NOTICE OF INTENT TO DRILL

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

KANSAS CORPORATION COMMISSION
Oil & Gas Conservation Division

Location: County

For KCC Use:

Money 5 & 10 % of C

Date: 3/19/05

Form C-1

170

Month

Day

Year

19

4

6

SW

SE

15

22

East

SW

SE

W

Line of Section

Line of Section

Is SECT

Regular

Irregular

Line.

County:

For KCC Use ONLY

API 5 - 15

DNR Permit #

Signatures of Operator or Agent

Date:

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
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 draw all the wells and within 1 mile of the boundaries of the proposed acreage attributable unit for gas wells and within ½ mile of the boundaries of the proposed acreage attributable unit for oil wells.

API No. 15: ____________________________ Operator: L. D. DRILLING, INC.
Lease: SWEENY
Well Number: 1
Field: OSCAR NORTH EXT (1/2W)
Number of Acres attributable to well: QTR / QTR / QTR of acreage: SW 20' X 50' E C E C

Location of Well: County: STAFFORD
350: N / E / S Line of Section
1700: W / E / W Line of Section
Sec.: 11
Town: 22
Range: 14
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 shad 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 location.

In plotting the proposed location of the well, you must show:
1. The manner in which you are using the depicted split 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 (COA for oil wells; CGS for gas wells).
March 14, 2005

Mr. L.D. Davis
L.D. Drilling, Inc.
7 SW 28 Ave
Great Bend, KS 67530

RE: Drilling Pit Application
Billing Lease Well No. 1
SW 4 Sec. 11-22S-14W
Stafford County, Kansas

Dear Mr. Davis,

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed without slots, 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,

Kathy Haynes
Environmental Protection and Remediation Department

cc: S Durrant