**Notice of Intent to Drill**

Object #: 31-24

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

**NOTICE OF INTENT TO DRILL**

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

**Spotted C-528 SW SE Sec. 19 31S 6 R 24 W**

**Expected Spud Date:** March 20 2006

**OPERATOR:**
- License: 5030
- Name: Val Oil Corporation
- Address: 170 E 22nd St North, Bldg 300
- City/State: Wichita, KS 67218
- Contact Person: W.R. Horgan
- Phone: 316-680-1537 X102

**CONTRACTOR:**
- License: 5852
- Name: Val Energy, Inc.

**Well Bore Type:**
- Gas: Yes
- Oil: Yes
- Gas/Water: No
- Welded: Yes

**Well Class:**
- Field: Regular
- Purpose: Oil

**Well Information:**
- Original Completion Date: 2006
- Original Total Depth: 330
- Directional Deviation or Horizontal Well: Yes
- True Vertical Depth: 330
- Bottom Hole Location:

**KCC DKT:**

**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 uncontaminated materials plus a minimum of 20 feet into the underlying formation;
4. If the well is dry tests, 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 II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spud date.

The undersigned hereby certifies that the statements made herein are true and to the best of my knowledge and belief.

Date: 3/27/06

**Signature of Operator or Agent:** E. Craig Broemel

**Title:** Operations Engineer

**RECEIVED**

**MAR 2 2006**

**KCC WICHTHA**

**Mail to:** KCC - Conservation Division, 130 S Market - Room 207B, Wichita, Kansas 67202
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 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: Viola Oil Corporation
Lease: Thompson Trust A
Well Number: 1
Field: Westnat
Number of Acres attributable to well: QTR / QTR / QTR of acreage: C-92, SW, SE

Location of Well: County: Clark

1987
Sec. 19
Twp. 31S
R. 28
E / W Line of Section
I in 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 (CD-7 for oil wells, CD-8 for gas wells).
March 6, 2006

Mr. W. R. Horgan
Vess Oil Corporation
8100 E. 22nd St North, Bldg. 300
Wichita, KS 67226

Re: Drilling Pit Application
    Thompson Trust A Lease Well No. 1
    SE/4 Sec. 10-31S-24W
    Clark County, Kansas

Dear Mr. Horgan:

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 that will be disposed. If a haul-off pit is necessary please file, form CDP-1, Application for Surface Pit. This location will have to be inspected prior to approval of the haul-off pit application.

If fluids are taken to an authorized disposal well, please call the District Office at (620) 225-8886. Please file form CDP-3, 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.

Sincerely,

Kathy Hayes
Environmental Protection and Remediation Department

Cc: S Durrant

Conservation Division, Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802
Phone 316.337.6700 Fax 316.337.6214 www.kcc.state.ks.us