

For KCC Use: 2-11-04
 Effective Date: 2-11-04
 District #: 3
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

First
CORRECTED

Form C-1
 December 2002
 Form must be Typed
 Form must be Signed
 All blanks must be Filled

NOTICE OF INTENT TO DRILL

FEB 05 2004

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

Expected Spud Date 2 20 2004
 month day year

Spot AP NE of **KCC WICHITA**
 East
 West
 SW - SW - NW Sec. 14 Twp. 5 S. R. 15
3150 feet from N / S Line of Section
510 feet from E / W Line of Section

OPERATOR: License# 33233
 Name: Heartland Oil & Gas, Inc.
 Address: c/o BAM Energy, Inc., 6286 East Long Circle North
 City/State/Zip: Englewood, Colorado 80112
 Contact Person: Mr. Bill Hayworth
 Phone: 303-221-4768

Is SECTION Regular Irregular?
 County: Jackson
 Lease Name: Atwater Farms Well #: 5-14
 Field Name: wildcat

CONTRACTOR: License# to be determined
 Name: ADVISE ON ACO-1 MUST BE LICENSED WITH KCC

Is this a Prorated / Spaced Field? Yes No

Well Drilled For: Well Class: Type Equipment:
 Oil Enh Rec Infield Mud Rotary
 Gas Storage Pool Ext. Air Rotary
 OWWO Disposal Wildcat Cable
 Seismic; # of Holes Other

Target Formation(s): Cherokee
 Nearest Lease or unit boundary: 1830'
 Ground Surface Elevation: 1082' feet MSL
 Water well within one-quarter mile: Yes No
 Public water supply well within one mile: Yes No
 Depth to bottom of fresh water: 300' 140'
 Depth to bottom of usable water: 400' 180'

If OWWO: old well information as follows:
 Operator: _____
 Well Name: _____
 Original Completion Date: _____ Original Total Depth: _____

Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 200'
 Length of Conductor Pipe required: none
 Projected Total Depth: 2700'
 Formation at Total Depth: Mississippian

Directional, Deviated or Horizontal wellbore? Yes No
 If Yes, true vertical depth: _____
 Bottom Hole Location: _____
 KCC DKT #: _____

Water Source for Drilling Operations:
 Well Farm Pond Other or haul water in
 DWR Permit #: _____
 (Note: Apply for Permit with DWR)
 Will Cores be taken? Yes No
 If Yes, proposed zone: Cherokee

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 dry hole, 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.
 Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-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. **In all cases, NOTIFY district office** prior to any cementing.

X WAS: AP NW SWSW NW
 IS: AP NE SW SW NW

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.
 Date: 1/31/04 Signature of Operator or Agent: [Signature] Title: Consultant

For KCC Use ONLY
 API # 15 - 085-20070-0000
 Conductor pipe required NONE feet
 Minimum surface pipe required 200 feet per Alt. ①
 Approved by: RSP 2-5-04/RSP 9.2-04
 This authorization expires: 8-5-04
 (This authorization void if drilling not started within 6 months of effective date.)
 Spud date: _____ Agent: _____

Remember to:
 - File Drill Pit Application (form CDP-1) with Intent to Drill;
 - File Completion Form ACO-1 within 120 days of spud date;
 - File acreage attribution plat according to field proration orders;
 - Notify appropriate district office 48 hours prior to workover or re-entry;
 - Submit plugging report (CP-4) after plugging is completed;
 - Obtain written approval before disposing or injecting salt water.
 - If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.
 Well Not Drilled - Permit Expired
 Signature of Operator or Agent: _____
 Date: _____

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

14
 5
 15E