6.21.04 For KCC Use: Effective Date: _

KANSAS CORPORATION COMMISSION

OIL & GAS CONSERVATION DIVISION NOTICE OF INTENT TO DRILL

December 2002 Form must be Typed

| If Yes, proposed zone: CONSERVATION DIVISION WICHITA, KS 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. | | e (5) days prior to commencing well All blanks must be File | |
|--|--|--|-----------------|
| OPERATOR: Licenses 9482 3 Sub of Su | Expected Soud Date 6/18/04 | Coat | |
| OPERATOR: Licenses 4482 3130 of 1930 per the procession of the pro | | 50131 4 1/ 45 54 04 | |
| Name National Petroleum Reserves, Inc. Agant: Note: Excell well mit with inc. National Nati | OPERATOR: Liganos 9482 3/30/05 | | est |
| Address, 230 N. Rock Rd. Sulte 130 Centrater Person. T.C. Bredehoft, II Phone, 316-881-3515 Country Barbar Person. T.C. Bredehoft, II Phone, 316-881-3515 Country Barbar Person. T.C. Bredehoft, II Phone, 316-881-3515 Name, Sterling Drilling Company Well Pass. Veal as Storage Pool Ext. Other Original Total Depth: Original Total Depth: Original Total Depth: Original Completion Date: Original Total Depth: Original Completion Date: Original Total Depth: Original Completion Date: Original Total Depth: Well Name. Original Total Depth: Original Total Depth: Well Name. Original Total Depth: Well Name. Original Total Depth: Original Total Depth: Original Total Depth: Will Name. Original Total D | | 990 feet from V.F. / W. Line of Section | |
| Courts Person. To. Bredshoft, II Phone: 316-681-3515 CONTRACTOR: Lecense 5142 430 04 Name: Storling Drilling Company Wigh-Dilling For: Well pass: Type Equipment: Oil | Address, 250 N. Rock Rd. Suite 130 | is SECTION Regular Irregular? | |
| Contact Person. IC. Bredehoft, II Phone: 316-619-31515 CONTRACTOR: Leeness | City/State/Zio: Wichita, KS 67206 | | |
| Phones: 314-681-3515 CONTRACTOR: Licenses | Contact Person: T.C. Bredehoft, II | (Note: Locate well on the Section Plat on reverse side) | |
| File Name: Findes Products | Phone: 316-681-3515 | | |
| Is this a Prostated / Spaced Field? visc New N | 5142 No. N | Field Name: Rhodes Well #:- | |
| Walf Orlifed For Well pfass: Type Equipment: Walf Polary Walf | CONTINUION. Elegiser | | |
| Nearest Lease or unit boundary; 330 Nearest Lease or unit boundary; 330 Total Depth: | Name: Sterling Orining Company | | Né |
| Ground Surface Elevation: 1423 feet MSL water well within one quarter mile: water well within one quarter mile: water well within one quarter mile: water well within one mile: water well well within one mile: water well within one mile: water well within one mile: water well well well well well well well we | Well Drilled For: Well Office: Type Fauthment: | | |
| Water well within one-quarter mile: Yes Mo Mo Disposal Widecat Cable C | | Oraced Out of Elevis 1422 | |
| Down | Harmon Harmon Harmon | | |
| Selsmic # of Holes Other | | Party and the same of the same | |
| Depth to bottom of usable water, 1907 Surface Pipe by Naternate: 1 2 2 2 2 2 2 2 2 2 | | | |
| If OWWC: old well information as follows: Operator: Well Name: Original Completion Date: Original | | Depth to bottom of usable water: 180' | |
| Operator: Well Name: Original Completion Date: Original Total Depth:: Directional, Deviated or Horizontal welltpoeccity West Name: Directional, Deviated or Horizontal welltpoeccity If Yes, true vertical depth:: KANSAS CORPORATION MISSION Bottom Hole Location: JUN 1.6 2004 Will Cores be taken? If Yes, proposed zone: ONSERVATION DESSION Will Cores be taken? If Yes, proposed zone: If Yes proposed zon | | | |
| Well Name: Original Completion Date: Original Total Depth: Original Completion Date: Original Completion Date: | | Length of Surface Pipe Planned to be set: 240' | |
| Original Completion Date:Original Total Depth: | | · · · · · · · · · · · · · · · · · · · | |
| Water Source for Drilling Operations: Water Source for Apphy In Supplement Source on Supplement | | | |
| West Farm Pond Other River | | Total Doptin | |
| Bottom Hole Location: | Directional, Deviated or Horizontal wellbore? | Water Source for Drilling Operations: | |
| (Note: Apply for Permit with DWR V) Note: Apply for Permit with Office prior in Apple V or Permit with Info DWR V) Note: Apply for Permit with Office prior to specific V) Note: Apply for Permit with Office prior to Specific V) Note: Apply for Permit with Office prior to Specific V) Note: Apply for Permit with Of | If Yes, true vertical depth: | | |
| Will Cores be taken? Yes, proposed zone: | Bottom Hole Location: | | |
| **CONSERVATION DENSION** WICHITA, KS* 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 *19** - 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. It hereby certify that the statements made herein are true and to the best of my knowledge and belief. Date: 6/14/04 Signature of Operator or Agent: For KCC Use ONLY API ** 15 - OOT - QQ 830 - OOO OO OOO OOO OOO OOO OOO OOO OOO O | | Will Come be said to | |
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| For KCC Use ONLY API # 15 - OO 7 - 22830 00 00 Conductor pipe required NONE feet Minimum surface pipe required feet per Alt. 12 Approved by: SP 6-16-04 This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent: Date: Title: Vice-President File Drill Pit Application (form CDP-1) with Intent to Drill; File Completion Form ACO-1 within 120 days of spud date; 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; 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 Signature of Operator or Agent: | A copy of the approved notice of intent to drill shall be posted on ea The minimum amount of surface pipe as specified below shall be see through all unconsolidated materials plus a minimum of 20 feet into the lift the well is dry hole, an agreement between the operator and the construction. The appropriate district office will be notified before well is either plug. If an ALTERNATE II COMPLETION, production pipe shall be cement Or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall | of by circulating cement to the top; in all cases surface pipe shall be set the underlying formation. district office on plug length and placement is necessary prior to plugging; aged or production casing is cemented in; ted from below any usable water to surface within 120 days of spud date. #133,891-C, which applies to the KCC District 3 area, alternate II cementing be plugged. In all cases, NOTIFY district office prior to any cementing. | |
| For KCC Use ONLY API # 15 - OO 7 - 22830 · OO Conductor pipe required NONE feet Minimum surface gipe required 200 feet per Alt. 1 2 Approved by: This authorization expires: 12 · 16 · OY This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent: Agent: | I hereby certify that the statements made herein are true and to the best of | f my knowledge and belief. | |
| For KCC Use ONLY API # 15 | Date: 6/14/04 Signature of Operator or Agent: 40 | relikofo, II Title: Vice-President | |
| API # 15 | | Remember to: | |
| API # 15 - Conductor pipe required NONE feet Minimum surface pipe required feet per Alt. 1 2 Approved by: 15 - 16 - 04 This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent: Date: Date: Date: Date: Date: Date: Spud date; 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; 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. | 0000000 | - File Drill Pit Application (form CDP-1) with Intent to Drill: | |
| Minimum surface gipe required | API # 15 - 00'7- 22830'00'00 | - File Completion Form ACO-1 within 120 days of spud date; | 0, |
| Minimum surface gipe required feet per Alt. 1 2 Approved by: | Conductor pipe required NONE feet | - File acreage attribution plat according to field proration orders: | N |
| Approved by: C-16-CH This authorization expires: 2-16-CH (This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent: Signature of Operator or Agent: Date: Date: Date: Date: Date: | 200 | Notify appropriate district office 48 hours prior to workover or re-entry; | ~ |
| This authorization expires: 12-16-04 (This authorization void if drilling not started within 6 months of effective date.) Spud date:Agent: | | - Obtain written approval before disposing or injection ask water | |
| (This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent: Signature of Operator or Agent: Date: Date: Signature of Operator or Agent: Date: Date: Date: Date: Signature of Operator or Agent: Date: Date: Date: | 10 10 011 | | W |
| Spud date:Agent: | | " "" portine has expired (See. authorized expiration date) please | (\mathcal{U}) |
| Spud date: Signature of Operator or Agent: Date: | tion started within a months of effective date.) | | |
| Date: 7 | Spud date:Agent: | | _ |
| | | | ~ |
| | Mail to: KCC - Conservation Division, 130 S | | ک |

