

APPLICATION TO DRILL, RECOMPLETE OR REENTER

FORM 1000
REV. 2003

FILE ORIGINAL ONLY

PLEASE TYPE OR USE BLACK INK

1. OTC/OCC OPERATOR NUMBER
21782

2. API NUMBER
131-24379 *A*

OKLAHOMA CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
JIM THORPE BUILDING
P.O. BOX 52000
OKLAHOMA CITY, OK 73152-2000
(RULE 165:10-3-1)

BATCH NUMBER (OCC USE ONLY)
05226218

3. NOTICE OF INTENT TO: (CHECK ONLY ONE)
 DRILL _____ RECOMPLETE _____ REENTER _____ DEEPEN _____ AMEND - REASON Change of Operator TO COMPLETE DRILLING

NOTE: ATTACH COPY OF 1002-A IF RECOMPLETION OR REENTRY.

4. TYPE OF DRILLING OPERATION >>>>>>>>>>>> (NOTE: If directional or horizontal, see reverse side for bottom hole location)
 A. STRAIGHT HOLE _____ DIRECTIONAL HOLE _____ HORIZONTAL HOLE _____
 B. OIL/GAS _____ INJECTION _____ DISPOSAL _____ WATER SUPPLY _____

6. LOCATE WELL AND OUTLINE LEASE OR SPACING UNIT IN INK.

5. WELL LOCATION:

SECTION	TOWNSHIP	RANGE	COUNTY
22	24N	18E	ROGERS

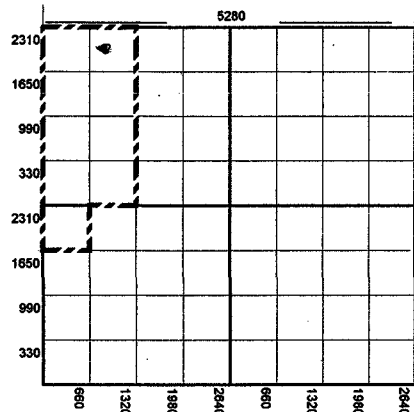
SPOT LOCATION:
 NW 1/4 NE 1/4 NW 1/4 NW 1/4
 FEET FROM QUARTER from SOUTH LINE from WEST LINE
 SECTION LINES: 2361 831

7. Well will be **279** feet from nearest unit or property boundary.

8. LEASE NAME: **WARD** WELL NUMBER: **3**

9. NAME OF OPERATOR: **WELL RENEWAL INC.**
 ADDRESS: **P.O. BOX 91** PHONE (AC/NUMBER): **918-231-8085**
 CITY: **CHELSEA** STATE: **OK** ZIP CODE: **74016**

10. SURFACE OWNER (ONE ONLY. ATTACH SHEET FOR ADDITIONAL OWNERS)
KENNETH J. WARD
 ADDRESS: **RT 2 BOX 379** PHONE (AC/NUMBER):
 CITY: **CHELSEA** STATE: **OK** ZIP CODE: **74016**



11. Is well located on lands under federal jurisdiction? Y X N

12. Will a water well be drilled? Y X N
 Will surface water be used? Y X N

13. DATE OPERATION TO BEGIN:
ASAP

14. LIST TARGET FORMATIONS AND DEPTHS OF EACH BELOW (LIMITED TO TEN)

1) BURGESS	490	6) 404 BRGS
2)		7)
3)		8)
4)		9)
5)		10)

15. SPACING ORDER NUMBER(S) AND SIZE UNIT(S):
unspaced - spud

16. PENDING APPLICATION C.D. NO. _____ 17. LOCATION EXCEPTION ORDER NO. _____ 18. INCREASED DENSITY ORDER NO. _____

19. TOTAL DEPTH **-500 540** 20. GROUND ELEV. _____ 21. BASE OF TREATABLE WATER **50 16w** 22. SURFACE CASING **50 100** 23. ALT CASING PROG USED? Y X N

APPROVED
MAY 24 2006

24. ALTERNATIVE CASING PROCEDURE, check box and fill in blank (AFFIDAVIT REQUIRED, see reverse side, line 31.)
 A. Cement will be circulated from total depth to ground surface on the production casing string.
 B. Cement will be circulated from _____ depth to _____ depth by use of a two stage cementing tool.

