
 Signature of Operator or Agent: Kathy Ford

31  
 18  
 34  
 m  
 w



1057586

For KCC Use ONLY  
API # 15 - 15-171-20814-00-00

**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: Lario Oil & Gas Company  
Lease: RD West Unit  
Well Number: 1-33  
Field: Wildcat

Location of Well: County: Scott  
450 feet from  N /  S Line of Section  
2400 feet from  E /  W Line of Section  
Sec. 31 Twp. 18 S. R. 34  E  W

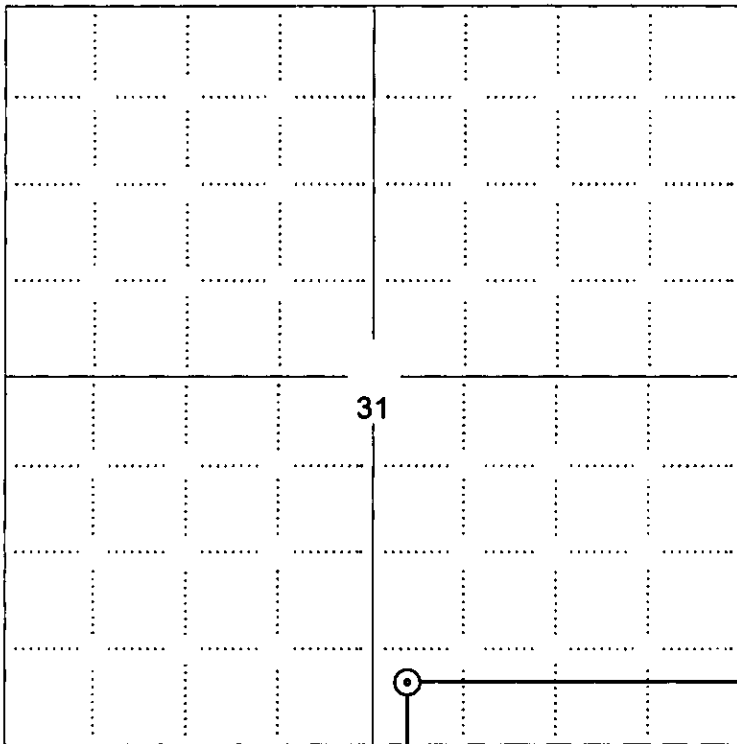
Number of Acres attributable to well: \_\_\_\_\_  
QTR/QTR/QTR/QTR of acreage: NW - SW - SW - SE

Is Section:  Regular or  Irregular

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

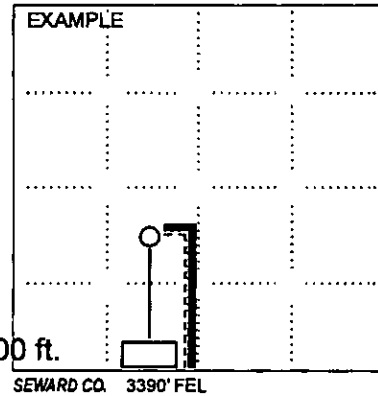
**PLAT**

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.

450 ft.

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.