1070033

For KCC Use:
Effective Date: 12/14/2011
District # 3
SGA? [ ] Yes [X] 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: 12/10/2011 (month / day / year)

OPERATOR: License# 5682
Name: Hughes Drilling Co, a General Partnership
Address 1: 122 MAIN
Address 2:
City: WELLSVILLE State: KS Zip: 66092 + 8522
Contact Person: Clay Hughes
Phone: 913-963-9127

CONTRACTOR: License#
Name: Advise on ACO-1 -- Must be licensed by KCC

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

[ ] If OWWO: old well information as follows:

Operator:
Well Name:
Original Completion Date: Original Total Depth:

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

Spot Description:
SE - NW - NW - NE (Q/Q/Q/Q) Sec. 2 Twp. 16 S. R. 20 [X] E [ ] W
4900 feet from [ ] N / [X] S Line of Section
2275 feet from [X] E / [ ] W Line of Section
Is SECTION: [X] Regular [ ] Irregular?

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

County: Franklin
Lease Name: McMillen Well #: I-1
Field Name: LeLoup
Is this a Prorated / Spaced Field? [ ] Yes [X] No
Target Formation(s): Squirrel
Nearest Lease or unit boundary line (in footage): 2275
Ground Surface Elevation: 949 Estimated Estimated feet MSL
Water well within one-quarter mile: [X] Yes [ ] No
Public water supply well within one mile: [ ] Yes [X] No
Depth to bottom of fresh water: 100
Depth to bottom of usable water: 200
Surface Pipe by Alternate: [ ] I [X] II
Length of Surface Pipe Planned to be set: 20
Length of Conductor Pipe (if any):
Projected Total Depth: 700
Formation at Total Depth: Squirrel
Water Source for Drilling Operations:
[ ] Well [X] Farm Pond [ ] Other:
DWR Permit #:
(Note: Apply for Permit with DWR [ ])
Will Cores be taken? [ ] Yes [X] No
If Yes, proposed zone:

RECEIVED
DEC 15 2011
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.

Submitted Electronically

For KCC Use ONLY
API # 15 - 15-059-25881-00-00
Conductor pipe required 0 feet
Minimum surface pipe required 20 feet per ALT. [ ] I [X] II
Approved by: Rick Hestermann 12/09/2011
This authorization expires: 12/09/2012
(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.

[X] **Well will not be drilled or Permit Expired** Date: 12/12/11
Signature of Operator or Agent:

2 - 16 - 20 - [X] E [ ] W