notice of intent to drill

must be approved by kcc (2) days prior to commencing well

kansas corporation commission
oil & gas conservation division

spot 10 n 5 w of sec. 33, t. 26 n, r. 33 e

expected spud date: 10-09-05

operator: license: 32467
name: abercombre energy llc
address: 150 n. main, suite 601
wichita, ks 67202
phone: 316-262-1641
contact person: don beauchamp

contractor: license: 30884
name: allenham energy ltd, inc

well drilled for: gas; oil; disposal; other

well class: infill; pool ext.; wildcard; cable

type equipment: mud rotary; air rotary

secure: 3 3/4" holes

if ownd: did well information as follows:

operator:

well name:

original completion date:

original total depth:

directional, deviated or horizontal well?: yes / no

if yes, true vertical depth:

borehole location:

kcc dkt:

pronounced & spaced hugoton & paonia

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 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 1 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 #133961-c, which applies to the kcc district 3 area, alternate 2 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: 10-04-05

signature of operator or agent:

for kcc use only

api #: 871-21623-00-00

conductor pipe required:

minimum surface pipe required:

approved by:

this authorization expires:

(study date: agent:

for kcc use only

12-28-371

mail to: kcc - conservation division, 130 s. market - room 2079, wichita, kansas 67202

received

kansas corporation commission

conservation division

oct 4, 2005
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plot 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 0.2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 16: ___________________________________________ Location of Well: County: HASELL
Operator: ABERCROMBIE ENERGY, LLC 1900 feet from N / S Line of Section
County: _____________________________________________ 5050 feet from E / W Line of Section
Lease: COX
Well Number: 4-TI
Field: SANTA FE NORTH

Number of Acres attributable to well: ____________________________
QTR / QTR / QTR of acreage: NE / NW / SE

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.)

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. (CS-7 for oil wells; CS-8 for gas wells.)
NOTICE TO OPERATORS DRILLING IN THE PANOMA-COUNCIL GROVE GAS POOL SPACED AREA

The enclosed intent is located within the Panoma-Council Grove gas pool space area. In May 1978, Panoma-Council Grove Proration Order (as amended), Docket No. 60.024-C (C-7058) under FINDINGS OF FACT AND LAW on page 31, the following language is stated that:

“The Commission finds that in order to prevent waste and protect correlative rights, the following stated rules pertaining to wells already completed, in the process of being drilled or for future wells to be drilled in the Panoma Council Grove Gas Pool Spaced area, and for wells producing from the Council Grove Formation outside of the Panoma Council Grove Gas Pool Spaced area within the Hugoton Gas Field, should be adopted.”

1. "No dual completions between the Chase (Hugoton) and Council Grove Formations will be permitted for future wells drilled."

2. "Casing shall not be set above the top of the Council Grove Formation for a Council Grove producing well."

3. "The production casing of all new Council Grove wells should be cemented with a calculated volume of cement sufficient to encase the casing from the bottom of the casing to a point 500 feet above the Chase Formation."

4. "The casing shall be encased in cement in the interval between the base of the Council Grove and the top of the Chase Formation on all wells, irrespective of depth, completed below the Council Grove Formation, if they are located within the space area."

5. "The cement coverage heretofore required shall be confirmed by the running of a recognized survey, such as a temperature survey or cement bond log."

A copy of this survey and the cement ticket(s) showing that all cement work has been completed, must be find with the ACO-1 Completion Report within 120 days from the wells "spud date."

Failure to comply with these provisions may cause the well to be shut-in until compliance has been achieved.

If you have any questions, please feel free to contact the Conservation Division’s Production Department at (316) 337-6200.