NOTICE OF INTENT TO DRILL

Must be approved by KCC 15 days prior to commencing well.

For KCC use only
AP # 15: 6722322-00-00

Conductor pipe required: feet
Minimum surface interference feet per acre
Approved by
This authorization expires
(If this authorization is not observed within 6 months of effective date)
Expiration date:

Mail to: KCC - Conservation Division, 130 S. Market - Room 2079, WlnPA, Kansas 67202

AFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-206;

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office prior to spudding of well;
2. The minimum amount of surface pipe shall be set by circulating cement to the top in all cases where wells are drilled through unconsolidated materials plus a minimum of 20 feet into the underlying formation;
3. 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;
4. The appropriate district office will be notified before well is entered plugged or production casing is cemented in;
5. If an ALTERNATE I COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spud date.

Date: 4 Nov 2005

Signature of Operator or Agent:

Title: Agent

Remember to:
- File Drilling Application (Form CDP-1) with Intent to Drill;
- File Completion Form AGO-1 within 120 days of spud date;
- File average elevation plot and plugging report to district office;
- Notify appropriate district office 48 hours prior to plugging or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or re-entering salt water.

If this permit has expired (See authorized expiration date) please check the box below and return to the address below.

Well Not Drilled - Permit Expired

Signature of Operator or Agent:

Forms C-1
December 95
Form must be Typed
Form must be Signed
All blanks must be Filled
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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 plot 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 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15: 
Operator: JASON OIL COMPANY
Lease: Deleosell
Well Number: 1
Field: Comarn

Number of Acres attributable to well: ____________________________
QTR / QTR / QTR of acreage: ____________________________

Location of Well: County: Russell

1730
400

Section: 32
Twp: 14
S. R. N. 
Line of Section

W. East / West

Is Section: X Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.

Section corner used: ME NW SE SW

NOTE: In all cases locate the spot of the proposed drilling location.

PLAT
(Show location of the well and shade the area for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)

EXAMPLE

SEWARD CO.

Russell Co., KS

In plotting the proposed location of the well, you must show:

1. The manner in which you are using the depicted plot 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 lines.

4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached (CD-7 for oil wells, CD-8 for gas wells).
November 8, 2005

Mr. J.L. Schoenberger
Jason Oil Company
PO Box 701
Russell, KS 67665-0701

RE: Drilling Pit Application
Disco Oil Lease Well No. 1
SE/4 Sec. 32-14S-14W
Russell County, Kansas

Dear Mr. Schoenberger:

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 practical after drilling operations have ceased. Please keep all pits away from any draws.

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 (785) 625-0550 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 approval 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: H Deines