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

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

For KCC Use ONLY

Check All That Apply

☐ File DRI Application (Form CDP-1) with Intent to Drill;
☐ File Completion Form (ACD-1) within 120 days of spud date;
☐ File air exposure attribute plan according to field prohibition orders;
☐ Notify appropriate district office 48 hours prior to workflow or re-entry;
☐ Submit plugging report (CP-4) after plugging is completed;
☐ Obtain written approval before disposing of or impounding salt water.

☐ This permit has expired (See authorized expiration date please check this line below and return to the address below.

☐ Well Not Drilled - Permit Expired

Signature of Operator or Agent:

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

December 15, 2006

Expected Spud Date

OPERATOR: Larico Oil & Gas Co.
Address: 301 South Market
Contact Person: Jay G. Schweikert
Phone: 316-255-0651

CONTRACTOR: Southwest Drilling Inc.

Spot N2 SW NW Sec. 6 T. S. R. 5 S. Line of Section / E. Line of Section

In SECTION Regular

Lease Name: Base
Field Name: Zagar Southwell

Is this a Pardoned / Special Field?

Target Formation(s): Mississippian & Simpson

Nearest Lease or Unit boundary: 660

Ground Surface Elevation: 1230 ft

Well within one-quarter mile:

Water well within one-mile:

Public water supply well within one mile:

Depth to bottom of fresh water:

Surface Pipe by Alternate:

Length of Conductor Pipe required:

Projected Total Depth:

Formation at Total Depth:

Well Source for Drilling Operations:

DWR Permit #:

Will Core be taken?

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 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 unconsolidated materials plus a minimum of 20 feet into the underlying formation;
4. If the well is a dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
5. The Larico Oil & Gas Co. 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.

Or pursuant to Appendix 10 - Eastern Kansas surface casing order #103,861-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. 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: 12/15/2006

Signature of Operator or Agent: Jay G. Schweikert

Title: Operations Engineer

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, 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 1/4 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 -  
Operator: Lavois Oil & Gas Co.  
Lease:  
Well Number: 1-6  
Field: Zenger Southwest  
Number of Acres attributable to well: 40  
QTR / QTR / QTR of acreage: N2, SW, NW  
Location of Well: County:  
Location:  
6600 feet from  
660 feet from  
Sec. 6, Twp. 25, S. R. 05  
W Line of Section  
E Line of Section  
S Line of Section  

If 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. 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 well location is located within a prorated or spaced field a certificate of acreage attribution must be attached. (CO-7 for oil wells; CO-9 for gas wells.)