

FIRST
CORRECTED

For KCC Use:
Effective Date: 7-30-05
District # 1
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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 07 30 2005
month day year *

Spot East
SE SE SE Sec. 24 Twp. 17 S. R. 41 West
330 feet from N / S Line of Section
330 feet from E / W Line of Section
Is SECTION Regular Irregular?

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

County: Greeley
Lease Name: Smith Well #: 1
Field Name: Bradshaw

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

Nearest Lease or unit boundary: 330
Ground Surface Elevation: 3655 EST 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: ~~1200~~ 230
Depth to bottom of usable water: 1715

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 250

Length of Conductor Pipe required: None
Projected Total Depth: 3000'
Formation at Total Depth: Chase

Water Source for Drilling Operations:
 Well Farm Pond Other Water to be hauled

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

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

OPERATOR: License# 33573
Name: Arena Resources, Inc.
Address: 4920 S. Lewis, Suite 107
City/State/Zip: Tulsa, Ok 74105
Contact Person: Stan McCabe
Phone: 918-747-6060

CONTRACTOR: License# 33436 ✓
Name: Forest Energy

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 #: _____

* WAS: 24-17-40W, 3575 ELEV
IS: 24-17-4W 3655 ELEV.

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq. **RECEIVED KANSAS CORPORATION COMMISSION JUL 25 2005 CONSERVATION DIVISION WICHITA, KS**

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: 7-20-05 Signature of Operator or Agent: Edmund O. Hollaway Title: Engineer

For KCC Use ONLY
API # 15 - 071-20828-00-00
Conductor pipe required NONE feet
Minimum surface pipe required 250 feet per Alt. ← ②
Approved by: RJP 7-25-05
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: _____

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

24
17
41W