

WALK THROUGH

APPLICATION TO DRILL, RECOMPLETE OR REENTER

FORM 1000
REV. 2002

201

FILE ORIGINAL ONLY

PLEASE TYPE OR USE BLACK INK

1. OTC/OCC OPERATOR NUMBER
15136-0

2. API NUMBER
119-23712

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)
08064201

3. NOTICE OF INTENT TO: (CHECK ONLY ONE)
 DRILL RECOMPLETE REENTER DEEPEN AMEND - REASON _____
 NOTE: ATTACH COPY OF 1002-A IF RECOMPLETION OR RENTRY.

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

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

5. WELL LOCATION:

| | | | |
|---|---------------------|--|---------------------|
| SECTION 28 | TOWNSHIP 19N | RANGE 1W | COUNTY PAYNE |
| SPUD LOCATION: SW 1/4 SE 1/4 NE 1/4 SW 1/4 | | FEET FROM QUARTER: from SOUTH LINE 1640 from WEST LINE 1650 2310 | |
| SECTION LINES: _____ | | | |

7. Well will be **330** feet from nearest unit or property boundary.

8. LEASE NAME: **KIRBY** WELL NUMBER: **#28-2**

9. NAME OF OPERATOR: **HELTON OIL COMPANY**

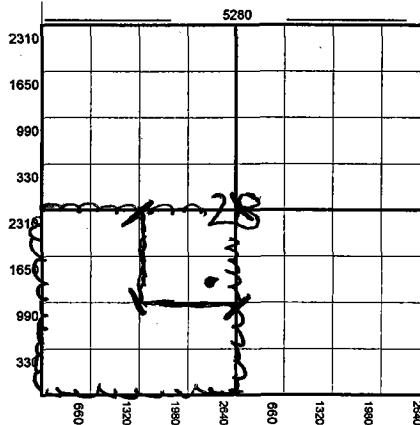
ADDRESS: **P.O. Box 7283** PHONE (AC/NUMBER) _____

CITY: **WICHITA FALLS, TX** STATE: **TX** ZIP CODE: **76308-1908**

10. SURFACE OWNER (ONE ONLY, ATTACH SHEET FOR ADDITIONAL OWNERS)
KIRBY FARMS, L.L.C. PHONE (AC/NUMBER) **73083-9283**

ADDRESS: **RT. 1 - Box 35** PHONE (AC/NUMBER) **1-580-388-4815**

CITY: **WICHITA FALLS, OK** STATE: **OK** ZIP CODE: **74643**



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

- | | |
|------------------------------------|---------------------|
| 1) VERTZ 1970 | 6) 406 VRTZ |
| 2) CREWS 2950 | 7) 406 CRWS |
| 3) XXXXXXXXXXXXXXXXXXXX | 8) _____ |
| 4) HOOVER 7220 | 9) 406 HOVR |
| 5) REAGAN 1628 | 10) 153 REGN |

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

081104 **40 ac** **CREWS/UNSPACED**

16. PENDING APPLICATION C.D. NO. **NONE** 17. LOCATION EXCEPTION ORDER NO. **NONE** 18. INCREASED DENSITY ORDER NO. **NONE**

| | | | | |
|-----------------------------|------------------------------|---|--------------------------------|---|
| 19. TOTAL DEPTH 2390 | 20. GROUND ELEV. 1073 | 21. BASE OF TREATABLE WATER 320' SPV | 22. SURFACE CASING 390' | 23. ALT CASING PROG USED? <input checked="" type="checkbox"/> Y <input checked="" type="checkbox"/> N |
|-----------------------------|------------------------------|---|--------------------------------|---|

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 N If yes, fill out line 25.2 on top reverse side.

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

EXPECTED MUD CHLORIDE CONTENT: maximum: **2000** ppm; average: **1500** ppm.

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

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

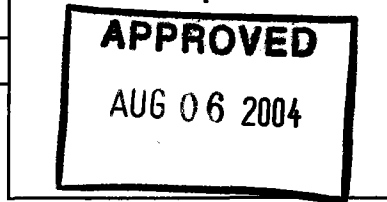
F. WELLHEAD PROTECTION AREA? Y N

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

12. Will a water well be drilled? Y N

Will surface water be used? Y N

13. DATE OPERATION TO BEGIN: _____



26.1 OCC USE ONLY

| | | | | | | |
|--|--|----|--|---|---|---|
| A. CATEGORY | 1A | 1B | 2 | 3 | 4 | C |
| B. PIT LOCATION: | Alluvial Plain/Terrace Deposit | | <input checked="" type="checkbox"/> Bedrock Aquifer | | Other H.S.A. _____ Non-H.S.A. _____ | |
| C. Special area or field rule? | _____ | | _____ | | D. DEEP SCA? <input type="checkbox"/> Y <input type="checkbox"/> N Yield >50 _____ E. CBL required? <input type="checkbox"/> Y <input type="checkbox"/> N | |
| F. SOIL or GEOMEMBRANE LINER REQUIRED? | <input type="checkbox"/> Y <input checked="" type="checkbox"/> N | | 20 mil GEOMEMBRANE LINER REQUIRED? <input type="checkbox"/> Y <input type="checkbox"/> N | | Fm: Wellington | |

