

For KCC Use:

Effective Date:

District #

SGA?  Yes  No

3-31-04

PERMIT EXTENSION KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

RECEIVED

MAR 26 2004

Form C-1 December 2002

Form must be Typed Form must be Signed All blanks must be Filled

NOTICE OF INTENT TO DRILL Must be approved by KCC five (5) days prior to commencing work

Expected Spud Date 4 month 7 day 04 year

Spot NE NE NE Sec. 20 Twp. 30 S. R. 18 East West

OPERATOR: License# 32187 Name: Southwind Exploration, LLC Address: P.O. Box 34 City/State/Zip: Piqua, KS 66761 Contact Person: E.L. Ballard Phone: 620/468-2885

4930 feet from N / S Line of Section 350 feet from E / W Line of Section Is SECTION x Regular Irregular?

CONTRACTOR: License# 33072 Name: Well Refined Drilling Company, Inc.

(Note: Locate well on the Section Plat on reverse side) County: Neosho Lease Name: Carter Well #: 3 Field Name: Morehead

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

Is this a Prorated / Spaced Field? Yes No Target Information(s): Mississippi Nearest Lease or unit boundary: 350 Ground Surface Elevation: 985 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: 150 Depth to bottom of usable water: 300 Surface Pipe by Alternate: 1 2 Length of Surface Pipe Planned to be set: 20' Length of Conductor Pipe required: non N/A

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

Projected Total Depth: 1200' Formation at Total Depth: Mississippi Water Source for Drilling Operations: Well Farm Pond Other none, air drilled

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth:

Bottom Hole Location:

KCC DKT #:

DWR Permit #: Will Cores be taken? Yes No If Yes, proposed zone:

Permit Extension Request Received 9-10-04

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.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief. Date: 03/23/04 Signature of Operator or Agent: E.L. Ballard Title: Agent

For KCC Use ONLY API # 15 - 133-26054-00-00 Conductor pipe required NONE feet Minimum surface pipe required 20 feet per Alt. Approved by: RJ 3-26-04 / RJ 3-26-04 This authorization expires: 9-26-04 / 3-26-05 (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

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