

For KCC Use: 6-27-04
Effective Date: 4
District # 4
SGA? Yes No

OWWO
KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

RECEIVED
KANSAS CORPORATION COMMISSION
JUN 21 2004
Form C-1
December 2002
Form must be Typed
Form must be Signed
All blanks must be Filled
CONSERVATION DIVISION
WICHITA, KS

Must be approved by KCC five (5) days prior to commencing

Expected Spud Date _____
month day year

OPERATOR: License# 8925
Name: Liberty Operations & Completions
Address: 308 W Mill
City/State/Zip: Plainville, Ks 67663
Contact Person: Roger L Comeau
Phone: 785-434-4686

CONTRACTOR: License# 32028
Name: Chito's Well Service

Spot _____ East
NE - SE - SW Sec. 15 Twp. 11S S. R. 18W East West
990 feet from N / S Line of Section
2970 feet from E / W Line of Section
Is SECTION Regular Irregular?

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

County: Ellis
Lease Name: Henderson Well #: 2
Field Name: Burnett SW
Is this a Prorated Spaced Field? Yes No
Target Formation(s): Arbuckle

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

Nearest Lease or unit boundary: 330
Ground Surface Elevation: 1955 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: ~~200~~ 120
Depth to bottom of usable water: 800

If OWWO: old well information as follows:
Operator: Palomino Petroleum Inc.
Well Name: Henderson #2
Original Completion Date: 9-27-97 Original Total Depth: 3543
4149 P&A 10-20-97
Directional, Deviated or Horizontal wellbore? Yes No
If Yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DKT #: _____

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 163'
Length of Conductor Pipe required: NONE
Projected Total Depth: 3543
Formation at Total Depth: Arbuckle
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: RECEIVED

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S. JUN 18 2004 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.
Date: 6-16-04 Signature of Operator or Agent: Roger L Comeau Title: Rep

For KCC Use ONLY
API # 15 - 051-04858-00-01
Conductor pipe required NONE feet
Minimum surface pipe required 163 feet per Alt. → (2)
Approved by: RSP 6-22-04
This authorization expires: 12-22-04
(This authorization void if drilling not started within 6 months of effective 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;
 - 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: _____
Date: _____

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

15
11
18W

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

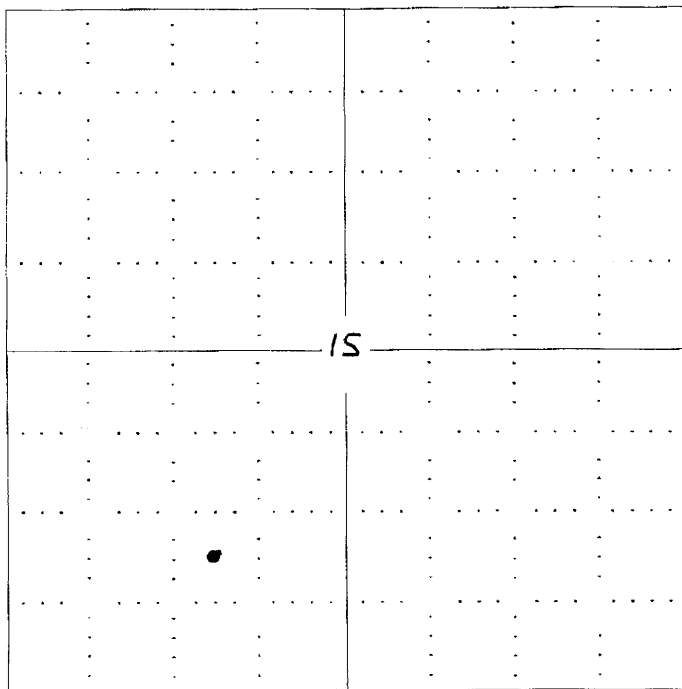
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 4-01-49
 Operator: Liberty Operations & Completions
 Lease: Henderson
 Well Number: 2
 Field: Burnett SW
 Number of Acres attributable to well: 20
 QTR / QTR / QTR of acreage: NE - SE - SW

Location of Well: County: Ellis
 990 feet from N / S Line of Section
 2970 feet from E / W Line of Section
 Sec. 15 Twp. 11 S. R. 18W East West
 Is Section: Regular or Irregular
 If Section is Irregular, locate well from nearest corner boundary.
 Section corner used: NE NW SE SW

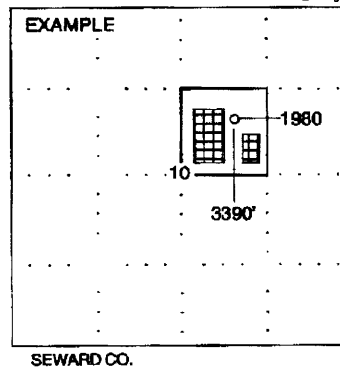
PLAT

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)
 (Show footage to the nearest lease or unit boundary line.)*



RECEIVED
 KANSAS CORPORATION COMMISSION
 JUN 21 2004
 CONSERVATION DIVISION
 WICHITA, KS

RECEIVED
 JUN 18 2004
 KCC WICHITA



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

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: (CO-7 for oil wells; CG-8 for gas wells).

KANSAS

CORPORATION COMMISSION

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

June 21, 2004

Mr. Roger Comeau
Liberty Operations & Completions
308 W. Mill
Plainville, KS 67663

RE: Drilling Pit Application
Henderson Lease Well No. 2
SW/4 Sec. 15-11S-18W
Ellis County, Kansas

Dear Mr. Comeau:

This office has been informed that steel pits are to be used at this location. Please inform the Commission in writing as to which disposal well you will utilize to dispose of the contents in the steel pits and the amount of fluid which will be disposed.

Should a haul-off pit be necessary, please complete the enclosed CDP-1. This location will have to be inspected prior to approval of the haul-off pit application.

Sincerely,



Kathleen Haynes
Environmental Protection and Remediation Department

cc: H Deines