

For KCC Use:
 Effective Date: 12-5-04
 District # 4
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

HORIZONTAL WELL

Form C-1
 September 1999
 Form must be Typed
 Form must be Signed
 All blanks must be Filled

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

Expected Spud Date October 15 2004
month day year

Spot NE NE NW Sec. 16 Twp. 7 S. R. 39 East West
520 feet from S N (circle one) Line of Section
1980 feet from E / W (circle one) Line of Section
 Is SECTION Regular Irregular?

OPERATOR: License# 33019 (3-30-05)
 Name: Rosewood Resources, Inc.
 Address: 2711 N. Haskell Ave. - Suite 2800, LB #22
 City/State/Zip: Dallas, Texas 75204
 Contact Person: Jenni Trietsch
 Phone: 214-756-6607

(Note: Locate well on the Section Plat on reverse side)

County: Sherman
 Lease Name: G. Stasser Well #: 1-16H
 Field Name: Goodland

CONTRACTOR: License# 8273 (2.28-05)
 Name: Excell Drilling Co.

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Niobrara

<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"/> O/WO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> Seismic;	# of Holes	<input type="checkbox"/> Other	
<input type="checkbox"/> Other			

Nearest Lease or unit boundary: 520'
 Ground Surface Elevation: 3511' 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: 200' 300'
 Depth to bottom of usable water: 200' 300'

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

Surface Pipe by Alternate: xxx 1 2
 Length of Surface Pipe Planned to be set: 375'

Length of Conductor Pipe required: None
 Projected Total Depth: 1,400'

Formation at Total Depth: Niobrara
 Water Source for Drilling Operations:
 Well _____ Farm Pond _____ Other xxx

Directional, Deviated or Horizontal wellbore? Yes No
 If Yes, true vertical depth: 1,007'
 Bottom Hole Location: 2300' FNL 1900' FWL 16-7-39w
 KCC DKT #: 05-CONS-073-CHO R

DWR Permit #: _____
 (Note: Apply for Permit with DWR)

Will Cores be taken? Yes No
 If Yes, proposed zone: _____

AFFIDAVIT

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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:

SEP 30 2004

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. *In all cases, NOTIFY district office* prior to any cementing.

CONSERVATION DIVISION
 WICHITA, KS

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: August 20, 2004 Signature of Operator or Agent: Jenni Trietsch Title: Senior Accountant

For KCC Use ONLY
 API # 15 - 187-20368-01-00
 Conductor pipe required NONE feet
 Minimum surface pipe required 350 feet per Alt. (1)
 Approved by: RJP 11-30-04
 This authorization expires: 5-30-05
 (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.

16
7
39w

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - _____
 Operator: Rosewood Resources, Inc.
 Lease: G. Stasser
 Well Number: 1-16H
 Field: Goodland

Location of Well: County: Sherman

 520 feet from S / (N) (circle one) Line of Section

 1980 feet from E / (W) (circle one) Line of Section
 Sec. 16 Twp. 7 S. R. 39 East West

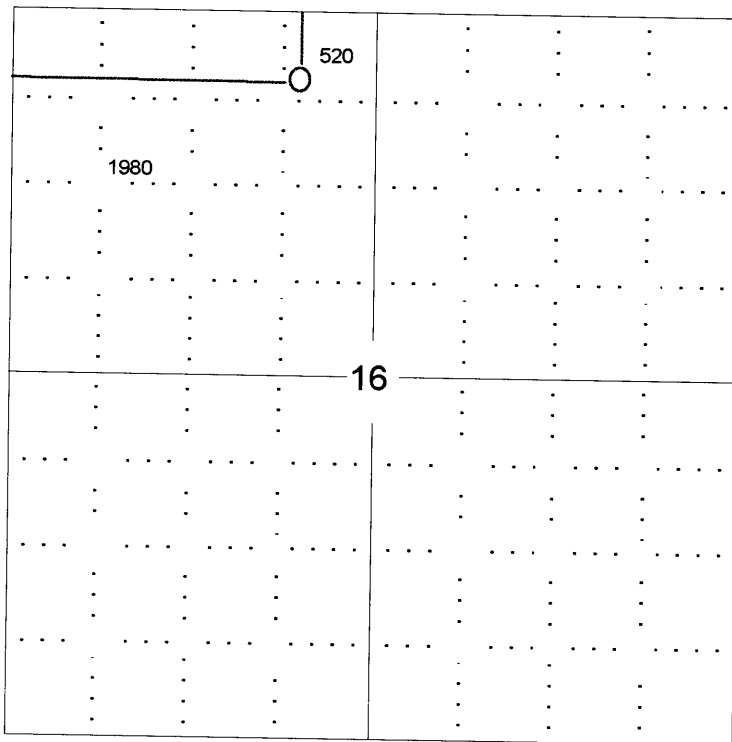
Number of Acres attributable to well: 160
 QTR / QTR / QTR of acreage: NE - NE - NW

Is Section Regular or _____ Irregular

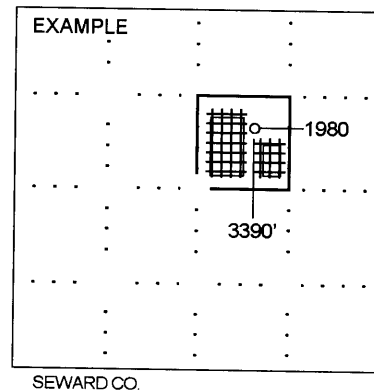
If Section is Irregular, locate well from nearest corner boundary.
 Section corner used: ___ NE ___ NW ___ SE ___ SW

PLAT

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)
 (Show footage to the nearest lease or unit boundary line.)*



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 SEP 30 2004
 CONSERVATION DIVISION
 WICHITA, KS



SEWARD CO.

NOTE: *In all cases locate the spot of the proposed drilling location.*

In plotting the proposed location of the well, you must show:

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).