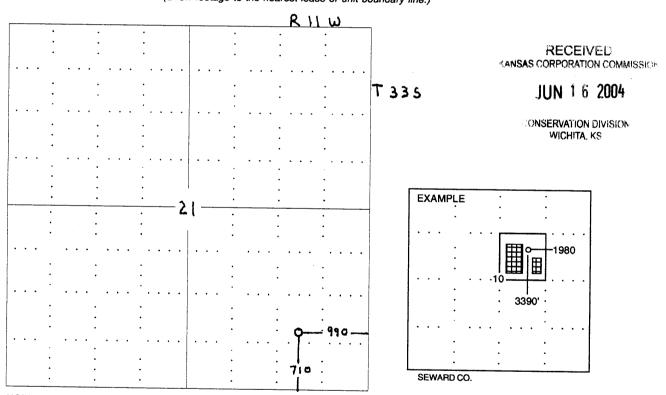
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

| API No. 15 | Location of Well: County: Barber |
|---|--|
| Operator: National Petroleum Reserves, Inc | 740 |
| Lease: FORESTER | feet from N / S Line of Section 990 feet from F E / W Line of Section |
| Well Number: 2 Field: Rhodes | Sec. 21 Twp. 33 S. R. 11 East ✔ West |
| Number of Acres attributable to well:QTR / QTR / QTR of acreage:50' N C w/2 - 5€ 5€ | 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 and shade attributable acreage for prorated or spaced wells.) (Show footage to the nearest lease or unit boundary line.)



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

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 section's south / north and east / west.
- 3. The distance to the nearest lease or unit boundary line.
- 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).



CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR
BRIAN J. MOLINE, CHAIR
JOHN WINE, COMMISSIONER
ROBERT E. KREHBIEL, COMMISSIONER

June 15, 2004

Mr. T.C. Bredehoft, II National Petroleum Reserves, Inc. 250 N. Rock Rd Ste 130 Wichita, KS 67206

RE: Drilling Pit Application Forrester Lease Well No. 2 SE/4 Sec. 21-33S-11W Barber County, Kansas

Dear Mr. Bredehoft:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, 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 as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed on a daily basis.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Also please file the enclosed CDP-5 form, Surface Pond Waste Transfer, within 30 days of fluid removal.

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,

Kathlean Haynes

Environmental Protection and Remediation Department

cc: S Durrant