**KANSAS CORPORATION COMMISSION**
**OIL & GAS CONSERVATION DIVISION**

**NOTICE OF INTENT TO DRILL**

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

<table>
<thead>
<tr>
<th>Expected Spud Date</th>
<th>June 1, 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPERATOR:</td>
<td>chein Oil Co., Inc.</td>
</tr>
<tr>
<td>Address:</td>
<td>625 S. 10th, Kansas, KS 67070</td>
</tr>
<tr>
<td>Contact Person:</td>
<td>Ron Moiz</td>
</tr>
<tr>
<td>Phone:</td>
<td>620-921-4338</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CONTRACTOR:</th>
<th>Landmark Drilling, LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>WOOW:</td>
<td></td>
</tr>
<tr>
<td>Operator:</td>
<td></td>
</tr>
<tr>
<td>KCC DKT #:</td>
<td></td>
</tr>
</tbody>
</table>

**Type Equipment:**

- [ ] Oil
- [ ] Eiri Ref
- [ ] Infield
- [ ] Mud Rotary
- [ ] Gas
- [ ] Storage
- [ ] Pool Ext
- [ ] Air Rotary
- [ ] GWD
- [ ] Disposal
- [ ] Wideted
- [ ] Wireline
- [ ] Cable
- [ ] Other

**Well Depth:**

- [ ] Oil
- [ ] Eiri Ref
- [ ] Infield
- [ ] Mud Rotary
- [ ] Gas
- [ ] Storage
- [ ] Pool Ext
- [ ] Air Rotary
- [ ] GWD
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- [ ] GWD
- [ ] Disposal
- [ ] Wideted
- [ ] Wireline
- [ ] Cable
- [ ] Other

**Location:**

- [ ] Southeast
- [ ] Southwest
- [ ] Northwest
- [ ] Northeast

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is this a Pardoned / Spaced Field?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target Formation(s):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nearest Lease or Unit boundary:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surface Pipe by Alt.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Length of Surface Pipe Planned to be set:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Length of Conductor Pipe required:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Projected Total Depth:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Formation at Total Depth:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Source for Drilling Operations:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DWH Permit #:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**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 consolidated 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 placement and length is necessary prior to plugging:
5. The appropriate district office will be notified before well is either plugged or production casing is cemented;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spudd date.

Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,491-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spudd date or the well shall be plugged.

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

Date: 5-12-05
Signature of Operator or Agent: [Signature]

**For KCC Use ONLY**

<table>
<thead>
<tr>
<th>API No</th>
<th>11-24-05</th>
</tr>
</thead>
<tbody>
<tr>
<td>For CDP Only</td>
<td></td>
</tr>
<tr>
<td>Minimum surface pipe required</td>
<td>200 feet per Acre</td>
</tr>
</tbody>
</table>

**APPROVED BY:**

Date: [Signature]

**This authorization expires:**

[Date]

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

**Remember To:**

- File DDP Permit Application (form CDP-1) with intent to Drill;
- File Completion from CDO-1 within 120 days of spudd date;
- Submit plugging report (CDP-6) 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 Drilled - Permit Expired

**Signature of Operator or Agent:** [Signature]
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 1/2 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 - 
Operator: Chaffin Oil Co., Inc.
Lease: Diat
Well Number: 1
Field:

Location of Well: County: Barbar
1350

nest from N / E S Line of Section

nest north W Line of Section

Sec: 3

Type: 34

S. R. 13

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.)

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).
May 18, 2005

Mr. Ron Molz
Chieftain Oil Co., Inc.
625 S. 10th
Kiowa, KS 67070

Re: Drilling Pit Application
Diet Lease Well No. 1
SW/4 Sec. 03-34S-11W
Barber County, Kansas

Dear Mr. Molz:

District staff has inspected the location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has instructed that no earthen pits are to be used at the location. Steel pits are to be used. 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,

Kathy Haynes
Environmental Protection and Remediation Department

Cc: S Durrant