

RECEIVED  
KANSAS CORPORATION COMMISSION  
CORRECTED  
FEB 25 2004

For KCC Use:  
Effective Date: 12-25-04  
District # 3  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form C-1  
December 2002

NOTICE OF INTENT TO DRILL

CONSERVATION DIVISION  
WICHITA, KS

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 January 8 2005  
month day year

OPERATOR: License# 33239  
Name: River Gas Chanute, LLC  
Address: 509 Energy Center Blvd Suite 804  
City/State/Zip: Northport, AL 35473  
Contact Person: Mike Farrens/Gary Cox  
Phone: 205-752-3339

CONTRACTOR: License# 32980  
Name: Pense Bros. Drilling Co., Inc.

Well Drilled For:  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 #: \_\_\_\_\_

\* WAS: NWNWNE IS: NENWNE

Spot  East  West  
\* NE NW NE Sec. 10 Twp. 26 S. R. 20  
400 feet from  N /  S Line of Section  
1620 feet from  E /  W Line of Section

Is SECTION  Regular  Irregular?  
(Note: Locate well on the Section Plat on reverse side)

County: Allen  
Lease Name: Cross Well #: A3-10  
Field Name: Cherokee Basin Coal Area

Is this a Prorated / Spaced Field?  Yes  No  
Target Formation(s): Cherokee Coals  
Nearest Lease or unit boundary: 400' N

Ground Surface Elevation: 997 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: 100+  
Depth to bottom of usable water: 200+  
Surface Pipe by Alternate:  1  2

Length of Surface Pipe Planned to be set: 20' +  
Length of Conductor Pipe required: none  
Projected Total Depth: 1150

Formation at Total Depth: Cherokee Coal  
Water Source for Drilling Operations:  
 Well  Farm Pond Other Neosho Water District - Tap

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: 12/16/04 Signature of Operator or Agent: David M. Chambers Title: Manager

For KCC Use ONLY  
API # 15 - 001-29177-00-00  
Conductor pipe required NONE feet  
Minimum surface pipe required 20 feet per Alt. 2  
Approved by: RJP 12-20-04 / RJP 15-05  
This authorization expires: 6-20-05  
(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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