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: **John R. Helton** NAME (Print or Type) **JOHN R. HELTON** PHONE (AC/NUMBER) **405-615-5500** DATE **8-5-04**

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

WALK-THROUGH

28 19N 1W 28-2

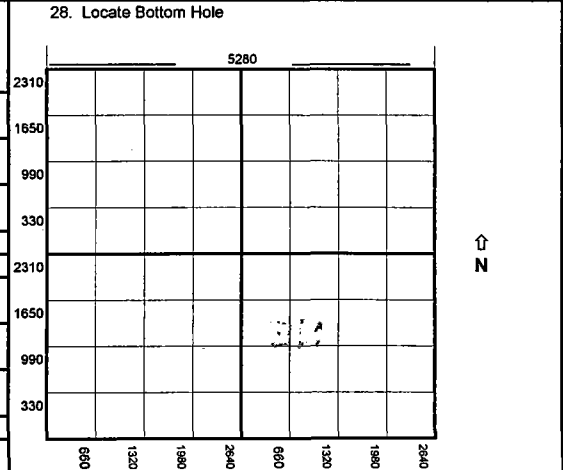
WELL NAME: Kirby

940-766-046 FAX

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
 1/4 1/4 1/4 1/4 SECTION LINES:
 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
 1/4 1/4 1/4 1/4 SECTION LINES:
 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
 1/4 1/4 1/4 1/4 SECTION LINES:
 Depth of Deviation Radius of Turn Direction Total Length
 Measured Total Depth True Vertical Depth End Point location from lease, unit or property line:



1. If more than two drainholes are proposed, attach separate sheet indicating the necessary information.
2. Direction must be stated in degrees azimuth.
3. 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.

31. AFFIDAVIT FOR ALTERNATIVE CASING PROGRAM (Signature on front of this form attests to this affidavit)
 1. This well WILL WILL NOT penetrate any known lost circulation zones.
 2. During the drilling of this well, withdrawals from any water well within 1/4 mile WILL WILL NOT exceed 50 gallons per minute.
 3. 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.
 4. 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

5. 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.
6. If casing depth is more than 250 feet deeper than base of the treatable water-bearing formation, operator must submit a letter, request listing reasons and precautions to be taken.

| INTENT TO DRILL CHECKLIST | OCC USE ONLY | OCC USE ONLY | OCC USE ONLY |
|--|--------------|---|--|
| #9, 11, 12, 20 APPROVED Per Mr. Helton 6 Aug 04 #5, 6, 7 J. Helton 8/6/04 | REJECTED | 1. SURETY A. NONE filed. B. EXPIRED: Date <u> </u> C. OUTSTANDING CONTEMPT ORDER. | BND 8/11/04/40 EST. REGN, VRTZ, HOUR |
| | | 2. INTENTS | |
| | | 3. SPACING | |
| | | 4. GEOLOGY | |
| | | A. SURFACE CASING | |
| | | 1. Insufficient amount, Requires <u> </u> feet. | |
| | | 2. Insufficient Alternate Casing Program. | |
| | | 3. No Affidavit Submitted for Alternative Casing Program. | |
| | | 4. Reentry requires <u> </u> feet, only <u> </u> current. | |
| | | B. UNSPACED: Less than 2500 ft (165')/More than 2500 ft (330') | |
| | | Only <u> </u> ft from N/S and <u> </u> from EW line. | |
| | | C. SPACED SPACING ORDER No. <u> </u> | |
| | | 1. Square pattern: 2.5, 10, 40, 160, 640 | |
| | | 2. Rectangular pattern: 5, 20, 80, 320 NW/SE OR NE/SW | |
| | | 3. Rectangular slot pattern: 5, 20, 80, 320 Prior to 1971 (Y, N) SU/LD | |
| | | D. LOCATION EXCEPTION: | |
| | | 1. Surface hole location different | |
| | | 2. Bottom hole location different | |
| | | E. PENDING APPLICATION: Spacing/Location Exception | |
| | | C.D. No.: <u> </u> | |
| | | H.O.M. DATE: <u> </u> | |
| | | F. OPERATOR NAME DIFFERENT in order No. <u> </u> | |
| | | Name on order: <u> </u> | |
| | | Location Exception/Increased Density/Pooling | |
| | | G. Increased Density/Location Exception EXPIRED | |
| | | Date Order Expired: <u> </u> | |
| | | H. Ouline Lease or Property Boundary | |

