KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

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

Form O-1
December 2002
Form must be Typed
All blanks must be filled

Expected Spud Date: January 6, 2006

OPERATOR:
Name: AMERICAN MARSHALL, INC.
Address: P. O. Box 399
City/State/Zip: Garden City, Kansas 67846-0399
Contact Person: Cecil O'Brodie
Phone: 620/275-9211

CONTRACTOR:
Name: DUKE DRILLING CO., INC.

Well Drilled For:
Well Class: Type Equipment:
Gas Storage Disposal Well Drilled
Gas Storage Well Drilled
Well Drilled

If OWN: old well information as follows:

Owner: DUKE DRILLING CO., INC.

Well Name:

Original Completion Date:

Original Total Depth:

Directional, Deviated or Horizontal well?:

Yes X No

If Yes, true vertical depth:

Bottom Hole Location:

KCC OKT #: 3

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A 55-5a, 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 the drilling rig;
3. The minimum amount of surface pipe as specified below shall be set by mowing or cementing to the top; in all cases surface pipe shall be set through unacceptable 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 location 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 II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spud date.

On pursuant to Appendix "B" - Eastern Kansas surface casing order #73,891-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.

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

Date: 12/28/05
Signature of Operator or Agent: Submit

For KCC Use only:
API #: 2499697,500
Conductor pipe required: None
Minimum surface pipe required: 500 feet per API
Approved by: KCC 12-28-05

Submit plug report (CP-4) after plugging is completed.

If the 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:

Mail to: KCC - Conservation Division, 130 S. Market - Room 2076, Wichita, Kansas 67202

RECEIVED
DEC 28 2005
KANSAS CORPORATION COMMISSION
CONSERVATION DIVISION
WICHITA, KS
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 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 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 -
Operator: ____________________________
Lessor: ______________________________
Well Number: ________________________
Field: _______________________________
Number of Acres attributable to well: ________________________
GTR / QTG / UTR of acreage: ________________________

Location of Well: County: ____________________________

 feet from N / S Line of Section
feet from E / W Line of Section
Set: _______ Two S. R. _______ East _______ West
Is Section: _______ Regular _______ Irregular
If Section is irregular, locate wall from nearest corner boundary.
Section corner used: _______ NE _______ NW _______ SE _______ SW

PLAT
(Show location of the wall and shade attributable acreage for prorated or spaced wells.)
(Note to lead to the nearest lease or unit boundary line)

EXAMPLE

190' 

190'

BEHAVD CO.

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

BARTON COUNTY

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).
December 22, 2005

Mr. Carl O'Brate
American Warrior, Inc.
PO Box 369
Garden City, KS 67846-0399

RE: Drilling Pit Application
Schartz Lease Well No. 1-23
SW/4 Sec. 23-20S-13W
Barton County, Kansas

Dear Mr. O'Brate:

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 from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

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 (August 2004), 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,

Kathy Hayes
Environmental Protection and Remediation Department

cc: M. Deines

KANSAS
CORPORATION COMMISSION

KATHLEEN SREBFIUS, GOVERNOR
BRIAN J. MOLINE, CHAIR
ROBERT E. KREMEL, COMMISSIONER
MICHAEL E. MATTFET, COMMISSIONER

KCC Division, Finery State Office Building, 130 S. Market, Room 2070, Wichita, KS 67202-2802
Voice 316.337.6200 Fax 316.337.6211 www.kcc.state.ks.us