

For KCC Use: Effective Date: 11-28-2004 District #: 4 SGA?  Yes  No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

CORRECTED

Form C-1 December 2002 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: February 21 2005 month day year

OPERATOR: License# 33386 Name: C G OIL, LLC Address: P.O. Box 207 City/State/Zip: Victoria, KS 67671 Contact Person: Ronald J. Schmidtberger Phone: (785) 735-2274

CONTRACTOR: License# 31548 Name: Discovery Drilling Co., Inc.

Well Drilled For: Oil [X], Gas, OWWO, Seismic; # of Holes, Other. Well Class: Infield, Pool Ext., Wildcat, Other. Type Equipment: Mud Rotary [X], Air Rotary, Cable.

If OWWO: old well information as follows: Operator, Well Name, Original Completion Date, Original Total Depth, Directional, Deviated or Horizontal wellbore? [X] No.

Spot CW/2 SE SW Sec. 30 Twp. 13 S. R. 16W East West Line of Section feet from N/S E/W Irregular? SECTION Regular Irregular?

County: Ellis Lease Name: R & K Field Name: Wildcat Is this a Prorated / Spaced Field? [X] No Target Information(s): LKC & Arbuckle Nearest Lease or unit boundary: 660 Ground Surface Elevation: 1982 feet MSL Water well within one-quarter mile: [X] No Public water supply well within one mile: [X] Yes Depth to bottom of fresh water: 180' Depth to bottom of usable water: 700' Surface Pipe by Alternate: [X] 2 Length of Surface Pipe Planned to be set: 200' + Length of Conductor Pipe required: None Projected Total Depth: 3575 Formation at Total Depth: Conglomerate Water Source for Drilling Operations: [X] Farm Pond DWR Permit #: Will Cores be taken? [X] No If Yes, proposed zone: (OK PER KCCDIST #4)

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: February 28, 2005 Signature of Operator or Agent: [Signature] Title: Agent

For KCC Use ONLY API # 15 - 051-25372-00-00 Conductor pipe required NONE feet Minimum surface pipe required 200 feet per Alt. Approved by: RJP11-23-04/RJP 3-15-05 This authorization expires: 5-23-05 (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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**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: C G OIL, LLC  
 Lease: R & K  
 Well Number: 1  
 Field: Wildcat  
 Number of Acres attributable to well: \_\_\_\_\_  
 QTR / QTR / QTR of acreage: \_\_\_\_\_

Location of Well: County: Ellis  
 \_\_\_\_\_ 660 feet from  N /  S Line of Section  
 \_\_\_\_\_ 1650 feet from  E /  W Line of Section  
 Sec. 30 Twp. 13 S. R. 16W  East  West

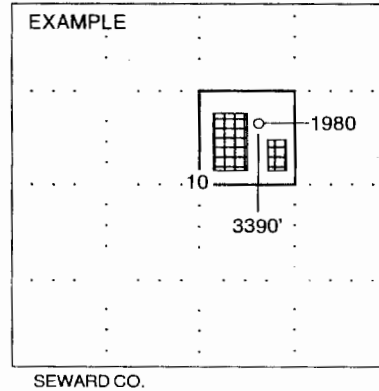
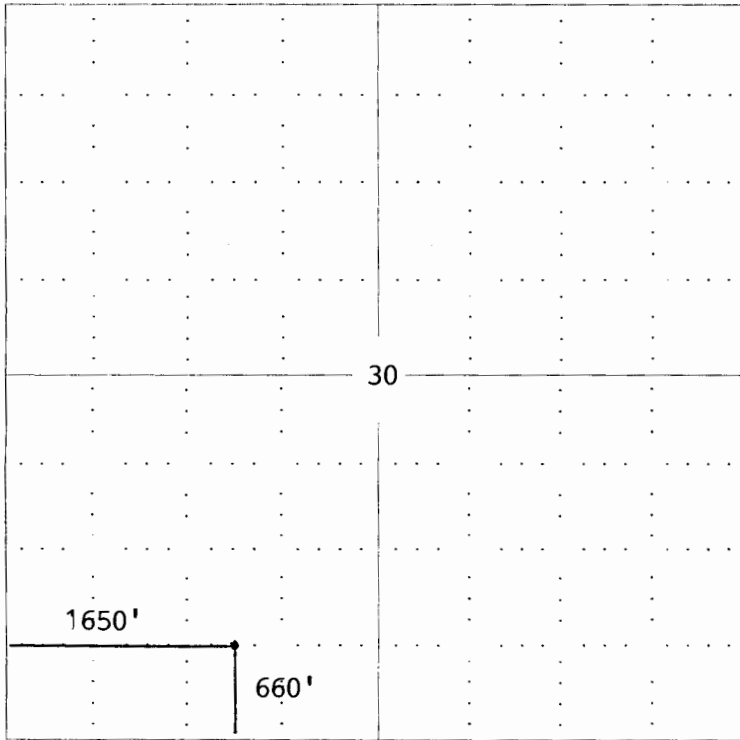
Is Section:  Regular or  Irregular

**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 location.**

**Ellis Co., KS**

**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: (C0-7 for oil wells; CG-8 for gas wells).