25. 1. PIT INFORMATION: Using more than one pit or mud system? Y X N If yes, fill out line 25.2 on top reverse side.

A. TYPE OF MUD SYSTEM: WATER BASED OIL BASED GAS BASED (AIR DRILL)

B. EXPECTED MUD CHLORIDE CONTENT: maximum: _____ ppm; average: _____ ppm.

PIT #1 C. TYPE OF PIT SYSTEM: on-site; _____ off-site _____ closed; If off-site, specify location: _____

D. IS DEPTH TO TOP OF GROUND WATER GREATER THAN 10 FT BELOW BASE OF PIT? Y N

E. WITHIN 1 MILE OF MUNICIPAL WATER WELL? Y X N Off-Site Pit No. _____

F. WELLHEAD PROTECTION AREA? Y X N

26.1 OCC USE ONLY A. CATEGORY 1A 1B 2 3 4 C
 B. PIT LOCATION: Alluvial Plain/Terrace Deposit Bedrock Aquifer Other H.S.A. Non-H.S.A. Fm: Boggy
 C. Special area or field rule? _____ D. DEEP SCA? Y N Yield >50 _____ E. CBL required? Y N
 F. SOIL or GEOMEMBRANE LINER REQUIRED? Y X N 20 mil GEOMEMBRANE LINER REQUIRED? Y N

27. PROPOSED METHOD FOR DISPOSAL OF DRILLING FLUIDS (MUST BE COMPLETED)

A. Evaporation/dewater and backfilling of reserve pit.
 B. Solidification of pit contents.
 C. Annular Injection _____ (REQUIRES PERMIT and surface casing set 200 feet below base of treatable water-bearing formation.)
 D. One time land application _____ (REQUIRES PERMIT) PERMIT NO. _____
 E. Haul to Commercial pit facility; Specify site: _____
 F. Haul to Commercial soil farming facility; Specify site: _____
 G. Haul to recycling/re-use facility; Specify site: _____
 H. Other, Specify: _____

I hereby certify I am authorized to submit this two page application prepared by me or under my supervision.
 The facts and proposals made herein are true, correct and complete to the best of my knowledge and belief.

SIGNATURE Saleem Nizami NAME (Print or Type) **SALEEM NIZAMI** PHONE (AC/NUMBER) **405-840-9327** DATE **5/19/2006**

NOTICE: Approval is void if operations have not commenced within six months of the date of approval. An approved permit must be posted at the location during drilling and completion operations.
 File the Form 1001A, Spud Report, within fourteen days of commencement of operations.
CALL AND NOTIFY DISTRICT OFFICE AND SURFACE OWNER 24 HOURS PRIOR TO SPUD, REENTRY OR RECOMPLETION

* FAX 840-9328

22
 SEC
 TOWNSHIP
 24N
 WARD
 RANGE
 18E
 # 3
 WELL NAME

25.2. PIT INFORMATION:

- A. TYPE OF MUD SYSTEM: WATER BASED OIL BASED GAS BASED (AIR DRILL)
 B. EXPECTED MUD CHLORIDE CONTENT: maximum: _____ ppm; average: _____ ppm.
 PIT #2 C. TYPE OF PIT SYSTEM: on-site; off-site closed; if off-site, specify location: _____
 D. IS DEPTH TO TOP OF GROUND WATER GREATER THAN 10 FT BELOW BASE OF PIT? Y N
 E. WITHIN 1 MILE OF MUNICIPAL WATER WELL? Y N
 F. WELLHEAD PROTECTION AREA? Y N

