KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

Date: 10-03-05

SPOT

5

East

715

West

935

feet from N

feet from S.

10

Reg

Reg

LINE OF SECTION

LINE OF SECTION

is SECTION__ Regular

Regular

NOTE: Locate well on the Section Plat on reverse side!

County: Barber

Lease Name: Matthews

Well # 1

Field Name: 

Target Formation(s): Arbuckle

Nearest Lease or unit boundary:

Ground Surface Elevation: 1965

Water well within one-quarter mile:

feet MLS

Public water supply well within one mile:

Feet

Depth to bottom of fresh water:

200

Depth to bottom of usable water:

100

Surface Pipe By Alternate: X Y

Length of Surface Pipe Planned to be set:

300 feet

Length of Conductor Pipe required:

3000

Formation at Total Depth:

Arbuckle

Water Source for Drilling Operation:

Formal

Other

Depth Point:

(See Location Map)

Will Core be taken:

Yes

If Yes, proposed zone:

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 at each drilling rig

3. The minimum amount of cement 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 is 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 81K591-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: 09-26-05

Signature of Operator or Agent:

Title: President

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

For KCC Use Only

API # 15

Conductor pipe required: None

Minimum surface pipe required: 200 feet per Acre

Approved by:

K29688.006

This authorization expires: 3/3/06

(This authorization void if drilling not started within 6 months of approval date)

Spud date: 10-03-05

Agent:

K29688.006
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 mile and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 0.2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No.: 15
Operator: Chief Oil Co., Inc.
Lessor: Mathews
Well Number: 1
Field: 

Number of Acres attributable to well: 160
QTR / QTR / QTR of acreage: NW - SE - NW

Location of Well: County: Barber
715 feet from S
935 feet from E
Line of Section
W Line of Section
Sec: 10

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 mouth / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If prorated location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (Co-7) for oil wells; (Co-6) for gas wells.)
September 28, 2006

Mr. Ron Molz
Chiefton Oil Co., Inc.
PO Box 124
Kiowa, KS 67070

RE: Drilling Pit Application
Mathews Lease Well No. 1
NW/4 Sec. 06-33S-11W
Barber County, Kansas

Dear Mr. Molz:

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. Please file form CDP-5, Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

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,

[Signature]
Kathy Waynita
Environmental Protection and Remediation Department

cc: S Durrant