

For KCC Use:
 Effective Date: 1-30-2005
 District #: 3
 SGA? Yes No

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

Form C-1
 December 2002
 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 30, 2005
month day year

Spot East
5/2 NE NE NW Sec. 3 Twp. 18 S. R. 24 West
495 feet from N / S Line of Section
2310 feet from E / W Line of Section
 Is SECTION Regular Irregular?

OPERATOR: License# 33233 (4-30-2005)
 Name: Heartland Oil & Gas Corporation
 Address: 2515 East Logan
 City/State/Zip: Ottawa, KS 66067
 Contact Person: Jay Schendel
 Phone: (785) 893-2060

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

County: Miami
 Lease Name: Prothe Well #: 21-3
 Field Name: Forest City Coal Gas Area

CONTRACTOR: License# 5885 (8-30-2005)
 Name: Susie Glaze dba R.S. Glaze Drilling

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

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input checked="" type="checkbox"/> Infield	<input type="checkbox"/> Mud Rotary
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Pool Ext.	<input checked="" type="checkbox"/> Air Rotary
<input checked="" type="checkbox"/> OWWO	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Other	
<input checked="" type="checkbox"/> Other: <u>Coal Bed Methane</u>		

Nearest Lease or unit boundary: 330'
 Ground Surface Elevation: 1,067 feet MSL

Water well within one-quarter mile: Yes No
 Public water supply well within one mile: Yes No

If OWWO: old well information as follows:
 Operator: Evergreen Operating Corp.
 Well Name: Prothe 21-3
 Original Completion Date: 3/26/04 Original Total Depth: 500'

Depth to bottom of fresh water: 200
 Depth to bottom of usable water: 260

Surface Pipe by Alternate: 1 2
 Length of Surface Pipe ~~Planned to be set:~~ 40'

Directional, Deviated or Horizontal wellbores? Yes No
 If Yes, true vertical depth: _____

Length of Conductor Pipe required: none
 Projected Total Depth: 1,040'

Bottom Hole Location: JAN 25 2005
 KCC DKT #: _____

Formation at Total Depth: Coal/Shale
 Water Source for Drilling Operations:
 Well Farm Pond Other City Water

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

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

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 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: January 25, 2005 Signature of Operator or Agent: Donna Skanda Title: Agent

For KCC Use ONLY
 API # 15 - 121-27807-00-01
 Conductor pipe required NONE feet
 Minimum surface pipe required 40' SET feet per Alt. \downarrow (2)
 Approved by: RJP 1-25-2005
 This authorization expires: 7-25-2005
 (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

3
18
24E

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

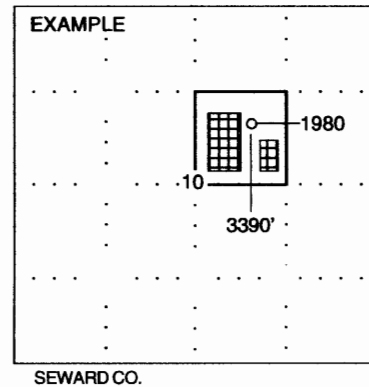
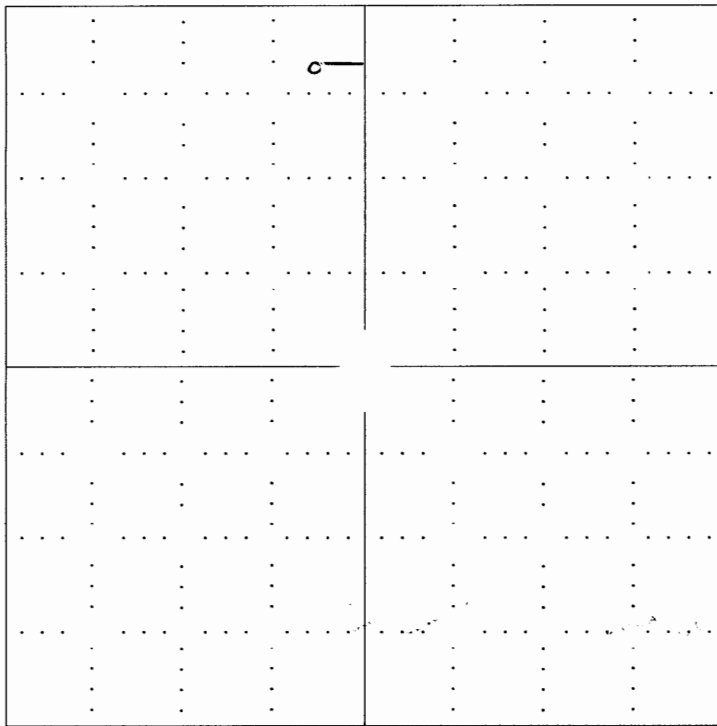
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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: Heartland Oil & Gas Corporation
 Lease: Prothe
 Well Number: 21-3
 Field: Forest City Coal Gas Area
 Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: E2NE - NE - NW

Location of Well: County: Miami
495 feet from N / S Line of Section
2310 feet from E / W Line of Section
 Sec. 3 Twp. 18 S. R. 24 East West
 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.)*



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

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).