Off-Site Pit No. _____

26.2 OCC USE ONLY A. CATEGORY 1A 1B 2 3 4 C Fm: _____
 B. PIT LOCATION: Alluvial Plain/Terrace Deposit Bedrock Aquifer Other H.S.A. Non-H.S.A.
 C. Special area or field rule? _____ D. DEEP SCA? Y N Yield >50
 E. SOIL or GEOMEMBRANE LINER REQUIRED? Y N 20 mil GEOMEMBRANE LINER REQUIRED? Y N

29. Bottom Hole Location SEC TWP RGE COUNTY
 for Directional Hole:

SPOT LOCATION: _____ FEET FROM QUARTER from SOUTH LINE from WEST LINE
 SECTION LINES: 1/4 1/4 1/4 1/4
 Measured Total Depth _____ True Vertical Depth _____ BHL from Lease, Unit, Or Property Line: _____

30. Bottom Hole Location for Horizontal Hole: (DRAINHOLES)

DRAIN HOLE #1: SEC TWP RGE COUNTY

SPOT LOCATION: _____ FEET FROM QUARTER from SOUTH LINE from WEST LINE
 SECTION LINES: 1/4 1/4 1/4 1/4
 Depth of Deviation _____ Radius of Turn _____ Direction _____ Total Length _____

Measured Total Depth _____ True Vertical Depth _____ End Point location from lease, unit or property line: _____

DRAIN HOLE #2: SEC TWP RGE COUNTY

SPOT LOCATION: _____ FEET FROM QUARTER from SOUTH LINE from WEST LINE
 SECTION LINES: 1/4 1/4 1/4 1/4
 Depth of Deviation _____ Radius of Turn _____ Direction _____ Total Length _____

Measured Total Depth _____ True Vertical Depth _____ End Point location from lease, unit or property line: _____


31. AFFIDAVIT FOR ALTERNATIVE CASING PROGRAM (Signature on front of this form attests to this affidavit)

- This well WILL WILL NOT penetrate any known lost circulation zones.
- During the drilling of this well, withdrawals from any water well within 1/4 mile WILL WILL NOT exceed 50 gallons per minute.
- The projected depth of the well IS IS NOT less than 100 feet from the top of any enhanced recovery project or gas storage facility.
- List the following for all water wells within 1/4 mile of this well. (Information concerning some water wells may be obtained from the OKLAHOMA WATER RESOURCES BOARD, 2800 N. Classen Blvd., Oklahoma City, OK 73118). IF NO WATER WELLS FOUND SO STATE: (ATTACH ADDITIONAL SHEET IF NECESSARY)

Name of Owner/Operator	Address of Owner/Operator	Location (Nearest 1/4 1/4 1/4)	Deepest producing interval

- A cement bond log is required to be run and submitted from not less than 100 feet below the base of the treatable water-bearing formation to the surface.
- If casing depth is more than 250 feet deeper than base of the treatable water-bearing formation, operator must submit a letter of request listing reasons and precautions to be taken.

INTENT TO DRILL CHECKLIST OCC USE ONLY OCC USE ONLY OCC USE ONLY

APPROVED _____ REJECTED _____


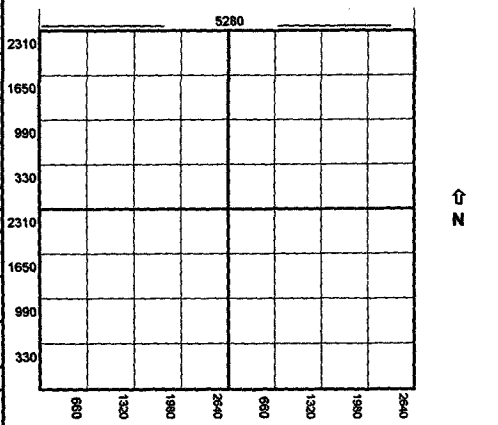
- SURETY *Lc*
 A. NONE filed. *7-13-06*
 B. EXPIRED: Date _____
 C. OUTSTANDING CONTEMPT ORDER. _____
- INTENTS _____

