

PERMIT EXTENSION

RECEIVED

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form C-1
December 2002

NOTICE OF INTENT TO DRILL

MAR 26 2004

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

Must be approved by KCC five (5) days prior to commencing operations
CONSERVATION DIVISION
WICHITA, KS

For KCC Use:

Effective Date:

District #

SGA? Yes No

3-31-04
3

Expected Spud Date: 4 12 04
month day year

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

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

Spot NE NE SW Sec. 25 Twp. 30 S. R. 17
2290 feet from N / S Line of Section
2990 feet from E / W Line of Section
Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
County: Neosho
Lease Name: Herman Well #: 2
Field Name: Morehead
Is this a Prorated / Spaced Field? Yes No

Target Information(s): Mississippi
Nearest Lease or unit boundary: 350
Ground Surface Elevation: 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: None

Projected Total Depth: 1200
Formation at Total Depth: Mississippi
Water Source for Drilling Operations:
 Well Farm Pond Other none, Air drilled
DWR Permit #:

(Note: Apply for Permit with DWR [])
Will Cores be taken? Yes No
If Yes, proposed zone:

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

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

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth:

Bottom Hole Location:

KCC DKT #:

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: [Signature] Title: Agent

For KCC Use ONLY
API # 15 - 133-26050-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 20 feet per Alt. (2)
Approved by: RJP 3-26-04 / RJP 9-14-04
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

25 17E