

PERMIT EXTENSION

Form C-1

December 2002

Form must be Typed

Form must be Signed

All blanks must be Filled

For KCC Use: 11-23-04
Effective Date:
District #: 3
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

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

Expected Spud Date January 17 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 Chambers
Phone: 205-345-9063

CONTRACTOR: License# 33239 32980
Name: Pense Bros. Drilling Co., Inc.

Well Drilled For: Well Class: Type Equipment:
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 #: Permit extension request
received May 11, 2005.
New expiration date is
Nov. 18, 2005 (rjp/kcc)

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: 11/16/04 Signature of Operator or Agent: David M. Chambers Title: 11/16/04

For KCC Use ONLY
API # 15 - 001-29154-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 20 feet per Alt. + 2
Approved by RJP 11-18-04/RJP S-11-05
This authorization expires: 5-18-05/11-18-05
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: Agent:

Spot N/2 NE NE Sec. 22 Twp. 26 S. R. 20 East West
400 feet from N / S Line of Section
600 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: Jackson Well #: A4-22
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: 1034 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:

RECEIVED
KANSAS CORPORATION COMMISSION
NOV 18 2004

CONSERVATION DIVISION
WICHITA, KS

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

22 26 20 E