- SPACING _____
- GEOLOGY _____

DO NOT WRITE INSIDE THIS BOX
 S-24-06
 well spud
 11-25-06

- SURFACE CASING
 - Insufficient amount, Requires _____ feet.
 - Insufficient Alternate Casing Program.
 - No Affidavit Submitted for Alternative Casing Program.
 - Reentry requires _____ feet, only _____ current.
- UNSPACED: Less than 2500 ft (165')/More than 2500 ft (330')
 Only _____ ft from N/S and _____ from E/W line.
- SPACED SPACING ORDER No. _____
 - Square pattern: 2.5, 10, 40, 160, 640
 - Rectangular pattern: 5, 20, 80, 320
 NW/SE OR NE/SW
 - Rectangular slot pattern: 5, 20, 80, 320
 Prior to 1971 (Y, N) S/U/D
- LOCATION EXCEPTION:
 - Surface hole location different
 - Bottom hole location different
- PENDING APPLICATION: Spacing/Location Exception
 C.D. No.: _____
 H.O.M. DATE: _____
- OPERATOR NAME DIFFERENT in order No. _____
 Name on order: _____
 Location Exception/Increased Density/Pooling
- Increased Density/Location Exception EXPIRED
 Date Order Expired: _____
- Outline Lease or Property Boundary

28. Locate Bottom Hole



- If more than two drainholes are proposed, attach separate sheet indicating the necessary information.
- Direction must be stated in degrees azimuth.
- Please note the horizontal drainhole and its end point must be located within the legal boundaries of the lease or spacing unit. Directional surveys are required for all drainholes and directional wells.

OTC/OCC Number: 21782-0

API Number: 131-24379-A

Approval Date: 05/24/2006

Expiration Date: 11/24/2006

Notice of Intention To: AMEND

Reason Amended: CHG OP/COMPLETE DRLG

Type of Drilling Operation: STRAIGHT HOLE

Well Type: OIL/GAS

Well Location: Sec: 22 Twp: 24N Rge: 18E

County: ROGERS

Spot Location: NW4 NE4 NW4 NW4

Feet From: SOUTH 1/4 Section Line 2361 Feet From: WEST 1/4 Section Line 831

Feet from the nearest lease line: 279

Lease Name: WARD

Well No: 3

Operator Name: WELL RENEWAL INC.

TELEPHONE: (214) 724-2628

Surface Owner Address

KENNETH J WARD

RT 2 BOX 379

CHELSEA

OK 74016

Operator Return Address

WELL RENEWAL INC.

P.O. BOX 91

CHELSEA

OK 74016

Operation to Begin: 00/00/0000

Fresh Water Supply Well Drilled: NO

Surface Water used to Drill: NO

Formation Codes, Names, Depths, (Permit Valid For Listed Formations Only):

(1) 404BRGS BURGESS

490

Not Spaced for Permitted Formations.

Special Orders:

Pending CD Numbers: Location Exception Orders: Increased Density Orders:

Total Depth:	Ground Elevation	Surface Casing:	Depth to base of Treatable Water-Bearing FM:
540		100	50

PIT 1 INFORMATION:

Type of Pit System: ON-SITE

Type of Mud System:

AIR BASED (AIR DRILLED)

Pit is not located in a Hydrologically Sensitive Area.

Determination of Hydrologically Sensitive Area
not required.

Category of Pit: 4

Liner not required for Category: 4 PIT

Pit Location is NON-HSA.

Pit Location Formation: BOGGY

Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

Approved Method for disposal of Drilling Fluids:

Evaporation/Dewater and Backfilling of Reserve Pit.

This permit does not address the right of entry or settlement of surface damages. The duration of this permit is Six Months, except as otherwise provided by Rule 165: 10-3-1.

Rule 165: 10-3-4 (E)- The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.