DO NOT WRITE INSIDE THIS BOX
 8/6/04
 050680022

OTC/OCC Number: 15136-0

Approval Date: 08/06/2004

Expiration Date: 02/06/2005

API Number: 119-23712

Notice of Intention To: DRILL

Type of Drilling Operation: STRAIGHT HOLE

Well Type: OIL/GAS

Well Location: Sec: 28 Twp: 19N Rge: 01W

County: PAYNE

Spot Location: CSE4 NE4 SW4

Feet From: SOUTH 1/4 Section Line 1650 Feet From: WEST 1/4 Section Line 2310

Feet from the nearest lease line: 330

Lease Name: KIRBY

Well No: 28-2

Operator Name: HELTON OIL COMPANY

TELEPHONE: (405) 615-5500

Surface Owner Address

KIRBY FARMS, LLC

RT 1 BOX 35

LAMONT

OK 74643

Operator Return Address

HELTON OIL COMPANY

PO BOX 7283

EDMOND

OK 73083

Operation to Begin: 00/00/0000

Fresh Water Supply Well Drilled: NO

Surface Water used to Drill: YES

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

| | | | | | |
|-------------|--------|------|-------------|--------|------|
| (1) 406VRTZ | VERTZ | 1970 | (2) 406CRWS | CREWS | 2050 |
| (3) 406HOVR | HOOVER | 2220 | (4) 153REGN | REAGAN | 1628 |

Spacing Order Numbers: 81104

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: |
| | | | 2390 | 1123 | 370 | 320 |

PIT 1 INFORMATION:

Type of Pit System: ON-SITE

Type of Mud System:

WATER BASED

Expected Chloride Content of Pit:

Maximum 2000 PPM; Average 1500 PPM

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: 2

Liner not required for Category: 2 PIT

Pit Location is Bedrock Aquifer.

Pit Location Formation: WELINGTN

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.

OKLAHOMA

Corporation Commission

P.O. BOX 52000
OKLAHOMA CITY OKLAHOMA 73152-2000

255 Jim Thorpe Building
Telephone: (405)521-2302
FAX: (405)521-3099

OIL & GAS CONSERVATION DIVISION



Lori Wrotenbery, Director

January 03, 2005

15136-0
HELTON OIL COMPANY
PO BOX 7283
EDMOND OK 73083-7283

KIRBY
Well No: 28-2
API No: 119-23712
28-19N-01W
County: PAYNE

Dear Sir or Madam:

This is formal notification that the permit for the above mentioned well approved by the Oil and Gas Division on 08/06/2004 will expire on 02/06/2005 unless a notification of a well spud is filed at the Oklahoma Corporation Commission Oil and Gas Division.

If you wish to extend the time of the approved permit for six(6) months, you must do so in writing prior to the expiration of the permit. If the letter requesting the permit extension is not received by the Corporation Commission prior to the expiration of the permit, a new application must be submitted and a new \$100 application fee will be required.

Please note the API number on all correspondence.

If we can be of assistance, please call the Document Handling Section at (405) 522-2049.

Sincerely,

Technical Department

PCN: C1170611L2

NOTIFICATION OF WELL SPUD

OKLAHOMA CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
P. O. BOX 52000
OKLAHOMA CITY, OKLAHOMA 73152-2000
(RULE NO. 165: 10-3-2)



OTC/OCC Operator Number: 15136-0

API Number: 119-23712

DATE: 08/06/2004

Date of Well Spud/ 8/14/2004

Name of Operator: HELTON OIL COMPANY
Address: P.O. BOX 7283
EDMOND OK 73083

Phone: (405) 615-5500

WELL LOCATION

Lease Name: KIRBY
Well Number: 28-2
Location: 28-19N-01W
CSE4 NE4 SW4
PAYNE

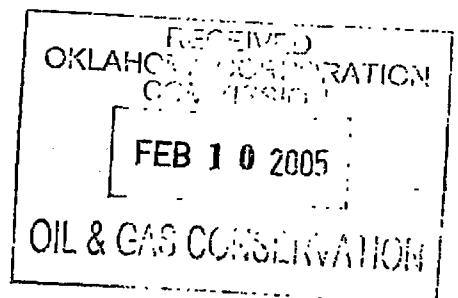
Surface Casing Cement by (If Job Completed)

Name: OKLAHOMA ORWELL
Address: P.O. Box 967
City: CUSHING State: OK
Zip Code: 74023

INSTRUCTIONS (PLEASE FOLLOW)

PLEASE TYPE OR USE BLACK INK

- 1) This report must be completed in duplicate and mailed within fourteen (14) days, after spudding, to the Corporation Commission at the above address.
- 2) State the exact date the well was spudded.



INV.#
23222

I declare that I have knowledge of the contents of this report and am authorized by my organization to make this report, which was prepared by me or under my supervision and direction, with the data and facts stated herein to be true, correct and complete to the best of my knowledge and belief.

John R. Helton
Name

Partner
Title