



For KCC Use:
Effective Date: 07/03/2010
District # 3
SGA? ☒ Yes ☐ No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1039855

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: 06/30/2010
month day year

OPERATOR: License# 32710
Name: Laymon Oil II, LLC
Address 1: 1998 SQUIRREL RD
Address 2:
City: NEOSHO FALLS State: KS Zip: 66758 + 7124
Contact Person: Kenneth Laymon
Phone: 620-963-2495

CONTRACTOR: License# 32710
Name: Laymon Oil II, LLC

Well Drilled For: ☒ Oil ☐ Gas ☐ Enh Rec ☐ Storage ☐ Disposal ☐ Seismic; # of Holes ☐ Other: ☐ If OWWO: old well information as follows:

Well Class: ☒ Infield ☐ Pool Ext. ☐ Wildcat ☐ Other

Type Equipment: ☒ Mud Rotary ☐ Air Rotary ☐ Cable

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 lease attached.

Spot Description:
W2 - W2 - NW - NE Sec. 14 Twp. 23 S. R. 16 ☒ E ☐ W
(a/a/a/a) 4,620 feet from ☐ N / ☒ S Line of Section
2,500 feet from ☒ E / ☐ W Line of Section

Is SECTION: ☒ Regular ☐ Irregular?

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

County: Coffey
Lease Name: Beard #2 Well #: 55-10
Field Name: Neosho Falls - LeRoy

Is this a Prorated / Spaced Field? ☐ Yes ☒ No

Target Formation(s): Squirrel

Nearest Lease or unit boundary line (in footage): 660

Ground Surface Elevation: 979 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: 100

Depth to bottom of usable water: 200

Surface Pipe by Alternate: ☐ I ☒ II

Length of Surface Pipe Planned to be set: 40

Length of Conductor Pipe (if any):

Projected Total Depth: 1080

Formation at Total Depth: Squirrel

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

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.

Submitted Electronically

For KCC Use ONLY

API # 15 - 15-031-22651-00-00

Conductor pipe required 0 feet

Minimum surface pipe required 40 feet per ALT. ☐ I ☒ II

Approved by: Rick Hestermann 06/28/2010

This authorization expires: 06/28/2011

(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: 7-15-2011

Signature of Operator or Agent:

Rick Hestermann

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

RECEIVED

JUL 20 2011

KCC WICHITA

14 23 16 ☒ E ☐ W