

CORRECTED

For KCC Use:
Effective Date: 7-30-05
District # 4
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 August 1, 2005
month day year

OPERATOR: License# 33396
Name: Fair Oil, Ltd.
Address: P.O. Box 689
City/State/Zip: Tyler Tx 75710
Contact Person: Rodney K Thomson
Phone: 903-510-6527

CONTRACTOR: License# 5822
Name: Val Energy Inc.

Spot N/2 N/2 SE
NE NE SW Sec. 27 Twp. 15S S. R. 29 East West
2310 feet from N / S Line of Section
1320 feet from E / W Line of Section

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

County: Gove
Lease Name: KS5C Dorothy York Well #: 27-1
Field Name: Wildcat Dowel West

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Kansas City
Nearest Lease or unit boundary: 330'

Ground Surface Elevation: 2573' 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: estimate 100' 150'
Depth to bottom of usable water: estimate 4250' 1050'

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 300'
Length of Conductor Pipe required: NONE

Projected Total Depth: 4800'
Formation at Total Depth: Mississippian

Water Source for Drilling Operations:
 Well Farm Pond Other X
DWR Permit #: _____

(Note: Apply for Permit with DWR)
Will Cores be taken? Yes No
If Yes, proposed zone: _____

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
 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 #: _____

RECEIVED
KANSAS CORPORATION COMMISSION
JUL 25 2005

**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.

* WAS: N/2 N/2 SW
IS: N/2 N/2 SE

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.
Date: July 22, 2005 Signature of Operator or Agent: Rodney K. Thomson Title: Production Manager

For KCC Use ONLY
API # 15 - 063-21595-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 200 feet per Alt. + (2)
Approved by: RSP 7-25-05 RSP 7-26-05
This authorization expires: 1-25-06
(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: _____

27
15
29W