

For KCC Use:
Effective Date: 11-23-04
District # 4
SGA Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form C-1
September 1999
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 well

Expected Spud Date: November 22 2004
month day year
Operators License: 32959
Name: Deep Rock Exploration, Inc.
Address: 1010 Road 62
City/State/Zip: Goodland, Kansas 67735
Contact Person: Ross R. McGuckin
Phone: (785) 899-7060

Contractor: License # 33445
Name: Coil Tubing Solutions, Inc.

Well Drilled For	Well Class	Type	Equipment
<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input type="checkbox"/> Infield	<input checked="" type="checkbox"/> Mud Rotary
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input checked="" type="checkbox"/> Pool Ext.	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input checked="" type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Other		
<input type="checkbox"/> Other			

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

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

Spot East
NW - NW - NW Sec. 11 Twp. 9S R. 41W West
330 feet from S / (N) (circle one) Line of Section
330 feet from E / (W) (circle one) Line of Section
Is Section Regular / Irregular?
(Note: Locate well on the section plat on reverse side)
County: Sherman
Lease Name: Gannon Well #: 3
Field Name: _____
Is this a Prorated / Spaced Field? Yes No
Target Formation (s): Cheyenne Sandstone
Nearest Lease or unit boundary: 330'
Ground Surface Elevation: 3,755.5 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'
Depth to bottom of usable water: 300'
Surface Pipe by Alternate: 1 2
Length of Surface pipe planned to be set: 350'
Length of Conductor pipe required: NONE
Projected total Depth: 3,000'
Formation at total Depth: Cheyenne Sandstone
Water source for Drilling Operations:
Well Farm Pond Other
DWR Permit #: _____
(Note: Apply for Permit with DWR)
Will Cores be taken? Yes No
If Yes, proposed zone: _____

RECEIVED
NOV 16 2004
KANSAS CORPORATION COMMISSION
CONSERVATION DIVISION
WICHITA, KS

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, 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 top, in all cases surface pipe shall be set, through all unconsolidated materials plus a minimum of 20 feet into underlying formation.
4. If the well is a 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 ALTERNATE II COMPLETION, production pipe shall be cemented from below and any usable water to surface within 120 days of spud date. 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: 11/15/2004 Signature of Operator or Agent: _____ Title: PRESIDENT

FOR KCC Use ONLY
API # 15- 181-20364-0000
Conductor pipe required NONE, feet
Minimum surface pipe required 350 feet per Alt. 1 \$
Approved By: RJP 11-18-04
This authorization expires: 5-18-05
(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.

11
9
4/10

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

KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREHBIEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

November 18, 2004

Mr. Ross R. McGuckin
Deep Rock Exploration, Inc.
1010 Road 62
Goodland, KS 67735

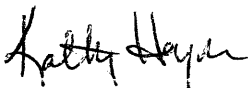
RE: Drilling Pit Application
Gannon Lease Well No. 3
NW/4 Sec. 11-09S-41W
Sherman County, Kansas

Dear Mr. McGuckin:

This office has been informed that steel pits are to be used at this location. Please inform the Commission in writing as to which disposal well you will utilize to dispose of the contents in the steel pits and the amount of fluid which will be disposed.

Should a haul-off pit be necessary, please complete the enclosed CDP-1. This location will have to be inspected prior to approval of the haul-off pit application.

Sincerely,



Kathy Haynes
Environmental Protection and Remediation Department

cc: H Deines