1066189 Form C-1 KANSAS CORPORATION COMMISSION For KCC Use: March 2010 10/31/2011 OIL & GAS CONSERVATION DIVISION Effective Date: Form must be Typed Form must be Slaned District # NOTICE OF INTENT TO DRILL All blanks must be Filled Yes X No SGA? 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. 10/27/2011 Spot Description: **Expected Spud Date:** WAR SW NE SE SW Sec. 16 Twp. 16 S. R. 24 (0/0/0/0) _ feet from \[\sum N / \subseteq S \] Line of Section 825 6142 OPERATOR: License# feet from X E / W Line of Section 3185 Name: __Town Oll Company Inc. Is SECTION: Regular Irregular? Address 1: 16205 W 287TH ST (Note: Locate well on the Section Plat on reverse side) Address 2: County: Miami City: PAOLA Well #: S-107 Contact Person: Lester Town Lease Name: Kuhn Phone: 913-294-2125 Field Name: Paola-Rantoul Yes XNo CONTRACTOR: License# 6142 Is this a Prorated / Spaced Field? Target Formation(s): Peru Name: Town Oil Company Inc. Nearest Lease or unit boundary line (in footage): 495 Well Drilled For: Well Class: Type Equipment: Ground Surface Elevation: 1004 Estimated Estimated feet MSL Mud Rotary Xinfield Enh Rec Water well within one-quarter mile: X Air Rotary Pool Ext. Storage Public water supply well within one mile: Cable Wildcat Disposal Depth to bottom of fresh water: 100 Other # of Holes Depth to bottom of usable water: 300 Surface Pipe by Alternate: Length of Surface Pipe Planned to be set: 20 If OWWO: old well information as follows: . Length of Conductor Pipe (if any): ___ Operator: Projected Total Depth: 500 Well Name: Formation at Total Depth: Peru Original Completion Date: _____ Original Total Depth; Water Source for Drilling Operations: Well Farm Pond Other: Haul Directional, Deviated or Horizontal wellbore? If Yes, true vertical depth: ___ DWR Permit #: (Note: Apply for Permit with DWR Bottom Hole Location: __ Yes XNo KCC DKT #: _ Will Cores be taken? 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 spup are EIVED 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 cemen KCC WICHITA Submitted Electronically Remember to: For KCC Use ONLY File Certification of Compliance with the Kansas Surface Owner Notification ᇂ API # 15 - 15-121-28952-00-00 Act (KSONA-1) with Intent to Drill; File Drill Pit Application (form CDP-1) with Intent to Drill; Conductor pipe required0 - File Completion Form ACO-1 within 120 days of spud date; 6

Minimum surface pipe required 20 feet per ALT. I I III Approved by: Rick Hestermann 10/26/2011 10/26/2012 This authorization expires (This authorization void if prilling not started within 12 months of approval date.) Agent: . Spud date: .

Mail to: KCS - Conservation Division, 130 8. Market - Room 2078, Wichita, Kansas 67202

- 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: <u>3-2 1-1 d</u>
	Signature of Operator or Agent:	
	Signature of Operator or Agent:	LOUX