* CORRECTED

For KCC Use: 2-21-05
Effective Date: 1
District #
SGA? [ ] Yes [X] 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: March (month) 21 (day) 2005 (year)

OPERATOR: License# 33437 (7-30-05)
Name: Sedona Oil & Gas Corporation
Address: 5646 Milton, Suite 221
City/State/Zip: Dallas, TX 75206
Contact Person: Jack B. Mong
Phone: 214-368-6383

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MAR 16 2005
CONSERVATION DIVISION
WICHITA, KS

CONTRACTOR: License# 33006 (3-30-05)
Name: Ace Drilling

Well Drilled For: [✓] Oil [ ] Gas [ ] OWWO [ ] Seismic; # of Holes [ ] Other
Well Class: [ ] Enh Rec [ ] Storage [ ] Disposal [✓] Infield [✓] Pool Ext. [ ] Wildcat [ ] Other
Type Equipment: [✓] Mud Rotary [ ] Air Rotary [ ] Cable

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 #:

Spot: [ ] East [✓] West
SW - NE - SE Sec. 13 Twp. 22 S. R. 23
1345 feet from [ ] N / [✓] S Line of Section
830 feet from [✓] E / [ ] W Line of Section
Is SECTION ✓ Regular ___ Irregular?

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

County: HODGEMAN
Lease Name: WAYNE BILLINGS TRUST Well #: 1
Field Name: HANSTON-OPPY
Is this a Prorated / Spaced Field? [ ] Yes [X] No
Target Formation(s): MISSISSIPPIAN
Nearest Lease or unit boundary: 830' EAST
Ground Surface Elevation: 2308 feet MSL
Water well within one-quarter mile: [ ] Yes [X] No
Public water supply well within one mile: [ ] Yes [X] No
Depth to bottom of fresh water: 220'
Depth to bottom of usable water: 660' PERMIAN
Surface Pipe by Alternate: [✓] 1 [ ] 2
Length of Surface Pipe Planned to be set: 900 PER OPERATOR
Length of Conductor Pipe required: NONE
Projected Total Depth: 4500'
Formation at Total Depth: MISSISSIPPIAN
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:

* WAS: 950'FSL, 2280'E, NW SW SE
IS: 1345'FSL, 830'FSL, SW NE SE

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: MARCH 15, 2005 Signature of Operator or Agent: J B Mong Title: LAND MGR.

For KCC Use ONLY
API # 15 - 083-21493-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 680 feet per Alt. (1) 2
Approved by: RJP 2-16-05 / 12JP 3-17-05
This authorization expires: 8-16-05
(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:

13 22 23W

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

Side Two

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 - 083-21493-00-00

Operator: Sedona Oil & Gas Corporation

Lease: WAYNE BILLINGS TRUST

Well Number: 1

Field: HANSTON-OPPY

Number of Acres attributable to well: _____

QTR / QTR / QTR of acreage: SW - NE - SE

Location of Well: County: HODGEMAN

1345 feet from ☐ N / ☑ S Line of Section

830 feet from ☑ E / ☐ W Line of Section

Sec. 13 Twp. 22 S. R. 23 ☐ East ☑ West

Is Section: ☑ Regular or ☐ Irregular

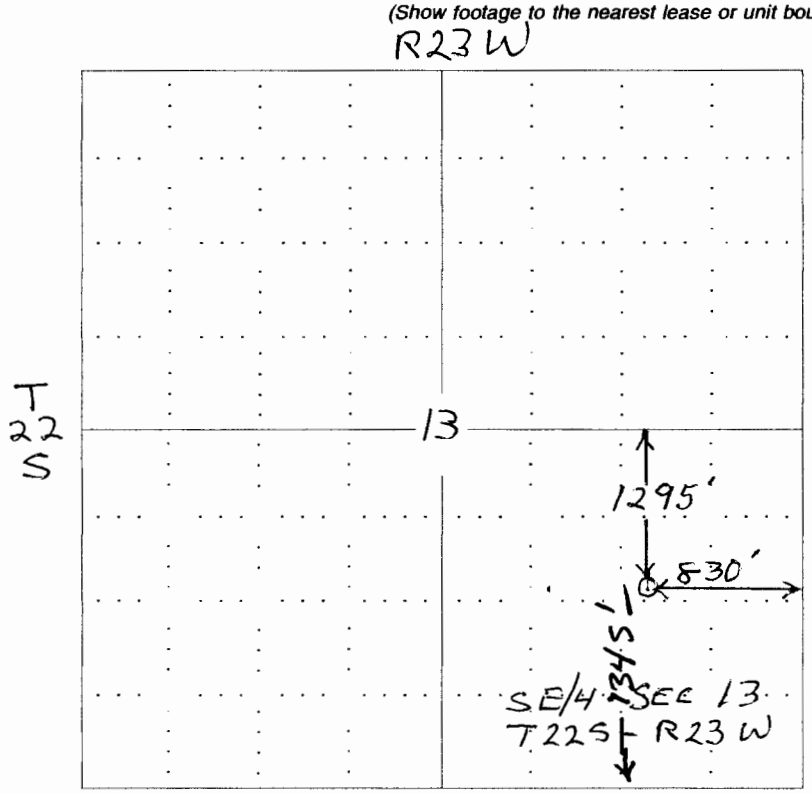
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: ☐ NE ☐ NW ☐ SE ☐ SW

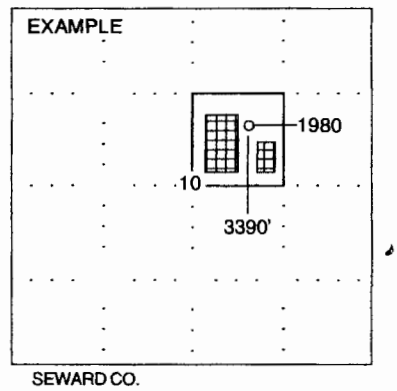
PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

(Show footage to the nearest lease or unit boundary line.)



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WICHITA, KS



SEWARD CO.

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).