

For KCC Use:

Effective Date:

District #

SGA?  Yes  No

3-31-04  
3

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

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

CONSERVATION DIVISION  
WICHITA, KS

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

Expected Spud Date 04 9 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 NE Sec. 25 Twp. 30 S. R. 17  
4930 feet from N / S Line of Section  
350 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: Wheeler 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: 940 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: N/A  
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:

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 - 133-26051-00-00  
 Conductor pipe required NONE feet  
 Minimum surface pipe required 20 feet per All.  
 Approved by: [Signature]  
 This authorization expires: 9-26-07 / 13-26-04  
 (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

25 30 17E