FORM NO. 1

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

APPROVED AT

Date: March 30, 2005

Expected Spud Date: March 30, 2005

OPERATOR: Licensee: WOOLLEY OPERATING COMPANY LLC
Address: 125 N. Markst, Suite 900
City/State/Zip: Wichita, Kansas 67202
Contact Person: Dean Patterson
Phone: 316-267-4339

CONTRACTOR: Licensee: Dyer Drilling Co. Inc.
Well Field: Oil
Type of Equipment: Rig

ORIGIN

Oil
Gas
PROD
Drilling Water
Dredges

Name: Dyer Drilling Co. Inc.
Address: 125 N. Markst, Suite 900
City/State/Zip: Wichita, Kansas 67202
Phone: 316-267-4339

If ORIGIN: old well information as follows:
Operator:	
Well name:
Original Completion Date:	Original Total Depth:

Q. Deviated or Horizontal well? Yes/No
If Yes, true vertical depth:
Bottom Hole Location:
KCC #

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 54 et seq.

It is agreed that the following minimum requirements will be met:
1. Notify the appropriate district office prior to spudding a 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 shall be set by cementing the top of all cases surface pipe shall not be set through any unconsolidated materials prior to 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 is COMPLETION, production pipe shall be cemented from below any volatile water to surface within 120 days of spud date.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 3/29/05

Signature of Operator or Agent:
Dean Patterson

Remember:
- File Drill Permit Application (Form GCP-1) with intent to Drill;
- File Completion Form (MDG-1) within 120 days of spud date;
- File equipment inspection report to field supervision prior to field inspection;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugs and report (CP-4) after plugging is completed;
- Obtain written approval before disposing or treating pit water;
- If this permit has expired (See authorization expiration date) please check the line below and return to the agency 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
IN ALL CASES FLOT 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 site 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 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. 17
Operator: WOOLSEY OPERATING COMPANY LLC
Lease: Clarke A
Well Number: 1
Field: Medicine River SW
Number of Acre of acreage attributable to well...

GTR / GTR / GTR of acreage: NE SE SW

Location of Well: County: 

Location of Well: Section: 5
Township: 32
Range: 12

Refer to Official Records for correct Section, Township, and Range

If Section is irregular, locate well from nearest corner boundary. Section owner used:

Is Section: Regular or Irregular

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, CO-8 for gas wells).
March 28, 2005

Mr. Dean Pattisson
Woolsey Operating Company, LLC
125 N. Market Ste 1000
Wichita, Ks 67202

RE: Drilling Pit Application
Cenke A Lease Well No. 1
NW/4 Sec. 05-32S-12W
Barber County, Kansas

Dear Mr. Pattisson:

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 no deeper than 3 and must also be lined with bentonite or native clay. 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 existed.

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) 225-3888 when the fluids have been removed. Also please file the enclosed CDP-5 form, Surface Pond Waste Removal, 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.

Secrecy,

Kathy Kaynes
Environmental Protection and Remediation Department

cc: S Durani